

**Sub-section A Loss or damage**

**Defined events**

Loss of or damage to any vehicle described in the schedule and its accessories and spare parts whilst 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 protection and removal to the nearest repairers and the insured may give instructions for repairs to be executed without the previous consent of the Company to the extent of but not exceeding M2000 for private vehicles and M5000 for commercial vehicles, provided that a detailed estimate is first obtained and immediately forwarded to the Company. In the event of the Insured and/or his/her representatives authorises repairs in breach of this condition, the Company reserves the right to repudiate the claim outright or merely pay the self-authorization limit. The Company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured provided that:

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, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage.
2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage.
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.
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.
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 radios, tape players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.
6. The Company shall declare a vehicle a constructive total loss when the estimated repair costs exceed 70% of the market value (of the insured vehicle at the time of loss) or insured value, whichever is less, and in any case should the Insured wish to retain the salvage or wreck, the Company shall deduct 30% of the market value or insured value whichever is lesser after the application of the First Amount Payable stated in the Schedule.
7. For the purposes of the Motor section of the Policy, the definition of reasonable market value shall mean the Market Value as reflected in the Mead & McGrouther Auto/Commercial Dealers Digest for the make and model duly adjusted for condition unless the Policy is issued as an agreed value policy as per the attached endorsement.

8. In the event of any incident giving rise to a claim under sub-section A, the maximum payment in respect of parts shall be limited to the manufacturer's last issued list price for such parts if such parts are unobtainable in Lesotho and the Republic of South Africa or if the part (s) is obsolete in pattern.
9. The Insured shall comply with all national authority requirements including but not limited to Professional Driving Permits, Public Drivers License, Roadworthy Certificate, Certificate of Fitness and drivers licenses.
10. any modification or alteration to the insured vehicle shall be reported to the Company within thirty (30) days of such modification or alteration.
11. Any fact affecting or relevant to the risk including but not limited to full disclosure of the last three (3) years' claims and/or loss experience (s) must be reported to the Company in writing prior to the inception of this insurance.
12. the Insured shall not cede or assign either or part or in whole, any rights or obligations in terms of the Policy without prior written consent of the Company.

### **Specific Extensions to Sub-section A**

#### **1. Specified Accessories**

The Company will pay for the loss or damage to accessories forming part of the vehicle as described in the schedule. The accessories forming part of the vehicle as described in the Schedule. The accessories are also covered whilst temporarily removed from the vehicle.

Unspecified Car Radios/Tape Decks/CD Players shall be limited to M5,000 any one claim.

#### **2. Contents of Caravans**

The Company will pay for loss or damage to the contents of a caravan whilst these are kept in the caravan or its side tent excluding:

- The fixtures and fittings, loss or damage to tools and samples to a business, trade or occupation, damage to glass, glassware or other brittle articles due to cracking or breakage unless caused by the caravan being involved in an accident.

Provided that the amount payable shall be restricted to M5,000 unless the items are specified.

#### **3. Tools, spare parts, and travel accessories**

The Company will pay for:

Loss of or damage to car tools, spare parts and travel accessories such as rugs, seat covers, rubber mats, towing ropes, sunshields, whilst in the vehicle provided that the amount payable shall be restricted to M5,000 unless these items are specified and a higher value given them.

### **Exceptions to sub-section A**

The Company shall not be liable to pay for

- (a) 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
- (b) 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
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.

- (d) more than 5% of the limit of indemnity of the vehicle listed in the schedule less the first Amount payable for any type of radio and other sound reproduction equipment other than radio and sound equipment installed by the manufacturer of the vehicle when new. If a radio or sound equipment is specified in the schedule the value shown against the radio or equipment shall be the maximum liability payable in the event of a claim;
- (e) 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

### **Sub-section B Liability to Third Parties**

#### **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

- (i) 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
- (ii) 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.

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

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which maybe 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 maybe the subject of indemnity under this sub-section, provided that the total of the Company's liability under both this extension and Sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B
2. indemnify any person who is driving or using such vehicle on the insured's order or with the insured's permission provided that
  - (a) 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
  - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer
  - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
  - (d) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder
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
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.

#### **Exceptions to Sub-section B**

The Company shall not be liable under this sub-section in respect of

- (a) 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 effected
- (b) death of or injury to any person being carried in or upon or entering or getting on to or alighting from a vehicle described in definition 2 Vehicle (b),(c),(d)or(e) 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)
- (c) 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.
- (d) 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

### 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.

### Sub-section C Medical Expenses

#### Defined Events

If an occupant in the specified part of a vehicle described below, indirect 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 M1000 per injured occupant but not exceeding M5000 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 includes 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.

<b>Defined vehicle but only if insured under sub-section A of this section</b>	<b>Specified part of vehicle in which the injury must occur</b>
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|---|--|
| 1. Any private type motor car or motorised caravan            | Any where inside the vehicle                             |
| 2. Any other type of insured vehicle other than a bus or taxi | The permanently enclosed passenger carrying compartment. |

#### Definitions

##### 1. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.

##### 2. Vehicle

The term vehicle shall mean

- (a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 persons including the driver), with a gross mass not exceeding 3500kg
- (b) commercial vehicles and special type vehicles as described in the schedule (being vehicles designed, or added for the transport of goods of which the makers/manufacturers declared carrying capacity

- exceeds 1.5tonnes or 1500Kg)
- (c) motorcycles which have fewer than four wheels and are designed to be steered by means of handlebars  
(including motor scooters and 3-wheeled vehicles)
  - (d) buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver)
  - (e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto,

Any such vehicle being owned by or hired or leased to the insured, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Company's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

**No claim rebate provisions (applicable to specified vehicle basis)**

In the event of no claim being made or arising under this policy during a period of insurance specified below immediately preceding the

Renewal of this policy, the renewal premium for the insurance of the vehicles will be based on the relevant Claim-Free Group or subject to the No Claim Discount as follows

Definition 2(a)

Period of insurance during which no claim is made or arises	Claim-Free Group
The preceding year	1
The preceding two consecutive years	2
The preceding three consecutive years	3
The preceding four consecutive years	4
The preceding five consecutive years	5

Otherwise than above, Claim-Free Group 0 applies.

If one or more claims are made or arise under this policy during a period of insurance for which the premium is based on Claim-Free Group 4 or

5, then the next renewal premium will be based respectively on Claim-Free Group 2 or 3 and for subsequent renewals as follows

(i) CLAIM-FREE GROUP 4	
Period of insurance	Claim-Free Group
The preceding year	3
The preceding two consecutive years	4
The preceding three consecutive years	5
(ii) CLAIM-FREE GROUP 5	
Period of insurance	Claim-Free Group
The preceding year	4
The preceding two consecutive years	5

Otherwise than above, Claim-Free Group 0 applies.

Definitions 2(b) and (e)

Period of insurance	No claim Discount
The preceding year	15%
The preceding two consecutive years	20%
The preceding three consecutive years	30%
The preceding four consecutive years	40%

Otherwise than above, no discount applies.

### Definitions 2(c) and (d)

Period of insurance	No claim Discount
The preceding year	15%
The preceding two consecutive years	20%
The preceding three consecutive years	30%
The preceding four consecutive years	35%

Otherwise than above, no discount applies.

Should the Company consent to a transfer of interest in this policy, the period during which the interest was in the transferor shall not accrue to the benefit of the transferee.

If more than one vehicle is described in the schedule to this policy, the Claim-Free Group/No Claim Discount shall be applied as if a separate policy had been issued in respect of each such vehicle.

The Claim-Free Groups or No Claim Discounts applicable will be established at inception date and/or anniversary date and the references to "preceding year(s)" mean the relevant period of twelve(12) consecutive months preceding such dates.

### Extensions

1. **Contingent liability extension** (if stated in the schedule to be included) the indemnity under Sub-section B includes claims made against
  - (a) 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)
  - (b) 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(b) 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.
  
2. **Passenger liability extension** (if stated in the schedule to be included)  
Exception (b) to Sub-section B shall not apply to vehicles described in definition 2 (b), other than special types, or in definitions 2(c), 2(d) or 2(e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.
  
3. **Unauthorised passenger liability extension** (if stated in the schedule to be included)  
The indemnity under Sub-section B, notwithstanding Exception (b) 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 anyone occurrence shall not exceed the amount stated in the schedule.

4. **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.

5. **Windscreen extension** (if stated in the schedule to be included)

The provisions of this section relating to first amount payable and no Claim Rebate 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 glass) stated in the schedule of each and every loss.

6. **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.

7. **Principals**

Notwithstanding Specific Exception 2 of this section, the indemnity under Sub-section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa or similar industry body within the territorial limits, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the insured for the purposes of the business, provided that the liability of the Company shall not exceed the limit of indemnity stated in the schedule.

8. **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.

9. **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 in GeneralException1( A)(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.
- If the Company alleges that, by reason of provisos (a), (b), (c) (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

10. **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, the amount stated in the schedule
- (ii) such amount shall be reduced by the first amount payable stated in the schedule.

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to this extension.

11. **Fire extinguishing charges extension**

Any costs (not exceeding M5000) 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.

12. **Wreckage removal extension** (if stated in the schedule to be included)

The cover provided under Sub-section A of this section is extended to include costs and expenses incurred by the insured in respect of the clearing up and removal (excluding the removal, towing and storage referred to in Defined Events) of debris and wreckage of any insured vehicle (other than that part of the vehicle which has a salvage value) 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, in respect of any one occurrence, the limit stated in the schedule to apply to this extension.

13. **Credit shortfall extension** (if stated in the schedule to be included)

If any total loss settlement under Sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Company will pay to the insured an additional amount equal to the shortfall less:

- (a) any arrears instalments or rentals including interest payable on such arrears
- (b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle
- (c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the first amount payable under Sub-section A

**Provided always that**

- (a) the amounts payable shall not exceed the maximum indemnity less the first amount payable under Sub-section A
- (b) this endorsement shall not apply to an agreement whereby the amount of any single



- instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment
- (c) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

## Memoranda

### 1. 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.

### 2. 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. 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

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

Sub-sections A and C and the No-Claim Rebate provisions are cancelled.

**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 and the No-Claim Rebate provisions are cancelled.

## Specific Exceptions

1. 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, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, but the company Will 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
- (iii) or is under the control for the purpose of being driven by a person who does not hold a current valid license or permit to drive such a vehicle as required in terms of the Road Traffic Act 1981 and the Road Transport Act 1981 or similar legislation.

This exception applies if the said person has held a license 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.

2. 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.

**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 Company immediately the insured have knowledge of such fact.

**SPECIAL MOTOR ENDORSEMENT NO.1****MOTOR FIRST AMOUNT PAYABLE**

1. The first amounts payable under sub-section A (loss or damage) for private type motor vehicles and light commercial vehicles (including LDVs) with a gross vehicle mass not exceeding 3 500 kg are:
  - a. Basic (all claims including claims resulting from fire; lightning or explosion but excluding windscreen and glass claims only)
    - (i) Vehicles with a market value of less than M99 999.00
 

Private type motor cars	5% of claim, minimum M1 500.00
Light commercial vehicles	5% of claim, minimum M1 500.00
    - (ii) Vehicles with a market value between M100 000.00 and M199 999.00
 

Private type motor cars	5% of claim, minimum M2 500.00
Light commercial vehicles	5% of claim, minimum M2 500.00
    - (iii) Vehicles with a market value of M200 000.00 or more
 

Private type motor cars	5% of claim, minimum M5 000.00
Light commercial vehicles	5% of claim, minimum M5 000.00
  - b. Drivers under 25 years or over 75 years of age 5% of claim
  - c. Theft or hijack or any attempt thereat [in categories 2 (vii) and (viii) (where a tracking device is not required unless fitted) 5% of claim, minimum M10 000.00
  - d. Windscreen and glass claims only 20% of claim, minimum M250.00
2. The first amount payable under sub-section B (liability to third parties) for vehicles Definition (a) is:
 

Basic (all claims)	M1 000.00
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3. The first amounts payable under sub-section A (loss or damage) for vehicles defined in paragraphs (b), (c), (d) and (e) are:
  - a. Basic (all claims including claims resulting from fire, lightning or explosion but excluding windscreen and glass claims only)
    - (i) Vehicles with a market value of less than M99 999.00 10% of claim, minimum M5 000.00
    - (ii) Vehicles with a market value between M100 000.00 and M199 999.00 10% of claim, minimum M15 000.00
    - (iii) Vehicles with a market value between M200 000.00 and M299 999.00 10% of claim, minimum M25 000.00
    - (iv) Vehicles with a market value of R300 000.00 or more 10% of claim, minimum M30 000.00
  - b. Drivers under 25 years or over 75 years of age 5% of claim
  - c. Theft or hijack or any attempt thereof of vehicles in categories 2 (vii) and (viii) (of prime movers where a tracking device is not required unless fitted) 10% of claim minimum M500
  - d. Overturning of vehicle whilst tipping 5% of claim minimum M500
  - e. Driving between the hours of 23h00 and 04h00 5% of claim minimum M500
  - f. Tyre and/or wheel theft where vehicle is not stolen 10% of claim minimum M500
  - g. Windscreen and glass claims only 20% of claim, minimum M500
4. The first amount payable under sub-section B (liability to third parties) for vehicles defined in Definitions (b),(c) (d) and (e) is:
 

(i) Basic (all claims)	M5 000.00
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5. The amounts specified in paragraphs above shall apply independently and shall be cumulative. The above provisions shall apply separately to each vehicle.

## 6. Territorial Limit\*

Specific Exception 1 (b) of the Motor Section is amended to include Mozambique.

### **SPECIAL MOTOR ENDORSEMENT NO.2**

1. The Multimark III policy is an insurance industry document of general application. So as to accord with individual requirements of insurance Companies including the Zenith Horizon Insurance Company Ltd, this Multimark III policy is altered where felt appropriate by the use and insertion of special endorsements rather than by redrafting the whole policy document it. These special endorsements take precedence over the wording of the Multimark III policy wording. In cases of ambiguity and in the interpretation of the policy, the special endorsements shall prevail over the wording of the Multimark III policy.
2. The Company shall not be liable for any loss damage or liability:
  - (i) where it is found that at the time of any incident giving rise to a claim the insured vehicle was not in a roadworthy condition or was being used in contravention of any legislation relating to such use;
  - (ii) where any incident giving rise to a claim is not reported to the Company in writing as soon as possible and in any event within 30 days of such incident;
  - (iii) where any incident giving rise to a claim is not reported to the police within 24hours;
  - (iv) whilst transporting dangerous goods as defined in the Road Traffic Act or similar legislation;
  - (v) resulting from theft, hijacking or malicious damage where a tracking and recovery system which has been accepted by the company is fitted to the insured vehicle but was not fully functional at the time of loss or where the subscription or service fee or service agreement had not been fully maintained;
  - (vi) for private and commercial vehicles with a sum insured of M20 0000 and over, unless such vehicles are fitted with an approved tracking and recovery system which is fully functional at the time of a defined event;
  - (vii) for private vehicles and light delivery vehicles with a sum insured between M100 000 and M199 999 unless such vehicles are fitted with an approved alarm and immobilising system which is fully functional at the time of a defined event;
  - (viii) for private vehicles and light delivery vehicles with a sum of insured up to M99,999 unless such vehicles are fitted with an approved alarm and immobilising system which is fully functional at the time of a defined event;
  - (ix) occurring within the confines of any airport or area to which aircraft have access or to loss or damage to aircraft;
  - (x) for car radios, sound equipment, cellular phones, car kits, two way radios and the like and/or any other accessory unless specified in the schedule.

3. Any modification or alteration to the insured vehicle shall be reported to the Company in writing within 30 days of such modification or alteration.
4. Any fact affecting or relevant to the risk including but not limited to full disclosure of the last three years claims and/or accident and/or loss experience(s) must be reported to the Company in writing prior to the inception of this insurance.
5. Should the policy be issued on a non standard basis then the premium adjustment clause will be amended by a specific endorsement.
6. For the purposes of the Motor Section of the policy, the definition of reasonable market value shall mean the Market Value as reflected in the Mead & McGrouther Auto/Commercial Dealers Digest for the make and model duly adjusted for condition unless the policy is issued as an agreed value policy as per the attached endorsement.
7. The insured shall comply with all national authority requirements including, but not limited to Public Driving Permits, F-Permits, Roadworthy Certificates, Certificates of Fitness and driving licenses. The words “or if non compliance with any licensing law is solely because of failure to renew any license” are deleted from Specific Exception 1.(c).
8. In the event of any incident giving rise to a claim under sub-section A the maximum payment in respect of parts shall be limited to the manufacturer’s last issued list price for such parts if such parts are unobtainable in Lesotho and the Republic of South Africa or are obsolete in pattern.
9. The limit of liability of the Company under Sub-section A in respect of protection and removal is limited to the sum of M10 000.00 per event.
10. The words “except a claim resulting from fire, lightning or explosion” in paragraph 4 of sub-section A (loss of damage) are hereby deleted.
11. The insured shall not cede or assign, either in part or in whole, any of its rights or obligations in terms of this policy without the prior written consent of the insurer.
12. The Company shall not be liable for any claim unless such claim would be entitled to compensation or indemnification under common law.