

## ANNEXURE 4A: F4 POLICY WORDING

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## Executive Summary

In alignment with the feasibility study conducted in 2017 to expand to new markets, Business Development (BDM) requested the Underwriting Department (UW) to create a product that will address a gap between the insured and uninsured markets, which are small and medium businesses who are currently uninsured because of the unavailability of insurance products relevant to their needs.

As a result, a policy wording and regulation were created for the new fire category (F4). The policy wording is hereby denoted as **Annexure 4A** and the regulation is **Annexure 4B**.



## **About Sasria**

### **a. History**

From the splintered 70's, when the seeds of our modern democracy were germinated... through its growing pains in the 80's, when social and economic restructuring became reality... its coming of age in the 90's... and its maturation in the new millennium.

Time and again, the reshaping of our nation has highlighted the need for an extraordinary insurance company.

### **b. Goal**

Our goal is to help create an environment for positive growth and change, by lending stability and offering peace of mind to all South Africans, even in the face of special risks.

Sasria's founding reflected the special needs of an extraordinary nation – and the company has continued to mirror our country's growth and transformation.

### **c. Purpose of your Sasria cover**

The purpose of insurance is to put you in the same financial position you were in before any Insured Event occurred. To be compensated under your Sasria cover, you must have complied with all policy terms and conditions. There are limits to the compensation for the events or items you insure, and these limits are selected by you in accordance with the cover you intend to purchase.



## General Terms and Conditions

Cover under this policy is provided subject the following General Terms and Conditions:

### 1. Period of Insurance

The period of insurance on Sasria policy is a full 12 months.

### 2. Renewal of cover

The renewal of cover is activated by the payment of a premium

### 3. Cancellation

The Policyholder may cancel their policy if the cover is no longer required

### 4. Premium Payment

Sasria premium is payable in advance per month in a case of a monthly policy or per year in a case on an annual policy. If the period of insurance is more than one month, but not more than 12 months, the full annual premium will be payable in advance. If the premium is not received by the due date, Sasria will consider the policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless if the Policyholder can prove that the failure to pay was an error on the part of Sasria payment platform.

The Policyholder can choose to pay Sasria premium in one of three ways:

- monthly by debit order;
- yearly by debit order;
- yearly in cash.

#### 4.1 Monthly payment by debit order

The policyholder must pay the premium every month by debit order before the beginning of the month to which cover applies. Sasria will present your debit order to your paying agent on the date shown in the Coupon.

If we do not receive your premium by the date shown in the Coupon:

- 4.1.1 because you have instructed your paying agent not to honor the debit order, all cover under this policy will end on the last day of the month for which we have received your premium;
- 4.1.2 for any reason other than that mentioned in 4.1.1 we will present your debit order again and collect it with your debit order for the next month. If only one debit order is paid, we will use the money to clear the oldest debt. You will, therefore, still owe us the outstanding premium.
- 4.1.3 If we cannot collect at least one debit order, this policy will end on the last day of the month for which we have received your premium.



#### **4.2 Yearly payment by debit order**

You must pay your premium every year by debit order before the beginning of the year to which cover applies. The year need not begin in January — it can begin in any month of the year. We will present your debit order to your paying agent on the date shown in the Coupon.

If we do not receive your premium by the date shown in the Coupon:

- 4.2.1 because you have instructed your paying agent not to honor the debit order, all cover under this policy will end on the last day of the yearly period for which we have received your premium;
- 4.2.2 for any reason other than that mentioned in 4.2.1, we will present your debit order again and collect it no later than 30 days from the first collection. If we cannot collect this debit order, this policy will end on the last day of the yearly period for which we have received your premium.

#### **4.3 Yearly payment in cash**

If you choose to pay your premium yearly in cash, you must pay the premium to us by the start date or the renewal date. If we do not receive your premium within 30 days from the start date or renewal date, this policy will end on the last day of the yearly period for which we have received your premium.

#### **5. Take All Reasonable Precautions**

The Policyholder must take all reasonable precautions to prevent a loss or damage from occurring.

#### **6. Do not withhold information or commit fraud**

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commits fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submits a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide;
- deliberately cause a Policyholder event. For example, should you deliberately cause a fire or add fuel to it.

#### **7. To take possession of damaged property**

When you claim under this policy, you agree that we, and any person authorized by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.



You remain responsible for all damaged property until it is in our possession.

#### **8. Transfer of Rights**

Only you, and no-one else has a right to claim under this policy. This right may only be transferred to another person or entity should you die or if the law orders it.

#### **9. Sharing of Information**

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other financial institutions any relevant information that you, or someone else on your behalf, has provided to us.

#### **10. Compensation**

Should you have a valid claim, we will, at our discretion, compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

- (i) If the lost or damaged property is still under finance, we will pay the financial institution first.
- (ii) If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

#### **11. Countries where you are covered**

This policy covers property situated in the Republic of South Africa or in the territorial waters of South Africa, only. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

#### **12. Disputes**

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has decided. The decision of the arbiter will be final and binding.

#### **13. Burden of proof**

The onus lies with the policyholder to prove any loss covered and claimable under this policy. The following supporting documents will be required in an event of a claimable loss:

- Photos and or videos of the incident
- Police report
- Case number



#### 14. Sasria's Right to Review Rates and Premiums

Sasria SOC Ltd reserves the right to review the terms and conditions of the policy, including rates and premiums, in line with all applicable laws (e.g. Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last 3 (three) to 5 (five) year period;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholder's expectations; and
- c) The review will be justified with reference to the extent to which the assumptions on which the premium was based have been met

In accordance with the laws, Sasria will duly notify the policyholder in writing, through its distribution channels, of among others, the details of the pending review; the effective date of the review; the reasons for the review; the implication of review; and the policyholder's rights and obligations regarding the review, including any cooling-off rights offered and procedures applicable for the exercise thereof.

Each policyholder will be afforded reasonable notice period in order to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

#### 15. Stock or Other Property Temporarily Away From Premises

The insured property is covered whilst temporarily removed elsewhere other than premises stated on the policy or any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa or Namibia, provided that:

- a) The property is removed for the purposes of sale, cleaning, inspection, overhaul, maintenance, upkeep or repairs; or
- b) There is an active Sasria peril within 1km radius of the policyholder's place of business; or
- c) The insured property is temporarily moved away from policyholder's place of business due to an imminent Sasria peril, subject to a maximum company liability of **25% of the policy sum insured**
- d) such property is away from premises for a period not exceeding sixty (60) consecutive days.

#### 16. Queries and Complaints Procedures

A **complaint** is an expression of dissatisfaction about a service or product. A **query** is a question about a service or product. Sasria uses the following guidelines to establish if an issue is a complaint or a query.

##### **A complaint:**

Can occur if we have fallen short of the standards that have been communicated to our clients.

- (i) Usually requires escalation for a decision to be made.
- (ii) Is when a client is dissatisfied or complains about our service or product and wants a response from us.
- (iii) Is when a client uses any of our complaint channels. For example, [contactus@sasria.co.za](mailto:contactus@sasria.co.za), Sasria complaint channels, Hellopeter (Sasria), Twitter (@sasria), Facebook ([facebook.com/Sasria SOC](https://www.facebook.com/SasriaSOC)) or our website ([www.sasria.co.za](http://www.sasria.co.za)).



**A query:**

- (i) Involves a client asking about policy details and is dealt with and resolved immediately. For example, wrong address, errors in the policy.
- (ii) Is a question/enquiry/follow-up. For example, when will my claim be paid? How long will it take to resolve my issue? How far are you in processing my claim? How did you arrive at the settlement amount?
- (iii) Is a policy correction/amendment/concern that is dealt with by Sasria SOC Ltd and is resolved immediately and to the client's satisfaction.

**When does a query turn into a complaint?**

- (i) When a client states that they are dissatisfied and complains **OR**
- (ii) If the client has to repeatedly request assistance about the same issue and then registers a complaint via any of our complaint channels.

**HOW TO REGISTER A COMPLAINT WITH Sasria SOC Ltd**

Complaints can be submitted via any of the following:

- (i) Telephone – 011 214 0800
- (ii) Email: [contactus@sasria.co.za](mailto:contactus@sasria.co.za)

Where possible, your complaint should be in writing. This allows for accurate record keeping via our complaints management system.

Provide as much detail as possible including your name, policy and claim number.

Be specific about the complaint; provide all the facts (including events) and the outcome you are expecting.

Provide copies of all documents that have relevance to the complaint (for example letters, quotations, previous correspondence, coupons, etc.).

Provide proof of any losses sustained where applicable.

Your complaint will be acknowledged by email or by telephone and you will be advised of the next steps. If you complained by email and it is not acknowledged within 72 hours, please contact us on our telephone line – 011 214 0800.

We will keep you updated as to the progress of your complaint and you are welcome to email [contactus@sasria.co.za](mailto:contactus@sasria.co.za) should you have any queries at any stage during the process.

You will be notified of the outcome of your complaint telephonically.



## Material Damage Section – Category F4

### 1. Definition of cover

Loss of or damage to property owned by or in custody and control of the Policyholder, provided that the said loss or damage is as a direct result of any of the perils covered under this policy.

Sasria will compensate the Policyholder for the loss of or damage to property if that loss or damage is directly related to or caused by:

- a) Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
- b) Any act (whether on behalf of any organization, 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;
- c) 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;
- d) Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
- e) The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
- f) Looting committed as part of the acts of riots (political and non-political); strikes (legal and illegal); public disorder; civil commotion; labour disturbance; xenophobia or Afrophobia acts;

For the purpose of this policy, the above perils are applicable to losses or damages to stock and other material in trade, only.

### 2. What we cover

- a) Loss of or damage to buildings, stock and or material in trade;
- b) Loss of or damage to money on premises, but not exceeding the limit of R10 000 (ten thousand Rands only) per annum;
- c) Loss of or damage to stock while temporarily away from premises;
- d) Loss of or damage to the whole or part of the insured's property such as stock purchase owned by the insured or for which they are responsible for, while in transit by means of road conveyance.

### 3. What we DON'T cover

Sasria does not compensate you for:

- a) Any form of consequential or indirect loss or damage, other than the loss of rent. We will only cover loss of rent if there is an active underlying policy that specifically insures it, and only until the Policyholder building is again suitable to be rented out or occupied;
- b) Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;

Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning Policyholder property, permanently or temporarily;



- c) Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
- d) Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege;
- e) Any attempt to perform any act referred to in clauses 4 and 5 above;
- f) The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
- g) 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 South African territory to which this policy applies;
- h) Loss or damage caused by prevention of access (for example, deterioration of stock or perishables);
- i) Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
- j) Loss of or damage to any property other than stock and materials in trade;
- k) Loss of or damage to the insured property as a result or in consequence with the act of theft, sabotage or malicious damage;
- l) Consequential loss of or damage to the insured's property such as deterioration of stock or perishables, because of damage to public supply utilities;
- m) Any losses arising directly, indirectly or in consequent with prevention of access
- n) Any cover which is specifically catered for and mentioned within the policy can only claimed for under that specific section

If we reject a claim by reason of exclusion (e.) or (h), you will have to prove that the loss or damage was not related to exclusion 5 or 8.

#### 4. Policy Limits

All losses or damages to the property covered by Sasria perils will be subject to annual aggregated loss limits as per the below table:

Policy limit	Monthly	Annual Premium
R10 000 - R500 000	R5	R50
R500 001 - R1 000 000	R10	R100
R1 000 000 – R1 500 000	R15	R150
R1 500 000 – R2 000 000	R20	R200



Once the first loss limit has been depleted by one or more losses during a single period of insurance, the policy loss limit does not reinstate until the next Period of Insurance.

#### 5. Settlement Basis

In an event of a valid Sasria claim, the basis upon which indemnity is to be calculated shall be the cost of replacing the lost or damaged property or part of it with similar new property, limited to the sum Policyholder as stated in the coupon/schedule.

Sasria will, at their own discretion, indemnify the Policyholder by either:

- a) paying the value of the lost or damaged Policyholder’s property to the Policyholder in cash, subject to the loss limit selected;
- b) or replace with a similar property

#### 6. Disposal of salvage clause

Sasria SOC Ltd agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the consent of the Policyholder, provided that the insured can establish to the satisfaction of Sasria SOC Ltd that, to do so, will prejudice their interests. In this case, Sasria SOC Ltd agrees to give the insured first option to repurchase such property at its fair intrinsic value or market value whichever is the greater.

The Policyholder shall not be entitled under the provisions of this clause to abandon any property to Sasria SOC Ltd, whether taken possession of by Sasria SOC Ltd or not.

#### 7. Phrases and Definitions

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
First Loss Limit	If a first loss limit is shown against in the Coupon, the amount of such limit shall be the annual aggregated maximum liability of the Company in respect of any one event
Labour disturbance	<p>In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as “an overt disturbance of the public peace in defiance of authority, leading to physical damage”.</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> <li>• A disturbance of the public peace;</li> <li>• Which happens openly, or which is clear upon observing;</li> <li>• In disobedience of authority; and</li> <li>• Which leads to physical loss or damage.</li> </ul>



<p>Lockout</p>	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means “the exclusion by an employer of employees from the employer’s workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees’ contracts of employment in the course of or for the purpose of that exclusion”.</p> <p>This definition may be amended by South African law from time to time.</p>
<p>Looting</p>	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
<p>Policyholder</p>	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> <li>• A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or</li> <li>• A subsidiary of the holding company; or</li> <li>• An entity other than a company; or</li> <li>• A person or persons.</li> </ul>
<p>Period of Insurance</p>	<p>Shall mean the duration in which your policy will be active for, which is 12 (twelve) months from the effective date of cover</p>
<p>Public disorder</p>	<p>A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.</p>
<p>Riot</p>	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> <li>• Three or more persons who have assembled with the same objective;</li> <li>• A tumultuous disturbance of the public peace;</li> <li>• Which leads to strife, violence or threats of violence; and</li> <li>• Physical loss or damage.</li> </ul> <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>



Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means “the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to ‘work’ in this definition includes overtime work, whether it is voluntary or compulsory”.</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Sasria cover for terrorism only responds if said act of terror is declared as an act of terror by Government.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>
Company/Insurer/We/Our/Us	Shall mean Sasria SOC Ltd
You/Your	Shall mean the Policyholder

