

BUSINESS INTERRUPTION

Defined events

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

1. the fire section of this policy
2. the buildings combined section of this policy
3. the office contents section of this policy
4. any other material damage insurance covering the interest of the insured
5. the theft section of this Policy
6. the goods in transit section of this Policy
7. the computer section of this policy but only in respect of perils insured under the fire section of this policy (herein after termed Damage)
8. defined event (I) of the Accidental damage section of this Policy (hereinafter termed damage) provided that:
 - a. the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of the event
 - b. the Company shall not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined.

but only in respect of perils insured under the fire section hereof (hereinafter termed Damage).

9. Liability shall be deemed to have been admitted if such payment is precluded solely because the Insured is required to bear the first portion of the loss.

The company will indemnify the Insured in accordance with the provisions of the specification hereinafter set out.

Specific conditions

1. **The insurance under this section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued**, except with the written agreement of the company.
2. On the happening of any Damage in consequence of which a claim may be made under this section, the Insured shall, in addition to complying with general conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this section shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the company may in writing allow, at their own expense deliver to the company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. **No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the company forthwith.**

Item 1 Gross profit (Difference basis)

The insurance under this item is limited to loss of gross profit due to

- a. reduction in turnover and
- b. increase in cost of working

and the amount payable as indemnity hereunder shall be

- a. in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover
- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be

proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Item 1 Gross profit (Additions basis)

The insurance under this item is limited to loss of gross profit due to

- a. reduction in turnover and
- b. increase in cost of working

and the amount payable as indemnity hereunder shall be

- a. in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover
- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Memo

If any standing charges of the business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

Item 2 Gross rentals

The insurance under this item is limited to

- a. loss of gross rentals and
- b. increase in cost of working

and the amount payable as indemnity hereunder shall be

- a. in respect of loss of gross rentals the amount by which the gross rentals during the indemnity period shall in consequence of the Damage fall short of the standard gross rentals
- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 months.

Item 3 Revenue

The insurance under this item is limited to

- a. loss of revenue and
- b. increase in cost of working

and the amount payable as indemnity hereunder shall be

- a. in respect of loss of revenue the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue

- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 months.

Item 4 Additional increase in cost of working

The insurance under this item is limited to reasonable additional expenditure (not recoverable under other items) incurred with the consent of the company during the indemnity period in consequence of the Damage for the purpose of maintaining the normal operation of the business.

Item 5 Wages (number of weeks basis)

The insurance under this item is limited to the loss incurred by the Insured by the payment of wages for a period beginning with the occurrence of the Damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured to the full

provided that if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

Item 6 Fines and penalties for breach of contract

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum as the Insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

Item 7 Loss of use (Levies)

The insurance under this item will, subject to the following conditions, provide compensation for the loss of use of the time share units by the registered owner of such unit.

Cover will be strictly subject to there having been material damage insured under this policy for which a claim of indemnity has already been admitted by the underwriters. The units claimed for must have been the subject of such material damage. The period for which compensation is payable, will be subject to the underlying indemnity period on the policy. The basis for compensation will be determined on the actual value of the levy for any one week, for which the unit/s is/are unavailable to the time share owner/s as a result of such material damage which resulted in the loss of use of such unit.

Claims for compensation must be formulated and lodged by the Insured. Compensation for loss of use will not be considered where units of similar category remained available to the time share owner/s at the Insured resort for reallocation, during the course of the period for which a claim has been lodged.

Item 8 Cancellation of bookings

The insurance under this item is limited to the loss of the value of deposits received for the reservation (bookings) of accommodation in consequence of returning or refunding such deposits following curtailment of the relevant bookings due to a cause listed below:

1. Accidental injury, illness or death of:

- a. the person for whom the accommodation was booked (the guest) or any person with whom he/she has arranged to travel
- b. a close relative, fiancé or close business colleague of the guest
- c. Pregnancy of the guest or the guest's spouse
- d. Compulsory quarantine or witness in a court of law applying to the guest or any person with whom he/she has arranged to travel
- e. the property of the guest being burgled or damaged by fire, water or the elements, necessitating his/her return home.
- f. any official requirement for the guest to attend emergency duty in military, medical or public service.
- g. Cancellation or curtailment of a sporting event, concert, conference or exhibition which otherwise would have been held at a venue within a radius of 50 kilometres of the Insured premises

provided that this extension does not cover:

- a. deposits recovered or recoverable from any source by or on behalf of the person/s cancelling or curtailing the relevant bookings and on whose behalf compensation is claimed
- b. in respect of items 1 and 2, more than the limit reflected in the schedule for any one event or series of events in the annual period of insurance

2. Specific exceptions applicable to this extension:

2.1. the Insurer shall not be liable for claims where at the time that the booking was made:

- a. the guest was aware of any medical condition or set of circumstances, which could reasonably be expected to give rise to the booking being cancelled or curtailed.
- b. any person whose condition gives rise to a claim was receiving, on a waiting list for or had knowledge of the need for inpatient treatment at a hospital or nursing home.
- c. any person whose condition gives rise to a claim was travelling against the advice of a medical practitioner or for the purpose of obtaining medical treatment abroad.
- d. any person whose condition gives rise to a claim was, during the 12 months prior, suffering from any chronic and/or recurring illness of a serious nature which had necessitated consultation or treatment unless declared to and accepted by the Insurers.

3. the Insurer shall not be liable for claims directly or indirectly arising from:

- a. winter sports, mountaineering, underwater activities requiring the use of artificial breathing apparatus, pot-holing or any other underground activities, riding or driving in any kind of race, wilful exposure to risk (other than an attempt to save human life), manual work in connection with a profession, business or trade, or flying (except whilst travelling as a passenger in a fully licensed passenger carrying aircraft), providing always that this exclusion shall apply only to the Insured person

Definitions

Indemnity period

The period beginning with the commencement of the Damage and ending not later than the number of months thereafter stated in the schedule during which the results of the business shall be affected in consequence of the Damage.

Turnover

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises.

Revenue

The money paid or payable to the Insured for goods sold and for services rendered in the course of the business at the premises.

Gross rentals

The money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered. Gross profit (difference basis). The amount by which

- a. the sum of the turnover and the amount of the closing stock shall exceed
- b. the sum of the amount of the opening stock and the amount of the uninsured costs.

The amount of the opening and closing stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

Uninsured costs

As specified in the schedule (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured).

Gross profit (additions basis)

The sum produced by adding to the net profit the amount of the insured standing charges or, if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

Net profit

The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

Insured standing charges

As specified in the schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the Insured).

- **Standard turnover**
- **Standard revenue**
- **Standard gross rentals** The turnover (revenue) (gross rentals) during that period in the 12 months immediately before the date of the Damage which corresponds with the indemnity period
- **Annual turnover**
- **Annual revenue**
- **Annual gross rentals** The turnover (revenue) (gross rentals) during the 12 months immediately before the date of the Damage
- Rate of gross profit
- **The rate of gross profit** earned on the turnover during the financial year immediately before the date of the Damage

Relevant to all of the above to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Note: If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of the bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

Memo

If, during the indemnity period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals during the indemnity period.

Extensions and clauses**Franchise fees clause**

Subject to the underlying terms, conditions and definitions contained under items 1: Gross Profit (Difference and Additions basis) it is specifically noted that

- a. Any usual Franchise fees calculated on a flat or fixed amount and which not with-standing the interruption of or interference with the business, remain payable by the Insured to the Franchisor, will be deemed to be

included as standing charges for the purposes of calculating the gross profit and for the application of the gross profit.

- b. Any usual franchise fees calculated on a percentage of turnover, gross profit or net profit and which, notwithstanding the interruption of or interference with the business, remain payable by the insured to the Franchisor, will be deemed to be included as standing charges for the purposes of calculating the gross profit and for the application of the rate of gross profit.

Accountant's clause

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the company under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the Insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

Accumulated stocks clause

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover or revenue due to the Damage is postponed by reason of the turnover or revenue being temporarily maintained from accumulated stocks.

Departmental clause

If the business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under items 1 (gross profit), 2 (gross rentals) or 3 (revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost of working, shall apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than the aggregate of the (annual gross rentals) (annual revenue) (sums produced by applying the rate of gross profit) for each department or branch, whether or not affected by the Damage, (to the relative annual turnover thereof) (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12), the amount payable shall be proportionately reduced.

Deposit premium clause (if stated in the schedule to be included)

In consideration of the premium by the Accountant's, Accumulated stocks and the Departmental clauses being provisional in that it is calculated on 75 per cent of the sum insured, the premium is subject to adjustment on expiry of each period of twelve consecutive months from the inception date or anniversary date as follows In the event of the gross profit/gross rentals/revenue earned (increased proportionately if the number of months referred to in the definition of indemnity period exceeds twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75 per cent of the sum insured thereon, a pro rata return or additional premium not exceeding 33 1/3 per cent of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this section, the amount paid or payable thereon shall be regarded as actually earned.

Output (alternative basis) clause

At the option of the Insured, the term output may be substituted for the term turnover and, for the purposes of this section, output shall mean the sale or transfer value, as shown in the Insured's books, of goods manufactured or processed by the Insured at the premises

provided that

- a. only the meaning of output or the meaning of turnover shall be operative in connection with anyone event resulting in interruption
- b. if the meaning of output be used
 - i. the accumulated stocks clause shall be inoperative
 - ii. the memo at the end of the definitions shall read

If, during the indemnity period, goods shall be manufactured or processed other than at the premises for the benefit of the business either by the Insured or by others on behalf of the Insured, the sale or transfer of such goods shall be brought into account in arriving at the output during the indemnity period.

Salvage sale clause

If the Insured shall hold a salvage sale during the indemnity period clause (a) of item 1 (gross profit) shall, for the purposes of such claim, read as follows

in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall/in consequence of the Damage, fall short of the standard turnover, from which sum shall be deducted the gross profit actually earned during the period of the salvage sale.

Extensions to other premises

Loss as insured by this section resulting from interruption of or interference with the business in consequence of Damage (as defined herein) at the undernoted situations or to property as undernoted shall be deemed to be loss resulting from Damage to property used by the Insured at the premises.

1. **Specified suppliers/sub-contractors (if stated in the schedule to be included)**
The premises of the suppliers and sub-contractors specified in the schedule subject to stated limits.
2. **Unspecified suppliers (if stated in the schedule to be included)**
The premises of any other of the Insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which the Insured obtains electricity, gas or water subject to the limit stated in the schedule.
3. **Storage, transit and vehicle**
Property of the Insured whilst stored or whilst in transit by air, road, rail or inland waterway or being motor vehicles of the Insured elsewhere than at premises occupied by the Insured.
4. **Contract sites**
Any situation not occupied by the Insured where the Insured is carrying out a contract
5. **Prevention of access**
Property within a 10 km radius of the Insured's premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not.
6. **Prevention of access -extended cover (if stated in the schedule to be included)**
Property within a 10 km radius of the premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not.
7. **Additional premises**
In the event of the Insured occupying or having property at any newly added premises for the purpose of the business during the currency of this section, such newly added premises shall be deemed to be included in those specified here subject to notification to the company as soon as reasonably practicable and to an adjustment of the premium if necessary.
8. **Customers (if stated in the schedule to be included)**
The premises of the customers specified in the schedule subject to stated limits.
9. **Public utilities -insured perils only (if stated in the schedule to be included)**
Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the Insured.
10. **Public telecommunications -insured perils only (if stated in the schedule to be included)**
 - a. Property at the premises of any public authority which is empowered by law to supply telecommunications facility to the Insured
 - b. the transmission facilities network of the public authority mentioned in (i).

Public telecommunications -extended cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of the failure of the public telecommunication facilities to the premises of the Insured shall be deemed to have resulted from Damage (as defined herein) **provided this extension does not cover loss resulting from damage directly or indirectly caused by:**

- a. drought
- b. a fault on any part of the premises belonging to the Insured
- c. a decision by any authority to legally withhold the telecommunication facility from the Insured unless such decision is directly attributable to Damage to property of such authority
- d. any event described in general exception 1 and 2, but cover provided under the Malicious damage extension in the underlying policy is not excluded.

If the failure of the facility is due to its mechanical or electrical or electronic breakdown, there shall be no liability under this extension unless the interruption or interference with the business of the Insured extends beyond 24 hours.

Public utilities -extended cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of total or partial failure of the public supply of water, gas or electricity to the premises of the Insured shall be deemed to have resulted from Damage (as defined herein) **provided that this extension does not cover loss resulting from damage directly or indirectly caused by:**

- a. drought
- b. pollution of water
- c. shortage of fuel or water
- d. a fault on any part of the installation belonging to the premises
- e. the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority
- f. any event described in General exception 1 and 2, but cover provided by the Malicious damage extension in the underlying material damage section of this policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

The geographical limits of

(2), (3), (4), (5), (6), (8), (9) and (10) of the extensions to other premises and the extended covers for public telecommunications and public utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi. (7) of the extensions to other premises is confined to the Republic of South Africa and Namibia.

Infectious diseases / pollution / shark / animal attack / additional interruption extension

Loss as insured by this Section resulting in interruption or interference with the Business due to:

- a. murder or suicide occurring at the premises
- b. armed robbery, malicious and terrorist activities (whether actual or hoax) occurring at the insured's premises.
- c. food or drink poisoning at the premises or attributable to food or drink supplied from the premises
- d. closure of the premises due to defective sanitation, vermin or pests on the order of the competent local authority
- e. notifiable disease occurring within a radius of 50 kilometres of the premises
- f. summons to appear in court as a witness by the Insured or any of the Insured's directors, partners or employees
- g. chemical or oil pollution of beaches, rivers or waterways within a radius of 50 kilometres of the premises
- h. shark attack or attack by wild game including hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo and elephant within a radius of 50 kilometres of the premises

Special provisions

- a. notifiable Disease shall mean illness sustained by any person resulting from any human infectious or human contagious disease, an outbreak of which the competent local authority has stipulated shall be notified to them, **but excluding Human Immune Virus (H.I.V), Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition**

Loss of specified tourist attraction extension (if stated in the schedule to be included)

Loss as insured by this Section of the Tourist Attraction specified in the schedule resulting in interruption or interference with the Business due to prevention of access to or damage to the tourist attraction stated in the schedule.

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed 3 months.

Bush fire/Loss of game extension

Loss as insured by this Section resulting in interruption or interference with the Business due to prevention of access to the Premises as a result of a bush fire or the death by such fire of hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo and elephant.

Loss of liquor licence extension**Definitions**

Licence means the licence granted for the retail sale of excisable liquors at the Premises. Insured for the purposes of this Section the term 'Insured' includes the Licence holder.

The Cover

In the event of the Licence being

- a. forfeited under the provisions of the legislation governing such licences or
- b. refused renewal by the appropriate licensing authority after due application for such renewal during the Period of Insurance from causes beyond the control of the Insured, the Company will pay or make good to the Insured all loss in respect of:
 - i the depreciation in value of the interest of the Insured in the Premises and/or the Business.
 - ii the cost and expenses incurred by the Insured with the written consent of the Company in connection with any appeal against the forfeiture of or refusal to renew the Licence.
 - iii the reduction in turnover as a direct result of such forfeiture.

Exclusions

The Company shall not be liable if:

- a. the Insured is entitled to obtain the payment of compensation under the provisions of any Act of Parliament in respect of the refusal to renew the Licence.
- b. the forfeiture of or refusal to renew the Licence arises directly or indirectly from any scheme of town or country planning, improvement, redevelopment or compulsory purchase or the surrender, reduction or redistribution of licences in connection therewith, or from any alteration in the law affecting the granting, surrender, refusal to renew or forfeiture of licences.
- c. the forfeiture of or refusal to renew the licence be occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the Insured or by any omission of the Insured to take any step necessary for keeping the licence in force. No claim shall arise under this section unless the Insured or any other claimant hereunder shall prove to the reasonable satisfaction of the Company that such matter was beyond his or their power or control.

Special Conditions

1. The Insured shall give notice in writing to the Company immediately the Insured becomes aware of any:
 - a. complaint against the control of the Premises
 - b. proceeding against or conviction of the Licence Holder, Manager, Tenant or Occupier of the Premises for any breach of the licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to his/her honesty, moral standing or sobriety
 - c. change in the tenancy or management of the Premises
 - d. transfer or proposed transfer of the Licence
 - e. alteration in the purpose for which the Premises are used
 - f. objection to renewal or other circumstances which may endanger the Licence or renewal thereof.

Subject to such notice the Insured shall be deemed to have reaffirmed at the date of each renewal of this Section the statements made in the Proposal and/or any other information upon which this insurance is based.

2. In the event of forfeiture or refusal of renewal of the Licence the Insured shall notify the Company immediately after the order by the authorities and shall state so far as the Insured is able the grounds upon which such order has been made.

3. In the event of the death, bankruptcy, incapacity, desertion of the premises or conviction for any offence where such conviction affects the character or reputation of the convicted person with respect to his honesty, moral standing or sobriety of the Insured shall where practicable and at the request of the Company procure a suitable person to replace him and one to whom the justice will transfer the licence or grant the licence by way of renewal.

Ventilation Failure Extension

Loss as insured by this section resulting from interruption with the business as a result of the failure of any ventilation system which controls the cooling or heating requirements of the Insured's premises.

Provided that should such interruption arise from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for the first 24 hour following such interruption or interference.

Auxiliary Power Failure Extension

Loss as insured by this section resulting from interruption or interference with the business, as a result of the failure of the auxiliary power plant to operate in the event of the failure of the main electricity supply grid from which the Insured normally receive their power.

Provided that the failure of the Auxiliary Power Plant is not as a result of:

- a. lack of maintenance and failure to test such equipment on a weekly basis
- b. normal wear and tear
- c. a shortage of or the incorrect supply of fuel
- d. a flat battery or battery failure at the initial time of starting the equipment.

Rail, Road and Air Services Extension

Loss as insured by this section resulting from interruption of or interference with the business in consequence of Damage (as within defined) at the undernoted situations or to property as undernoted shall be deemed to be loss resulting from Damage to property used by the Insured at

- a. the premises and property of any rail service
- b. the premises and property of any airport or terminal facility including aircraft
- c. the premises of any shipping terminal or cargo loading facility
- d. any road, tunnel, bridge or service accessory relating thereto
- e. any road vehicle belonging to a customer of the Insured or a road transportation service

Provided that, notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed 3 months

Special Provisions

Provided that:

- a. such Damage has not been brought about the direct or indirect action of any party which shall include strikes, labour disturbances, malicious damage or intent thereof or political interference
- b. should such interruption or interference arise from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for the first 24 hours following such interruption or interference.
- c. the Damage at the abovementioned premises and property occurs within a radius of 50 kilometres of the Insured's premises.

Loss of Aesthetic Appeal

Loss as insured by the policy resulting from interruption of or interference with the Business in consequence of damage to property forming part of, or contained within, the complex of which the premises forms part and which results in a cessation or diminution of trade due to temporary falling away of potential custom whether the premises or property of the insured contained therein shall be damaged or not. Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed 3 months.

Bomb Evacuation Extension

The defined Events referred to in the schedule are amended to include loss following interruption of or interference with the business during the period of insurance in consequence of use of or access to the premises being prevented by Bomb-Scare provided that:

- a. such use of or access to the premises is prevented on the order of the South African Police Services

- b. the maximum amount payable by the company will not exceed 10% of the sum insured under this section
- c. the insured shall be responsible for the first R5 000 in respect of this extension

Accidental damage (if stated in the schedule to be included)

The following defined event is added:

"Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under defined event (i) of the Accidental damage section of this policy (hereinafter termed Damage) provided that:

- a. the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event
- b. the company shall not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined.