

# Commercial Insurance

## Money section



### Defined events

Loss of or damage to money (as defined) occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi except if otherwise specified provided that the liability of the company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the schedule.

### Definitions

Money shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage, revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, the property of the insured or for which they are responsible.

**Receptacle** shall mean any safe, strongroom, strongbox, till, cash register, cash box or other receptacle for money or any franking machine.

**Clothing** shall mean clothing and personal effects not otherwise insured belonging to the insured or to any principal, partner, director or employee of the insured.

### Extensions

#### 1. Receptacles and clothing

In addition to any payment in respect of a defined event, the company will indemnify the insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the company's liability under this extension in respect of clothing shall not exceed R2 000, and in respect of receptacles, the amount stated in the schedule or R2 000 whichever is the greater.

#### 2. Locks and keys

In addition to any payment in respect of a defined event, the company will indemnify the insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that

- (a) the company's liability shall not exceed R2 000 in respect of any one event.
- (b) the company shall not be liable for the first R200 of each and every event.

#### 3. Riot and strike extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of

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

provided that this extension does not cover

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever;
- (c) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General exception 1(a), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with such occurrence.

If the company alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

**4. Skeleton keys**

The insurance under this section extends to cover loss of or damage to the property insured caused or accompanied by entry to receptacles by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the company that a skeleton key or device was used.

**5. Personal accident (assault) extension (if stated in the schedule to be included)**

The term "defined events" in the money section shall be deemed to include bodily injury, caused by accidental, violent external and visible means as a result of theft, or any attempt thereat, to the insured or to any principal, partner, director or employee of the insured (hereinafter in this extension referred to as such person) while such person is acting in the course of his duties in the insured's employ.

The company will pay to the insured, on behalf of such person or his estate, the sum or sums stated in the schedule in the event of bodily injury to such person resulting within 24 calendar months in

- |  | <b>the capital sum</b>                             |
|--|--|
|  | <b>the percentage of the capital sum specified</b> |
|  | <b>Percentage of capital sum</b>                   |
| (a) death  | 100  |
| (b) permanent disability as follows  |  |
| (i) loss by physical separation at or above the wrist or ankle of one or more limbs  | 100  |
| (ii) permanent and total loss of   |  |
| whole eye  | 100  |
| sight of eye   | 100  |
| sight of eye except perception of light  | 75   |
| (iii) permanent and total loss of hearing  |  |
| both ears  | 100  |
| one ear  | 25   |
| (iv) permanent and total loss of speech  | 100  |
| (v) injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training  | 100  |
| (vi) loss of four fingers  | 70   |
| (vii) loss of thumb  |  |
| both phalanges   | 25   |
| one phalanx  | 10   |
| (viii) loss of index finger  |  |
| three phalanges  | 10   |
| two phalanges  | 8  |
| one phalanx  | 4  |
| (ix) loss of middle finger   |  |
| three phalanges  | 6  |
| two phalanges  | 4  |
| one phalanx  | 2  |
| (x) loss of ring finger  |  |
| three phalanges  | 5  |
| two phalanges  | 4  |
| one phalanx  | 2  |
| (xi) loss of little finger   |  |
| three phalanges  | 4  |
| two phalanges  | 3  |
| one phalanx  | 2  |
| (xii) loss of metacarpals  |  |
| first or second (additional)   | 3  |
| third, fourth or fifth (additional)  | 2  |
| (xiii) loss of toes  |  |
| all on one foot  | 30   |
| great, both phalanges  | 5  |
| great, one phalanx   | 2  |
| other than great, if more than one toe lost, each  | 2  |
| (c) In the case of <b>total and absolute incapacity</b> from following usual business or occupation the weekly sum specified in the schedule shall be payable.   |  |
| (d) The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bring such person to a place of safety) incurred within 24 months of the defined event. |  |

### Memoranda (applicable to permanent disablement benefits)

1. Where the injury is not specified the company will pay such sum as in its opinion is consistent with the above provisions.
2. Permanent total loss of use of part of the body shall be considered as loss of such part.
3. 100 per cent shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person;

provided that

1. the company shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4;
2. the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
3. compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
4. this extension shall not apply to any such person under 15 or over 70 years of age;
5. after suffering bodily injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General exception 2 and General conditions 2 and 9 do not apply to this extension;
7. in respect of this extension only general exception 1 is deleted and replaced by the following:

This extension does not cover death or bodily injury directly or indirectly caused by or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution or military or usurped power.

### Extensions to the personal accident (assault) extension

1. Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereof.
2. In the event of disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this personal accident (assault) extension applies and that such injury has resulted in the death of such person, the company will, for the purpose of the insurance afforded by this extension, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

### Specific exceptions

The company shall not be liable for loss of or damage to money

1. arising from dishonesty of any principal, partner, director or person or persons in the employ of the insured not discovered within 14 working days of the occurrence thereof.
2. arising from shortage due to error or omission.
3. arising from the use of keys to any safe or strongroom unless the keys
  - (a) are obtained by violence or threats of violence to any person;
  - (b) are used by the keyholder or some other person with the collusion of the keyholder and the insured can prove to the satisfaction of the company that the keyholder or such other person had used the keys to open the safe or strongroom.
4. in an unlocked safe or strongroom whilst the portion of the premises containing such safe or strongroom is unattended but this exception will not apply if it can be shown to the satisfaction of the company that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the money to be stolen.
5. not contained in a locked safe or strongroom whilst the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of the company that the person(s) responsible for the money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen.
6. in any vehicle being used by the insured unless a principal, partner, director or employee of the insured is actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible. This exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific exceptions 3, 4, 5 and 6 do not apply up to an amount of R1 500 and such losses shall not be reduced by any first amount payable.

## Memoranda

1. Loss of or damage to money as insured under this section arising from dishonesty of any principal, partner, director or person in the employ of the insured (such person), as defined under this section, shall be subject to the following compulsory First Amount Payable Clause:  
The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion, shall be reduced by
  - (a) 2 percent of the applicable limit under defined events, plus
  - (b) a further amount of 10 percent of the nett amount payable after deduction of the 2 percent specified in (a) above.
2. The company shall not be liable under this section of the policy in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any first amount payable or co-insured clause under the fidelity section of the policy or any other fidelity insurance.

## Special conditions applicable to cheques

### First amount payable applicable to theft of cheques

Any loss or series of losses attributable to one original event which is payable under this section and which results from the theft of any cheque or cheques shall be reduced by a first amount payable of 25 percent of the loss indemnifiable by this section unless:

1. Cheques drawn by the Insured
  - (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended South African Insurance Association (SAIA) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau, or
  - (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post.
2. Cheques drawn by someone other than the Insured and which were received by the Insured by post or directly by the cashier
  - (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured, and
  - (b) the Insured is able to identify the drawer and amount of the cheque from their records.
3. Cheques of which the Insured is the true owner which were drawn by someone other than the insured and posted to the Insured but not received
  - (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA, or
  - (b) the cheque was dispatched to the insured by certified post or any post where security is equal or superior to certified post, or
  - (c) the invoice of the insured (to which the payment by cheque relates) contains a message (approved by the company or SAIA) recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques".

## Recommended SAIA procedure for drawing and crossing of cheques and printing of blank cheques

### 1. Drawing and crossing of cheques

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder. This method is recommended by the SAIA

- (a) Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
- (b) If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted.
- (c) Write on the face of the cheque the words "not transferable".
- (d) Cross the cheque by drawing two parallel lines across the cheque.
- (e) Write the words "not negotiable" between the two parallel lines referred to in 4 above.
- (f) Ensure that the payee is accurately, properly and fully described. For example where the payee is a company its full name should be used: RH Jones (Pty) Ltd not just RH Jones.  
Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456" or "RH Jones (Pty) Ltd ABC Bank account no: 123456789".  
Whilst highly recommended it is not compulsory to use the bank account number of the payee
- (g) In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
- (h) An example of this method of drawing a cheque is attached as Annexure A.

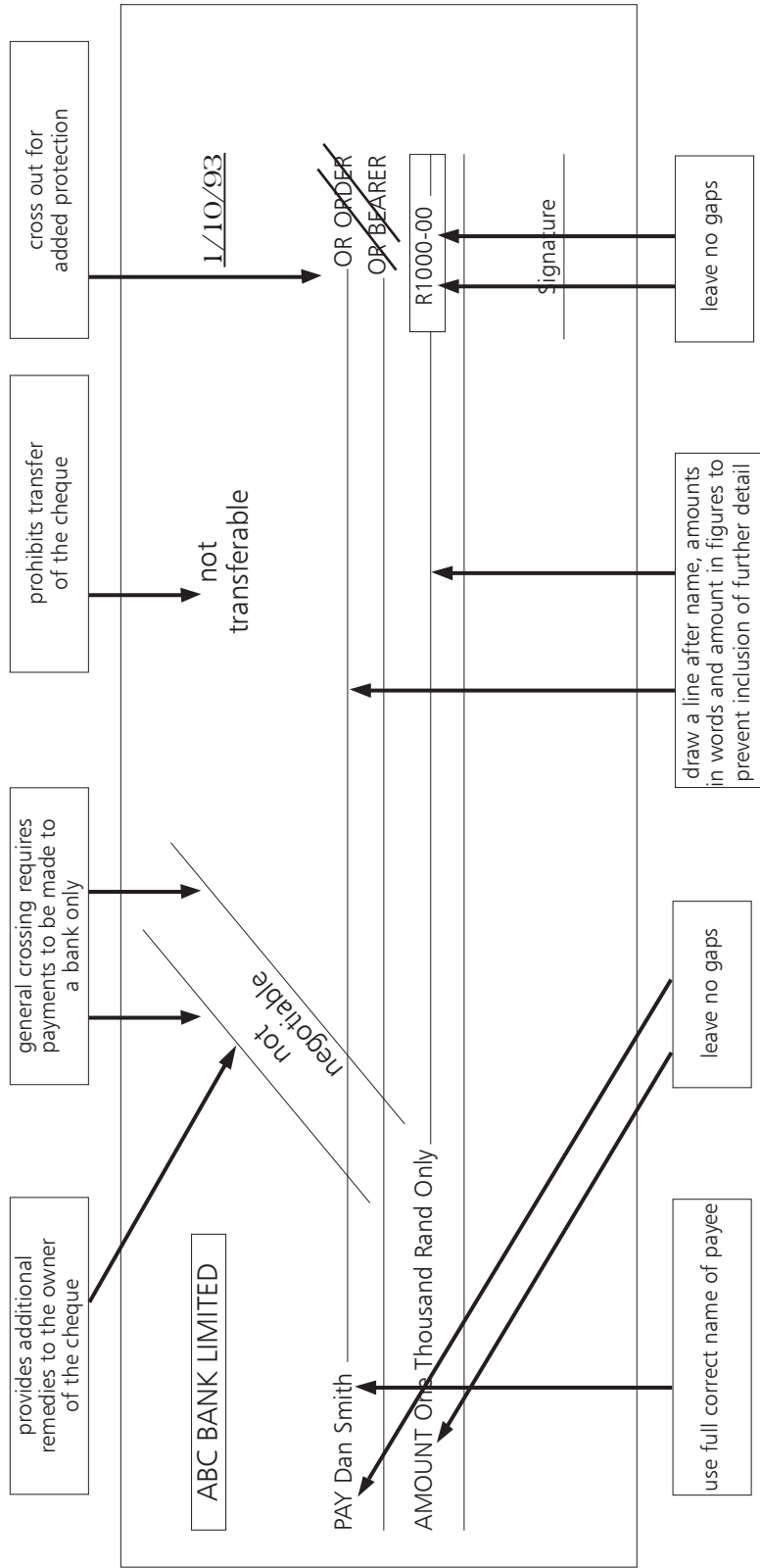
- (i) On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
- (j) All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words “not neg” and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
- (k) The method used to complete cheques should be one which makes an ink impression on the paper, like handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
  - (i) old ribbons;
  - (ii) laser printers which do not make an impression into the paper;
  - (iii) the “reverse printing technique”;
  - (iv) correctable type ribbons.

## 2. Printing of blank cheques

Blank cheques should only be printed by the Bank itself or a printer licensed by the Automatic Clearing Bureau. These printers know the recommended requirements of banks and should only use approved

- (a) security paper (CBS1 or superior);
- (b) security designs;
- (c) special security inks compatible with the security paper/design;
- (d) methods which make it difficult for anyone to make a supply of blank cheques by photocopying the originals.

## ANNEXURE A – SAIA RECOMMENDED CHEQUE



## ANNEXURE B – SAIA RECOMMENDED CHEQUE

**Warning to be printed on bottom front of cheque – leave enough space for bank stamps etc**

### WARNING

To person encashing this cheque or receiving it in exchange for any consideration  
 If this cheque has been stolen from or lost by the true owner, you may be liable to reimburse such true owner for his/her loss if  
 you encash it or receive it in exchange for any consideration. (Section 81 of the Bills of Exchange Act, 1964).  
**NB** This cheque is crossed and marked "not negotiable" and "not transferable"