



**PLANT ALL RISKS
INSURANCE POLICY**

MUTUAL & FEDERAL RISK FINANCING LIMITED

(Co. Reg. no. 1966/010741/06)

IN CONSIDERATION of the prior payment of the Premium by the Insured to Mutual & Ferderal Risk Finance Limited hereinafter called the Company for the indemnity herein contained

THE COMPANY AGREES subject to the provisions contained herein or endorsed or otherwise expressed hereon to indemnify the Insured against physical loss of or damage to the Insured Property occurring during the Period of Insurance or any renewal thereof

SUBJECT ALWAYS to the Terms Exceptions and Conditions contained herein

SIGNED FOR AND ON BEHALF OF CONSTANTIA INSURANCE COMPANY LIMITED

THIS _____ DAY OF _____

.....
(SIGNATURE)

SCHEDULE

COMPANY : MUTUAL & FEDERAL RISK FINANCE LIMITED

BROKER :

POLICY No :

INSURED :

POSTAL ADDRESS :

NATURE OF INSURED BUSINESS :

TERRITORIAL LIMITS :

The Republic of South Africa Namibia and to the extent permitted by the applicable insurance acts the territories of Botswana Lesotho and Swaziland

TOTAL SUM INSURED :

BASIS OF VALUATION: NEW REPLACEMENT VALUE MARKET VALUE
(refer Condition 1)

PERIOD OF INSURANCE : FROM: TO:
Both dates inclusive and any subsequent period for which the Company accepts a premium

RENEWAL DATE :

FIRST PREMIUM:	R	ANNUAL PREMIUM:	R
DEBIT ORDER FEE	R	DEBIT ORDER FEE:	R
TOTAL PREMIUM	R	TOTAL PREMIUM:	R
MONTHLY PREMIUM	R	MONTHLY PREMIUM:	R

VAT reg. No 4360121331

This schedule becomes a TAX INVOICE when the total amount requested has been paid

CLAIMS NOTIFICATION :

In accordance with Policy Conditions notice is to be given to the Company at
Tel: (010) 109 13990 E-mail: claims@asureconsulting.co.za

SCHEDULE OF INSURED PROPERTY

ITEM	DESCRIPTION OF INSURED PROPERTY	EXCESS EACH AND EVERY LOSS	SUM INSURED
TOTAL SUM INSURED :			

SPECIFICATION

INDEMNITY CLAUSE

The Company will indemnify the Insured against physical loss of or damage to the Insured Property from any cause occurring within the Territorial Limits other than as hereinafter excepted

EXCEPTIONS

This Policy does not cover

1. The amount of the Excess stated in the Schedule. If more than one item of Plant described in the Schedule of Insured Property suffers physical loss or damage in any one occurrence the Excess shall be the highest single Excess applicable to such items
2. Any aircraft or watercraft (other than watercraft not capable of self-propulsion and then only while on or about inland waterways)
3. Loss or damage consequent upon total or partial immersion in tidal waters
4. Loss of the Insured Property by theft or damage to Insured Property which is not identifiable by the Insured with a specific incident that was immediately reported to the Company
5. Wasting wearing away or wearing out of any part of the Insured Property caused by or resulting from ordinary use or other gradual deterioration rust or corrosion but a resultant indemnifiable loss shall not be excluded
6. Parts which by their use or nature suffer a high rate of wear or depreciation unless as a result of other indemnifiable loss or damage to the Insured Property then the Company will contribute a reasonable amount not exceeding the residual value of such expendable or exchangeable parts and attachments
7. Loss or damage due to defect error or omission in design plan or specification
8. Damage to
 - (i) tyres by the application of brakes or by punctures cuts or bursts
 - (ii) springs due to inequalities of the road or other surface or impact with such inequalities
9. Electrical or mechanical breakdown explosion or derangement but a resultant indemnifiable loss shall not be excluded
10. Loss or damage due to the wilful act of any director or partner of the Insured
11. Loss or damage to any Insured Property whilst being operated by:
 - i) an unlicensed operator (if there is a legal requirement for the operator to be licensed)
 - ii) an operator who is under the influence of drugs or alcohol
12. Consequential loss or liability of any kind or description
13. Loss of or damage to any Insured Property arising from lifts involving two or more cranes unless prior written approval from the Company has been obtained
14. Loss or damage caused by the misapplication of tools or resulting from any manufacturing process

SPECIFICATION

EXCEPTIONS (continued)

15. Loss or damage occurring whilst any item of Insured Property is undergoing tests of any kind deliberately overloaded or is being used in a manner or for any purpose other than that for which it is designed
16. Loss or damage whilst underground unless otherwise agreed by endorsement
17. Loss or damage arising from detention confiscation destruction or requisition by customs or other officials or authorities

SPECIFICATION

BASIS OF INDEMNIFICATION

In the event of loss or damage to the Insured Property which forms a valid claim under this Policy the basis of indemnification shall be :

1) Partial Loss (New Replacement Value Basis)

- a) Where the damage can be repaired the basis of indemnification shall be the cost of restoration to working order based on the customary daily rates of wages in the district together with normal freight erection and customs dues
- b) In addition to the cost of restoration to working order the Company will also pay express delivery charges (including airfreight) overtime Sunday and holiday rates of wages necessarily or reasonably incurred in connection with the restoration to working order of the Insured Property subject to a limit of fifty percent of the amount which the restoration to working order would have cost if these additional expenses had not been incurred
- c) The salvage value of damaged parts will be deducted from the amount of the claim
- d) Costs of alterations additions improvements and overhauls carried out on the occasion of a repair are payable by the Insured
- e) If a temporary repair is carried out without the consent of the Company other than in the interests of safety or to minimise further loss or damage the cost thereof and all consequences arising therefrom payable by the Insured
- f) Where loss or damage is restricted to part or parts of Insured Property the Company shall not be liable for an amount greater than the value of such part or parts allowed for in the Sum Insured plus dismantling re-erection and freight expenses

2) Partial Loss (Market Value Basis)

In the event of any item of the Insured Property being insured on a market value basis then the basis of indemnification shall be as determined in terms of 1) above but in respect of replacement parts spares and components the indemnity under the Policy shall be limited to the proportion that the Sum Insured bears to the New Replacement Value of that item of Insured Property

3) Total Loss

In cases where the Insured Property is totally lost or destroyed or the cost of restoration to working order as calculated above exceeds the market value of the item the basis of indemnification shall be the market value of the item immediately prior to the loss or damage

The Company may at its option repair reinstate or replace Insured Property lost or damaged or pay the amount of the loss or damage in money

The liability of the Company shall not exceed in respect of each or any of the Insured Property the Sum Insured set opposite thereto in the Schedule

The Sum Insured shall not be reduced by the amount of any claim paid or payable by the Company subject to the Insured paying to the Company the pro-rata additional premium on the amount of such claim from the date of the loss or damage to the end of the Period of Insurance in respect of all claims settled by the Company for twenty five thousand rands or more after the deduction of the Deductible

SPECIFICATION

MEMORANDA

MEMO 1

The Basis of Indemnification is extended to include costs necessarily and reasonably incurred by the Insured in the recovery or removal of debris of the Insured Property resultant on an indemnifiable loss

MEMO 2

This insurance is extended to include the interests of any bank or financial institution in the subject matter of this insurance provided that such interest in the Insured Property is subject to:

- a) the Policy being in force at the time of loss or damage
- b) the Insured complying with all the requirements of the Policy following loss or damage
- c) the financial interest in the Insured Property shall be disclosed at the time of lodging a claim

MEMO 3

Should the value of the Insured Property described in the Schedule exceed the Sum Insured set opposite thereto by devaluation of the South African currency against the currency of the country of origin of the Insured Property during the course of the Period of Insurance the said Sum Insured shall be deemed to be increased by an amount not exceeding twenty-five percent

Provided always that

- a) the Sum Insured in respect of each item of Insured Property shall be correct at the commencement of each Period of Insurance
- b) the premium payable under the Policy shall be adjusted on the completion of the insurance year to take into account escalation during the calendar year most nearly concurrent with the Period of Insurance and the premium due shall be calculated on the basis of fifty percent of the difference between premium calculated on the initial sum insured and the escalated sum insured

MEMO 4

All sums insured and excesses described in this Policy are deemed to be VAT inclusive unless otherwise stated

MEMO 5

It is understood and agreed that in the case of the Insured Property being hired out or property being hired in for the purpose of being hired out that any hiring out or re-hire shall be undertaken only upon signed acceptance of conditions of hire no less onerous than the standard form of contract of the Contractors Plant Hire Association as may be in use at the time of hire. Should such conditions of hire not be signed the amount of the Excess shall be doubled

The Company shall not indemnify the Insured for loss damage or liability arising out of any default by the hirer to the owner or if the hirer commits any breach or fails to observe or perform any provision of the terms and conditions of the hire agreement or the hirer commits an act of insolvency or offers to assign his estate or dies or ceases to carry on business or absconds with the hired property

SPECIFICATION

MEMORANDA (continued)

MEMO 6

The indemnity provided by this Policy in respect of any plant or equipment situated outside of the borders of the Republic of South Africa Namibia Botswana Lesotho and Swaziland shall be subject to the following provisos:

- a) All payments made by or to the Company shall be in the currency of South Africa
- b) All loss adjusting fees shall be paid in equal proportions by the Insured and the Company
- c) All costs involved in the repatriation of plant and equipment to the nearest border of the Republic of South Africa shall be borne by the Insured
- d) Loss or damage arising from undiscovered military hardware is specifically excluded
- e) The parties consent to the jurisdiction of the Supreme Court of South Africa in respect of all matters arising out of any dispute in connection with or in relation to this indemnity

GENERAL EXCEPTIONS

This Policy does not cover

1. War, riot and terrorism

(A) Loss or damage to property related to or caused by

- i. civil commotion labour disturbances riot strike lockout public disorder or any act or activity which is calculated or directed to bring about any of the foregoing
- ii. war invasion act of foreign enemy hostilities or warlike operations (whether war be declared or not) or civil war
- iii.
 - a. mutiny military rising military or usurped power martial law or state of siege or any other event or cause which determines the proclamation or maintenance of martial law or state 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 A i) ii) iii) iv) v) or vi) above

If the Company alleges that by reason of clause A i) ii) iii) iv) v) vi) or vii) of this Exception loss or damage is not covered by this Policy the burden of proving the contrary shall rest on the Insured

- B) 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
- C) 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 this General Exception 1 (C) 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 organization or government, 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 (C) of this Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured

GENERAL EXCEPTIONS (continued)

2. Nuclear

Except as regards the Fidelity, Stated Benefits and Group Personal Accident sections this policy does not cover any legal liability loss damage cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- i) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel
- ii) nuclear material nuclear fission or fusion nuclear radiation
- iii) nuclear explosives or any nuclear weapon
- iv) 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

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 :

- a) loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom ;
- b) any legal liability of whatsoever nature ;
- c) 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

- i) 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
- ii) 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
- iii) 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
- iv) 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 unauthorized code or instruction including any Trojan horse, time or logic bomb or worm or any other destructive 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

GENERAL EXCEPTIONS (continued)

Special extension to General Exception 3

- A. Loss or destruction of or damage to the Insured Property by fire, explosion, lightning, earthquake or by the special perils referred to in B below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General Exception
- B. The special perils that are not excluded for the purpose of this special extension are damage caused by:
 - 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 or volcanic eruption ;
 - c) in the underground workings of any mine ;) Unless so described and specifically insured as a separate item
 - 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 ;)
 - 2. aircraft and other aerial devices or articles dropped therefrom ;
 - 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.

- C. 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 ;
- D. 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

This Special extension shall not apply to any Public Liability Indemnity.

4. Asbestos

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 any legal liability, loss, damage, cost or expense 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

MEMORANDUM TO GENERAL EXCEPTIONS

RIOT STRIKE PUBLIC DISORDER MALICIOUS DAMAGE

Notwithstanding anything in the Policy to the contrary and subject otherwise to the terms contained therein this insurance is extended to cover loss or damage directly occasioned by or through or in consequence of

- 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 above (this subclause (i) is applicable to property outside the Republic of South Africa)
- 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
- iii) the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage

Provided that this extension does not cover

- a) consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured
- b) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
- c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority
- d) loss or damage related to or caused by any occurrence referred to in exception 1(a)(ii) (iii)(a) (iv) (v) or (vi) of this insurance or the act of any lawfully established authority in controlling preventing suppressing or in any other way of dealing with such occurrences

It is agreed that the reverse onus of proof clause contained in Exception 1 (a) shall only apply to this Memorandum to the extent that such clause refers to the exceptions stated in (d) above

CONDITIONS

This Policy together with the Schedule and Specification shall be read together as one contract and any word or expression to which a specific meaning has been attached shall bear such meaning wherever it may appear. The due observance and fulfilment of the terms and conditions of this Policy and any endorsements thereto and insofar as they relate to anything to be done or complied with by the Insured shall be precedent to any liability of the Company to make any payment under this Policy

1. Where the Basis of Valuation of any item of Insured Property is
 - a) New Replacement Value then the Sum Insured for each item described in the Schedule shall at all times be no less than the cost of replacement by a new item of the same specification and performance when purchased as a individual item including freight charges erection costs customs dues and taxes
 - b) Market Value then the Sum Insured shall at all times be no less than the cost of replacement by a similar item of the same specification age and performance when purchased as a individual item including freight charges erection costs customs dues and taxes

If any item of Insured Property shall at the time of any loss or damage be of greater value as calculated above than the Sum Insured then the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of any loss or damage

The Limit of Indemnity payable under this Policy in respect of any one item is the Sum Insured as stated in the Schedule against such item

2. The Insured shall exercise all reasonable care in the selection employment and supervision of all employees and in the prevention of loss or damage and in compliance with any statutory or other regulation relating to the operation of Insured Property
3. On the happening of an event giving rise or likely to give rise to a claim the Insured shall
 - a) as soon as possible give notice thereof to the Company and
 - b) preserve any damaged or defective property or things which might prove necessary or useful by way of evidence in connection with any claim and so far as may be reasonably practicable no alteration or repairs shall be made after the event without the consent of the Company or until the Company shall have had a reasonable opportunity of inspecting such damaged or defective property If such inspection does not take place within ten days from the date of notification of any claim the Insured shall be entitled to proceed with repair or replacement and
 - c) take all practical steps including in the case of Insured Property being stolen lost or wilfully damaged the giving of immediate notice to the police to recover any Insured Property and to discover and punish any guilty person(s) and
 - d) forward to the Company every letter writ summons or process as soon as possible and give notice to the Company immediately they shall have the knowledge of any impending prosecution in connection with any event for which there may be liability under this Policy and
 - e) when called upon to do so furnish the Company with all details of the event together with such evidence vouchers proof and explanations as the Company may reasonably require
4. On the happening of any event in respect of which a claim is or may be made the Company and every person authorised by the Company may with permission of the Insured (which permission shall not be unreasonably withheld) and without thereby incurring liability enter any premises where such event has occurred and may take and keep possession of and deal with any salvage If the Insured or anyone acting in their official capacity on his behalf shall obstruct or prevent the Company or authorised representatives from so doing all benefits under this Policy shall be forfeited in respect of such claim The Insured shall not in any case be entitled to abandon any property to the Company whether taken possession of by the Company or not

CONDITIONS (continued)

5. a) The premium due is payable at inception of this Policy and if not received by the Company by due date the insurance shall be deemed to have been cancelled at midnight on the last day of the preceeding 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
Due date will be:
 - i) the first day of every calendar month where the premium is payable monthly (unless otherwise agreed)
 - ii) the first day of each third month where the premium is payable quarterly
 - iii) the first day of each sixth month where the premium is payable half-yearly
 - iv) the first day of each twelfth month where the premium is payable annually
- b) Where the premium payable under this Policy is payable in instalments the Insured may be required by the Company to pay in full or in part the balance of the premium instalments in the event of a claim
6. The insurance provided by this Policy is based on information provided to and representations made to the Company by or on behalf of the Insured. This insurance shall be voidable by the Company in the event of misrepresentation misdescription or non-disclosure of any material particular relative to this insurance
7. If there is any material change in the risk insured during the Period of Insurance or if any defects or conditions of working are discovered which render the risk more than usually hazardous the Insured shall forthwith notify the Company and take all precautions as circumstances may require
8. If any claim be in any respect fraudulent or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy or if any loss or damage be occasioned with the connivance of the Insured all benefit under this Policy shall be forfeited
9. If at the time of any loss or damage insured by this Policy there shall be any other insurance covering such loss or damage or any part thereof effected by or on behalf of the Insured the Company shall not be liable for more than its rateable proportion of such loss or damage If such other insurance is subject to any condition of advantage to the insurers this Policy shall be subject to such condition
10. No admission offer promise payment or indemnity shall be made or given by or on behalf of the Insured without the written consent of the Company who shall be entitled in the name of the Insured but at its own expense to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for its own benefit any claim for indemnity or damage or otherwise The Company shall have full discretion in all such matters as aforesaid and the Insured shall give all such information and assistance as the Company may reasonably require
11. The Insured shall at the expense of the Company do or permit to be done all such acts and things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights or remedies or obtaining relief or indemnity from other parties to which the Company shall or would become entitled or subrogated upon its paying for or making good any loss or damage under this Policy whether such acts and things shall be or become necessary or required before or after indemnification by the Company
12. The Company may by giving thirty days notice in writing to the Insured cancel this Policy paying on demand the proportion of the Premium corresponding to the unexpired risk under the Policy The Insured may likewise terminate this Policy by giving thirty days notice in writing to the Company in which event the last premium paid less the customary short period charge will be refunded on demand

CONDITIONS (continued)

13. If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to arbitration in accordance with the laws in force at the time. The making of an award shall be a condition precedent to any right of action.
14. In the event of the Company disclaiming liability in respect of any claim and an action or suit not being commenced within twelve months after such disclaimer or in the case of arbitration taking place in pursuance of Condition 13 within twelve months after the arbitration award shall have been made all benefit in respect of such claim shall be forfeited.