

Motor Traders Insurance

Internal section



Sub-section A - Damage

Defined events

Damage to any vehicle owned by the insured and its accessories and spare parts whilst thereon occurring whilst the vehicle is in or on the premises stated in the schedule. In addition, if such vehicle is disabled by reasons of any 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 R2,000 provided that a detailed estimate is first obtained and immediately forwarded to the company. The company will also pay the reasonable cost of delivery to the insured after repair of such damage not exceeding the reasonable cost of transport to the permanent address of the insured in the Republic of South Africa Namibia Botswana Lesotho Swaziland Zimbabwe and Malawi provided that

1. the limit of indemnity for any such vehicle is as stated in the schedule and shall be the maximum amount payable by the company in respect of such damage but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such 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 damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such 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.

Exceptions to sub-section A

The company shall not be liable to pay for

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 or electrical breakdowns failures or breakages.
2. damage to tyres by application of brakes or by road punctures, cuts or bursts.
3. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
4. detention, confiscation or requisition by customs or other officials or authorities.

Sub-section B - Liability to third parties

Defined events

Any accident caused by or through or in connection with any vehicle or in connection with the loading and/or unloading of such vehicle against all sums including claimant's costs and expenses which the insured shall become legally liable to pay in respect of

1. accidental death of or bodily injury to any person but excluding death of or bodily injury to any person in the employment of the insured arising out of and in the course of such employment or being a member of the same household as the insured.
2. accidental damage to
 - (a) the vehicle and/or its accessories and spare parts whilst thereon held in trust by or in the custody or control of the insured other than a vehicle belonging to the insured or a member of the same household as the insured or an employee of the insured;

- (b) property not being property belonging to nor held in trust by nor in the custody or control of the insured nor belonging to a member of the same household as the insured nor an employee of the insured

occurring in or on the premises through the negligence of the insured or any person in the service of or acting on behalf of the insured or by or through any defect in the premises or in the ways works machinery or plant therein.

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 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 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.

Exceptions to sub-section B

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

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 effected.
2. death of or injury to any person being carried in or upon or entering or getting onto or alighting from any motor cycle motor scooter or side-car attached thereto, at the time of the occurrence of the event from which any claim arises.
3. liability arising from the operation demonstration or use for purposes other than maintenance or repair of a vehicle (unless it is a fork lift truck) 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.

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.

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) a mechanically-propelled vehicle.
- (b) any vehicle attached to a vehicle described in (a) above for the purpose of being towed.

No claim rebate provisions

In the event of no claim being made or arising under this section during a period of insurance specified below immediately preceding the renewal of this policy the renewal premium will be subject to the No Claim Discount as follows:

Period of insurance	No Claim Discount
the preceding year	10%
the preceding two or more consecutive years	20%
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.

Extensions

1. Work away from premises (if stated in the schedule to be included)

The premises as stated are extended to include any other premises at which the insured is performing work provided such premises are not under the insured's control.

2. 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 stated in the schedule of each and every loss.

3. 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.

4. 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

- (a) civil commotion labour disturbances riot strike or lockout.
- (b) the act of any lawfully established authority in controlling preventing suppressing or in any other way dealing with any occurrence referred to in (a) 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 General exception 1(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.

Memoranda

1. Premium adjustment clause

The first premium and all renewal premiums payable hereunder are based partly upon the area of the premises and partly upon the amount of wages salaries and other earnings paid to employees principals and directors by the insured during each period of insurance. The name of every employee and the amount of wages salary and other earnings to which he is entitled which shall include the value of all house rent food or other consideration given in addition to wages shall be fully and accurately recorded in a proper book kept for the purpose. Where the insured is a private individual or partnership a minimum amount of R120,000 per annum shall be deemed to be earned by each principal. The insured shall at all times allow the company through any of its representatives to inspect such records and shall if required supply the company with a correct amount of all the wages salaries and other earnings (allowing in respect of each principal a minimum sum of R120,000) paid during any such period of insurance within one month of the expiry of such period of insurance and if the total amount so paid shall differ from the amount on which the premium has been paid the difference in premium shall be met by a further proportionate payment to the company or by a refund by the company as the case may be. In the event of any extension or alteration of the premises during the currency of this section the insured shall immediately notify the company in writing thereof and shall pay to the company any adjusted premium required by them in respect of such extension or alteration.

Optional limitations

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

Sub-section A, Defined event 2(a) of sub-section B 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 in respect of
 - (a) death injury or damage directly or indirectly caused by fire or explosion or by lightning provided that this exception shall not apply to any claim under Sub-section B 1 and 2(b) of this section arising from death injury or damage caused by fire or explosion resulting directly from the possession of a motor vehicle
 - (b) any consequence of theft or housebreaking or any attempt thereat
 - (c) damage to property sustained while it is being worked upon and directly resulting from suchwork
 - (d) any defective workmanship or any consequence thereof
 - (e) death injury or damage caused by or through any demolition of or structural alteration or addition to the premises or by or through the installation of any equipment
 - (f) death injury or damage caused by or through or in connection with the use by the insured or any person in the service of or acting on behalf of the insured of power-driven cranes, elevators, lifts or hoists (having a lift exceeding 2 metres) other than cranes or elevators forming part of the vehicle.
 - (g) death injury or damage resulting from the driving elsewhere than in or on the premises of the vehicle by the insured or any person in the service of or acting on behalf of the insured
 - (h) damage caused by weather conditions to the vehicle and/or its accessories or spare parts.
2. The company shall not be liable for any accident injury loss damage or liability incurred while any vehicle is being driven by
 - (a) 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.
 - (b) 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 is not licensed to drive such vehicleprovided that any driver shall be deemed to be licensed to drive the vehicle if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal 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 learners.
3. 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 authorised 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.