

Santam Mzansi Business Insurance - Policy Wording

Santam Mzansi Business Insurance is a unique insurance product designed to provide cover for small emerging businesses.

This Policy Wording will explain the following to you

- What is covered
- What is not covered
- Examples to help explain practical ways in which the cover is applied

This is a plain language document, ensuring that it is easy to read and conveys the details of your policy in the clearest possible way.

“You or Your” - Refers to the Insured as stated in the Policy Schedule.

“We or Us” - Refers to the Insurance Company as stated in the Policy Schedule.

Please read through this Policy Wording together with your Policy Schedule, to make sure you understand the scope of your cover.

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A) GENERAL CONDITIONS

The Basis of Our Contract

This document together with your Policy Schedule and any written correspondence form the basis of the contract between you, the Policy Holder, and us, the Insurer. It is important that you read and understand these documents and that you make sure that all the information supplied by you, or anyone acting on your behalf, is correct. Any incorrect information, provided throughout the duration of cover, as well as at claims stage, may affect the validity of this contract. Your Policy starts when we agree the cover, premium, terms, conditions and commencement date with you in writing. If there are any conflicts in understanding between this Policy Wording and your Policy Schedule, the wording communicated in your Policy Schedule will override this Policy Wording.

Territorial Limits

The cover granted by your Policy applies only within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Zambia and Mozambique.

Premium Payment

It is your responsibility to ensure that the premium is paid by the latest the 16th day of each month, failing which there is no cover for that month. Your method of premium payment will be reflected in the Policy Schedule.

Policy Cancellations

You may cancel your Policy at any time and with immediate effect. We may cancel your Policy by giving you 31 days' notice in writing.

Cooling Off Period

A cooling off period of 14 days is applicable from the inception date of the policy, which allows sufficient time to familiarize yourself with the terms and conditions of this product. If you decide for any reason that this policy does not meet your requirements, you can cancel this policy in writing within the 14 days period. We will refund any premiums paid before the cancellation notice subject to the deduction of the cost of any risk cover actually enjoyed, provided you have not claimed. However, if you wish to cancel the policy after the 14 day cooling off period, you will only be entitled to a pro-rata refund of the premium.

Policy Changes

You may make changes to your Policy at any time. Any change you make will be effective from the time and date agreed to. We may change your Policy by giving you 31 days' notice in writing.

Duty to Disclose Material Information

We base the limit of compensation, the premium, indemnification and other terms, conditions and exclusions in this policy on the information that you give to us. You have the obligation to give us all material information. Material information is information that a reasonable person would consider you should have given to us so that we can assess your risk and the validity of your claim.

If you do not fulfil all the obligations above, we may do one or more of the following:

- Cancel your policy
- Not accept your claim
- Void your policy (treat it as null and void)
- Recover any compensation we have given for previous claims

Your Responsibilities

- In order to have cover you need to give us true and complete information when you apply for cover, submit a claim or make changes to your Policy. This also applies when anyone else acts on your behalf.
- You must inform us immediately of any changes to your circumstances that may influence whether we give you cover, the conditions of cover or the premium we charge, for example you must inform us of the following :
 - Any changes to any information on your Policy Schedule; this includes but is not limited to :
 - Stated Business Activity
 - Contact Details and Business Address
 - Specified insured items due to replacement and or upgrade
 - Any changes to your financial position, or that of any member, partner or director, specifically relating to defaults, civil judgements, administration orders, sequestrations, liquidations and solvency of companies in which you have an interest
- You must ensure that your employees, members, partners, directors and any tenants at the insured premises comply with the terms and conditions of this policy.

B) CLAIM CONDITIONS

- We have the choice to settle your claim in any of the following ways :
 - Paying out cash to you
 - Repairing the damage at or by a repairer of our choice
 - Replacing the item at a supplier of our choice
 - Any combination of the above
- We will not indemnify you for the inconvenience it causes you or money you lose or for any liability you may incur where the unavailability of parts causes a delay on the repair process.
- Where any item claimed for is financed, we will first pay the finance company.
- Where a claim is settled for lost or damaged items, these items become ours.
- You need to report your claim or any incident that might lead to a claim to us as soon as possible, but not later than 30 days, after any incident. This includes incidents for which you do not want to claim but which may result in a claim in the future.
- You need to report any lost items, fire, theft, attempted theft or damage caused intentionally to the police within 24 hours of you becoming aware of the incident.
- You must take preventative action following an incident to prevent or minimise future loss, damage, injury or liability.
- You need to give all information and documentation we require within the time frame we set. This information must be true and complete, as any information which is misleading, incomplete or false will prejudice the claims process.
- You need to provide proof of ownership and value of any item that you are claiming for.
- You must make damaged items which you are claiming for available for inspection in order to substantiate the extent and nature of the damage.
- Before doing any repairs, you must first get our approval.
- You must never admit guilt nor offer settlement to any other party involved in an incident in which you are involved. We will not be bound by any admission or offer you make to any person in relation to any incident.
- You need to comply with our reasonable instructions and requests.
- The Excess is the amount you contribute for each and every claim and is noted in your Policy Schedule. This is the first amount payable and is non-refundable. You still need to pay the Excess even though you did not cause the loss.
- Dual Insurance - if there are any other insurance policies giving the same cover as in this policy, we will pay our pro-rata portion of any claim. This does not apply to Personal Accident cover.
- When you submit a claim, we can act on your rights or obligations against other people to recover costs or to defend any claim they may have against you. This principle is called subrogation.
- If you dispute the outcome of your claim, you have 90 days from the day you are first informed of the outcome to notify us about your objection. Immediately following this, you have a further 180 days in which to serve a summons on us, failing which your right to challenge the decision is forfeited.
- If you or anyone acting on your behalf submits a claim, or any information or documentation which misrepresents the facts, relating to any claim that is in any way fraudulent, dishonest or inflated, we will reject that entire claim and cancel your policy retrospectively to the reported incident date or the actual incident date, whichever date is earliest. You will also be required to reimburse us for any expenses we incur relating to the claim.
- In addition to the terms and conditions in this policy, you are required to abide by all laws and by-laws of the legal jurisdiction in which you find yourself. For example, if you are required by law to have fire-fighting equipment in your place of business, this policy will require the same from you.
- This Policy is regulated by the law and is subject to the jurisdiction of the courts of South Africa. Compensation is excluded for damages in judgments awarded outside South Africa, including costs and expenses involved in that process.

C) WHAT IS NOT COVERED BY THIS POLICY

This policy does not cover any loss, damage, liability or injury directly or indirectly arising from any of the following:

- ✗ War or war-like acts.
- ✗ Riot and Terrorism
- ✗ 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 these events
- ✗ Any act or activity of looting committed as part of the acts of riots (political and non-political); strikes (legal and illegal); public disorder; civil commotion; labour disturbance; xenophobia or Afrophobia acts
- ✗ Mutiny, popular uprising, 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
- ✗ Insurrection, rebellion or revolution
- ✗ 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
- ✗ 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 and disorder in the public or any section thereof
- ✗ 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.
- ✗ Pollution, contamination, radioactive material, nuclear material or nuclear waste.
- ✗ There is no cover where the damage or loss is due to construction, alteration or repairs, defective workmanship, defective materials or lack of maintenance.
- ✗ Power Surge
- ✗ Wear-and-tear and breakdown:
 - Any cause that was not sudden and unforeseen
 - Mechanical, electrical or electronic breakdown, defect or failure
 - Damage to consumable parts or parts with a limited lifespan
 - Damage recoverable under any maintenance or lease agreement
 - Servicing, maintenance, cleaning, repairing, restoring, dyeing, bleaching or alteration
 - Small scratches and dents to the overall body of the vehicle acquired over a period of time
- ✗ Fungus, rot, mould, infestation, insects, rodents or vermin.
- ✗ Breach of contract, or liability arising from a contract, unless you would have had the same liability had you not entered into the contract
- ✗ Consequential loss - Any consequential loss or damage not directly caused by an insured peril unless specifically noted.
- ✗ Any inconvenience it causes you, or any costs arising, as a result of a rejected claim or incident.
- ✗ Illegal activities - The use of the insured property for, or in connection with, the commission of any offence.
- ✗ There is no cover if the loss occurs outside the period of insurance as stated in your Policy Schedule.
- ✗ Any incident relating to obtaining, using or soliciting narcotics.
- ✗ There is no cover for malicious damage caused by any person
- ✗ Theft caused by you, any members, partners, directors, drivers or employees.
- ✗ There is no cover if you, or anyone acting on your behalf, violate the terms of cover and/or the claims conditions.

D) COVER APPLICABLE

CONTENTS and STOCK

What you need to know about CONTENTS and STOCK Cover :

- CONTENTS - Refers to any movable items that are used at your place of business such as desks, chairs, furniture and other contents, but excluding stock in trade and electronic equipment.
- STOCK - Refers to stock in trade used for your Business Activity, including raw materials, finished goods and goods being manufactured.
- LIMIT - The amount that can be paid out for any one claim is limited to the Cover Limit as reflected in your Policy Schedule, minus any Excess (First Amount Payable). This should be based on how much it would cost to replace your Contents and Stock (**at the cost price**).
- LOCATION - The Contents and Stock are only insured at the addresses that have been noted as your business addresses on your Policy Schedule. If you take any Contents or Stock away from the business address, they are not covered until returned to the business address.
- COVER - This cover insures you for loss or damage that are the result of :
 - Fire and or explosions
 - Acts of nature such as floods, storms, wind, lightning, or hail
 - Impact, for example from a vehicle or falling tree
 - Theft - You may only claim up to the percentage of the Cover Limit reflected in your Policy Schedule.
 - Accidental Damage - You may only claim up to the percentage of the Cover Limit reflected in your Policy Schedule.

What is NOT covered under CONTENTS and STOCK :

- ✗ Theft if there is no physical, forced, or visible entry into and/or exit from such building
- ✗ Damage to stock and materials in trade due to water, unless these items are kept on shelves or pallets, at least 15cm or more above the floor of the insured premises
- ✗ Geyser bursts or leakages, as well as the damage caused by this
- ✗ Buildings unoccupied for more than 60 consecutive days
- ✗ Damage caused by leaving Contents or Stock outside of a building unless it is designed to exist outside
- ✗ Damage caused by gradual deterioration, wear and tear, vermin or other rodents
- ✗ Electronic Equipment and Machinery
- ✗ Money, other negotiable instruments or personal documents
- ✗ Matching materials - Any additional costs resulting from the unavailability of matching or paired up Contents
- ✗ Damage to, or theft of, any Contents or Stock while it is being transported
- ✗ Livestock
- ✗ Malicious damage
- ✗ Damage to, or theft of, any Contents or Stock that is not consistent with your Business Activity as reflected in your Policy Schedule

BUSINESS ALL RISKS (cover only applicable if reflected in your Policy Schedule)

What you need to know about BUSINESS ALL RISKS Cover :

- DEFINITION - Business All Risks Items are only insured if they are named and specified on your Policy Schedule. Items that are not named and specified are NOT insured. You must inform us immediately if you have replaced or upgraded any item specified in this section.
- LIMIT - The amount that can be paid out for a claim on any one Item is limited to the Cover Limit for that specific Item, minus any Excess (First Amount Payable).

- COVER - The specified item is insured for all events unless explicitly excluded in the Policy Schedule or Policy Wording.

What is NOT covered under BUSINESS ALL RISKS :

- ✗ Theft from a vehicle unless the items are concealed and locked away in the enclosed storage areas such as the cubby hole and boot, or within a securely locked canopy.
- ✗ Damage to any insured item caused by animals, insects or pests
- ✗ Theft of items left in a vehicle overnight, unless the vehicle is housed in a securely locked building and there are visible signs that the building and vehicle was broken into
- ✗ Loss or damage arising from normal usage, consumption, gradual deterioration, wear and tear and rusting
- ✗ Loss of or damage to property that is being cleaned, repaired, restored or altered in some other way

PUBLIC LIABILITY (cover only applicable if reflected in your Policy Schedule)

What you need to know about PUBLIC LIABILITY Cover :

- DEFINITION : Public Liability Cover insures you for expenses/damages that you are legally liable to pay as the result of loss of or damage to any person or property. Your legal liability must be based on a decision made in a South African Court of Law. This damage must occur during your normal business activity as stated in your Policy Schedule.
- LOCATION : You are only insured for events that occur at your business address, as noted in your Policy Schedule.
- TIME : The event for which you are deemed to be legally liable, thus resulting in a claim must take place during the time that you are insured under this Policy.
 - You are required to inform us as soon as you are aware of any event that may result in a Public Liability Claim.
 - Failing to notify us of any event that may result in a Public Liability Claim may result in a claim being rejected as you may have denied us the possibility of limiting the extent of the Claim.
 - If your Policy is cancelled, you have 30 days to notify us of any event that took place while your Policy was active that may result in a Public Liability claim.
- LIMIT : The Limit that you can claim for as the result of any one event for which you are deemed to be legally liable is noted as the Limit of Liability in your Policy Schedule. This Limit includes legal fees.
- COVER : Under Public Liability, you are insured for :
 - Accidental death, injury or illness
 - Accidental damage to tangible property
 - Damages payable as the result of your contributing to wrongful arrest at your business address
 - Emergency Medical Expenses incurred by you as the result of accidental death, injury or illness for which you are later deemed to be legally liable
 - Products Liability - This insures you for losses for which you are deemed to be legally liable as a result of products sold or supplied by you in connection with your Stated Business Activity. Products Liability is limited to 25% of your Limit of Liability
 - Defective Workmanship - This insures you for damages for which you are proven to be legally liable as a result of any defect, error or omission in your work performed at your business address, as stated in your Policy Schedule. These losses must occur after the completion and handing over of the work. You are not insured for the defects, errors and omission themselves but for the losses that occur as a result of these defects, errors and omissions. Defective Workmanship Liability is limited to 25% of your Limit of Liability
 - Work-Away Liability - This covers you for damages for which you are proven to be legally liable, as described above, while working away from your business address. Such work must be consistent with your stated Business Activity. Work-Away Liability is limited to 25% of your Limit of Liability

What is NOT covered under PUBLIC LIABILITY :

- ✗ Legal Defence Costs for any criminal charges brought against you
- ✗ There is no cover for any accidental death, injury or illness of any employee, member, partner, director, principal, service contract worker or for any member of your family or household

- ✗ There is no cover for damage to property belonging to you or in your control
- ✗ There is no cover for any property belonging to any employee, member, partner, director, principal, service contract worker or for any member of your family or household
- ✗ There is no cover for liability arising from property that is damaged whilst the property is being repaired or maintained, or for any damages arising from repairs done to any property
- ✗ The following is not covered under PRODUCTS LIABILITY :
 - Death, injury or illness resulting from food or beverages sold
 - Loss, damage, injury or illness arising from defective or faulty design
 - The cost of repairing, altering, recalling or replacing the faulty goods and products
 - If a faulty product is installed in some building or machinery, the cost of retrieving that faulty product will not be included
 - Any losses arising from inefficacy of such goods and products where they do not produce the expected result
 - Loss, damage, injury or illness arising from goods and products exported to any country outside of South Africa
- ✗ The following is not covered under DEFECTIVE WORKMANSHIP LIABILITY :
 - The cost of fixing or recalling the actual defective work
 - Any losses arising from inefficacy of such work where it does not produce the expected result
 - Liability prior to the handing over of such work
 - Liability arising from defective design
 - Liability from any work carried out on aircrafts or any part thereof
- ✗ Vehicles - Liability arising from the ownership, possession, maintenance, repair, operation or use of vehicles, aircraft or watercraft
- ✗ Liability arising from:
 - Any potential liability claims arising from any event which occurred on any date during which this Policy was not in force
 - Any advice or treatment of a professional nature
 - Damage caused by blasting, vibration or by the removal or weakening of or interference with support to any land, building or other structure
 - The use of pure asbestos or products made mainly of asbestos
 - The use of weapons or firearms
 - Agreements or contracts that have been entered into by yourself, unless liability would have arisen anyway without such agreement or contract
- ✗ Fines and penalties - Damages arising from fines, penalties, punitive, exemplary, or vindictive damages.
- ✗ Damages awarded, as well as litigation costs and expenses incurred, in respect of judgements delivered or obtained in the first instance, otherwise than by a court of competent jurisdiction within South Africa.

PERSONAL ACCIDENT (cover only applicable if reflected in your Policy Schedule)

What you need to know about PERSONAL ACCIDENT Cover :

- DEFINITION - Cover is limited to only the person/s named and listed in your Policy Schedule.
- LIMIT - The maximum amount that will be paid out for any one claim is noted as the Cover Limit in your Policy Schedule.
- COVER - Personal Accident Cover pays out a set amount should a person, named under this section of the policy, suffer death or be determined permanently disabled (by a specialist physician) as a result of an accident of sudden, unforeseen, violent, external and visible nature. In the event of death, such death must occur within 24 months of this accident.

CONDITIONS

- It is agreed that after suffering accidental bodily injury for which payment may be made as compensation under this extension, the injured individual will willingly submit to medical examination report and/or treatment, if requested to do so by us. No claims will be paid unless this requirement is met.
- In the event that an incident results in a death for which a payment of compensation should be made under this extension, a death certificate must be submitted to us and/or a postmortem may be conducted at our expense.
- It is understood that it is solely at our discretion whether payment will be made to the Insured Person, his immediate family, legal representative, or a Funeral Service company.

Permanent Disability means	Percentage of compensation
Permanent and total loss of all sight of both eyes	100 %
Total loss by physical severance at or above the wrist or ankle of both hands or both feet or of one hand and one foot	100 %
Total loss by physical severance at or above the wrist or ankle of one hand or one foot and permanent and total loss of sight of one eye	100 %
Permanent and total loss of all sight in one eye	50 %
Total loss of or physical severance at or above the wrist or ankle of one hand or one foot	50 %
Injury resulting in total and absolute incapacity from following usual business or occupation for which the Insured Person is fitted by knowledge or training	100 %

What is NOT covered under PERSONAL ACCIDENT:

- ✗ There is no cover for people under the age of 14, or over the age of 70
- ✗ There is no cover for medical expenses
- ✗ Death or disability caused by:
 - War and war like conditions
 - Suicide, attempted suicide or any self-inflicted injury
 - Insanity
 - Any disease passing from one person to another
 - Any existing physical defect or infirmity
 - Pregnancy or childbirth
 - Being under the influence of alcohol or drugs
 - Provoking assault, breaking the law or disturbing the peace
 - Riots, strike action and civil commotion
 - Participation in any defence, correctional or security services
 - An accident which occurs while you are travelling in, getting on or off any aircraft unless it is licensed to carry passengers, owned by a registered Transport Company and you are a fare-paying passenger
- ✗ An accident which occurs while you are taking part in off-road motorcycling, any kind of speed contest other than on foot, aeronautics, hang-gliding, skydiving, parachuting, mountaineering where the aid of guide ropes is required, rock climbing, game hunting, hurdling, steeple chasing, polo, professional sports, snow or ice sports, racing on horseback, power-driven vehicles, watercraft or aircraft, martial arts, bungee jumping, scuba or deep-sea diving
- ✗ Mining or using explosives

E) SASRIA cover

Cover is provided by SASRIA Limited and is automatically included in this Policy. All events which may give rise to a claim in terms of SASRIA must be reported to the South African Police Services as soon as reasonably possible.

Please refer to the SASRIA Policy Wording that is applicable to the SASRIA cover reflected in your Policy Schedule and follows directly after this Santam Mzansi Business Insurance Policy Wording.