

The background of the entire page is a photograph of a multi-lane highway curving through a landscape at sunset or sunrise. The sky is filled with dramatic, colorful clouds in shades of orange, yellow, and blue. The sun is low on the horizon, creating a strong lens flare effect. Several commercial vehicles are on the road: a large white semi-truck with a dark trailer is in the foreground on the right, moving towards the viewer. Further back on the left, a blue truck and a white van are visible. The overall mood is professional and dynamic. Overlaid on the top half of the image is a large, stylized 'V' shape composed of two overlapping triangles. The left triangle is dark blue, and the right triangle is a lighter blue. The 'VAPSHCV' logo is centered within the top part of the 'V'.

VAPSHCV

HEAVY COMMERCIAL VEHICLE INSURANCE

TRANSPORTER

Policy Wording • 2026

www.vapshcv.co.za



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▼ **PREAMBLE**

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the insured and receipt thereof by or on behalf of the company, the company specified in the schedule agrees to indemnify or compensate the insured by payment or, at the option of the company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the within sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

1. General Exceptions, Conditions and Provisions

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the insured and receipt thereof by or on behalf of the company, the company specified in the schedule agrees to indemnify or compensate the insured by payment or, at the option of the company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the within sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

Where more than one insurance company or insurer participates in this insurance, the expression “company” shall be amended to “insurers” wherever it appears in this policy. In this event the percentage share of each insurer will be as expressed in the schedule of this policy and the liability of each such insurer individually shall be limited to the percentage share set against its name.

Specific exceptions, conditions and provisions shall override General Exceptions, conditions and provisions.

General Exceptions

1.1 War, Riot and Terrorism

1.1.1 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 afore going;
- (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 of 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 1.1.1 (i), (ii), (iii), (iv), (v) or (vi) above.

If the company alleges that, by reason of clause 1.1.1 (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.

1.1.2 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.

1.1.3 Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a General Exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, 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.

For the purpose of General Exception 1.1.3 an act of terrorism includes, without limitation, 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.

If the company alleges that, by reason of clause 1.1.3 of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the insured.

1.2 Nuclear

Except as regards the Fidelity section this policy does not cover any legal liability, death, injury, loss, damage, costs or expenses whatsoever or any consequential loss directly or indirectly

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

1. General Exceptions, Conditions and Provisions

1.2.2 nuclear material, nuclear fission or fusion, nuclear radiation;

1.2.3 nuclear explosives or any nuclear weapons

1.2.4 nuclear waste in whatever form;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fission.

1.3 Computer losses

General Exception 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 exclusion, exception or extension or other provision not included herein which would otherwise override a General Exception, this policy does not cover:

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

1.3.2 any legal liability of whatsoever nature;

1.3.3 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

1.3.4 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

1.3.5 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 date; or

1.3.6 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 programmes; or

1.3.7 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 Exception 1.3

1.3.8 Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General Exception.

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

1.3.8.1 storm, wind, water, hail or snow excluding damage to property

- a) arising from its undergoing any process necessarily involving the use or application of water;
- b) caused by tidal wave originating from earthquake;
- c) in the underground workings of any mine;
- d) in the open (other than buildings structures and plant designed to exist or operate in the open);
- e) in any structure not completely roofed;
- f) being retaining walls;

1.3.8.2 aircraft and other aerial devices or articles dropped therefrom;

1.3.8.3 impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

These special perils do not cover wear and tear or gradual deterioration.

1. General Exceptions, Conditions and Provisions

- 1.3.9 General Exception 3 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 results from damage to insured property by the perils referred to in Special extension A above.
- 1.3.10 This Special extension will not insure any loss destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General Exception and this Special extension.
- 1.3.11 This Special extension shall not apply to any Public Liability indemnity.

1.4. Asbestos (applicable to Public Liability Section, Employers Liability Section and Sub-section D (Liability) of Buildings Combined Section.

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision which would otherwise override a general exception, this policy does not cover legal liability, loss, damage, costs and expenses 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.

1.5 Detention, Confiscation and Forfeiture

This policy does not cover any loss, damage, costs or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, SA Police Services, crime prevention units or other officials or authorities.

1.6 Pollution and Contamination Exclusion

- 1.6.1 This policy does not cover any loss, damage, costs or expense directly or indirectly arising from contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic or disease or due to any limitation or prevention of the use of objects because of hazards to health.
- 1.6.2 This exclusion does not apply if such loss or damage arises as a direct consequence of
 - 1.6.2.1 the perils:
 - (a) fire, lightning, explosion, impact of aircraft;
 - (b) vehicle impact, sonic boom
 - (c) accidental escape of water from tank apparatus or pipes;
 - (d) malicious damage;
 - (e) storm, hail;
 - (f) flood, inundation;
 - (g) earthquake;
 - (h) landslide, subsidence;
 - (i) snow pressure, avalanche;
 - or
 - 1.6.2.2 a physical damage of the type insured by the original policy which occurred on the insured premises.
- 1.6.3 If a peril not excluded from the original policy arises directly from pollution and/or contamination any loss or damage arising directly from that peril shall be covered.
- 1.6.4 All other terms and conditions of the policy shall be unaltered and especially the exclusions shall not be superseded by this clause.

1.7 Terrorism Contamination and Explosive Exclusion

It is agreed, that regardless of any contributory causes, this policy does not cover any loss, damage, costs or expenses directly or indirectly arising out of

- 1.7.1 biological or chemical contamination;
 - 1.7.2 missiles, bombs, grenades, explosives;
- due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to use of force or violence and/or threat thereof, of any person. or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) and/or to put the public, or any section of the public, in fear.

For the purpose of a) "contamination" means the contamination, poisoning or prevention and/or limitation of use of objects due to the effects of chemical and/or biological substances.

1. General Exceptions, Conditions and Provisions

If the company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon the insured.

1.8 Infectious Epidemic Exclusion (Applicable to Fire, Buildings Combined, Office Contents, Goods in Transit, Business All Risks, Accidental Damage, Motor, Motor Traders, Electronic Equipment and any other property classes)

This insurance excludes any loss, damage, cost or expense, directly or indirectly arising out of, contributed to by, or resulting from any infectious epidemic/pandemic.

For the purpose of this clause Infectious Epidemics shall mean the sudden, unexpected, large scale manifestation of an initially locally contained, infectious disease relating to people which spreads very rapidly and with great virulence.

If the company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon the insured.

1.9 Infectious Epidemics/Pandemics Exclusion (Applicable to Money, Glass, Fidelity, Public Liability, Employer's Liability, Stated Benefits, Group Personal Accident and any other casualty classes)

This insurance excludes any loss, damage, cost or expense, directly or indirectly arising out of, contributed to by, or resulting from any infectious epidemic/pandemic (if classified either way by the appropriate national or international body/agency) which leads to:

- 1.9.1 the imposition of quarantine or restriction in movement of people or animals by any national or international body or agency; and/or
- 1.9.2 any travel advisory or warning being issued by a national or international body or agency and in respect of 1.9.1 or 2 any fear or threat thereof (whether actual or perceived).

If the company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon the insured.

1.10 Sanction limitation and exclusion clause

This insurance shall not be deemed to provide cover and the company shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

General conditions

Subject to the provisions of Section 55 of the Short Term Insurance Act No. 53 of 1998 (as amended)

1.11 Misrepresentation, misdescription and non-disclosure

Misrepresentation, misdescription or non-disclosure in any material particular shall render voidable the particular item, section or sub-section of the policy, as the case may be, affected by such misrepresentation, misdescription or nondisclosure.

1.12 Other insurance

If, at the time of any event giving rise to a claim under this policy, insurance exists with any other insurers covering the insured against the defined events, the company shall be liable to make good only a rateable proportion of the amount payable by or to the insured in respect of such event. If any such other insurance is subject to any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

1.13 (A) Cancellation

This policy or any section may be cancelled at any time by the company giving 30 days' notice in writing (or such other period as may be mutually agreed) or by the insured giving immediate notice. On cancellation by the insured, the company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. 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 general condition point 1.14.

1.13 (B) Continuation or cover (where premium is payable by bank debit order or by transmission account)

The premium is due in advance and, if it is not received by the company by due date, this insurance 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 failure to make payment was an error on the part of his bank or other paying agent.

1. General Exceptions, Conditions and Provisions

Due date will be the first day of every calendar month where premium is payable monthly, the first day of

1.13.1 each third;

1.13.2 each sixth; or

1.13.3 each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

1.14 Adjustment of premium

If the premium for any section of this policy has been calculated on any estimated figures, the insured shall, after the expiry of each period of twelve (12) consecutive months from the inception date or anniversary date, 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.

1.15 Prevention of loss

The insured shall take all reasonable steps and precautions to prevent accidents or losses including but not limited to compliance and adherence to laws and regulations which are material to the risk.

The insured warrants that all laws, regulations, by-laws and rules that apply to the business or to any other matter for which cover is provided in terms of this policy (irrespective of whether the laws, regulations, by-laws and rules are in force at the date the policy is issued, or are enacted after that date) shall be adhered to at all times. The failure to adhere to any applicable law, regulation, bylaw or rule shall entitle the company to reject any claim where such failure is material to the claim.

1.16 Claims

1.16.1 On the happening of any event which may result in a claim under this policy the insured shall, at their own expense

- (a) give notice thereof to the company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured;
- (b) 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;
- (c) as soon as practicable after the event submit to the company full details in writing of any claim;

1.17 Company's rights after an event

1.17.1 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,

- (a) take, enter or keep possession of any damaged property and deal with it in 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;
- (b) 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.

1.17.2 The insured shall, at the expense of the company, do and permit to be done all such things as may be necessary or 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.

1.17.3 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 any lesser sum for which the claim or claims arising from such event can be settled and the company shall thereafter not be under further liability in respect of such event.

1.18 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.

1. General Exceptions, Conditions and Provisions

1.19 Reinstatement of cover after loss (not applicable to stock on a declaration basis nor to any section where it is stated to be not applicable)

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.

1.20 Breach of conditions

The conditions of this policy and sections thereof shall apply individually to each of the risks insured and not collectively to them so that any breach shall render voidable the section only in respect of the risk to which the breach applies.

1.21 No rights to other persons

Unless otherwise provided, nothing in this policy shall give any rights to any person other than the insured. Any extension providing indemnity to any person other than the insured shall not give any rights of claim to such person, the intention being that the insured shall claim on behalf of such person. The receipt of the insured shall in every case be a full discharge to the company.

1.22 Collective insurances

If this insurance is a collective insurance then the following amendment is made to general condition 6.16.1 (d) above.

“give the leading insurer on behalf of the insurers such proofs, information and sworn declaration as the insurers may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim”

and General condition 1.17 is substituted by the following:

Company's right 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 leading insurer and every person authorized by them may, without thereby incurring any liability and without diminishing the right of the insurers to rely upon any conditions of this policy
 - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the lead insurer on behalf of all insurers to do so. The insured shall not be entitled to abandon any property to the insurers whether taken possession of by the leading insurer 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 leading insurer.
- (b) The insured shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing any rights to which the insurers 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 insurers may, in the case of any event, pay the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event.

1.23 Change in Risk

This policy will be declared void if the risk is materially increased without the prior written consent of the insurer.

1. General Exceptions, Conditions and Provisions

General provisions

Subject to the provisions of Section 55 of the Short Term Insurance Act 53 of 1998 (as amended)

1.24 Claims preparation costs

The insurance by each section of this policy is extended to include costs reasonably incurred by the insured in producing and certifying any particulars or details required by the company in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of the company for such costs in respect of any one claim shall not exceed in respect of a particular section R5000 or 10% of the sum insured or limit of indemnity on the item affected, whichever is the lesser amount, plus any amount stated in the schedule to each section against an item for additional claim preparation costs.

1.25 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.

1.26 First amount payable

Except where provided for specifically in any section, the amount payable under this policy/section for each and every loss, damage or liability shall be reduced by the first amount payable shown in the schedule for the applicable defined event.

1.27 Members

Wherever the word "director" is used it is deemed to include "member" if the insured is a closed corporation.

1.28 Liability under more than one section

The company shall not be liable under more than one section of this policy in respect of liability, loss or damage arising from the same happening in respect of the same liability, loss or damage.

1.29 Meaning of words

The schedules and any endorsements thereto and the policy wording shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

1.30 Premium payment

Premium is payable on or before the inception date or renewal date as the case may be.

The company shall not be obliged to accept premium tendered to it after inception date or renewal date as the case may be but may do so upon such terms as its sole discretion may determine.

1.31 Holding covered

If the company is holding covered on a risk they will not reject a claim on the basis that the premium has not been agreed.

1.32 Schedule sums insured blank

If, in a schedule of this policy, the sum insured, limit of indemnity or compensation is:

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

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

this means the defined event or circumstance shown in the schedule is not insured by the policy.

1.33 Jurisdiction

This policy is subject to the jurisdiction of the courts of the Republic of South Africa.

1.34 Security firms

If an employee of a security firm employed by the insured under a contract causes loss or damage, the company agrees, if in terms of the said contract the insured may not claim against the said security firm, not to exercise their rights of recourse against the said security firm.

The company shall not raise as a defence to any valid claim submitted under any section or subsection of this policy that the company's rights have been prejudiced by the terms of any contract entered into between the insured and any security provider relating to the protection of the insured property.

2. Definitions

This section deals with the definitions of terms used in the VAPS HCV Policy.

2.1 You/Your/The Insured

The Insured specified in the schedule including their legal representatives, the directors of a limited liability company or the members of a close corporation.

2.2 The Company/Insurer

The insurer and/or underwriter, as stated in the schedule.

2.3 SASRIA

SASRIA limited registration number 1979/000287/06, the designated supplier of special risks insurance within the Republic of South Africa.

2.4 Intermediary

The agent or broker who introduced the insured to and arranged for the issuing of the VAPS HCV policy.

2.5 Conditions

The conditions, exceptions, schedules and endorsements of the VAPS HCV policy.

2.6 Hijacking or Theft/Hijack

The unlawful intentional removal of the Insured Vehicle without the insured's permission with the use or threat of use of a firearm or any other dangerous weapon, the infliction of grievous bodily harm or a threat to inflict bodily harm by the offender or any accomplice;

2.7 Own Damage

Loss of or damage to an Insured Vehicle including loss or damage due to theft, hijacking, attempted theft or attempted hijacking;

2.8 The Act

The Short-term Insurance Act, No. 53 of 1998 (as amended);

2.9 Excess/First amount payable

The first amount or excess payable by the insured. The excess schedule as attached to the policy or on the schedule endorsements specifies the amounts payable by the insured in the event of a claim. In some instances, the excesses will be deducted from the settlement of a claim by the insurer. Where a claim is paid in advance of the insured having paid the excess, the insured will be required to refund the excess immediately. Excess is applied to each insured item, and not per event.

2.10 Meaning of Words

The schedules and any endorsements thereto and the VAPS HCV policy wording shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

2.11 Occurrence

Refers to an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by the VAPS HCV policy.

2.12 Period of Insurance

The period of insurance as detailed in the policy schedule.

2.13 Territorial limits

Republic of South Africa, Namibia, Botswana, Swaziland, Zimbabwe, Lesotho, Malawi, Mozambique and Zambia and other territories as may be agreed with the insurers from time to time.

2.14 Total Loss

A vehicle becomes a total loss when the vehicle is stolen and not recovered or where the cost of repairing the vehicle is not economically viable in relation to its market value.

2. Definitions

2.15 Vehicle value

2.15.1 Section 3 VAPS HCV:

- 2.15.1.1 The reasonable market value shall mean the average between the retail and trade-in values, including VAT, as noted in trade publications for the month and year in which the loss took place.
- 2.15.1.2 Retail value shall mean the prescribed value noted in the trade publications for the month and year in which the loss took place.
- 2.15.1.3 Agreed value (if stated in the schedule to be included) shall mean in the event of a hijack or theft or a constructive total loss as determined by the company, the company will calculate settlement based on the agreed value of the insured vehicle at the time of the loss.

Provided That:

- (i) The agreed value must be revised by the insured and agreed thereto by the company on each annual anniversary date of the policy. In the event that the insured fails to do so, the company will apply the retail value as basis of settlement.
- (ii) The agreed value is inclusive of all unspecified extras fitted to the insured vehicle.
- (iii) Cancellation and subsequent reinstatement of the policy will require new agreed values to be submitted and accepted by the company.
- (iv) The agreed value cannot exceed the retail value plus a maximum of 20%, calculated at date of inception or annual anniversary review.

2.16 Vehicles

- 2.16.1 Medium Commercial Vehicle – A goods carrying vehicle exceeding 3,500 kg (three thousand five hundred kilograms) GVM, but not exceeding 7,500 kg (seven thousand five hundred kilograms) GVM;
- 2.16.2 Heavy Commercial Vehicle - A goods carrying vehicle exceeding 7,500 kg (seven thousand five hundred kilograms) GVM;
- 2.16.3 Special Types – Self-propelled forklifts, road construction vehicles, cranes, construction vehicles with plant permanently attached and agricultural vehicles licensed for road use; and
- 2.16.4 PMV – Private motor cars including station wagons, multi-purpose vehicles, sports utility vehicles and the like or similar vehicles designed to seat not more than 12 (twelve) persons including the driver;
- 2.16.5 LDV – Light delivery vehicles not exceeding 3,500 kg (three thousand five hundred kilograms) GVM; and
- 2.16.6 Trailers and non-self-propelled goods carrying vehicle not exceeding 750 kg (seven hundred and fifty kilograms) GVM designed to be drawn by any vehicle described in 2.16.1, 2.16.2, 2.16.5 and 2.16.7;
- 2.16.7 Bus – a passenger carrying vehicle having more than 16 (sixteen) seats including the driver's seat;
- 2.16.8 Motor cycles (including motor scooters and 3- wheeled vehicles)

3. VAPS HCV Commercial Motor

Sub-section A Loss or damage

3.1 Defined events

Loss or damage to any vehicle described in the schedule and defined in 2.16.1 to 2.16.8 and its accessories, fleet management systems, tracking systems and spare parts whilst fitted thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable cost of removal to the nearest repairer, protection, towing and storage of the vehicle after an accident. The insured may give instructions for repairs to be executed without the prior consent of the company to the extent of but not exceeding R35 000, provided that a detailed estimate is first obtained and immediately forwarded to the company.

Provided that:

- 3.1.1 The limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by the company in respect of such loss or damage. It shall not exceed the value as selected and stipulated in the schedule, namely retail, market or agreed value of the vehicle and its accessories and spare parts at the time of such loss or damage. For the purpose of this policy, the term "Retail Value" shall be deemed to be the retail value of an insured vehicle of the same model and year of manufacture, including the value of spare parts and accessories, as reflected in the TransUnion auto or commercial dealers' guide or similar publication for the year and month in which the loss took place;
- 3.1.2 The amount of any loss or damage shall be limited to the reasonable cost of repair or replacement and the company may at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts, which may necessitate the use of second-hand parts and/or parts obtained from sources other than the normal agents, or may pay in cash the amount of the loss or damage but never exceeding the limit of indemnity.
- 3.1.3 if, to the knowledge of the company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the company in respect of such loss or damage;
- 3.1.4 in respect of each and every occurrence giving rise to a claim under this sub-section, the insured shall be responsible for the first amounts payable stated in the schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), and of any expenditure by the company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the company shall include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith;
- 3.1.5 The company shall not be liable for more than the amount stated in the schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of audio, communications, fleet management and tracking installations not supplied by the manufacturers of the vehicle when new.
- 3.1.6 The limit of indemnity for any one occurrence at a single location (Static Risk Limit) involving multiple insured vehicles shall not exceed R30 million;
- 3.1.7 Any indemnifiable event requiring recovery or towing must be arranged via the VAPS Assist call centre. The company will pay the reasonable costs of such towing or recovery to the nearest approved truck repairer or security site, unless prior written approval has been obtained for alternative arrangements. Any recovery or towing not arranged through the VAPS Assist call centre will be limited to R15 000 per incident. The VAPS Assist number is 066 251 3044;
- 3.1.8 Where an incident payable in terms of the policy occurred outside the borders of the Republic of South Africa, the recovery and towing will be covered to the nearest border with the Republic of South Africa or to the nearest repairer within such territory limited to R20 000 per insured item;

Exceptions, conditions and exclusions to sub-section A

3.2 The company shall not be liable to pay for

- 3.2.1 Consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages, including any consequential damage to any other mechanical, electrical or electronic component as a result of the mentioned breakdown, failure or breakage;
- 3.2.2 Damage to tyres and rims (road wheels) by application of brakes or by road punctures, cuts and/or bursts caused by obstacles and/or the inequalities of the road surfaces or impact with such obstacles and/or inequalities of the road surfaces;

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- 3.2.3 Damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- 3.2.4 Damage to the engine unless some other part of the vehicle is damaged in an accident at the same time or unless such damage is caused by thieves or persons of malicious intent;
- 3.2.5 Wear and tear, mechanical, electronic or electrical breakdown, failure or breakage;
- 3.2.6 Any loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 3.2.7 Loss or damage of any insured vehicle from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and/or fraud;
- 3.2.8 Any subsequent damage if the vehicle is used after an accident before necessary repairs have been carried out.
- 3.2.9 Loss or damage to any insured vehicle, insured trailers and/or goods-in-transit (GIT) or any part thereof because of theft or hijacking irrespective of the manner in which the theft/hijacking took place unless:
 - 3.2.9.1 The insured can prove that prior to the happening of such theft or hijacking (or attempt thereof) the vehicle and/or trailers was fitted with an approved VAPS HCV tracking and/or camera system as specified in the VAPS HCV Tracking Requirement section of the policy wording;
 - 3.2.9.2 The insured can prove that the system was operational at the time of any theft or hijacking or any attempt thereof;
 - 3.2.9.3 The insured can prove that a legal contract existed between the insured and the supplier of the vehicle and/or trailer tracking system and that any monthly subscription fees have been paid in full at the time of any theft or hijacking or any attempt thereof;
 - 3.2.9.4 The vehicle tracking system is monitored, on a 24-hour basis, by a manned control room operated by employees of the supplier of the vehicle tracking system;
 - 3.2.9.5 The contract which exists between the insured and the supplier of the vehicle tracking system requires the supplier, in the event of the tracking system being activated, to immediately notify the insured of the activation and proceed forthwith with steps to recover the vehicle;
 - 3.2.9.6 These requirements are compulsory on all vehicles, trailers and GIT as stipulated in the VAPS HCV Tracking Requirements section (3.2.10) of the policy wording.
- 3.2.10 Vehicle & Trailer Tracking Requirements;
 - 3.2.10.1 **All Vehicles with a Value of more than R 200 000** – Tracking device with Recovery option required.
 - 3.2.10.2 **All Medium & Long-Haul HCVs and Buses** with a value of more than R 800 000 – 2 Camera Video Telematics and Tracking system with Recovery option and vehicle monitoring including monthly driver monitoring reporting required.
 - 3.2.10.3 **All Trailers with a Value of more than R 200 000** – Non-Wired Trailer Tracking unit to be installed in/on either front or rear trailer link with a battery life of at least two years. One unit per trailer combination.
 - 3.2.10.4 **Goods In Transit with a Value/Load Limit of R 1 200 000 and above** - Independent Tracking units installed in/on both trailer links, wired to Suzi power with battery backup for at least 5 days and must include trailer disconnect alerts.
 - 3.2.10.5 **All Vehicles with a Value below R 200 000** – VESA level 3 or 4 or factory fitted alarm/immobilizer and/or Tracking device.

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Optional limitations

3.3 Third party only limitation (if stated in the schedule to be applicable)

Sub-sections A and C are cancelled.

3.4 Third party, fire and theft only limitation (if stated in the schedule to be applicable)

The liability of the company under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, sub-section C are cancelled.

Sub-section B Liability to third parties

3.5 Defined events

Any injury or damage caused by or through or in connection with any vehicle described in the schedule or in connection with the loading and/or unloading of such vehicle in respect of which the insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of

3.5.1 death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the insured arising from and in the course of such employment or being a member of the same household as the insured

3.5.2 damage to property other than property belonging to the insured or held in trust by or in the custody or control of the insured or being conveyed by, loaded onto or unloaded from such vehicle.

3.6 The company will also, in terms of and subject to the limitations of and for the purposes of this sub-section,

3.6.1. 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 sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that

the total of the company's liability under both this extension and subsection B shall not exceed the limit of indemnity stated to apply to sub-section B;

3.6.2 indemnify any person who is driving or using such vehicle on the insured's order or with the insured's permission provided that

3.6.2.1 such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply

3.6.2.2 such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer

3.6.2.3 indemnity shall not apply in respect of claims made by any member of the same household as such person

3.6.2.4 such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder;

3.6.3. indemnify the insured while personally driving or using any private type motor car not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the insured is an individual and has insured hereunder a vehicle described under definition (a) or (b) and provided the company shall not be liable for damage to the vehicle being driven or used;

3.6.4. indemnify the insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Provided that

In respect of each and every occurrence giving rise to a claim under this sub-section, the insured shall be responsible for the first amounts payable stated in the schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), and of any expenditure by the company in the exercising of any discretion it may have under this insurance. If the expenditure incurred by the company shall include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith

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Exceptions to sub-section B

3.7 The company shall not be liable under this sub-section in respect of:

- 3.7.1 so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been affected.
- 3.7.2 death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition 2.16, vehicle types 2.16.1 (Medium Commercial Vehicle), 2.16.2 (Heavy Commercial Vehicle), 2.16.3 (Special Types), 2.16.5 (LDV), 2.16.6 (Trailers), 2.16.7 (Buses) and 2.16.8 (Motorcycles) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1500kg (LDV)).
- 3.7.3 liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.
- 3.7.4 injury or damage arising out of the malicious acts, deliberate, conscious and intentional disregard by the insured, insured's management of the need to take reasonable precautions to prevent any event or circumstances which may give rise to a claim.
- 3.7.5 costs and expenses incurred for clean-up and remedial procedures to remove or repair the effects of spillage or leakage (irrespective of whether such spillage or leakage is the result of a motor accident or not) of any substance or material carried in or on or by the insured vehicle.

3.8 Limits of indemnity

Unless otherwise stated, the liability of the company under this sub-section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the schedule.

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Sub-section C Medical Expenses

3.9 Defined events

If an occupant in the specified part of a vehicle described in Section 2 under Definitions, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the company will pay to the insured the medical expenses incurred as a result of such injury up to R5 000 per injured occupant but not exceeding R20 000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this sub-section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

The term medical expenses include any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined vehicle but only if insured under sub-section A of this section: Any private type motor car or motorised caravan and any other type of insured vehicle other than a bus passenger carrying or taxi compartment.

Extensions

3.10 Contingent liability extension (if stated in the schedule to be included)

The indemnity under sub-section B includes claims made against:

- 3.10.1 the insured in the event of an injury or damage arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the insured, while being used by any partner or director or employee of the insured (hereinafter in this extension referred to as such person);
- 3.10.2 any such person in the event of an injury or damage arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him or to the insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer provided that;
 - (i) all the words in 3.7.2 of the exceptions to sub section B are deleted
 - (ii) the company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above
 - (iii) the payment by the insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension
 - (iv) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy
 - (v) the terms exceptions and conditions of the policy shall otherwise apply
 - (vi) injury or damage arising out of the malicious acts, deliberate, conscious and intentional disregard by the insured, insured's management of the need to take reasonable precautions to prevent any event or circumstances which may give rise to a claim.

3.11 Passenger liability extension (if stated in the schedule to be included)

Exception 3.7.2 under sub-section B shall not apply to vehicles described in definition 2.16.1, 2.16.2, 2.16.5, 2.16.6, 2.16.7 and 2.16.8.

The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

3.12 Unauthorised passenger liability extension (if stated in the schedule to be included)

The indemnity under sub-section B, notwithstanding exception 3.7.2 thereto, extends to cover the insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

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3.13 Parking facilities and movement of third-party vehicles extension (if stated in the schedule to be included)

This section extends to indemnify the insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the insured) by any person in the employment of the insured or acting on the insured's behalf, provided always that such vehicle was being moved

- (a) with the authority of any tenant, customer or visitor of the insured or
- (b) in connection with the insured's parking arrangements or
- (c) to facilitate the carrying out of the insured's business,

and provided further that this extension shall not apply in respect of damage to vehicles which are parked for reward. For the purpose of this extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the insured.

3.14 Windscreen extension (if stated in the schedule to be included)

The provisions of this section relating to first amount payable shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any vehicle.

provided that

- (a) no other damage has been caused to the vehicle giving rise to a claim under the policy
- (b) the insured shall be responsible for the first amount payable applicable to the windscreen as stated in the schedule for each and every loss.

3.15 Waiver of subrogation rights

For the purposes of this section, the company waives all rights of subrogation or action which they may have or acquire against any other person to whom the indemnity hereunder applies, and each such person shall observe, fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this insurance in so far as they can apply.

3.16 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 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.

3.17 Riot and strike extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to under General Exceptions point 1.1.1 (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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3.18 Loss of keys extension (if stated in the schedule to be included)

The company will indemnify the insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that;

- (i) the company's liability shall not exceed, in respect of any one event R 50 000, or the amount stated in the schedule
- (ii) such amount shall be reduced by the first amount payable stated in the schedule.

3.19 Fire extinguishing charges extension

Any costs (not exceeding R35 000) relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the company may be liable in terms of this section, provided the insured is legally liable for such costs and the insured property was in danger from the fire.

3.20 Territorial limits extension

This cover extension is subject to the following conditions:

If the Insured Vehicle is damaged, the company is not liable for the repair of such damage before the vehicle has been repatriated to the RSA successfully.

3.21 Increased towing costs within RSA borders (if stated in the schedule to be included)

The cover provided under sub-section A Defined events, in respect of "cost of removal" is hereby increased per item to the amount stated in the schedule.

3.22 Wreckage removal extension (if stated in the schedule to be included)

The cover provided under sub-section A is extended to include costs and expenses incurred by the insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that, in addition to the limit of indemnity under sub-section A of this section, the limit of the company's liability under this extension shall not exceed R50 000 in respect of any one occurrence or the limit stated in the schedule. Any recovery or towing not arranged through the VAPS Assist call centre will be limited to R15 000 per incident. The VAPS Assist number is 066 251 3044;

3.23 Fuel Tank Spillage and Leakage Extension (if stated in the schedule to be included)

Notwithstanding the provisions of point 3.7.5 of exceptions to sub section B, our liability is extended to include costs and expenses incurred by the insured for clean-up and remedial procedures to remove or repair the effects of spillage and leakage from an insured vehicle's fuel tank or engine limited to R250 000 any one occurrence provided that in respect of each and every occurrence giving rise to a claim under this extension, there will be no first amount payable for any such cost and expense. Provided further that this extension shall not be applicable in the event that cover for the same event whether incorporated in this policy or any other policy is in force at the time of liability giving rise to a claim under this extension.

This extension does not provide cover for any costs and expenses associated with the spillage of Dangerous Goods as identified and classified by the code of practice SABS 0228 which deals with the transportation of dangerous goods by road and rail modes.

Memoranda

3.24 Constructive total loss outside the Republic of South Africa

If following an accident, the insured vehicle is not returned to the Republic of South Africa and is declared a total loss outside the Republic of South Africa, the Insurers will settle the claim for the lesser of the market value or the limit of indemnity. Both the excess and the value of the salvage as determined by VAPS HCV will be subtracted from the final settlement. In such circumstances the salvage will belong to the Insured.

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3.25 Trailer combination indemnity

In the event of total loss of a trailer specified in the schedule and operating as a trailer combination at the time of such loss or damage, the insured may elect to treat the whole trailer combination as a total loss, provided that each of the trailers operating as a trailer combination are specified in the schedule. The first amount payable as stated in the schedule in respect of each trailer shall remain applicable.

3.26 Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the insured shall submit to the company at the end of each period of twelve (12) consecutive months from the inception date or anniversary date a declaration of the total number of vehicles owned, hired or leased at such expiry date. The company shall, upon receipt of this declaration, make a premium adjustment of 50% of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

3.27 War clause

In respect of sub-sections B and C only, General Exception 1 is deleted and replaced by the following: This section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

3.28 Description of use clause

Use for social domestic and pleasure purposes and use for the business or occupation of the insured excluding hiring, carriage of passengers for hire or carriage of fare paying passengers, racing speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

Optional limitations

3.29 Third party only limitation (if stated in the schedule to be applicable)

Sub-sections A and C are cancelled.

3.30 Third party, fire and theft only limitation (if stated in the schedule to be applicable)

The liability of the company under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, sub-section C are cancelled.

Specific Policy Exceptions and Exclusions

3.31 The company shall not be liable for any accident, injury, loss, damage or liability

- (a) whilst the vehicle is being used with the general knowledge and consent of the insured otherwise than in accordance with the description of use clause.
- (b) incurred outside the Republic of South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Zambia and Zimbabwe, but the company will not indemnify the insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit.
- (c) incurred while any vehicle is being driven by
 - (i) the insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle;
 - (ii) any other person with the general consent of the insured who, to the insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle

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- (iii) or is under the control for the purpose of being driven by a person who does not hold a current valid Professional Drivers Permit (PrDP) or Zimbabwean Defensive Driving Certificate (DDC) to drive such a vehicle as required in terms of the National Road Traffic Amendment Act 1998 (as amended) or any replacement statute.

This exception applies if the said person has held a PrDP but has not renewed it and is applicable to all drivers of

- (i) goods vehicles with a GVM exceeding 3,500kg
- (ii) breakdown vehicles
- (iii) buses
- (iv) mini-buses with a GVM exceeding 3,500kg or with 10 or more seats (including the driver)
- (v) motor vehicles conveying persons for reward
- (vi) motor vehicles conveying more than 9 persons

but this shall not apply if the insured was unaware that the driver was unlicensed and the insured can prove to the satisfaction of the company that, in normal course of his business, procedure are in operation to ensure that only licensed drivers are permitted to drive insured vehicles provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific exception (b), or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learner drivers.

- 3.32** The company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the insured notwithstanding such contractual agreement.
- 3.33** In respect of any claim following an accident in Namibia, Botswana, Angola, Zambia, Mozambique, Tanzania, Zimbabwe and the Democratic Republic of the Congo, the cover under this policy does not include:
- 3.33.1** Parts stripped from the vehicle whilst left unguarded at the scene of the accident or whilst in transit back to the Republic of South Africa.
- 3.33.2** Sub Section B – Liability to Third Parties.
- 3.34** If the insured vehicle or any other vehicle forming a part of a combination of vehicles together with an insured vehicle, driver or operator at the time of any accident giving rise to a claim in terms of this policy is found not to comply with the National Road Traffic Act No. 9 of 1996 (as amended) and the regulations issued there under or any relevant traffic ordinance insofar as they apply to vehicle licenses, clearance certificates, operators permits, drivers licences, professional drivers permits, abnormal loads and dangerous goods then all benefit under this policy shall be forfeited.
- 3.35** If the insured vehicle or any other vehicle forming a part of a combination of vehicles together with an insured vehicle at the time of any incident giving rise to a claim in terms of this policy, is found to be in a state or condition which is not roadworthy or does not comply with part II of the regulations and standards promulgated in terms of the National Road Traffic Act No 93 1996 (as amended) then all benefit under this policy shall be forfeited.
- 3.36** If the insured vehicle or any other vehicle forming a part of a combination of vehicles together with an insured vehicle either singularly or in combination, at the time of any incident giving rise to a claim in terms of this policy, is found to be overloaded as provided for in terms of the National Road Traffic Act No 93 1996 (as amended) and the regulations issued there under or where the combined mass of the combination of vehicles and the load thereon exceeds 56 000 kilograms, then all benefit under this policy shall be forfeited.

Specific condition

If, during the currency of this section, any driver's licence in favour of the insured or their authorized driver is endorsed, suspended or cancelled, or if he or they shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the insurer immediately after the insured obtain knowledge of such fact.

4. VAPS HCV Goods in Transit (GIT)

This section forms part of the policy if an insured value is shown in the policy schedule for this section and a premium has been presented for payment. If so, the content of this section must be read together with the General Conditions, Exclusions and Provisions in this policy document, and any terms and conditions stated in the policy schedule.

This section and schedule, together with the General Conditions, Exclusions and Provisions and the duly completed and received application for insurance and any endorsements shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this section shall bear the same meaning wherever it may appear.

Defined Events

If the defined events in the schedule are stated as being All Risks, cover applicable in terms of this section will be:

4.1 All Risks of physical loss of or damage to the whole or part of the subject matter or cargo (as defined in the policy schedule), in the course of transit by the means of conveyance as stated on the schedule or other means incidental thereto and caused by any accident or misfortune not otherwise excluded

provided that:

4.1.1 the insured shall be responsible for the first amount payable (Excess) as stated in the schedule in respect of each and every defined event,

4.1.2 the liability of the company for all loss or damage arising from any one defined event shall not exceed:

- (a) In respect of new property indemnity shall be calculated on the cost price of the goods, and not the full invoiced amounts indicated on the suppliers invoice;
- (b) in respect of other property, the depreciated value or local market value at the time of the loss;
- (c) in respect of fresh produce, the average market value for the commodity at the market of intended sale on the day of the intended sale, less agents' and market commission, less any costs not incurred or, if pre-sold, suppliers' invoice value, less any costs not incurred;
- (d) in respect of cargo carried in terms of a transport contract, the basis of settlement as agreed in writing and in terms of the contract of carriage;
- (e) in respect of shipping containers: depreciated market value (as determined by the cargo owners) or second-hand replacement value at the time of loss;
- (f) the sum insured stated in the schedule;

whichever is the least.

4.2 Limited/Restricted cover

If the defined events in the schedule are stated as being fire, collision, overturning, theft following and hijack, cover applicable in terms of this section will be against the risk of fire, collision of conveying vehicle, collision of the load or container with external objects, overturning of the conveying vehicle, theft following an insured peril and hijacking as defined herein.

If the defined events in the schedule are stated as being limited to any specific perils only, cover applicable in terms of this section will be limited to these specified perils only, as these specified perils are interpreted in terms of this section.

Definitions

4.3 You/Your/The Insured

The transporter or carrier as defined in the schedule but excluding any sub-contractors unless specifically stated to be included in the schedule.

4.4 Cargo/Subject matter

Goods conveyed by the haulier/transporter as described in the schedule, including all containers, packaging materials, receptacles, covers, boxes and labels but excluding alcohol, liquor and alcoholic beverages, antiques or antiquities of any description, arms, ammunition, artworks, all types of electronic equipment including hand held devices, live animals of any description, bank and treasury notes, cash, travellers' cheques, bullion, platinum, cobalt, copper, deeds, designs, documents of any description, explosives, furs, jewellery, patterns, plans, precious metals or stones, specie, stamps, tickets, tobacco, brass and scrap metal, exotic sea foods including caviar, prawns, calamari and crayfish, aircraft and their parts and accessories unless declared to the company and specifically included in the schedule.

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4.5 Territorial limits

Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique, Zambia, Tanzania, Angola and the Democratic Republic of the Congo.

4.6 Theft/Hijack

Seizure of insured cargo contained in or on the conveying vehicle or the theft of insured cargo, where such seizure or theft is accompanied by unlawful and forcible removal of the conveying vehicle to a destination other than originally intended, or accomplished by means of violence or threat of violence against the person or persons who, at the time of such seizure, are in actual control of such conveying vehicle carrying the insured cargo.

4.7 Haulier (Transporter)

A haulier is a company or a person that transports goods by road.

4.8 Consignee

In a contract of carriage, the consignee is the entity who is financially responsible (the buyer) for the receipt of a shipment. Generally, but not always, the consignee is the same as the receiver.

4.9 Consignor

The consignor, in a contract of carriage, is the person sending a shipment to be delivered whether by land, sea or air.

Policy Exceptions, conditions and exclusions

The company shall not be liable for:

4.10 Loss, damage or expense directly or indirectly resulting from or caused by:

- 4.10.1 Theft or any attempt thereof, from any unattended vehicle unless:
 - (a) the goods are contained in a completely closed and securely locked vehicle and any theft is accompanied by forcible and violent entry or exit; or
 - (b) the vehicle, in which the goods are contained in or on, is in a locked building and any theft is accompanied by forcible and violent entry or exit, or
 - (c) the vehicle, in which the goods are contained in or on, is within the perimeter of a security complex or recognized truck stop with 24-hour security;
 - 4.10.2 The carriage of any load exceeding the capacity for which the means of conveyance is constructed or licensed to carry;
 - 4.10.3 Transit by sea;
 - 4.10.4 Detention, confiscation, impounding, requisition, capture, seizure, restraint or detainment (hijacking excepted) of the subject matter insured by customs, police, crime prevention units, the Assets Forfeiture Unit or other officials or authorities;
 - 4.10.5 The dishonesty or wilful misconduct of any partner, member, director or employee of the insured company or business whether acting alone or in collusion with others. This exclusion shall not apply to any driver or driver assistant;
 - 4.10.6 Ordinary loss in weight or volume, ordinary wear and tear or loss or damage caused by inherent vice or nature of the subject matter insured;
 - 4.10.7 Contamination of the subject matter by residue or remains of previously conveyed loads;
 - 4.10.8 Breakdown of refrigeration equipment and/or the loss or damage resulting from variation in temperature howsoever caused, unless otherwise specifically stated in the schedule to include DOS (deterioration of refrigerated stock), in which case cover is extended to include loss or damage to the subject matter insured resulting from variation in temperature attributable to breakdown or malfunction of refrigeration machinery resulting in its stoppage or malfunctioning, with the onus of proving such breakdown or malfunction resting on the insured. This cover extension shall not apply whilst the subject matter insured is being transported in a refrigerated shipping container which is not owned by the insured.
- If specifically included in the schedule, cover is extended to include physical loss or damage to temperature controlled subject matter insured as a result of deterioration of the consignment caused by the incorrect temperature setting of the refrigerating unit. The onus of proof that an incorrect setting did occur rests with the insured.

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Temperature setting specifically and only refers to the incorrect setting of the required temperature via the electronic keypad of the refrigerating unit. Incorrect setting of airflow intake/outflow/circulation is excluded. Providing always that the responsibility for setting the temperature correctly rests solely with the insured, failing which no cover exists under this extension of cover. This cover does not extend to cargo within temperature-controlled reefer containers which are not owned by the insured.

It is further warranted that the refrigerating equipment and ancillary equipment has been serviced and maintained by approved agents of the manufacturer of the refrigerating equipment within no less than 3 (three) months prior to the loss occurring, failing which no cover exists for any losses relating to deterioration of refrigerated goods

- 4.10.9 Water damage including rust, oxidation and /or discolouration to unprotected goods and /or goods conveyed in the open.
- 4.10.10 Insufficiency or unsuitability of packing, covering or securing of the subject matter insured in or on the conveying vehicle where such packaging, stowing and securing of the subject matter could not withstand the normal hazards of transit;
- 4.10.11 Insolvency or financial default of the insured or of its agents or sub-contractors;
- 4.10.12 Unexplained or unaccountable shortages;
- 4.10.13 Any delays, even though the delay be caused by an insured peril;
- 4.10.14 Consequential loss, including but not limited to loss of profits, penalties, guarantees and extraordinary reproduction costs;
- 4.10.15 Fire related losses are excluded unless there is a minimum of 4.5kg dry powder fire extinguisher in good working order on/in the conveying vehicle at time of loss, and the driver/crew has knowledge of how to operate same.
- 4.11 Loss or damage occurring outside the territorial limits as stated in the schedule;
- 4.12 Loss or damage to goods insured by a marine policy or any goods more specifically insured;
- 4.13 Loss or damage whilst the subject matter insured is in the care of any subcontractor, person or company other than the insured named in the policy schedule, unless otherwise stipulated;
- 4.14 Loss or damage where the subject matter has been subcontracted by you or by your subcontractor to any illegitimate, fraudulent, non-existing or fictitious subcontractor;
- 4.15 Any liabilities whatsoever arising out of the use of shipping containers;
- 4.16 Depreciation in value whether arising from repairs following a defined event or otherwise.
- 4.17 Loss or damage as a direct result of mechanical, electrical or electronic breakdown, rust, oxidation, contact with water, moisture, discolouration, chipping, denting, scratching and cutting unless caused by the following defined events:
 - 4.17.1 Fire, storm, explosion, lightning, earthquake and volcanic eruption, including resultant smoke and water damage. The insured needs to prove to the satisfaction of the insurer that the load was appropriately protected against the normal hazards of transit. If not 4.17.1 will be excluded.
 - 4.17.2 Overturning of the conveyance.
 - 4.17.3 Collision of the conveyance and/or the insured goods with an object external to itself and the conveyance.
 - 4.17.4 Hijacking, theft or robbery or any attempt thereof of the conveyance or insured goods.
- 4.18 **It is further warranted that cover is excluded under any of the following circumstances:**
 - 4.18.1 Whilst any conveying vehicle or any other vehicle forming a part of a combination of vehicles together with the conveying vehicle, driver or operator at the time of any accident giving rise to a claim in terms of this section, is found not to comply with the National Traffic Act No.9 of 1996 (as amended) and the regulations issued thereunder or any relevant traffic ordinance insofar as they apply to vehicle licences, clearance certificates, operators permits, drivers licences, Professional Driver Permits and Dangerous Goods Permits.
 - 4.18.2 Whilst the conveying vehicle or any other vehicle forming a part of a combination of vehicles together with the conveying vehicle, at the time of any incident giving rise to a claim in terms of this section, is found to be in a state or condition which is not roadworthy or does not comply with Part II of the regulations and standards promulgated in terms of the National Road Traffic Act No. 93 of 1996 (as amended).

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- 4.18.3 If the conveying vehicle or any other vehicle forming a part of a combination of vehicles together with the conveying vehicle, either singularly or in combination, at the time of any incident giving rise to a claim in terms of this section is found to be overloaded as provided for in terms of the National Road Traffic Act No.93 of 1996 (as amended) and the regulations issued there under by more than 5% of the weight such vehicle combination is licensed to carry, then all benefit under this section shall be forfeited.

4.19 Cargo Exclusions:

Cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind, alcohol, liquor and alcoholic beverages, antiques or antiquities of any description, arms, ammunition, artworks, all types of electronic equipment including hand held devices, live animals of any description (livestock), travellers' cheques, bullion, platinum, cobalt, copper, designs, documents of any description, explosives, furs, jewellery, patterns, plans, precious metals or stones, specie, stamps, tickets, tobacco, brass and scrap metal, exotic sea foods including caviar, prawns, calamari and crayfish, aircraft and their parts and accessories, unless declared to the company and specifically included and mentioned as covered in the schedule.

If livestock is specifically included and mentioned in the schedule, cover is restricted to death or humane killing within 24 (twenty-four) hours of, and as a direct result of the following defined events:

- 4.19.1 Fire, explosion, lighting, earthquake and volcanic eruption, including resultant smoke and water damage.
- 4.19.2 Overturning of the conveyance.
- 4.19.3 Collision of the conveyance and/or insured cargo with an object external to itself and the conveyance.
- 4.19.4 Theft following an insured peril.
- 4.19.5 Bolting following an insured peril.
- 4.19.6 Hijacking of the conveyance.

Extensions

4.20 Salvage/recovery of Load Costs

The cover under this section is extended to include additional costs reasonably incurred by the insured in connection with goods conveyed which is covered in terms of the policy consequent upon an insured peril which prevents the vehicle from completing or continuing delivery of the goods to the predefined destination.

Reasonable costs shall include:

- 4.20.1 unloading the cargo from the damaged vehicle and reloading the cargo onto an alternative vehicle;
- 4.20.2 sending alternative transport to the scene of the accident;
- 4.20.3 costs for protection of the load;
- 4.20.4 costs incurred for the storage of damaged goods.

provided that the company's liability in terms of this extension shall not exceed R250 000 per event.

4.21 Debris removal

The company will pay for the expenses incurred by the insured in respect of clearing up and removing goods/cargo debris following loss or damage to the carrying vehicle. This benefit is subject to:

- 4.21.1 the limit specified in the schedule;
- 4.21.2 the exclusion of any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, third party liability, public liability and environmental liability.

4.22 Fire extinguishing charges

If the cargo described in the schedule is lost or damaged by fire whilst in course of a transit insured by this section the company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed R35,000 or the limit of indemnity shown in the schedule whichever the higher.

4.23 Riot and strike extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- 4.23.1 civil commotion, labour disturbances, riot, strike or lockout;

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- 4.23.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 4.9.1 above;

provided that this extension does not cover:

- 4.23.3 loss or damage occurring in the Republic of South Africa and Namibia;
- 4.23.4 consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- 4.23.5 loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- 4.23.6 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 4.23.7 loss or damage related to or caused by any occurrence referred to under General Exceptions point 2.31 of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

4.24 Container Cover

Included under this insurance is cover for loss of and/or damage to any form of shipping containers including reefer and tanktainers whilst being transported and/or used to contain the cargo. Cover for containers will be for the same extent of cover as provided under the defined events for the cargo carried. Indemnity under this section is limited to R40 000 for 6m shipping containers and R 80 000 for 12m shipping containers. If the insured requires a higher limit for containers it must included in the load limit as specified for the conveyance carrying the cargo and container(s).

4.25 Tarpaulins, Nets, Straps and Chains

The cover is extended to include loss of and/or damage to tarpaulins, nets, straps and chains owned and used by the insured which were on the conveying vehicle noted in the schedule at the time of loss. Cover is limited to loss or damage caused by fire, collision of the conveying vehicle, and /or the insured load with any external object, overturning of the conveying vehicle, theft following an insured peril and hijacking as defined herein. Indemnity is limited to R25 000 (Twenty Five Thousand Rand) and subject to an excess of R1,000 (one thousand Rand).

4.26 Alternative transport following a breakdown or related problem

It is agreed that in the event of a breakdown of the conveying vehicle during transit or if, for any reason beyond the insured's control and the load is endangered, nothing contained in this section shall debar the use of any other goods vehicle to assist with the completion of the transit and the insurance afforded shall not be affected thereby, provided any risk management warranties applicable in terms of this section are complied with.

4.27 Diversion of Subject Matter

Cover shall apply where the cargo is delivered to an incorrect delivery address fraudulently supplied or is received at the correct destination address but diverted by fraudulent means by parties who are not the legitimate owners or consignees. The onus of proof that the cargo has been fraudulently diverted or stolen by persons other than the legitimate owners or consignee's rests with the insured.

4.28 Load Shift (Applicable only if selected on the Schedule)

Damages Following Load Shifting:

This extension provides cover for loss of or damage to goods carried by the Insured during transit, arising directly from the shifting or movement of the load, the collapse or failure of packaging, or goods falling off/from the conveying vehicle.

Cover applies only if the goods were properly secured and packaged to withstand the normal hazards of transit. The Insurer shall not be liable for any loss or damage resulting from inadequate securing, improper packaging, or overloading.

The limit of indemnity shall not exceed the GIT Sum Insured as stated in the Schedule.

The First Amount Payable (Excess) as stated under the Goods in Transit (GIT) section of the Policy Schedule shall apply. An additional excess of 10% of the claim amount, subject to a minimum of R5,000, shall apply under this extension.

Note: This extension does not follow a defined event.

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4.29 Load Shift Assist (Applicable only if selected on the Schedule)

This extension provides cover for the reasonable and necessary costs incurred by the Insured for assistance following a load shift during normal transit.

Cover includes protection of the load, rearranging or repacking of the shifted goods, and labour and equipment costs reasonably required to restore the load for safe continuation of the journey.

This extension applies only where the goods were properly secured prior to the incident and were exposed to the normal hazards of transit.

The Insurer's liability under this extension is limited to R20,000 in the aggregate per annum per registration. No excess applicable on this extension.

Specific Conditions

4.30 Section Limit/Maximum Sum Insured

As per schedule (inclusive of VAT) any one vehicle per transit unless otherwise declared to and accepted by the company prior to loss. Where separate limits are stipulated on the schedule divided into separate classifications (example: into commodity types), these limits are not cumulative, other than in the case of cover for tarpaulins where cover will be additional to maximum section limits.

4.31 First amount payable (Excess)

The amount payable under this section for each and every loss, damage or expense shall be reduced by the first amount payable or excess as shown in the schedule for the applicable Defined Event or Extension.

4.32 Means of conveyance

Cover is limited to goods entrusted to the insured whilst these are being conveyed on vehicles (and any trailers attached thereto at time of loss), as stipulated in the schedule by registration number, or as may be otherwise stipulated in the schedule.

4.33 Prevention of Loss

It is the insured's duty and anyone acting on behalf of the insured to take such measures as may be reasonable for the purpose of averting or minimizing any loss and/or damage recoverable hereunder. In addition to any loss or damage recoverable hereunder, the company will reimburse the insured for costs properly and reasonably incurred in pursuance of such measures, even if no loss or damage results. Such costs will be restricted to the amount as stated in the schedule unless otherwise agreed with the company prior to incurring any such costs. It is the insured's further duty to ensure that all rights against third parties are properly preserved and exercised.

4.34 Brand or Trademarks

In the event of a recoverable claim for damage to subject matter insured bearing brand or trademarks the sale of which carries a guarantee, the value shall, if required by the Insured, be determined only after the removal of such brand or trademarks, and if applicable, repacking into plain containers. The cost of removal or repacking shall be borne by the company.

Nothing in this Clause shall be deemed to override the provisions of the DISPOSAL OF SALVAGE CLAUSE herein.

4.35 Labels

In the case of damage affecting labels, capsules or wrappers the company, if liable therefore in terms of this policy, shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers, and the cost of reconditioning the goods, but in no event shall the company be liable for more than the insured value of the damaged subject-matter.

4.36 Pairs and Sets

When subject matter insured consist of articles in pairs or sets, this insurance shall not pay more than the value of the particular part or parts which may be lost or damaged, without reference to any special value which such article or articles may have as part of such pairs or sets, nor more than a proportionate part of the insured value of the pair or set.

4.37 Other insurance

If at the time of any event giving rise to a claim under this section, any insurance exists with any other insurer covering the cargo against the defined events, the company shall be liable to make good only a rateable proportion of the amount payable by or to the insured in respect of such event. If any such other insurance is subject to average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

4. VAPS HCV Goods in Transit (GIT)

4.38 Period of insurance

Cover shall attach to all transits commencing on the date as stated in the schedule and terminate on the date stated in the schedule (both days inclusive), and any subsequent period for which the company may accept premium.

4.39 The transit and cover

4.39.1 starts with the loading of the goods onto or into the vehicle.

4.39.2 continues during the transit and any return journey if the goods cannot be delivered.

4.39.3 concludes goods whilst temporarily stored during the course of the journey (such storage not to exceed 96 (ninety-six) hours), and

4.39.4 ceases with the unloading of the goods at the address on the waybill, delivery note or consignment note.

If any consignee refuses to accept the cargo consigned, transit shall be deemed to continue and the insurance in respect of such cargo shall continue in force until the cargo is delivered at the premises of the consignor by any means of conveyance, provided that the insured shall take all reasonable steps to ensure that the cargo is returned as soon as is reasonably possible.

4.40 Loading and unloading

Loading and unloading is only covered if such loading and unloading is the responsibility of the insured or their appointed sub-contractor and such loading and unloading is under the direct control and supervision of the insured or their appointed sub-contractor.

4.41 Repairers

Provided that prior written approval of the company has been obtained, the Insured has the option of nominating the repairers to be employed (including themselves) where repairs by any other party would prejudice the rights of the manufacturers' and/or suppliers' guarantees and/or warranties and the like. The company agrees to pay the reasonable costs of the repairers nominated by the Insured.

In the event of loss or damage recoverable under this section, the Insured shall take all reasonable steps to mitigate its loss and to sell the damaged goods for the best possible salvage price under the circumstances, with the prior written approval of the company. Should the Insured fail to do so, the company will nevertheless be entitled to reduce the claim payable under the policy by an amount equivalent to a reasonable salvage.

4.42 Value added tax (VAT)

We will settle claims as per terms and conditions applicable plus VAT where the insured is obliged to pay VAT in terms of South African legislation.

4.43 Parts replacement/ reinstatement

In respect of any claim for loss of or damage to any part of the cargo or subject matter in consequence of a defined event, the amount recoverable hereunder shall not exceed such proportion of the cost of replacing the part lost or damaged (including the reasonable cost of freight, other than by air).

The maximum payment by the company in the event of any part needed to replace or repair damage to such insured subject matter being unobtainable in RSA as a standard (ready manufactured) article, shall be a sum equal to the value of such part (including the reasonable cost of freight, other than by air) at the time of loss, but not in any case exceeding such part's price as stated in the manufacturers last issued catalogue or price list.

4.44 Settlement

Settlement of any loss recoverable under this section will be to the benefit of the owner of the cargo or subject matter or their subrogated insurer or any other party as authorised in writing to the company by the owner or their subrogated insurer. Signature by either the insured or the owner of the subject matter to the company's Agreement of Loss will discharge the company from any further obligations under this section.

4.45 Repatriation: (Outside RSA borders)

This section covers the cargo or subject matter whilst on or in specified conveyances whilst travelling outside the borders of RSA but within the territorial limits as stated in the schedule. If, following a recoverable claim, the cargo or subject matter is not returned to South Africa and it is declared by the company to be a constructive total loss outside South Africa then the company will settle the claim in terms of the basis of valuation less:

4.45.1 the first amount payable (excess); and

4.45.2 the estimated value of salvage which would have been realized in South Africa

On payment of the above, the salvage will belong to the insured or owners of the cargo or subject matter. Cover in terms of the section will cease if the cargo is abandoned outside South Africa.

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4.46 Abnormal loads

Where the loads being conveyed are abnormal or over height, the insured and approved and nominated sub-contractors must comply with the relevant Road Traffic regulations as per the Road Traffic Act. Abnormal Loads must comply with all the conditions and procedures as stated in any abnormal load permit issued for the transportation of such load.

Memoranda

- 4.47** Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to Property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the insured or leased or hired by them under a lease or suspensive sale agreement.

5. Value Added Products and Services

5.1 Own Damage Excess Reducer (if stated in the schedule to be applicable)

The company will pay the standard own damage/section A excess which is payable in terms of the VAPS HCV policy limited to the sum insured stated in the policy schedule and the maximum sum insured stated below.

Specific Conditions

5.1.1 In terms of the insured vehicles the policy is limited to the sum insured as stated in the schedule subject to maximum sum insured per event of;

5.1.1.1 Heavy Commercial Vehicles, Trailers, Buses, Commercial Vehicles & Plant – R450 000

5.1.1.2 Private Motor Vehicles & LDV's – R 120 000

5.1.2 Less the inner excess as stated in the policy schedule and/or as noted on endorsement on policy schedule

5.1.3 The policy should provide comprehensive cover in respect of the Insured Vehicle.

Specific Exclusions

The company shall not be held liable for:

5.1.4 Any loss or damage or injuries to third parties; consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise wear and tear, mechanical or electrical breakdown, failures or breakages and any penalty excess not specifically purchased.

5.1.5 Towing & Recovery Costs

5.1.6 Theft & Hijack excluded unless the policy has been extended to include Theft/Hijack excess reducer

5.1.7 Any additional excesses are excluded unless Insured and noted on policy schedule.

5.2 Theft/Hijack Excess Reducer (if stated in the schedule to be applicable)

The company will pay the Theft/Hijack excess which is payable in terms of the VAPS HCV policy limited to the sum insured stated in the policy schedule or the maximum sum insured stated below, subject to the applicable inner excess (as defined).

Specific Conditions

5.2.1 In terms of the insured vehicles (as defined) the policy is limited to the sum insured as stated in the schedule subject to a maximum sum insured per event of;

5.2.1.1 Heavy Commercial Vehicles, Trailers, Buses, Commercial Vehicles & Plant – R500 000

5.2.1.2 Private Motor Vehicles & LDV's – R 120 000

5.2.2 Less the inner excess as stated in the policy schedule and/or as noted on endorsement on policy schedule.

5.2.3 Should the vehicle be recovered with damage the client can claim under the own damage reducer section of this policy if applicable.

5.3 Third Party Excess Reducer (if stated in the schedule to be applicable)

The company will pay the Third-Party Liability excess which is payable in terms of the VAPS HCV policy limited to the maximum sum insured stated in this policy schedule.

Specific Conditions

5.3.1 Unless otherwise stated, the liability of the company under this sub-section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the schedule.

5.4 Penalty Excess Reducer (if stated in the schedule to be applicable)

The company will pay the excess which is payable in terms of the VAPS HCV policy covering the additional penalty excesses due, limited to the sum insured as stated in the policy schedule and the maximum sum insured as stated below.

Specific Conditions

5.4.1 This section will not apply to those penalty excesses specifically endorsed by the Insurer due to corrective action, i.e. as a result of claims.

5.4.2 In terms of each specifically insured penalty excess the policy is limited to the sum insured as stated in this policy schedule subject to a maximum sum insured per event of R80, 000 less the respective inner excess.

5. Value Added Products and Services

5.4.3 Options available:

- (a) Driving between 23h00 and 05h00.
- (b) Driving license is issued by an authority outside the Republic of South Africa.

Specific Exclusion

The company shall not be held liable for:

- 5.4.4 Any loss or damage or injuries to third parties; consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following defined event or otherwise wear and tear, mechanical or electrical breakdown, failures or breakages and any penalty excess not specifically included and stated in the schedule.

5.5 Loss of Use (if stated in the schedule to be applicable)

The company will pay the loss of income of the insured commercial vehicle following an insured event of Own damage, Theft / Hijack and/or Total loss which is payable in terms of the VAPS HCV policy, limited to the sum insured/daily pro-rata benefit as stated in the policy schedule whilst having repairs effected within a reasonable period (solely determined by VAPS) following an insured event.

Specific Conditions

- 5.5.1 If being repaired cover will only be applicable whilst the insured vehicle is in the custody of a registered member of the motor trade, who is an underlying insurer approved collision damage repairer.
- 5.5.2 Maximum benefit of R160 000 any one event in total, or
 - (a) R20 000 per week, or
 - (b) 8 weeks in total
- 5.5.3 After the deduction of the time excess as defined in the policy schedule, this cover will commence the following day from the date of authorization of repairs by the insurer.
- 5.5.4 The indemnity period will expire on date of completion of authorized repairs or on the day the agreement of loss/agreed total loss release/tender of settlement is forwarded from insurer onto insured.
- 5.5.5 Any indemnity amount will only become applicable if the insured is unable to use the insured vehicle in the opinion of VAPS HCV prior to the commencement of repair following a loss or accident giving rise to a claim in terms of the policy.
- 5.5.6 The insured event must be the subject of an indemnifiable claim in terms of the policy.
- 5.5.7 The time excess period will apply over and above any other excess payable under this policy in connection with the same incident.

Specific Exclusion

- 5.5.8 No claim will be processed for downtime caused by mechanical and/or electrical breakdown.

5.6 Cross Border Towing & Recovery (if stated in the schedule to be applicable)

Where the insured vehicle is involved in an accident outside the borders of the RSA and sustains damage which is insured in terms of Section 2 of the policy and which renders it undriveable, the company will pay the actual costs of recovery and towing which have been incurred to repatriate the insured vehicle to the RSA, provided that the indemnity afforded by this section does not exceed R50,000 per insured item, and provided that the cover under this section only pays for the costs incurred in getting the insured vehicle to the South African side of the border.

Specific Exclusion

- 5.6.1 The company shall not be liable to pay for the cost of any damages which may occur to the vehicle during the course of repatriation to the South African side of the border and/or the cost of any duties payable to the authorities.

5.7 Windscreen Comprehensive Cover (if stated in the schedule to be applicable)

This section insures the repair or replacement of the windscreen and/or side glass damaged on the specified insured vehicle.

5. Value Added Products and Services

Specific Exclusions

- 5.7.1 All windscreen claims must be reported within 30 days of loss
- 5.7.2 In terms of the insured vehicles, this section is limited to R 15 000 any one loss.
- 5.7.3 Side glass cover for buses excluded.

5.8 Windscreen Excess Waiver (if stated in the schedule to be applicable)

The company will pay the standard windscreen excess which is payable in terms of the VAPS HCV Policy limited to the sum insured stated in this policy schedule and the maximum sum insured stated below.

Specific Conditions

- 5.8.1 In terms of the insured vehicles the policy is limited to the sum insured as stated subject to maximum sum insured per event of;
 - (a) Heavy Commercial Vehicles, Trailers, Buses, Commercial Vehicles & Plant – R10, 000
 - (b) Private Motor Vehicles & LDV's – R 5 000
- 5.8.2 Less the inner excess as stated in the policy schedule and/or as noted on endorsement on policy schedule.

5.9 Tyre/Pothole Cover (if stated in the schedule to be applicable. PMV's, LDV's and Commercial vehicles below 3500kgs only)

In the event of accidental damage to a tyre caused by sudden braking, cuts, punctures by foreign objects or bursts, the insurer will indemnify the Insured for the cost of repair or replacement of a tyre including balancing, provided that the indemnity is based on the percentage of unused tread left on the tyre.

Limit of Indemnity

The insurer will reimburse the Insured the amount on his/her invoice relating to the purchase or repair of tyres, less any wear and tear on the tyre at the time of an event that may result in a claim.

Maximum indemnity is R2 000 per tyre (Option 1) or R 3 000 (Option 2), less any wear and tear/worn tread.

Maximum liability per claim/event is R4 000 (Option 1) or R6000 (Option 2).

Specific Conditions

This policy is limited to two claims per year, or one claim if two tyres are replaced in one incident. All claims must be reported to the VAPS call centre on 012 942 4536 before any replacement of damaged tyre(s) may be done. No claim(s) will be paid if the client replaces tyre(s) without authorisation from VAPS HCV.

Specific Exclusions

The Insurer will not be liable to pay for any loss or resultant damage:

- ▶ to tyres on any heavy commercial type vehicle or fare paying transport vehicles;
- ▶ caused by safety devices built into or fitted onto tyres;
- ▶ caused to tyres by safety devices, or built-in safety mechanisms;
- ▶ to flat tyres, - where the tyre cannot be repaired as a result of a normal puncture;
- ▶ caused to tyres as a result of driving while the tyre(s) are deflated; (Punctured tyre(s)-: tyre(s) that could have been repaired, if not been driven on while punctured.)
- ▶ to tyres that have a tread depth of less than 1mm at any point;
- ▶ to tyres fitted to a vehicle used for racing, pace setting, speed testing, reliability trials, hire or reward, off-road activities, dispatch or courier services, or driving tuition;
- ▶ caused by or resulting from an accident involving the motor vehicle on which the tyres were fitted;
- ▶ to rethreads, i.e. tyres that have been refitted with rubber rethreads;
- ▶ tyres still covered under a supplier or manufacturer's warranty or guarantee period;
- ▶ from, or any liability arising from faulty manufacturing or fitment;
- ▶ to the vehicle resulting from an event covered by this policy;
- ▶ to rims, mags or any safety devices fitted on or in the tyre;
- ▶ or liability to third parties, or third party property damage;

5. Value Added Products and Services

Tyre Insurance Tread & Indemnity Limits

Our indemnity limits will be calculated as follows

- ▶ 1mm left on the tyre – 12.5% of the cost of the tyre
- ▶ 2mm left on the tyre – 25% of the cost of the tyre
- ▶ 3mm left on the tyre – 37.5% of the cost of the tyre
- ▶ 4mm left on the tyre – 50% of the cost of the tyre
- ▶ 5mm left on the tyre – 62.5% of the cost of the tyre
- ▶ 6mm left on the tyre – 75% of the cost of the tyre
- ▶ 7mm left on the tyre – 87.5% of the cost of the tyre
- ▶ 8mm left on the tyre – 100% of the cost of the tyre

5.10 Car Hire (if stated in the schedule to be applicable. PMV's, LDV's and Commercial vehicles below 3500kgs)

VAPS HCV will pay the actual Car Hire charges including the cost of delivery if the insured vehicle is unusable or is being repaired following loss or damage covered under the underlying motor section or while the vehicle remains uncovered following theft, subject to availability, in terms of the selection of the Group car as shown in the schedule. If selected, VAPS will also pay for a period of 5 days after a mechanical breakdown of the vehicle and for two days' rental for routine servicing of the Insured vehicle.

When will we arrange Car Hire?

- ▶ **Insured Vehicle Stolen or Hijacked** - We will arrange car hire upon receipt of instructions accompanied by copies of the claim forms from the insurer.
- ▶ **Insured Vehicle damaged but drivable** - Provided we have received instructions and copies of claim forms from the Insurer, we will arrange car hire as soon as the insured vehicle has been delivered to an approved panel beater
- ▶ **Insured Vehicle damaged and not drivable** - Provided we have received instructions and copies of claim forms from the insurer, we will arrange car hire as soon as the insured vehicle has been towed.
- ▶ **Mechanical Breakdown** (If cover is included) - Upon receipt of instructions accompanied by the mechanical breakdown claim form from the insurer, we will provide the insured with a hired vehicle for a period of up to 5 days whilst the insured vehicle is not in the insured's possession.
- ▶ **Routine Services** (Two claims per annum and if cover is included) - Upon receipt of instructions accompanied by written confirmation from an approved motor dealer confirming the service date, we will provide the insured with a hired vehicle for a period of 2 days, twice per annum, whilst the insured vehicle is not in the insured's possession

5.11 Goods in Transit (GIT) Basic Excess Reducer (if stated in the schedule to be applicable)

The company will pay the specified vehicle's Goods in Transit Basic Excess, which is calculated and payable on your VAPS HCV Policy limited to the Sum Insured and Specified excesses as stated in the Policy Schedule and the maximum Sum Insured as stated below.

Specific Conditions

- 5.11.1 Maximum limit of Indemnity – R300 000 per event.
- 5.11.2 Limited to Cost Price of goods to the owner of the goods and/or replacement value and/or market value whichever is the lesser, at time of loss.
- 5.11.3 If liability is declined in terms of the VAPS HCV GIT Policy, then indemnification of this policy will similarly be declined.
- 5.11.4 Any condition, warranty or exclusion applicable to the VAPS HCV GIT Policy will similarly be applicable to this cover.
- 5.11.5 This policy will only respond where there has been a legitimate non-hijack claim on the VAPS HCV GIT Policy and such indemnity has been paid to the Insured by the Insurer, less the excess applicable.
- 5.11.6 No additional excess will be covered unless agreed on and endorsement is noted on Policy Schedule noting same.

5. Value Added Products and Services

5.12 Goods in Transit (GIT) Theft/Hijack Excess Reducer (if stated in the schedule to be applicable)

The company will pay the specified vehicle Goods in Transit Theft/Hijack Excess applicable, which is calculated and payable on your VAPS HCV GIT Insurance Policy limited to the Sum Insured and Specified excesses as stated in the Policy Schedule and the maximum Sum Insured as stated below.

Specific Conditions

- 5.12.1 Maximum limit of Indemnity – R450 000 per event.
- 5.12.2 Limited to Cost Price of goods to the owner of the goods and/or replacement value and/or market value whichever is the lesser, at time of loss.
- 5.12.3 There must be in force a valid VAPS HCV GIT Policy at the time of loss.
- 5.12.4 If liability is declined in terms of the VAPS HCV GIT Policy, then indemnification of this policy will similarly be declined.
- 5.12.5 Any condition, warranty or exclusion applicable to the VAPS HCV GIT Policy will similarly be applicable to this cover.
- 5.12.6 This policy will only respond where there has been a legitimate hijack claim on the VAPS HCV GIT Policy and such indemnity has been paid to the Insured by the Insurer, less the excess applicable.
- 5.12.7 No additional excess will be covered unless agreed on and endorsement is noted on Policy Schedule noting same.

5.13 Inception Value Policy (if stated in the schedule to be applicable)

In the event that your vehicle is a total loss (i.e. stolen, hi-jacked or written off), and/ or subject to a valid claim in terms of SASRIA we shall settle your claim as follows:

- 5.13.1 If the vehicle is financed, we shall pay your financial institution first, the greater of:
 - (a) the outstanding balance that you owe as at the date of loss less the payment made in terms of the underlying comprehensive policy; or
 - (b) the balance between the retail value as determined by the underlying comprehensive policy at the time of the loss and the sum insured as at the inception date of this Inception Value Policy

Any other monies due in terms of the policy will be paid directly to you
less any excesses that might be stated in the schedule as being applicable under this Inception Value Policy.
- 5.13.2 If the vehicle is not financed, we shall pay you the inception value: less the retail value as at the date of loss; less any excesses that might be applicable as stated in the schedule under this Inception Value Policy

Definitions

- 5.13.3 **Inception value** shall be the retail value as at the inception of the Inception Value Policy with us;
- 5.13.4 **Retail value** shall be determined as per the publication of the Mead & Mc Grouther Auto Dealers Digest;
- 5.13.5 **Outstanding balance** refers to the outstanding balance that you owe a financial institution as at the date of loss;
less any:
 - (a) overdue instalments and arrear interest as at the date of loss;
 - (b) rebates you would have been entitled to had you settled the loan as at the date of loss;
 - (c) refunds due to you or the financial institutions;
- 5.13.6 **Vehicle** shall be restricted to either a code 1 or code 2 as per the applicable Road Traffic Regulations in South Africa. and/ or a motorcycle and/ or HCV (Heavy Commercial Vehicle) provided that a legally recognized retail value as per the publication of the Mead & Mc Grouther Auto Dealers Digest can be attached to the vehicle/ motorcycle/ Heavy vehicle at the time of the loss occurring and the vehicle(s) are legally licensed as per the applicable Road Traffic Regulations in South Africa.

5. Value Added Products and Services

Specific Exclusions

- 5.13.7 If your underlying comprehensive insurance is repudiated or rejected;
- 5.13.8 If your underlying comprehensive policy is voided or cancelled;
- 5.13.9 Amounts payable by you in respect of the underlying comprehensive insurance;

Specific Conditions

- 5.13.10 Alterations to or cancellation of the Inception Value Policy will be effected in the following manner:
 - (a) by giving you 30 days' written notice (electronically, by fax or by post to your last known address).
 - (b) any changes or a cancellation made to the policy will be effective from the time and date agreed to.
 - (c) if you cancel your policy during the course of an insured month, we will not refund the premiums you have paid for the rest of that month.
- 5.13.11 If your insurance policy is cancelled due to the non-payment of premium, then your cover shall be terminated.
- 5.13.12 Reinstatement of cancelled policy - If your insurance policy is cancelled due to the non-payment of premiums the Inception Value Policy shall not be reinstated but may be reissued from the date that you requested reinstatement and the value shall be the retail value as at the inception of the replacement Inception Value Policy.
- 5.13.13 Excesses, deductibles and similar payments only apply if specifically indicated in the policy schedule

5.14 Credit Shortfall (if stated in the schedule to be applicable)

This section insures you for the shortfall arising following a total loss settlement per the Underlying Insurance Policy; this amount is calculated as the difference between the retail value (as stipulated in the Transunion Dealers Guide) and the Statutory Settlement Balance in the applicable Credit Agreement as defined.

Specific Conditions

- 5.14.1 The amount of the Statutory Settlement Balance up to a maximum of:
 - (a) Heavy Commercial Vehicles, Buses, Special Types & Trailers – R250, 000
 - (b) Light Delivery Vehicles, Private Motor Vehicles & Motorcycles – R60, 000
- 5.14.2 The amount paid by the Underlying Insurer (before Underlying Insurer Policy excess being deducted) will be deducted.

5.15 Pollution Liability Excess Reducer (if stated in the schedule to be applicable)

This section insures your excess which is payable in terms of your Underlying Insurance Policy covering the transportation of dangerous goods, environmental liability and/or clean-up costs limited to the Sum Insured as stated in the Policy Schedule and the maximum Sum Insured as stated below.

Specific Conditions

- 5.15.1 The amount of the Underlying Policy Excess which will not be higher than the amount stated in the Policy Schedule up to a maximum of R150, 000 for Hazardous Goods Transported on the Insured Vehicle.
- 5.15.2 Less the inner excess amount applicable on each and every claim, which will be 25% of claim with a minimum of R5, 000 and or noted as endorsement on the Policy Schedule.
- 5.15.3 This cover is only available if the Hazardous Goods Transported are Insured with an Underlying Insurance Company for Pollution Liability, and the said liability exceeds the limit stated in the VAPS Policy Schedule in respect of the specified Insured Vehicles.
- 5.15.4 We will at our option pay any claim directly to the Underlying Insurer; provided that the loss is indemnified by the Underlying Insurer and that the claim exceeds the VAPS Sum Insured.

Specific Exclusions

- 5.15.5 The Underwriters shall not be held liable for: Liability arising following a Consignee / Consignor / Operator - not complying with all legislation governing the transportation of Hazardous Goods.

5. Value Added Products and Services

5.16 Non-Motor Excess Reducer (if stated in the schedule to be applicable)

This section insures your Non-Motor excess as described in your VAPS Policy Schedule which is payable in terms of your Underlying Insurance Policy limited to the Sum Insured stated in this VAPS Policy Schedule and the maximum sum insured stated in this VAPS Policy Schedule.

Commercial Lines sections that we can provide Excess Reducer cover on: Fire, Buildings Combined, Office contents, Electronic Equipment, Business Interruption, Accounts Receivable, Theft, Money, Glass, Fidelity, Business All Risks, Accidental Damage, Public Liability, Employers' Liability, Stated Benefits & Group personal Accident.

Personal Lines sections that we can provide Excess Reducer cover on: Houseowners (Buildings), Householders (Contents), All Risks, Personal Accident & Personal Liability

Specific Conditions

5.16.1 Any specific non-motor excess can be referred to VAPS for cover.

5.16.2 Maximum Indemnity Limit is R 250 000.

5.16.3 There must at all times be a valid Underlying Comprehensive policy in place at the time of claim.

Specific Exclusions

The Underwriter shall not be held liable if:

5.16.4 Proof of settlement has been received from the Underlying Policy Insurer.

5.16.5 The Underlying Insurer has refused your claim for an event.

6. VAPS HCV Driver Assist (Driver Accident Cover)

6.1 Category – 24 Hour Cover – Transporters Drivers & Employees – One Employed driver & One Employed Passenger

Circumstances	Compensation	Excess
Death (Accident)	R 100 000 per Insured Person	R 5000 per Insured Person
Permanent Disability (Accident)	R 100 000 per Insured Person	R 5000 per Insured Person
Medical Expenses	R 50 000 per Insured Person	Nil
No. of persons per vehicle covered	2 (Two)	N/A
24 hrs. Medical Evacuation	Arranged through VAPS Call Centre	N/A
Premium (incl VAT)	R 45 per vehicle per month	

6.2 Defined Events

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the insured (hereinafter in this section referred to as such person) specified in the schedule.

The company will pay the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

Memoranda

- (i) Where the injury is not specified, the company will pay such sum, as in their opinion, is consistent with the provisions below.
- (ii) Permanent total loss of use of part of body shall be treated as loss of such part.
- (iii) 100% shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

6.3 Temporary total disability shall mean total and absolute incapacity from following usual business or occupation.

6.4 Medical Expenses shall mean total and absolute incapacity from following usual business or occupation.

6.5 Business limitation (if stated in the schedule to be applicable)

This section applies only in respect of accidental bodily injury to such person arising from and in the course of his employment in the business.

6.6 Provisos

It is declared and agreed that

- 6.6.1 The company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
- 6.6.2 The compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
- 6.6.3 Unless otherwise provided herein, this section shall not apply to any such person under 15 or over 70 years of age;
- 6.6.4 After suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the company so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- 6.6.5 General conditions 2 and 9 do not apply to this section;
- 6.6.6 in respect of this section only, General Exception1 is deleted and replaced by the following:
This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

6. VAPS HCV Driver Assist (Driver Accident Cover)

6.7 Definitions

Permanent Disability shall mean:	Percentage of Compensation
(a) Loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b) Permanent and total loss of:	
Whole eye	100
Sight of eye	100
Sight of eye except perception of light	75
(c) Permanent and total loss of hearing:	
Both ears	100
One ear	25
(d) Permanent and total loss of speech	100
(e) Injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
(f) Loss of four fingers	70
(g) Loss of thumb	
Both phalanges	25
One phalanx	10
(h) Loss of index finger	
Three phalanges	10
Two phalanges	8
One phalanx	4
(i) Loss of middle finger	
Three phalanges	6
Two phalanges	4
One phalanx	2
(j) Loss of ring finger	
Three phalanges	5
Two phalanges	4
One phalanx	2
(k) Loss of little finger	
Three phalanges	4
Two phalanges	3
One phalanx	2
(l) Loss of metacarpals	
First or second (additional)	3
Third, fourth or fifth (additional)	2
(m) Loss of toes	
All on one foot	30
Great, both phalanges	5
Great, one phalanx	2
Other than great, if more than one toe lost, each	2

6. VAPS HCV Driver Assist (Driver Accident Cover)

6.8 Extensions

6.8.1 Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

6.8.2 Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the company will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

6.8.3 Burns disfigurement (if stated in the schedule to be included)

Subject to the exclusion shown below, the following item is added to the definition of "Permanent disability";

Permanent Disability shall mean:	Percentage of Compensation
permanent disfigurement resulting from accidental external burns to the combined surface area of the	
Face and neck 100% surface area disfigurement	50
Less than 100% area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
Remaining parts of the body other than the face and neck—100% surface area	25
Remaining parts of the body other than the face and neck—less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement.

The company shall not pay under any sub item of this extension unless the disfigurement exceeds 10% for the sub item under which a claim is lodged.

6.8.4. **Life support machinery** - Notwithstanding anything contained in the defined events, the twenty four month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

6.9 Specific exceptions

The company shall not be liable to pay compensation for death, disability or medical expenses in respect of such person

6.9.1 while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;

6.9.2 by his suicide or intentional self-injury;

6.9.3 caused solely by an existing physical defect or other infirmity of such person;

6.9.4 as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);

6.9.5 as a result of his participation in any riot, civil commotion or terrorism;

6.9.6 in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;

6.9.7 while he is, or as a result of his, engaging in

6.9.7.1 motor cycling, motor quadricyclane or motor tricycling (whether as a driver or passenger) other than on the business of the insured

6.9.7.2 racing of any kind involving the use of any power driven (a) vehicle (b) vessel or (c) craft

6.9.7.3 mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football or hang-gliding.

7. Special Warranties

The Insured warrants that:

- 7.1 The insured vehicle/s will at all times be maintained in an efficient and roadworthy condition in accordance with the legislation relating to roadworthiness
- 7.2 The vehicle/s has a valid Certificate of Fitness
- 7.3 The vehicles are fitted with a serviceable fire extinguisher
- 7.4 The vehicles will not carry any load exceeding the capacity or weight, which is legally permissible for vehicles of that type in accordance with current legislation.

8. Claims Procedures

It is a condition precedent to Insurer's liability that in the event of a claim you act as follows:

- 8.1 In the case of theft or hijack and as soon as the occurrence is known, immediate notification must be given to the VAPS HCV Assist call centre and the VAPS HCV claims department must be notified as soon as possible but not later than 2 days after the occurrence.
- 8.2 Take all reasonable steps to recover the stolen property and to discover the guilty party.
- 8.3 Advise VAPS HCV of any claim (other than theft, hijack, or a claim from a third party), as soon as possible from the time of the occurrence that may lead to a claim but not later than 10 working days after the occurrence.
- 8.4 Inform the police as soon as possible and in any event not later than 24 (twenty-four) hours following the accident or theft of property.
- 8.5 Complete a claim form as soon as is reasonably possible and provide VAPS HCV with all material information as requested. The Insurers will be under no obligation to proceed with a claim if you do not provide, in full, the required information.
- 8.6 Provide VAPS HCV with material proof, information, sworn declarations and any other documentation that may be required as soon as practicable.
- 8.7 Provide VAPS HCV with the particulars of any other insurance that covers the same events as any section of your VAPS HCV Policy.
- 8.8 Foreign Driver's Licenses – Please ensure all Foreign Drivers have a valid license and PDP. You may use any service provider for verification, such as Leigh at Check-your-driver: 084 597 6542 / leigh@check-your-driver.co.za /
- 8.9 Immediately forward to VAPS HCV any notice of a claim, communication, writ, summons or other legal process issued or commenced against you in connection with the occurrence.
- 8.10 Accident Towing & Mechanical Breakdown Towing VAPS 24/7 Number – 066 251 3044

You may authorise:

- 8.11 Emergency Repairs (not applicable to SASRIA)
Emergency repairs up to R35 000 (Thirty Five Thousand Rand), provided a detailed estimate is immediately forwarded to VAPS Insurance Underwriters. The first amount payable, as stated in your policy schedule, will be applicable.
- 8.12 Complete Repairs (not applicable to SASRIA)
Complete repairs up to R10 000.00 (Ten Thousand Rand), provided you have obtained at least two detailed quotes from recognized repair establishments prior to giving such authority.

9. VAPS Transport Risk Management Guidelines

Effective risk management strategies can be applied to risks with both potentially positive and negative impacts on your Transport business. By understanding the opportunities and challenges presented by Transport related risks, you can improve your bottom line and avoid the negative financial and legal impact on your business. Please take note of the following which may help improve your risk:

9.1 Roadworthiness – Please refer to the Road Traffic Act

The following are very important:

- a) Truck and trailer brakes must comply with SANS 10047.
- b) Maintain vehicles and service vehicle at approved Manufacturer intervals.
- c) Keep a serviced fire extinguisher fitted to all trucks.

9.2 Foreign Driver's Licenses – Please ensure all Foreign Drivers have a valid license and PRDP.

Contact Leigh at Check-your-driver at
leigh@check-your-driver.co.za or 084 597 6542 to verify any Driver's license

9.3 Tracking Devices/Theft/Hijack

- a) All Vehicles with a Value of more than R 200 000 – Tracking device with Recovery option required
- b) All Vehicles with a Value below R 200 000 – VESA level 3 or 4 or factory fitted alarm/immobilizer and/or Tracking device

9.4 Claims Procedures to be followed in the event of Loss or Damage which may give rise to a claim:

Accident Towing & Mechanical Breakdown Towing VAPS 24/7 Number – 066 251 3044

Theft/Hijack & Serious Accidents - In the case of a theft or hijack and in case of a serious accident where the damage to the insured vehicle is likely to exceed R500,000 (five hundred thousand Rand) And /or more than one third party is involved in the event and as soon as the occurrence is known, IMMEDIATE NOTIFICATION must be given to:

- ▶ VAPS Assist 24 Hour Control Centre:
Toll-Free Number 066 251 3044
- ▶ VAPS HCV must be notified as soon as possible, but no later than TWO DAYS after the occurrence.
VAPS HCV Office Number: 012 942 4537

These Claims Procedure are in addition to and must be read with the Claims Procedure Clause of the VAPS HCV Policy Wording.

- ▶ In all cases report the matter to the South African Police Service within 24 hours.
- ▶ In all cases advise VAPS HCV of the matter at the office number 012 942 4537, during office hours or 083 412 2451 after hours and as soon as reasonably possible but within 48 hours for thefts / hijacks
- ▶ Take all reasonable steps to recover the stolen property and to discover the guilty party.
- ▶ Complete a claim form as soon as reasonably possible and provide VAPS with all the materials information as requested. The Insurer will be under no obligation to proceed with a claim if you do not provide in full the required information

10. VAPS 24/7 Accident Assist

10.1 ROADSIDE ASSISTANCE AND ACCIDENT MANAGEMENT FOR VEHICLES **OVER 3500KG**

24/7 Contact number: 066 251 3044

▼ Annual Limit of R 20 000 per vehicle

Mechanical & Electrical Breakdown

(Covered to the nearest repairer up to a maximum of 250 km per incident – Maximum cover of R 20 000 per incident)

Should the insured vehicle become disabled as a result of mechanical or electrical breakdown and the technician that was dispatched cannot repair same, the vehicle will be towed to the nearest service/repair facility not exceeding a radius of 250 kilometres (covered up to R20 000 per incident) from the scene of the incident within the Republic of South Africa.

Note: Only Mechanical and Electrical Components on the Rolling Chassis and/or Drive Line are covered.

Flat Tyre Assistance

(Callout fee up to R 2000 per incident)

Assistance will be provided in the event of a flat tyre with a spare tyre to replace it with. The callout fee will be covered up to R2000 per incident and does not include the following:

- The cost or delivery of a replacement tyre
- Cost of the towing if the tyre change was unsuccessful (towing can be arranged to the nearest repairer, however the client will be liable for any costs)

**Should the spare tyre not be serviceable or no lock nut key is provided, the vehicle will be towed to the nearest repairer up to R2000 per incident. Any costs exceeding this amount will be for your own account.*

Flat Battery Assistance

(Callout fee up to R 2000 per incident)

If a battery failure occurs, a jump start will be provided to start your vehicle

- Any additional costs for travel, parts and labour will be for your own account.
- Battery not included.

Locksmith Assistance

(Callout fee up to R 2000 per incident)

If your keys are locked inside the vehicle, assistance will be provided to gain entry into the vehicle.

- The costs for travel and labour in excess of R2000 will be for your own account

Recovery/Winching Assistance

(Callout fee up to R 2000 per incident)

Provides assistance in extracting the vehicle when stuck in a ditch and such locations is within 50 meters of a paved road or highway.

- Covered up to a maximum of 1 hour per vehicle per incident
- This benefit does not cover extraction when driving a vehicle off-road or unpaved highways.

Vehicle Protection Service

In the event of an incident and where necessary, the call centre will dispatch the police/runner vehicle to the scene in order to guard the vehicle and load until such time as the roadside assistance vehicle or tow truck arrives.

- Subject to availability in the specific area

Accident Management

In the event of an accident, VAPS HCV will assist to tow the vehicle to the nearest approved repairer. The cost of the accident tow will be invoiced to the insurer as part of the claim. Should the client not register a claim, the client will be liable for the cost of the accident tow.

10. VAPS 24/7 ACCIDENT ASSIST

10.2 ROADSIDE ASSISTANCE AND ACCIDENT MANAGEMENT FOR VEHICLES **UNDER 3500KG**

24/7 Contact number: 066 251 3044

▼ Annual Limit of R 5 000 per vehicle

24 Hour roadside assistance that will assist the client in the event of a roadside or non-roadside emergency

Roadside Assistance and Accident Management

Mechanical breakdown towing to the nearest approved repairer

If the client is 100km from their permanent residence or destination, VAPS will provide either:

- Hotel accommodation up to R500 OR
- Car hire for 24 hours up to R500

Locksmith (callout & labour)

Flat battery (jumpstart or towing of the vehicle to nearest approved repairer)

Flat tyre (replace with clients spare tyre or tow to the nearest approved repairer)

Accident management the cost of the tow will be invoiced to the insurer as part of the claim.

Should the client decide not to register a claim, or the claim is repudiated, the client will be liable for the cost of the accident tow

Towing to the correct place the first time

Negotiated rates for towing

No storage or release fees

10. VAPS 24/7 ACCIDENT ASSIST

10.3 MEDICAL ASSISTANCE

24/7 Contact number: 066 251 3044

▼ Annual Limit of R 10 000 per policy

The injured person will be assisted with 24-hour medical assistance and/or transportation

Telephonic Support Services

Emergency medical advice and information

Medical hotline/confidential non-emergency medical information and advice

Trauma Counselling

Telephonic Support Services

Emergency medical response and stabilisation

Medical Transportation

Transfer of life saving medication

Companionship and/care of stranded minors

Inter-hospital transfer or Inter-facility transfer of a patient by road or air transport, whichever is the most medically appropriate

Repatriation of mortal remains. Should a patient die outside their residential town more than 180km from their usual residence, arrangements will be made to repatriate the mortal remains to the residential town

This benefit is capped at R20 000 and the members next of kin will be responsible for any surplus costs

Admission deposit of R5 000 (Refundable to ER24 by member or his/her medical aid)

Applies only in the Republic of South Africa



VAPS HCV is an innovative niche Insurance Underwriter specialising in Heavy Commercial Vehicle (HCV) Insurance and other Value Added Insurance products.

NATIONWIDE BROKER CONSULTANTS

GAUTENG

Peet Victor – VAPS Head Office
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