



Artinsure Underwriting Managers (Pty) Limited

Insurance for Fine Art Auctioneers

Hollard.

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1. INTRODUCTION

This Policy has been designed to meet the needs of the fine art auctioneer. The Policy wording, any Endorsements and the accompanying Schedule should be read together and carefully to ensure they fully reflect Your instructions. If anything is not correct please notify Your broker immediately.

In accordance with the terms and conditions within this Policy We will insure You against physical loss or physical damage to Your Consignments. We will also insure You for a claim for loss or damages arising under the additional sections which We have agreed to insure You for as shown in the Schedule. We will insure You during the Period of Insurance for which We have accepted Your premium. We will do this so long as You have paid Your premium and all the terms and conditions of the Policy are complied with.

Please note that this is a legal document and must be kept in a safe place. In order to ensure that We are able to meet Your needs You must inform Us via Your broker immediately should any changes take place after the start of this insurance which may affect Your Policy. If you do not inform Us cover in terms of the Policy may be voided.

2. DEFINITIONS

This Policy contains certain words which have special meanings and We have provided these meanings here.

Agreed Value	These are the Values agreed between You and Us for the purposes of this Policy only. They do not reflect our view of what You may attain at sale.
Amount Insured	This is the most We will pay for a valid claim as shown in and determined by the Schedule and which may be represented by the Agreed Value, the Fair Market Value or the Basis of Settlement as the context may indicate in this Policy.
Basis of Settlement	The calculation of Value as set out in the Schedule by which We will determine what We must pay you for a valid claim under this Policy in the absence of an Agreed Value or other value as this Policy may provide for, and subject always to the Amount Insured for that particular section of cover in terms of which the valid claim is brought by You.
Buyers Premium	The amount payable to You by the buyer in addition to the selling price as laid down in your conditions of sale.
Contents	Trade and office furniture, display cases and the like; Your computer and other electronic equipment, Your fixtures, fittings, interior decorations and improvements you have made to Your Premises as a tenant affixed to the Premises; Your library and other reference books.
Consignments	Property in Your custody held for auction, valuation or authentication
Data	Information stored by or on a computer, Laptop, Palmtop, documents, manuscripts and business books.
Depreciation	The reduction in value of an item directly caused by physical damage to the item.
Endorsement	Any amendments made to the Policy which attaches to the policy and which has been made by Us and sent to You in writing.
Excess	The amount for which You are responsible as the first part of each agreed claim.
Goods Receipt Book	A physical Consignments ledger and/or a centralised computer ledger.
Goods Receipt Note	A physical receipt issued to a client consigning a work to You for sale
Policy	The insurance contract in place between You and Us consisting of this Policy wording and the Schedule and any Endorsements or amendments as may be made to it from time to time.

Premises	The buildings at the address(es) specified in the Schedule, including the storerooms and outbuildings but not the gardens or grounds.
Employees	(a) any person while employed under a contract of service with or apprenticeship to the insured; (b) any person while hired or seconded from any other party into the service of the insured; who the insured has the right at all times to govern, control and direct in the performance of his work in the course of the business of the insured.
Fair Market value	The value of replacing the item in the current market involving an arms-length sale between a willing buyer and a willing seller.
Lot	An item or set of items to be offered together for sale
Money	Currency in circulation, cheques, or other financial instruments which are either Your property or for which You are responsible.
Period of Insurance	The period shown in the Schedule for which You have paid or have agreed to pay and We have accepted or agreed to accept Your premium and in doing so We have agreed to provide the insurance as set out in and subject to the terms and conditions of this Policy.
Reserve Price	The lowest price at which the Lot may be sold before deduction of commission agreed by or set for the protection of the vendor
Safe	A strong lockable cabinet constructed of reinforced steel specifically designed to protect items of high value from theft or unauthorised removal, made by a recognised specialist manufacturer, which is securely fixed to the wall or floor of the building within which it is contained.
Selling Commission	The fee payable to You by the vendor including VAT, for your services relating to the sale of a lot.
Schedule	The Schedule sent to You or Your broker or agent when We accepted this insurance and any subsequent amendment thereto, whichever is the most recent, showing information, included but not limited to Your name and address, the amounts insured and Period of Insurance which forms part of and is issued in accordance with the Policy.
Temporarily Elsewhere	Away from the Premises for a period not exceeding the maximum time allowed for in the Schedule.
Transits	Any shipping, consignment or sending of Consignments
Unoccupied	Not attended by the Employees during normal working hours
Value	The value of an item of Consignments in accordance with the Basis of Settlement or such other amount as determined by this Policy.
We or Us or Our	The Hollard Insurance Company Limited, the Insurer.
You or Your	The company, institution, partnership, membership organisation or entity named in the Schedule as the Insured

3. THE COVER – SECTION 1 CONSIGNMENTS

You are insured on the following basis, subject to the terms and conditions of this Policy:

CONSIGNMENTS	You are insured against a valid claim for physical loss or physical damage which happens to the Consignments at the Premises during the Period of Insurance.
FAIRS AND EXHIBITIONS	You are insured against a valid claim for physical loss or physical damage, up to the Amount Insured as shown in the Schedule, which happens to the Consignments whilst at the specified fairs and exhibitions during the Period of Insurance.
TRANSITS	<p>You are insured for a valid claim for physical loss or physical damage suffered during Transits during the Period of Insurance up to the Amount Insured specified in the Schedule provided that:</p> <ol style="list-style-type: none">i. Transits by air are either transported by You or Your employee as hand baggage and at all times kept in Your or Your Employee's actual, personal and vigilant possession; or are shipped as air cargo;ii. Transits by road are either transported by You or Your employee in a private car or van under Your or Your employee's control or are transported by a professional Fine Art carrier;iii. Any transit not by air or road is not covered by this Policy unless You have Our prior written agreement.
TEMPORARY STORAGE	Provided You have Our prior written agreement, You are insured for the reasonable costs of transporting and securing Your Consignments in the event that in our opinion Your Premises are rendered incapable of being occupied or the security is compromised as a result of sudden and unforeseen physical loss or damage to Your Premises. Provided that however for all and any claims whilst the Consignments remains under temporary storage the most We will pay is in aggregate 20% (twenty percent) of the Amount Insured of the Consignments.
DEPRECIATION PAIRS AND SETS	Depreciation is included where it occurs as a direct result of damage insured in this Policy. If any item which has increased in value because it forms part of a set is lost or damaged, any payment We make in respect of a valid claim will take into account the increased value. You may decide if We pay the Value of the entire pair or set. In any event, the most We will pay You is the Value of the pair or set subject to the Amount Insured. If We pay the full Amount Insured for an item, pair or set, of Consignments, We will own the item pair or set and have the right to take possession of it.

B. HOW MUCH WILL WE PAY SUBJECT AT ALL TIMES TO THE APPLICABLE AMOUNT INSURED:

The basis upon which Your claim will be settled for Consignments is as follows:

- A. In respect of items for which
 - 1. A reserve price has been set and no auction estimate has been fixed, the reserve price applies
 - 2. An auction estimate has been fixed with or without a reserve price., the mid point between the higher and lower estimate shall apply.
 - 3. No auction estimate or reserve price has been fixed, Your estimate of the auction selling price of the lot shall apply.

In respect of property 1, 2 and 3 above the auctioneers commission and buyers premium, if applicable, will be paid in addition.

- A. In respect of property sold, the selling price plus the buyer's premium if applicable.
- B. In respect of items for which You are responsible, other than items covered by A or B above, Your legal responsibility to the owner.

We will also pay Your defence costs incurred with our prior approval in the defence of any proceedings arising from a dispute regarding the basis of settlement under this part C

AGREED VALUES

If We have Agreed Values with you for a specific item of Consignments, the Basis of Settlement set out in the Schedule shall not apply and We will be liable for no more than the Agreed Value.

RECOVERED PROPERTY

If We recover any item from Your Consignments after a claim in relation to that item has been paid to You, We will notify You in writing and You can buy it back from Us. You will have to pay Us the amount We paid you in settlement of the claim plus interest at a rate permitted by law which would have been generated on the Money since the date of payment to You up to the time We recover it. You will have sixty days from the time of notifying You to decide to buy it from Us.

4. THE COVER – SECTION 2 CONTENTS

You are insured against physical unforeseen loss or damage to Your Contents, suffered whilst at Your Premises or whilst temporarily removed subject to the Amount Insured specified in the Schedule.

A. WHAT WE WILL PAY In the event of a valid claim for physical loss of or damage to Contents, We shall be liable for no more than the cost of replacement, repair, or restoration, at our option or a combination of the three, in each case to a condition equivalent to or substantially the same as but no better or more extensive than its condition as new.

AVERAGE If the total value of Your Contents immediately prior to the physical unforeseen loss or damage exceeded 120% (Hundred and twenty percent) of the Amount Insured for Contents stated on the Schedule, We shall only be liable to pay the same percentage of any claim that the Amount Insured bears to that total value.

AGREED VALUES If We have Agreed Values with You for a specific item of Contents, the average clause above shall not apply and We will be liable for no more than the Agreed Value.

B. Subject to the terms and conditions of this Policy, You are also insured against physical loss or damage in relation to the following:

PERSONAL EFFECTS Employees', directors,' partners' and visitors personal effects not exceeding R5 000 per person. You are not insured for the loss of cellular telephones.

MONEY Money not exceeding R50 000. We will only pay for loss of Money occurring at an Unoccupied Premises if the Money is in a locked safe and there is evidence of forced entry to such locked safe.

DATA REPLACEMENT Data, documents, manuscripts and business books but only for the cost of the materials and clerical labour and computer time expended in reproducing such Data or records (excluding any expense in connection with the production of information to be recorded therein) and not under any circumstance for the value to You of the information contained therein. The maximum We will pay for a valid claim under this sub-section is R50 000 in the aggregate. We will only pay for claims for loss of electronic Data if the Data is backed-up at least once a week and back up copies are kept off Your Premises.

DEBRIS REMOVAL The costs and expenses necessarily incurred by You with our prior written consent in removing debris and dismantling or demolishing of the Premises as a result of physical loss or damage insured under this Section. The maximum We will pay is R25 000 in the aggregate.

REPLACEMENT OF KEYS AND LOCKS The cost of replacing and fitting the locks of external doors and windows, intruder alarms or safes at the Premises if any keys to the locks are stolen or lost anywhere in the world. The maximum We will pay is R25 000 for each valid claim under this sub-section. Provided that, We will not pay for the cost of replacing the locks of any safe or strong-room if the keys to such locks are left at Your Premises whilst closed for business, unless You or an Employee lives on the Premises.

SIGNS The cost of replacing or repairing signs (other than neon signs) following physical damage subject to an Amount Insured of R10 000 in the aggregate for any and all claims made during the Period of Insurance.

GLASS

The cost of making good the breakage or scratching of glass at the Premises, subject to an Amount Insured of R50 000 per valid claim, unless otherwise specified in the Schedule and subject to the below.

A claim can be made under this sub-section for the following:

- i. Temporary boarding-up following breakage;
- ii. Repair of damage to window frames as a result of such breakage or the cost of removal or replacement of fixtures and fittings in the course of replacement of glass subject to an Amount Insured of R5 000 in the aggregate for any and all claims made during the Period of Insurance;
- iii. Lettering or other ornamental work and alarm foil on glass subject to an Amount Insured of R500 per valid claim.

This Policy does not include insurance for loss or damage to portable computers or Palmtops.

5. THE COVER – SECTION 3 PREMISES

You are insured for a valid claim for physical loss or damage to Your Premises subject to the Amount Insured as specified in the Schedule.

- A. WHAT WE WILL PAY** Following confirmation by Us of a valid claim under this section, We will pay the cost of repair or reinstatement of the damaged part of the Premises subject to the Amount Insured provided that the repair or reinstatement work is carried out without delay and, in any case, within twelve months of the date of physical loss or damage or such further time as We may allow in our sole discretion. However, We will not pay for any depreciation of market value beyond the actual cost of repair or reinstatement.

We will also pay for the following costs and expenses necessarily and reasonably incurred in the reinstatement of the Premises: architects', surveyors', consulting engineers' and legal fees but not for preparing any claim;

- i. the cost of clearing the debris and making the Premises safe;
- ii. the cost of dismantling, demolishing or shoring up or propping of the damaged portion(s) of the Premises;
- iii. the cost of complying with any government or local authority requirement following damage, providing notice was not served on You to comply with such requirement prior to the damage occurring; up to a maximum of 20% of the Amount Insured for Premises, unless otherwise agreed by Us.

The most We will pay under this section is the amount specified in the Policy Schedule inclusive of any costs and expenses

AVERAGE

If, at the time of the damage the Amount Insured under this Section is less than the cost of rebuilding the insured Premises including the costs and expenses set out above, We shall only be liable to pay the same percentage of any claim that the Amount Insured bears to the total cost.

B. EXCLUSIONS

You are not insured under this Section for any claim indirectly or directly caused by or resulting from:

- i. explosion of a geyser, oil heaters, oil tanks or other plant designed to operate under steam pressure and belonging to or under Your control, but this exclusion shall not apply to domestic geysers nor to damage by fire resulting from explosion;
- ii. chewing, scratching or fouling by pets;
- iii. subsidence, collapse, landslip, ground heave, movement, creeping, normal settlement, shrinkage, cracking or expansion in Premises or foundations;
- iv. loss or damage to window glass, gates and fences caused by storm, flood or lopping, topping or felling of trees and shrubs.

6. THE COVER – Section 4 LOSS OF INCOME

Under this Section You are insured for a valid claim subject to the Amount Insured for Your loss of income and additional expenditure arising from such loss of income as a result of the interruption of or interference to Your business which is a direct result of physical loss or damage to Your Premises, Consignments and / or Contents occurring during the Period of Insurance at the Premises,

Provided that, the physical loss or damage has already been the subject of a valid claim in respect of which We have paid You or have agreed to pay You subject to the Amount Insured.

- A. WHAT WE WILL PAY** Subject to the Amount Insured, for all claims We shall be liable for:
- i. The shortfall between the income arising directly from Your business received during the indemnity period and the income which would have been received but for the physical loss or damage resulting in the interruption or interference;
 - ii. The additional expenditure necessarily and reasonably incurred following such physical loss or damage, with Our prior written agreement, to avoid such a shortfall; and
 - iii. The reasonable charges payable by You to Your professional accountants for producing any particulars in Your books of account or any other business books or documents or any other information required by Us under the terms of this Section to assess Your claim for loss of income and for reporting that such particulars are in accordance with Your books of account or other business books or documents;

Minus

- i. Any sum saved during the indemnity period on business expenses or charges which can or could be reduced or eliminated as a result of the loss or damage;
- ii. Any uplift on the Cost Price of lost or damaged Consignments paid by us under a valid Section One claim; and
- iii. Any income from Consignments sold or services performed by others acting on Your behalf during the indemnity period away from Your Premises for Your benefit and / or any Money paid for or payable for such sales or services.

Provided that, Our indemnity payment shall be calculated by reference to Your income during the period immediately prior to the physical loss or damage equivalent to the indemnity period or, if You are in Your first year of business, Your income immediately prior to the loss or damage adjusted for usual seasonal fluctuations in similar businesses to Yours. In adjusting the amount paid all variations or special circumstances affecting Your business shall be taken into account in order that the amount paid shall represent as nearly as practicable the results which would have been expected if the loss or damage had not occurred.

INDEMNITY PERIOD

Means the period beginning with the occurrence of damage during which the results of the business shall be affected in consequence of the damage but not exceeding the maximum indemnity period shown in the Schedule.

AVERAGE

If the Amount Insured under this Section is less than the difference between sales and purchases in the 12 months (or a proportionately increased multiple thereof when the indemnity period exceeds 12 months) before the unforeseen loss or damage then the amount payable by Us on acceptance of the valid claim shall be proportionately reduced.

B. EXCLUSIONS

You are not insured under this Section:

- i. For loss, damage, liability or expense from a peril excluded in this Policy;
- ii. From the point where Your business becomes insolvent (even if it is thereafter carried on whether by You, a liquidator or administrator whether provisional or final or a receiver) or is otherwise permanently discontinued, unless we specifically allow otherwise and with Our prior written consent;
- iii. If You do not submit a statement to Us with particulars of Your claim not later than 30 days after the expiry of the indemnity period (or within such further time as We may allow) in writing.

For purposes of determining insolvency, as envisaged above, Your business will be deemed to be insolvent where:

- i. You have made an application for, or proceedings are brought against You for sequestration of Your estate;
- ii. Your business is wound up, liquidated, deregistered or placed under judicial management, whether provisionally or finally and whether voluntarily or compulsorily;
- iii. You or Your business commits any act of insolvency as defined in and contemplated by the Insolvency Act 24 of 1936 as amended and substituted from time to time;
- iv. Your business is unable to pay its debts in terms of the Companies Act No 61 of 1973 as amended and substituted from time to time; or
- v. You or Your business compromises or attempts to compromise with, or defers or attempts to defer payments of debts owing by it to its creditors.

To the extent that You are accountable to the tax authorities for VAT or other tax, all payments made pursuant to this Section in relation to a valid claim shall be exclusive of VAT or such tax and We shall have no liability whatsoever in that regard.

7. THE COVER – SECTION 6 BUSINESS INTERRUPTION

Financial loss suffered during the indemnity period subject to what has been specified below following interruption of Your business. The interruption must be as a result of damage which gives rise to a valid claim under one of the other sections in this policy at the premises noted on your schedule

Specifying the losses You want to cover

You can Insure the following financial losses:

- Your standing charges payable following the interruption of Your business.
- additional working expenses You incur following the interruption of Your business The losses You want to Insure are only covered if noted on Your schedule and as specified in the schedule.

The indemnity period

The indemnity period is noted on Your schedule and is the maximum length of time You anticipate it would take Your business to return to expected levels of turnover following an interruption to Your business.

The Insured value

The Insured value noted on Your schedule is the maximum amount we will pay for any claim, less the excess.

It is important that You Insure Your Business Interruption cover for the correct Insured value based on:

Fixed expenses and standing charges

This is the total amount of fixed expenses and standing charges that You incur per month as per your last financial statement

Calculating Your claim amount

In order for us to calculate Your financial loss, You must supply us with all the information we require, including Your financial budgets, management accounts and statutory financial returns (including income tax and VAT returns).

The calculation of indemnity, for each of the different financial losses, will be based on the following:

The fixed expenses payable during the indemnity period, to the extent that Your turnover dropped below its normal levels following the interruption of Your business.

Your claim amount will be reduced by any savings in fixed expenses, made by you following the loss.

Any increase in Your fixed expenses following the interruption of Your business is not covered, unless incurred with our consent in order to avoid or diminish the loss of profit.

You are insured for:

Damage to any property within a 10km radius of Your premises, caused by any of the perils noted above, which results in access to Your premises being prevented. The prevention of access must persist for an uninterrupted period of more than 24 hours.

An interruption of the public supply of electricity, telephone services, water, sewerage or gas. The interruption must be caused by any of the perils insured, and must persist for an uninterrupted period of more than 24 hours.

Any future loss that may arise at a later date but that has been temporarily prevented due to Your turnover being sustained by current accumulated stock.

Optional cover

The following is only covered if it is noted on Your schedule and the additional premium is charged.

Damage caused by the downward movement of all soil types resulting from natural shifts or human activity, causing structural damage to Your property, subject to:

- the building foundations and construction being designed and approved by a licensed structural engineer
- approval by Artinsure

There is no cover for damage relating to subsidence caused by:

- excavations other than by mining activities
- removal of or weakening of pillars
- the poor compaction of soil used to fill areas under paving and floors

What is not covered under business interruption cover

Financial loss following damage caused to

- Vehicles
- Money
- Property not Insured under this policy

Loss or damage:

- caused with Your knowledge or consent
- if the building is unoccupied for more than 30 consecutive days
- if the building is vacant or abandoned
- caused by You or any of Your members, partners, directors, principals, employees, or any resident at the premises of property outside the building

Where any of the following cause damage:

- power surges and dips - unless noted on the schedule at an additional premium
- a rise in the underground water table or pressure caused by it
- volume changes in any clay-based soil or in rock, caused by changes in their moisture or water content
- scratching, chipping, cracking, denting, biting, tearing or dirtying

Where any of the following either cause or contribute to damage defects in the design or construction of the building, or where the structure would not have been approved by the relevant local authority at the time of construction

- construction, alteration or repairs, defective workmanship or materials
- a lack of reasonable protections
- property undergoing any heating or drying process
- Bad debts
- Any operating losses or bad debts.

8. THE COVER – Section 5 Employers Liability

Under this Section You are insured for a valid claim subject to the Amount Insured for the amount that You shall become legally liable to pay as damages (together with costs and expenses) solely in respect of bodily injury sustained by an Employee arising out of and in the course of employment with You in connection with Your Business, Provided that, such bodily injury must have been caused during the Period of Insurance and Your claim to Us must have been brought during the Period of Insurance, and provided further that the Employee concerned must be normally resident within the Republic of South Africa.

- A. WHAT WE WILL PAY** Our liability under this section for damages inclusive of costs and expenses shall not exceed the Amount Insured stated in the Schedule in respect of any one claim against You or a series of claims against You arising out of or consequent upon or attributable to one source or original cause.

RIGHT OF RECOVERY We may be obliged by relevant legislation to pay out sums under the terms of this insurance which We would not be required to pay but for the existence of such legislation. If so, You shall repay us all sums paid by Us which We would not have been liable to pay but for the provisions of such legislation.

- EXCLUSIONS** You are not insured under this Section for:
- i. liability assumed by You under any contract, undertaking or agreement where such liability would not have attached to You in the absence of such contract, undertaking or agreement
 - ii. liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event
 - iii. fines, penalties, punitive, exemplary or vindictive damages
 - iv. 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.
 - v. costs and expenses of litigation recovered by any claimant from You which are not incurred in and recoverable in the area described in (iv) above

CONDITIONS

Any series of claims made against You by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against You.

- (a) on the date that the event was reported by You in terms of Section 12.

or

- (b) if You were not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against You.

9. THE COVER –Section 6 Public Liability (CLAIMS MADE BASIS)

Under this Section You are insured for a valid claim subject to the Amount Insured for the amount that You shall become legally liable to pay as damages (together with costs and expenses) to a claimant in respect of:

- i. accidental injury to any person;
- ii. accidental loss of or damage to property;
- iii. nuisance, trespass, obstruction, loss of amenities, interference with any right of way, light, air or water;
- iv. wrongful arrest, detention, imprisonment or eviction of any person or invasion of the right of privacy.

Provided that such legal liability arose in connection with Your Business,

And provided further that the event giving rise to the legal liability arose during the Period of Insurance and Your claim to Us must have been brought to Us during the Period of Insurance,

You are also insured under this Section subject to the terms and conditions of this Policy for:

A. TENANT'S LIABILITY Your legal liability as tenant to the owner of Your Premises for:

Loss or damage to Your Premises caused directly by the following events:

- i. Fire, lightning, explosion or earthquake;
- ii. Storm or flood;
- iii. Escape of water from any water or heating or cooling installation.

Excluding:

- v. Loss or damage arising under agreement unless You would have been liable in the absence of such agreement;
- vi. Loss or damage against which a tenancy or other agreement stipulates that insurance shall be effected by or on Your behalf;
- vii. In addition You are insured for all sums, which You may be legally liable to pay as tenant for the cost of repairing accidental damage to cables and underground pipes and drains (and their inspection covers) on the Premises or connecting them to the public mains.

B. LIABILITY OF ADDITIONAL PERSONS

- i. If You die, We will insure Your legal personal representatives but only in respect of liability incurred by You;
- ii. At Your request, and upon our confirmation of acceptance, We will also insure Your directors or Employees in respect of liability arising in connection with Your business provided that You would have been entitled to indemnity under the Section if the claim had been made against You;
- iii. At Your request and upon our confirmation of acceptance We will also insure Your principal in respect of liability arising out of the performance by You of any agreement entered into by You with the principal to the extent required by such agreement;

provided that:

- iv. Each person shall as though he / she were You observe fulfil and be subject to the terms of this Policy insofar as they can apply;
- v. That You would have been entitled to indemnity under the Section if the claim had been made against You;
- vi. Where We are required to indemnify more than one party, the total amount of indemnity payable to all parties in respect of damages shall not exceed the Amount Insured.

C. WHAT WE WILL PAY Our liability under this Section inclusive of costs and expenses shall not exceed the Amount Insured stated in the Schedule in respect of any one claim or a series of claims arising out of or consequent upon or attributable to one source or original cause. This limit is also the maximum amount payable in any one Period of Insurance. We will have no liability to the extent that the liability is indemnifiable in terms of another insurance policy.

D. EXCLUSIONS You are not insured under this Section for:

- 1. Loss, damage or injury to any of Your directors, partners, members, staff or Employees;
- ii. claims by any members of Your family or those of any Your directors or any permanent residents of Your home or those of Your directors;
- iii. loss of or damage to property belonging to You or which is leased let rented hired or lent to or which is the subject of a bailment to You;
- iv. any costs incurred in recalling or modifying any product supplied;
- v. the costs of remedying any defect or alleged defect in land or Premises sold or disposed of by You or for any reduction in value thereof;
- vi. the cost or value of any products supplied or replacement, repair, removal, rectification or reinstatement thereof where legal liability arises from a defect in or the unsuitability of such products supplied;
- vii. the ownership possession or use by or on behalf of You of any craft (air or waterborne) or mechanically-propelled vehicles (including power assisted cycles);
- viii. lack of care or skill in the giving of professional or other advice or treatment for a fee in connection with Your business (other than first aid treatment);
- ix. any action for damages brought in a Court of Law of any territory outside the Republic of South Africa in which You have a branch or subsidiary;
- x. any judgment, award, payment or settlement made within a country which operates under the laws of the United States of America or Canada or is subject to any order which is made anywhere in the world to enforce such judgment, award payment or settlement or part thereof;
- xi. liability which attaches by virtue of any express warranty indemnity or guarantee given or entered into by You but which would not have attached in the absence of such warranty indemnity or guarantee;

- xii. caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by You other than food and drink supplied incidentally for consumption on the premises;
- xiii. liability assumed by agreement (other than under Your own standard conditions of contract) unless liability would have attached to You notwithstanding such agreement;
- xiv. fines, penalties, punitive, exemplary or vindictive damages.

E. CONDITIONS

The amount payable under this Section, inclusive of any legal costs and disbursements recoverable from You by a claimant or any number of claimants and all other costs and expenses incurred with Our consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the Schedule.

10. THE COVER – SECTION 7 PERSONAL ACCIDENT (ASSAULT)

If You or any Employee of Yours within the age limits 16 to 70 years shall suffer bodily injury, caused solely or directly as a result of robbery or armed hold-up, or armed hold up or any attempt thereat in the course of Your business, during the Period of Insurance and notified to Us during the Period of Insurance, We will pay subject to a valid claim compensation on the basis of the following:

Death	250 000
Total loss or permanent and total loss of use of one or more limbs occurring within 24 (twenty four) months of sustaining the injury	R250 000
Total and irrecoverable loss of all sight in one or both eyes	R250 000
For any period up to a maximum of 104 (hundred and four) weeks of total disablement from engaging in usual occupation	R1 000

Provided that

- i. Compensation will not be payable under more than one of the above items for the same injury;
- ii. We are not liable for injury arising from or influenced by any existing physical defect or infirmity or the medical condition of any person entitled to compensation hereunder;
- iii. The benefits under this Section are not assignable. All payments under this section will be made to You and Your receipt shall be a discharge to Us unless You shall request that the payment be made direct to the employee when his / her receipt shall be a discharge to Us; and
- iv. In connection with any claim, an insured person shall if required submit him / herself to medical examination at Our expense and all medical reports certificates and other information required shall be furnished without expense to Us and shall be in such form as We shall prescribe.

11. WHAT IS NOT COVERED – GENERAL EXCLUSIONS APPLICABLE TO ALL SECTIONS OF THIS POLICY

We ARE NOT LIABLE TO PAY FOR ANY CLAIM DIRECTLY OR INDIRECTLY caused by or resulting from:

- i. Inherent defect, wear and tear, gradual deterioration, rust or oxidization, insects, vermin or warping,
- ii. Alteration, misuse, electrical or mechanical breakdown (This exclusion shall not apply to fire damage to stock arising from electrical or mechanical breakdown.)
- iii. Any process of heating, drying, cleaning, washing, dyeing, alteration, repair, restoration, maintenance, dismantling, decoration.
- iv. **(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 foregoing;
 - (ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - (iii)(a) 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 or siege;
 - (b) 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 (i), (ii), (iii), (iv), (v) or (vi) above. If the company alleges that by reason of clause (i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, 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 damaged 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.
- v. Breakage or theft or attempted theft while the Premises is lent or rented unless entry to or exit from the Premises is made using violence or force.
- vi. Ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or the radioactive, toxic, explosive or hazardous properties of any explosive nuclear assemble or nuclear component
- vii. An act using or threatening to use violence or force which is committed by a person or group of people, whether acting alone or on behalf of or in connection with an organisation or government and is for political, religious, ideological or similar reasons.
- viii. Your own willful act or that of any of Your Employees.
- ix. Loss, damage, cost or expense directly or indirectly arising from permanent or temporary dispossession resulting from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, police services, crime prevention units or any lawfully constituted officials or authorities.

- x. Loss or damage resulting directly or indirectly from or in connection with any actual or purported exchange, cash or credit sale agreement.
- xi. We do not cover the first part of each claim which falls within the Excess as specified in the Schedule.
- xii. Asbestos exclusion - it is hereby understood and agreed that this Agreement shall not apply to, and does not cover, any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses 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.

12. WHAT TO DO IF A LOSS OCCURS

NOTIFICATION	You must advise Us via Your broker within thirty days of Your discovery about any loss or damage which You may need to claim for under this policy. If You do not We will not have to pay Your claim.
INFORMATION	You must complete a claims form and provide Us via Your broker with full details of Your loss or damage within thirty days of Your discovery of any loss which You may need to claim for under this policy.
POLICE	If You think a crime has been committed, You must notify the police within forty eight hours and obtain a reference number from them.
PROOF	You must prove the loss or damage has happened and give Us all the cooperation We need.
SUBROGATION	Before or after any payment under this Policy, We shall at our option, be entitled to be subrogated to all of Your rights of recovery against any person or entity (other than Yourself) and You shall, if requested to do so by Us, execute and deliver all instruments and papers and do whatever else is necessary to secure such rights. You shall do nothing to prejudice such rights.
COOPERATION	You and any lawyers or other advisers appointed by You must act in accordance with our wishes. You must co-operate fully at all times with any lawyers and / or other advisers We appoint if We exercise our rights to do so. Whether or not We take over the defence or settlement of any claim, We shall have the right at any time to negotiate with any claimant and in the event that We are able to settle the claim but You wish to continue to defend or advance such claim, You must accept as full and final discharge of all our liability under this Policy (whether then known or unknown) payment to You of the amount We could have paid the claimant to settle the claim and any legal and associated costs for which We are already liable at that point.
COSTS	You must not incur any legal or associated costs without Our express prior written consent to all items of such costs.

13. GENERAL CONDITIONS

INFORMATION	We have relied upon the information You have supplied to Us to accept and set the terms. You must ensure that all information is accurate and that You have not withheld any information. You must inform Us of any change to the information which occurs before and during the Period of Insurance which may affect this insurance. If You are in any doubt You should speak to Your broker.
MISREPRESENTATION	If You have not told Us about or misrepresented any facts or circumstances which might affect our decision to provide insurance or the terms of insurance, or You have made a false claim, We can refuse to pay a claim or We can treat the insurance as though it had never existed.
CANCELLATION	You have the right to cancel the Policy at any time by giving Us notice in writing by registered mail at the address provided in the Schedule. We also have the right to cancel the Policy at any time but must give You thirty days notice. If We cancel, We will write to the postal address in the Schedule by registered mail.
REASONABLE CARE	You must take all reasonable steps to protect the Consignments and / or other insured items against loss or damage.
OTHER INSURANCE	If at the time of a claim there is another Policy in force which covers the damaged or lost part of the Consignments and / or any other insured interest in terms of this Policy We will only be liable for our proportionate share taking in to consideration the value of the claim and any pay-out by the other Policy or policies.
REPAIRED ITEMS	Where damaged items which were the subject of a claim are fully restored We will continue to insure them without any additional premium, at a new Agreed Value. We reserve the right to review the Premium at renewal of the policy, in the event that we agree to renewal.
SECURITY	The security measures which You have advised Us of must be activated and fully operational whenever the Premises are Unoccupied. We will not have to pay You for any claim or claims if You fail to maintain, implement and / or set the security measures.
GOODS RECIEPT BOOK	You must maintain up to date and accurate Goods Receipt Book or records which are available for Our inspection and verification in the event of a loss. There is no cover under this Policy for Items not recorded in Your Goods Receipt Book or records or for which a consignment note has not been issued.
GOODS RECEIPT NOTE SURVEY	You must issue a Goods Receipt Note for all items consigned to you. You must allow our surveyor access to Your Premises on reasonable notice within normal office hours and comply with any measures required by Us following a survey arranged by Us.
JURISDICTION	This Policy is subject to the jurisdiction of the courts of the Republic of South Africa. We are not liable for any costs or expenses not incurred in the Republic of South Africa.
ASSIGNMENT	You may not transfer this Policy nor cede any rights in terms of this Policy to any other person.
PREMIUM CLAUSE	The premium is due to us in advance. If it is not received by us by the due date this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance. If you can show that failure to make payment was an error on the part of your bank or other paying agent the cancellation will not be enforced. The Due date will be the first day of every calendar month where premium is

payable monthly, and the first day of

- (a) each third
- (b) each sixth or
- (c) each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

PREMIUM PAYMENT

Premium is payable on or before the inception date or renewal date as the case may be. We shall not be obliged to accept premium tendered after the inception date or renewal date but may do so upon such terms as we may determine at our sole discretion.

FRAUD

If any claim under this policy is in any respect fraudulent or if any fraudulent means or devices are used by the insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this policy or if any event is occasioned by the wilful act or with the connivance of the insured, the benefit afforded under this policy in respect of any such claim shall be forfeited.

SMALL VALUABLES

You must keep all small valuables such as jewellery, silver, philatelic and numismatics in locked display cabinets whilst on the premises or at a fair or exhibition. All small valuables exceeding a value of R10 000 must be locked in the safe when the premises are unoccupied.

14. REJECTION OF CLAIMS AND TIMEBAR

If We or Artinsure decline liability for a claim made in terms of this Policy or avoids this Policy or You dispute the amount of any claim under this Policy, representation may be made to Us within 90 (ninety) Days of the date of our letter of rejection or avoidance. Your representation must be submitted in writing to:

Hollard Insurance Partners (Contact Person Rina Vos) at:

Postal address: PO Box 87419, Houghton, 2041
Telephone number: (011) 351 1441

Alternatively, You may contact The Ombudsman for Short-term Insurance at:

Postal address: PO Box 32334, Braamfontein, 2017
Telephone number: (011) 726 8900
Fax: (011) 726 5501

If the dispute is not satisfactorily resolved in this manner, You may institute legal action against Us for the enforcement of the claim by way of the service of summons. Summons must be served on Us within one hundred and 180 (hundred and eighty) days of our original letter of rejection or avoidance. If this is not done, Your claim will be unenforceable against Us and it will become time barred and You will not be able to challenge our decision.

15. Complaints

Any enquiry or complaint You may have regarding Your Policy, or a claim notified under Your Policy may be addressed to the broker acting on Your behalf or directly to Artinsure at:

Postal address: PostNet Suite 243, Private Bag X30500, Houghton, 2041
Telephone number: 0861 111 096

If You are not satisfied with the way the complaint has been dealt with You may ask Hollard Insurance Partners (Contact Person Rina Vos) to review Your case at:

Postal address: PO Box 87419, Houghton, 2041
Telephone number: (011) 351 1441

If You are not satisfied with the way a claim has been dealt with You may refer Your case to the Short Term Insurance Ombudsman at:

Postal address: PO Box 32334, Braamfontein, 2017
Telephone number: (011) 726 8900

Please have full Policy details and Policy number with You to enable Your complaint to be dealt with speedily.