

Welcome to OUTsurance “where you always get something out”.

We are a proud leader in our field.

We recognise that you are in control of your possessions and have designed your policy to suit your individual requirements to ensure that you stay in control.

This policy document forms an essential part of the set of documents we mailed to you. It defines the cover we provide under the following headings which are easily identified by the various icons:

- ✓ **WHAT IS COVERED** and
- × **WHAT IS NOT COVERED**
- ➔ *Examples are highlighted by the arrow and help explain specific, practical ways in which the cover is applied.*

This is a plain language document, ensuring that it is easy to read and conveys the details of your policy in the clearest possible way.

Please read the documents to make sure that you understand the scope of your cover. Call us on **08 600 70 000** for any queries or to update your information.

Building Policy

Your policy

This document together with your schedule, any written correspondence and verbal agreements, form the basis of the contract between you (the policy holder) and us.

It is important that you read and understand these documents and that you make sure that all the information supplied by you, or anyone acting on your behalf, is correct. This contract is based on the information provided during the application process which determines whether we cover you, the premium we charge and the terms and conditions applicable to your cover. If any information has been withheld, is incorrect or misrepresented, this will affect the validity of the agreement and the outcome of any claim. All premiums paid will be forfeited.

Your policy starts when we are notified by your bondholder that your property has been registered and on receipt of the application form for Buildings cover.

Premium payments

Your premiums must be paid by debit order on the agreed payment date and at the start of each period for which you want cover.

If the premium is not paid on the payment date, you have a 15 day grace period after which we will automatically deduct the premium from the same account to ensure continuous cover. If the premium is not paid within the grace period we will, to ensure continuous cover, then automatically debit the premium from your bond account. You will have no cover for the period for which you did not pay.

If your premiums are paid monthly, the grace period will only apply from the second month of cover.

Policy cancellations

Your policy will end:

- in the case of annual payments, when your premium is not received on the due date or within the grace period
- in the case of monthly payments, when your premium is not paid either on the due date or within the grace period for two consecutive months
- when we are requested to cancel cover by your bondholder
- when we cancel it by giving you at least 31 days notice

The policy will end on the final day of the period for which you last paid your premiums.

Should you cancel or stop your debit order, you will not enjoy cover for the period of non-payment.

Policy changes

You may make changes to your policy at any time. Any change you make will be effective from the time and date we agree to.

We may change your policy by giving you 31 days notice.

In the event of any legislative changes which have a material impact on your policy or cover, we will make the required changes and notify you by providing reasonable notice.

Your responsibilities

In order to have cover you need to:

- pay your premiums on the due date and in the manner agreed upon
- provide us with true and complete information when you apply for cover, submit a claim or make changes to your policy. This also applies when anyone else acts on your behalf.
- inform us immediately of any changes to your circumstances that may influence whether we give you cover, the conditions of cover or the premium we charge
This includes any changes to any information:
 - on your schedule
 - about the financial position of any person covered under this policy, specifically relating to defaults, civil judgements, sequestrations, administration orders and liquidations of companies in which you have an interest
 - about convictions or charges for offences related to dishonesty by you or any person covered under this policy
- inform us immediately when:
 - the building is unoccupied for any period longer than 60 consecutive days
 - *E.g. When lawful occupants still reside in the building but are away from the property for more than consecutive 60 days*
 - the building is let or sublet
 - any alterations, additions or improvements are made to the building
 - *E.g. If your building has a slate roof, we charge a specific premium for that. If you later thatch the roof without telling us, we would be receiving the incorrect premium because thatch has a greater risk of fire damage. Your building will therefore not be covered for fire damage.*
- anyone living at the premises must adhere to the terms and conditions of this policy

Claims

Our responsibilities

We have the choice to settle your claim in any of the following ways:

- paying out cash to you
- repairing the damage through a repairer of our choice
- replacing the item through a supplier of our choice
- any combination of the above

Where any item claimed for is financed we will first pay the finance company. Where a claim is settled for damaged items, these items become ours.

If we elect to repair we will only do so up to the maximum OUTsured value noted on your schedule for the specific section you are claiming under.

Your responsibilities

You have certain responsibilities which are listed below. If you fail to meet these responsibilities, your claim may be rejected.

Time periods

- You need to report your claim to us as soon as possible, but not later than 30 days after any incident. This includes incidents for which you do not want to claim but which may result in a claim in the future
- You must report any fire, theft, attempted theft or damage caused intentionally, to the police within 24 hours of the incident

Preventing loss or damage

Always take reasonable, necessary steps to prevent or minimise loss, damage, injury or liability. This includes complying with all statutory requirements and manufacturer's recommendations and maintaining the property/items in a fit and sound condition.

Correct information

- You need to supply us with all information and documentation we require within the time frame we set
- Always supply us and the authorities with true and complete information. We act on the information you give, therefore any information, which is misleading, incorrect or false, will prejudice the claims process

Proof of ownership

- You need to prove ownership and value of any item that you are claiming for
- Any damaged items which you are claiming for must be made available for inspection in order to substantiate the extent and nature of the damage

Repairs and replacements

Before doing any repairs or replacements you must get our approval, failing which your claim may be rejected.

Any repairs or replacements must be completed within six months of your claim being settled.

Admitting guilt

Never admit guilt nor offer settlement to any other party involved in an incident in which you are involved. We will not be bound by any admission or offer you make to any person in relation to any incident.

When we need your assistance

You need to comply with our reasonable instructions and requests within the time frame specified.

Excess

This is the VAT inclusive amount that you contribute to each and every claim and is noted on your schedule.

In the event of a claim the excess is payable upfront to the service provider.

- *E.g. If you claim after an incident, you pay the excess directly to the service provider. You still need to pay the excess even though you did not cause the loss or damage.*

Dual insurance

If there are any other insurance policies giving the same cover as in this policy we will pay our pro-rata portion of any claim.

- *E.g. If you insure the building for R200 000 elsewhere and the same building is OUTsured for R200 000, we will only pay half and the other insurer will pay the other half of the claim.*

We can act on your rights

When you submit a claim, we can act on your rights or obligations against other parties to recover costs or to defend any claim they may have against you.

Disputed Claims

In terms of the Policy Holder Protection Rules, if you dispute the outcome of your claim you have 90 days from the day you are first informed of the outcome to notify us about your objection. Immediately following this you have a further six months within which to serve a summons on us. If you do not do so within this period, your right to challenge the decision is forfeited.

Fraud or dishonesty

We have a responsibility to all our policy holders to ensure that fraudulent claims are eliminated in order to keep premiums as competitive as possible. If your claim is rejected you will need to reimburse us for any expenses we incur relating to the claim.

If you or anyone acting on your behalf submits a claim, or any information or documentation relating to any claim that is in any way fraudulent, dishonest or inflated, we will reject that entire claim and cancel your policy retrospectively to the reported incident date or the actual incident date, whichever date is earliest.

Sharing of information

We respect the confidentiality of your information. In order to ensure sound insurance practices and prevent insurance fraud we confirm and disclose information relating to claims, insurance and financial history. This is applicable to anyone who is covered under this policy. If you are not willing for this information to be confirmed or disclosed we will not be able to provide you with cover.

Your cover

SASRIA cover

Cover is provided by Sasria SOC Limited and is automatically included in your policy.

It is a condition of cover that you, and anyone covered under your OUTsurance policy, must comply with its terms and conditions in order to be covered by Sasria.

What is covered under SASRIA cover

You are automatically covered in South Africa for loss or damage caused by:

- ✓ any act or attempt calculated or directed to:
 - overthrow or influence the state or government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence
 - 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 the state or government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public
 - bring about any riot, strike or public disorder, which includes civil commotion, labour disturbances or lockouts
- ✓ the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to above
- ✓ where you are covered by one or more current and valid insurance contracts issued by or on behalf of Sasria, the maximum sum payable is R500 million during any calendar year

What is not covered under SASRIA cover

- * Any consequential or indirect loss or damage, other than loss of rent if it is specifically covered. If so, the period is limited to the time required to make the building tenable
- * Loss or damage caused or contributed to by:
 - the total or partial stopping of work
 - the retardation, interruption or stopping of any process or operation
 - your property being dispossessed, resulting from its confiscation, commandeering or requisitioning, by any lawfully established authority
 - looting and theft unless caused by any of the covered events mentioned above
- * Any act of terrorism involving the threat of or actual use, or release of, any:
 - nuclear weapon or device
 - chemical or biological agent

Any act of terrorism includes the actual use or threat of force or violence by any person or group whether acting alone or in connection with any organisation or government, and which is committed for any political, religious, ideological or personal reasons, including the intention to influence any government or to create fear in the public.

If Sasria states that any loss or damage is not covered because of the exclusion noted above, you will bear the responsibility of proving that the exclusion does not apply.

All events which may give rise to a claim in terms of Sasria must be reported to the police as soon as reasonably possible.

Buildings cover

What does BUILDINGS refer to?

BUILDINGS refers to the immovable structures, this includes the home and the outbuildings whether they are separate from the home or not, at the address noted on your schedule. It also includes all permanent fixtures, fittings and improvements, such as driveways, walls, fences, patios, swimming pools, pool-, borehole- and spa pumps, gate motors, tennis courts, underground pipes and cables. Dams and dam walls, jetties and piers, boreholes, loose gravel paths and coverings, pool cleaning equipment and utilities, such as gas, water and electricity, are excluded.

The OUTsured value

The OUTsured value noted on your schedule is the maximum amount we will pay for any claim, less the excess and any dual and under-OUTsurance.

You need to OUTsure your building for its replacement value. This is the cost of rebuilding or repairing the building with new materials.

The replacement value must include the following additional costs:

- professional and municipal fees
- demolition charges
- debris removal
- making the site safe against further incidents

Should you OUTsure the building for an amount less than its replacement value, we will pay you proportionately.

- ➔ *E.g. If the correct OUTsured value of the building is R400 000 and you OUTsure it for R200 000 you will be compensated for 50% of your loss.*

Water heating systems will be covered up to the maximum amount noted on your schedule.

It is your responsibility to update your OUTsured value.

WHAT IS COVERED under Buildings cover

✓ Fire, explosion and earthquake

Loss or damage caused by:

- fire
- explosion and earthquake

- ✗ There is no cover for veld fires and fires spreading from adjacent properties within the first seven days of cover.

✓ Subsidence

Damage caused by the downward movement of land resulting from natural shifts or human activity, causing structural damage to your property.

- ✗ There is no cover for damage relating to subsidence caused by:
 - volume changes in clay based soil or in rock caused by changes in the moisture levels
 - excavations, other than mining activities
 - removal of or weakening of pillars
 - normal settlement, shrinkage or expansion of the soil supporting the structures
 - the poor compaction of soil used to fill areas under paving and floors
- ✗ There is no cover for additional underpinning of foundations necessary to prevent further damage.

✓ Acts of nature

Loss or damage caused by wind, thunder, lightning, storm, hail, flood or snow.

- ✗ There is no cover for riverine flooding within the first seven days of cover.

✓ Bursting of water heating systems and pressurised water pipes

Loss or damage caused to your building by leaking, bursting or overflowing of water heating systems (which includes geysers, solar water heating systems and boilers), water supply-tanks, cisterns and pressurised water pipes forming a permanent part of the building.

- ✗ There is no cover for sewerage pipes.

✓ Theft

Loss or damage caused by theft and other intentional acts.

- ✗ There is no cover for loss or damage caused by theft and other intentional acts:
 - from outbuildings, whether they are separate from the home or not, unless there are visible signs of forced entry into the outbuilding
 - while the building is let or sublet unless there are visible signs of forced entry into the building
 - where there are people living in the building but it is unoccupied for more than 60 consecutive days

- ➔ *E.g. When lawful occupants still reside in the building but are away from the property for more than consecutive 60 days*
- if the building is abandoned, vacant, empty or illegally occupied
 - ➔ *E.g. When lawful occupants move out of the building it immediately becomes empty and vacant.*

✓ Power surges

Loss or damage caused by power surges and dips.

✓ Impact

Loss or damage caused by:

- animals (excluding domestic animals)
- aircraft and articles dropped from them
- vehicles
- falling trees and trees cut down by a professional tree feller

✓ Accidental damage

Accidental damage to:

- fixed glass and sanitary ware, unless the building is unoccupied
- water-, sewerage-, gas-, electricity- and telephone connections between the building and the public supply or mains for which you are responsible
- ✗ There is no cover for accidental damage to any other items.
 - ➔ *E.g. If a painter is busy painting your house, there is no cover if he accidentally knocks over the container and spills the paint on the floor.*

✓ Alterations and additions

Loss or damage occurring during construction or alteration, caused by an incident for which you can claim. This includes cover for building materials, fixtures, fittings and improvements which you own or for which you are responsible.

- ✗ There is no cover:
 - where acts of nature (wind, thunder, lightning, storm, hail, flood or snow) either cause or contribute to the damage of unroofed or partially roofed structures
 - for glass and sanitary ware which are accidentally broken
 - for personal liability
 - for stolen building materials, fixtures, fittings and improvements if the building is abandoned, vacant, empty or illegally occupied. If the building is occupied, unfitted fixtures and fittings are covered for theft if they are stored inside the building and there are visible signs of forced entry into the building

✓ Fire brigade charges

Charges made by the fire brigade or any public authority following an incident for which you can claim.

✓ Temporary accommodation

Following an incident for which you can claim, we will pay for:

- alternative accommodation of similar value and location to the building if you occupy the building or

- rent that you lose if the building is let or sublet. Cover is limited to 20% of the insured value and applies for the period reasonably required to make the building fit to live in.

If you enjoy more specific cover elsewhere then this will only be covered once your claim has been settled.

- ✗ The cost of rent that you lose where the building is let or sublet to holidaymakers, or where it is used as a guest house, is not covered.

✓ Liability to other people

You are covered for the following up to the maximum amount noted on your schedule:

Personal liability as a homeowner

Where you and members of your household who live with you are legally responsible for:

- accidental death or bodily injury to people other than members of your household or your domestic employees
- accidental loss of or damage to property belonging to people other than members of your household or your domestic employees

The amount noted on your schedule also includes the legal costs which someone else can recover from you and which we agree to in order to settle or defend a claim against you.

Liability to domestic employees

You are covered for all amounts where you are legally responsible for the death of or bodily injury to any of your domestic employees caused by an accident while he/she was working for you.

If you enter into a contract with a security firm, the security personnel will be regarded as being your domestic employees.

The amount noted on your schedule also includes the legal costs which someone else can recover from you and which we agree to in order to settle or defend a claim against you.

WHAT IS NOT COVERED under liability to other people

✗ Liability arising from

- any trade, business or profession
- the ownership, possession or occupation of land, buildings or structures other than the building or structure covered by this policy
- the ownership, possession or use of lifts
- the ownership or possession of animals other than cats and dogs
- the ownership, possession or use of any vehicle. This would include motorcars, motorcycles, motorised scooters, LDV's, golf carts, aircraft, watercraft, motorised toys, trailers and caravans. This does not include ride-on lawnmowers, motorised wheelchairs and motorised scooters not registered for use on public roads
- the use of weapons and firearms
- damages and legal costs awarded against you by a court outside South Africa
- any incident which causes damage to other people's property or injury to them and where the claim for damage to the building itself is not covered
 - ➔ *E.g. You cannot claim for the damage to your building where a poorly built wall collapses, which means that if this incident causes injury to a visitor, your liability to this person will not be covered.*

- any incident more specifically covered elsewhere
- × Cover given by legislation or other insurance contracts
 - the Occupational Health and Safety Act
 - the Compensation for Occupational Injury and Diseases Act
 - any other insurance or OUTsurance contract
 - any compulsory motor vehicle insurance act

WHAT IS NOT COVERED under Buildings cover

× Theft and other intentional damage

Loss or damage:

- caused intentionally by you, any members of your household, your tenant or lawful occupant, or
- which occurs with your knowledge or consent

× Existing damage

Any existing damage which occurred prior to the incident or prior to when your cover started.

× Matching materials

Any additional costs resulting from the unavailability of matching materials.

- ➔ *E.g. If we fix your burst pipe and some damaged tiles in your bathroom and you then want to replace undamaged tiles as they no longer match, we will not pay for the replacement of the undamaged tiles.*

× Scorching

Loss or damage caused by scorching.

- ➔ *E.g. There is no cover if damage is caused by a hot iron placed face down on a kitchen cupboard surface or cigarette burns on a carpet.*

× Where any of the following cause or contribute to damage

- a rise in the underground water table or pressure caused by it
- volume changes in any clay based soil or in rock caused by changes in their moisture or water content
- scratching, chipping, cracking, denting, biting, tearing or dirtying
- insects and pests
- defects in the design or construction of the building, or where the structure would not have been approved by the relevant local authority at the time of construction
- construction, alteration or repairs, defective workmanship or materials
- a lack of maintenance

× Vacant, empty, abandoned or illegally occupied buildings

If the building is vacant, empty, abandoned or illegally occupied there is no cover for:

- theft, attempted theft and other intentional acts
- fire and explosion
- accidental damage
 - ➔ *E.g. When lawful occupants move out of the building it immediately becomes empty and vacant.*

× Retaining walls

There is no cover for damage to retaining walls unless they are designed and constructed according to structural engineering specifications.

× War and public disorder

- war or war-like acts
- military uprisings, usurped power, rebellion or revolution
- civil commotion, labour disturbances or public disorder
- any act of terrorism by any person or group, whether acting alone or under instruction

× Confiscated property

Property that has been legally detained or confiscated

× Pollution or contamination

Pollution, contamination or seepage, radio-active or nuclear material.

× More specifically covered elsewhere

Your OUTsured possessions which are more specifically covered elsewhere.

× Wear-and-tear and breakdown

- any cause that was not sudden and unforeseen
- gradual deterioration, including rising damp, wear-and-tear, rust, mildew or fading
- mechanical-, electrical- or electronic breakdown, defect or failure
- damage to consumable parts or parts with a limited lifespan
- damage recoverable under any maintenance or lease agreement
- cleaning, repairing, restoring, dyeing, bleaching or alteration

× Contracts or agreements

- breach of contract or agreement
- liability arising from a contract or agreement, unless you would have had the same liability had you not entered into the contract or agreement

× Selling your possessions

When selling your possessions, you need to have prior confirmation by your bank that valid and legal payment for the sale has been made before giving the property to the other person.

➤ *E.g. People sometimes “buy” items using false cheques or counterfeit money or by presenting a false proof of payment. In order to avoid becoming a victim of this kind of theft, you need to make sure that your bank confirms the payment before you give the item to the other person.*

× Consequential loss

Any consequential loss or damage; that is any loss or damage not directly caused by an OUTsured peril.

× Illegal activities

The use of the OUTsured property for, or in connection with, the commission of any offence. This includes any incident relating to obtaining, using or soliciting narcotics.

✘ Optional cover not automatically included

Where optional cover is available under certain sections it is automatically excluded unless the optional cover was selected and it was included on your schedule.

✘ Extreme weather conditions

Damage directly or indirectly caused by settlement, shrinkage or expansion of soil due to the change in moisture content caused by extreme weather conditions like drought or wet seasons.

✘ Counterfeit goods

Loss of or damage to any counterfeit goods.

Optional cover

The following is only covered if it is noted on your schedule and the additional premium is charged:

✓ Theft cover for unoccupied buildings

Theft is covered if there are people living in the building but it is unoccupied for more than 60 consecutive days. There must be visible signs of forced or violent entry or exit to the building.

✘ There is no cover for the theft of fixtures and fittings during alterations and additions at the property unless the building is occupied.

✓ Water heating systems and pressurised water pipes wear-and-tear

Damage caused to your building by leaking, bursting or overflowing of water heating systems, its parts and any concealed pressurised water pipes. This includes damage caused by rust, decay, gradual deterioration, wear-and-tear, cracking and splitting.

The cost of repairing or replacing the water heating system, its parts and any concealed pressurised water pipes is covered in full.

✘ There is no cover for sewerage pipes.

✓ Property used for business purposes

Property used for business purposes is only covered if noted on your schedule.

✓ Comprehensive subsidence

Damage caused by the downward movement of all soil types resulting from natural shifts or human activity, causing structural damage to your property, subject to:

- the building foundations and construction being designed and approved by a licensed structural engineer
- approval by OUTsurace

✘ There is no cover for damage relating to subsidence caused by:

- excavations other than by mining activities
- removal of or weakening of supporting pillars
- the poor compaction of soil used to fill areas under paving and floors

✓ Veldfires liability

Damage or bodily injury caused by spreading of a veld or forest fire. The maximum amount you can claim for any incident is noted on your schedule.

- * There is no cover if you or a member of your household do not comply with legislation such as the National Veld- and Forest Fire Act.

Replacement value calculation

The following tables will assist you in determining the current replacement value of the buildings and structures on your property. You are covered on a new-for-old basis, hence it is important to assess the costs you would incur if you had to rebuild the same buildings and structures at today's prices. This includes an additional 15% to cater for the associated costs, such as professional and municipal fees as well as debris removal.

The table in the left column is a guideline of current building costs. The table on the right will assist you in determining the individual totals per category and the overall total for the replacement cost of the buildings and structures.

MAIN BUILDING (per m ²)		MAIN BUILDING
Sub-economical	R3900 - R4485	___ m ² X R ___ = R ___
Economical	R4100 - R4715	
Standard	R5600 - R6440	
Middle class	R6500 - R7500	
Luxury	R9400 - R10810	
Exclusive	R14000 - R16100	
Exclusive Super Luxury	R43100 - R49570	
Slate/thatch (additional)	R450 - R600	
OUTBUILDINGS (per m ²)		OUTBUILDINGS
Cottage/flat	R5600 - R6440	___ m ² X R ___ = R ___
Domestic quarters	R4100 - R4715	___ m ² X R ___ = R ___
Garage	R4000 - R6440	___ m ² X R ___ = R ___
Carport Single	R 3 100	
Carport Double	R 5 900	
Carport Cover Single	R 4 800	
Carport Cover Double	R 8 800	

BOUNDARY WALLS		BOUNDARY WALLS
Face brick (per running meter, 1.8m high)	R650 – R930	
Brick and Plaster (per running meter, 1.8m high)	R905 – R1100	
Precast with face brick	R330 – R600	
Precast/slatted timber	R330 – R550	
Wire mesh	R100 – R150	
Electric fencing on wall	R90 – R150	
Palisade fencing	R500 – R620	
Razorwire Rolls 0.5m per meter	R55 – R100	
Brick with steel fencing	R385 – R715	
Pool fencing	R275 – R550	
PAVING (per m²)		PAVING
Clay/Concrete brick	R275 – R425	___ m ² X R _____ = R _____
Tarmac/Concrete	R240 – R315	___ m ² X R _____ = R _____
OTHER IMPROVEMENTS		OTHER IMPROVEMENTS
This refers to any structural improvements, such as electronic gates/doors, intercoms, alarm systems, shade cloth carports, thatched lapas, wendy huts, swimming pools, spa/hot tubs, koi ponds, irrigation systems, tennis courts and solar heating. It is advisable to obtain replacement costs on these items from appropriate specialists since costs can vary significantly.		R _____ R _____ R _____ R _____
SUB TOTAL		R _____
ADDITIONAL COSTS		ADDITIONAL COSTS
15% for professional and municipal fees, demolition charges, debris removal and costs of making the site safe.		R _____
TOTAL		R _____