



ZURICH®

Domestic Insurance

Domestic extended liability section

Defined events

1. The insureds' legal liability to pay compensation for injury or damage occurring anywhere in the world, to the extent that
 - (a) the insureds' liability is
 - (i) not insurable in terms of the insuring clause, insured events or defined events or
 - (ii) excluded by any underlying insurance.
 - (b) the amount of the insureds' liability exceeds the limit of the underlying insurance, and the underlying insurer has paid or admitted liability or been held liable to pay up to the full amount of that limit; which, for the purposes of this section, shall be not less than R1 000 000 but R500 000 in respect of motorcycles, motor scooters, caravans, trailers and pleasurecraft (vessels).

Specific definitions

1. The specific definitions in the Domestic general liability section apply to this section.
2. Underlying insurance means an existing insurance policy in force with
 - (a) a South African insurer covering one or more of the insureds
 - (i) personal,
 - (ii) homeowners',
 - (iii) tenants',
 - (iv) motor,
 - (v) watercraftliabilities and, in addition,
 - (b) any other insurer world-wide covering motor, watercraft or homeowners' liabilities where it has been necessary for the insured to purchase local indemnity.

Indemnity to the insured

1. The amount payable by the company will not exceed the limit of indemnity stated in the schedule.
2. The limit of indemnity will include
 - (a) costs and expenses
 - (i) recoverable by any claimant from the insured,
 - (ii) incurred with its written consent.
 - (b) the limit of the underlying insurance.
3. The company may in respect of any occurrence pay to the insured the maximum limit of indemnity less any costs and expenses incurred or any lesser sum for which the claim or claims can be settled whichever is the lesser amount.

Specific exceptions

The company will not indemnify the insured in respect of

1. any judgement, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada; nor any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part.
2. liability
 - (a) arising out of
 - (i) and in the course of the insureds' employment, business or profession including but not limited to the sale of any goods or the rendering of any services for a fee, reward or any other consideration.
 - (ii) the letting or hiring out of any moveable or immovable property (other than residential property in the Republic of South Africa) or part thereof for a fee, reward or any other consideration.
 - (iii) the insureds' reckless disregard of the possible consequences of the insureds' acts or omissions.
 - (iv) damage to the extent that this liability is covered by any other insurance policy.
 - (v) the ownership or use of any aircraft other than model aircraft and hang gliders.

- (vi) any dishonest, fraudulent or malicious act, or acts of physical assault or seduction committed by the insured.
 - (vii) any fine, penalty, multiple, punitive or exemplary damages.
 - (viii) any liquidated damages clauses, penalty clauses or performance warranties except to the extent that it can be proved that liability would have attached in the absence of such clauses or warranties.
 - (ix) the purchase, sale, barter or exchange of any property moveable or immoveable or the insureds' failure to comply with any related obligations.
 - (x) any condition directly or indirectly caused by or associated with human immune virus (HIV) or its mutants, derivatives or variations or in any way related to acquired human immune deficiency syndrome or any syndrome or condition of a similar kind howsoever it shall be named.
- (b) of one insured to another: and this exclusion applies to any person no longer part of the insured, in respect of any occurrence while that person was still part of the insured
 - (c) which is the subject of any statutory or similar legislation controlling the use of motor vehicles or trailers and in respect of which
 - (i) the insured are compelled to purchase insurance or furnish security, or
 - (ii) the state or other governmental body has accepted liability.
3. any claim in respect of motor liability unless such liability is indemnifiable by any of the underlying insurance's, other than a claim excluded solely by reason of any territorial restrictions.
 4. any claim in respect of watercraft liability
 - (a) unless such liability is indemnifiable by any of the underlying insurance's, other than a claim excluded solely by reason of any territorial restrictions;
 - (b) where the overall length of the vessel exceeds 6,7 metres.
 5. damage to any self-propelled land vehicle, trailer, caravan, watercraft or aircraft in the insureds' care, custody or control.
 6. any debt.
 7. the failure to pay maintenance or alimony or any amounts following a breach of promise.

Specific conditions

1. The insured must at the time of the occurrence have an underlying insurance in force which substantially provides cover for the type of indemnity required, and have complied with all the conditions of that insurance.
2. In respect of any occurrence not covered at least in part by an underlying insurance, the company will have full discretion in the conduct of any proceedings and in the settlement of any claim.
3. No admission, offer, promise or payment in relation to a claim under this section may be made or given by the insured or on the insureds' behalf without the company's written consent. The insured will take all reasonable steps to ensure that the underlying insurers comply with this condition and co-operate with the company in the defence and settlement of any claim which is indemnifiable by both an underlying insurance and this policy, and in the exercise of any subrogation rights. The costs incurred in exercising these rights and any amounts recovered shall be apportioned to each party in accordance with the sums paid or payable under the respective policies.
4. General condition 2 and General provision 5 do not apply to this section.