



# SERVICE LEVEL AGREEMENT

**SETSOTO LOCAL MUNICIPALITY**

And

**LATERAL UNISON INSURANCE BROKERS**

**CONTRACT MANAGEMENT TEAM:**

**T.P MASEJANE** - Director;

**N.S KOBELI** -Manager;

**L.S MOTLOUNG** – Contract Management.

**CONTACTS:** 051 933 9314/9459

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# SERVICE LEVEL AGREEMENT

ENTERED INTO BY AND BETWEEN

**SETSOTO LOCAL MUNICIPALITY**

(Income Tax Reference Number: 4000846511)

A Local municipality incorporated in terms of the Laws of the Republic of South Africa, duly represented by **Mr Simon Tshepiso Rankgotho Ramakarane** in his capacity as the Municipal Manager and Accounting Officer.

(Hereinafter referred to as the "Municipality")

and

**LATERAL UNISON INSURANCE BROKERS (PTY) LTD**

A company incorporated in terms of the Laws of the Republic of South Africa with registration number 2004/008133/07 duly represented by DANJOE HORN in his capacity as the Executive of the said Company, who is authorized to sign this agreement on behalf of the company by Certificate for Authority of Signatory dated 21<sup>st</sup> May 2014.

(Hereinafter referred to as the "Service Provider")

**WHEREAS** the Municipality needs insurance for all its assets to be able to render service to the community efficiently, effectively and timeously.

**AND WHEREAS** the Municipality has advertised the tender for the service under tender no: RFP 04 (13/14) in the City Press.

**AND WHEREAS** the Service provider has duly responded to the advertisement.

**AND WHEREAS** the Service provider was a successful bidder.

**NOW THEREFORE** the Municipality hereby appoints the Service Provider to provide insurance to all Municipality assets subject to the terms of this

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5.1.8 Will apply the excess amount for each insured asset as per attached access schedule.

5.1.9 Will stick to the monthly premiums as per attached pricing summary and grace period on all assets and if there is need to revise the premium the amount will be discussed first with the Municipality before implementation.

5.1.10 Shall keep a record of all service rendered for the duration of this agreement.

5.1.11 Shall comply with all the terms and conditions as set out in this agreement in conjunction with the bid document

5.2 The Municipality:

5.2.1 Shall provide the Service provider with a list of all assets owned or belonging to or attached to or in possession of the Municipality.

5.2.2. Shall update and provide the service provider with the assets register on a continuous basis.

5.2.3. The Municipality shall place request orders timeously to allow the service provider to provide the required service.

**6. PAYMENTS**

6.1 The method and conditions of payment to be made to the supplier under this contract shall be specified in SCC.

6.2 The service provider shall furnish the Municipality with a statement of account on a monthly basis.

6.3 The premiums will be paid by the Municipality into Service provider's bank account by a debit order on a monthly basis.

6.4 Payments of the annual premiums shall be made once off per debit order as per the pricing summary and quotation attached hereto.

6.5 Payments of the annual additions shall be made once off by debit order.

6.6 The brokerage fee is included in the pricing summary for the first year and shall be negotiated to the satisfaction of both parties for the subsequent years and shall not exceed 12.5% on motor policies and 20% on non-motor

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policies.

6.7 All commissions paid by the insurer(s) to the Service provider shall be rebated back to the Municipality.

## 7. INDEMNITY

7.1 The service provider hereby indemnifies the Municipality from any act, negligent or otherwise caused by the service provider, its agent or employee resulting from activities related to the rendering of the service.

## 8. TERMINATION AND BREACH

8.1 This service level agreement will terminate on the **31<sup>st</sup> July 2017** or such later date as the parties may agree.

8.2 In the event of breach the aggrieved party shall give a 14 day notice to remedy the breach, failing which shall give a 60 days termination notice to the defaulting party.

8.3 Any party aggrieved by the other to such an extent that the conduct amount to material breach, may seek appropriate relief in court or refer the matter to arbitration.

## 9. INABILITY TO PERFORM

9.1 Neither party will be liable for any failure to meet any of its obligations in terms of this agreement or any delay in meeting them, to the extent to which the failure or delay is caused by any circumstances whatsoever which is beyond its reasonable control, including but not limited to any labour disputes, strike or lockout excluding labour dispute, strikes and lockouts confined mainly to employees of either party, war, riot or civil commotion, any order or regulation of any government or other lawful authority meeting the above requirements or any other cause beyond the reasonable control of that party.

9.2 The affected party must give notice in writing to the other party immediately upon the occurrence of an event of *vis major*.

## 10. DOMICILIA AND NOTICES

10.1 The parties choose as their *domicilia citandi et executandi* for all purpose arising from or pursuant to this agreement, their addresses as follows:

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**10.1.1. The Setsoto Local Municipality**

27 Voortrekker Street,  
Ficksburg. 9730  
Tel: 051 933 9300.  
Fax: 051 933 3321

**10.1.2. Lateral Unison Insurance Brokers (PTY) LTD**

6 on 1<sup>st</sup>, Dunvegan,  
Edenvale, 1609  
Tel: 011 453 1177  
Fax: 086 762 4564  
Email: [danjoe@lateralunison.co.za](mailto:danjoe@lateralunison.co.za)

10.2 Any party shall be entitled from time to time, by written notice to the other, to vary its *domicilium* address to any other address within the Republic of South Africa which is not a post office box or poste restante.

10.3 Any notice given by one of the parties to the other ("the addressee") which:-

10.3.1 Is delivered by hand to the addressee's *domicilium citandi et executandi* shall be presumed to have been received by the addressee on the date of the delivery, until the contrary is proved;

10.3.2 Is posted by the prepaid registered post from an address within the Republic of South Africa to the addressee at the addressee's *domicilium citandi et executandi*, shall be presumed until the contrary is proved, to have been received by the addressee on the fifth day of the date of posting; or

10.3.3 Is faxed to the chosen fax number, will presumed to be received unless the other party proves the contrary:-

10.3.3.1 Within four (4) hours after being faxed during normal business; or

10.3.3.2 If not faxed within normal business hours, at twelve o'clock on the first of business that follows the day on which it was faxed.

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- 10.4. Either party shall be entitled, on seven (07) days notice to the other, to change the address *domicilium citandi et executandi*.
- 10.5 Notwithstanding anything to the contrary contained or implied in this agreement, a written notice or communication actually received by one of the parties from another, including by way of facsimile transmission, shall be adequate written notice or communication to such party.

## 11. VARIATION

- 11.1 No addition to or variation, cancellation or novation of this agreement and no waiver of any right arising from this agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the parties or their duly authorised representative.

## 12. RELAXATION

- 12.1 No latitude, extension of time or other indulgence which may be given or allowed by any other party in respect of the performance of any obligation hereunder or enforcement of any rights arising from this agreement and single or special exercise of any right by any party shall under any circumstance be construed to be an implied consent of such party or operate as a waiver or novation of, or otherwise affect any of that party's rights in terms of or arising from this agreement or stop such party from enforcing, at any time without notice, strict and punctual compliance with each and every provision hereof.

## General Conditions of Contract (Service Level Agreement)

### 1. Definitions

The following terms shall be interpreted as indicated:

- 1.1 "Contract" means the written agreement entered into between the Municipality and the Service provider, as recorded in the contract, signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- 1.2 "Contract price" means the premium payable to the Service provider under the contract for the full and proper performance of


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his contractual obligations.


- 1.3 "Day" means calendar day.
- 1.4 "Delivery" means delivery in compliance of the conditions of the contract or order
- 1.5 "Vis major" means an event beyond the control of the Service provider and not involving the Service provider's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts or the Service Provider in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 1.6 "Goods" means all the insurance to the Municipality assets and other form of service useful to the insurance of the assets that the Service provider is required to supply to the Municipality under the contract.

Dated at Ficksburg on this 26 day of August 2014.

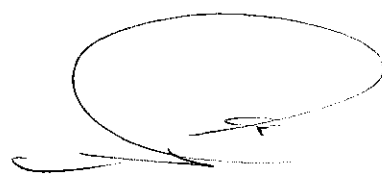
  
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**STR RAMAKARANE**  
**MUNICIPAL MANAGER: SETSOTO LOCAL MUNICIPALITY**

As WITNESSES:-

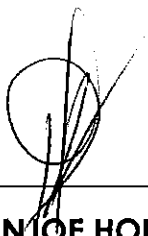
1. LEBONA MOTLOWNG   
Name & Signature

2. NKOATI SOLOMON KOBELI  
Name & Signature



Dated at Edenvale on this 28<sup>th</sup> day of August 2014.



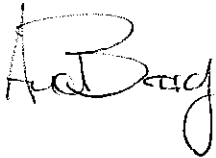


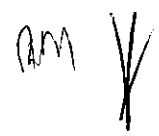
**DAN JOE HORN**

Executive: Lateral Unison Insurance Brokers

As WITNESSES:-

1. Tshedi Seli   
Name & Signature

2. Ananda Van Dan Berg   
Name & Signature



**Annexure 3**



**Pricing Summary & Insurer Quotations**

In accordance with the principles of Batho Pele, Lateral Unison presents the following for the Setsoto Local Municipality's consideration:

**Flat Fee Basis**

Our Flat Fee including all broking, advice and intermediary as detailed in the tender document. All commissions on premiums paid by the Insurer(s) to Lateral Unison are rebated back to the Setsoto Local Municipality. This option is proposed for the first year bid specification only and the brokerage fee is a contingent amount which may be renegotiated in subsequent years to the satisfaction of both parties, failing which the regulated commissions will apply i.e. 12.5% on motor policies and 20% on non-motor policies. Setsoto Local Municipality may choose this option from year one at their discretion.

<b>SETSOTO LOCAL MUNICIPALITY SUMMARY OF PREMIUMS 2014 - 2015</b>				
<b>SECTION</b>	<b>INSURER</b>	<b>NETT PREMIUM (EXCL. VAT)</b>	<b>VAT</b>	<b>ANNUAL PREMIUM</b>
COMBINED	GUARDRISK	R 71 679.87	R 10 035.18	R 81 715.05
BUSINESS INTERRUPTION	GUARDRISK	R 21 983.87	R 3 077.74	R 25 061.62
OFFICE CONTENTS	GUARDRISK	R 3 347.37	R 468.63	R 3 816.00
ACCOUNTS RECEIVABLE	GUARDRISK	R 416.84	R 58.36	R 475.20
BUSINESS ALL RISK	GUARDRISK	R 26 885.48	R 3 763.97	R 30 649.45
THEFT	GUARDRISK	R 3 884.21	R 543.79	R 4 428.00
GLASS	GUARDRISK	R 2 526.32	R 353.68	R 2 880.00
MONEY	GUARDRISK	R 3 000.00	R 420.00	R 3 420.00
FIDELITY GUARANTEE	GUARDRISK	R 3 789.47	R 530.53	R 4 320.00
GOODS IN TRANSIT	GUARDRISK	R 315.79	R 44.21	R 360.00
GROUP PERSONAL ACCIDENT	GUARDRISK	R 1 263.16	R 176.84	R 1 440.00
STATED BENEFITS	GUARDRISK	R 34 560.32	R 4 838.44	R 39 398.76
ELECTRONIC EQUIPMENT	GUARDRISK	R 14 464.42	R 2 025.02	R 16 489.44
MACHINERY BREAKDOWN	GUARDRISK	R 1 438.74	R 201.42	R 1 640.16
MOTOR	GUARDRISK	R 251 639.61	R 35 229.55	R 286 869.16
PUBLIC LIABILITY	GUARDRISK	R 22 105.26	R 3 094.74	R 25 200.00
EMPLOYERS LIABILITY	GUARDRISK	R 315.79	R 44.21	R 360.00
MOTOR LIABILITY	GUARDRISK	R 31 073.68	R 4 350.32	R 35 424.00
SASRIA		R 141 815.18	R 19 854.13	R 161 669.31
plus FIXED BROKERAGE FEE		R -	R -	R -
<b>BID PRICE</b>		<b>R 636 505.39</b>	<b>R 89 110.75</b>	<b>R 725 616.15</b>

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Please be advised that the Bid Price is based on the underwriting information provided at the time of the tender and should there be a material change in the Risk and/or if it is found that there is any material non-disclosure this this may affect the premium. In order that claims not be affected, we will review your current insurance schedule to ensure that the Setsoto Local Municipality is adequately and cost effectively insured, but will still rely on information provided. We therefore respectfully request a meeting as soon as appointed.

Although we believe there is opportunity to reduce the Total Cost of Insurable Risk, changes to the underlying risk finance structure will in all likelihood only be effected from renewal i.e. year 2.

We trust the above meets with your approval and are open to negotiating a solution which suits your specific needs. Lateral Unison can also provide additional Risk Management & Control services as and when agreed.

Sincerely,

Danjoe Horn  
Executive  
Fax: 086 762 4564  
Tel: 011 453 1177  
Email: [selim@lateralunison.co.za](mailto:selim@lateralunison.co.za)

*Disclosure required in terms of the Short Term Intermediary Code of Conduct*

*As the quotes obtained are in response to the original tender terms of reference a full needs analysis in respect of the municipality could not be done, so there may be limitations on the appropriateness of the quotes/policies provided, and the municipality should take particular care to consider on its own whether the cover is appropriate, considering the municipality's objectives, financial situation and particular needs.*

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Municipality: **Setso Municipality**  
 Period of insurance: **01 July 2014 - 30 June 2015**

SECTION	SUM INSURED	RATE	GROSS PREMIUM	10% LTA Discount	NETT OF LTA (VAT INCL)	VAT	NET PREMIUM (VAT EXCL)	COMMISSION (VAT INCL)	COMMISSION (VAT EXCL)	NETT OF NETT PREMIUM (EXCL COMM & VAT)
<b>Combined</b>										
- Standard Constructed Buildings	R 495 444 000	0.020%	R 99 089	R 9 909	R 89 180	R 10 952	R 78 228	R 17 836	R 15 646	R 62 582
- Standard Constructed Buildings (Contents)	R 23 344 075	0.020%	R 4 669	R 467	R 4 202	R 516	R 3 686	R 840	R 737	R 2 949
- Sub-stations, mini sub-stations, transformers, etc	<i>Included</i>	0.000%	R -	R -	R -	R -	R -	R -	R -	R -
- Property in the open	R -	0.000%	R -	R -	R -	R -	R -	R -	R -	R -
- All water purification works and pump stations	R -	0.000%	R -	R -	R -	R -	R -	R -	R -	R -
- All sewerage works, pump stations	R -	0.000%	R -	R -	R -	R -	R -	R -	R -	R -
- Non Standard - Thatch	R -	0.000%	R -	R -	R -	R -	R -	R -	R -	R -
- Non Standard - Thatch (Contents)	R -	0.000%	R -	R -	R -	R -	R -	R -	R -	R -
- Private dwellings, residential units, hostels, Flats	R -	0.020%	R -	R -	R -	R -	R -	R -	R -	R -
- Private dwellings, residential units & etc - (Contents)	R 9 086 933	0.020%	R 1 817	R 182	R 1 636	R 201	R 1 435	R 327	R 287	R 1 148
- Escalation 15%	R 79 181 251	0.010%	R 7 918	R 792	R 7 126	R 875	R 6 251	R 1 425	R 1 250	R 5 001

**Extensions**

- Subsidence and Landslip	No
- Sum insured	R
- Motor Vehicles whilst parked at Insured	Yes
- Sum insured	R 5 000 000
- Riot and Strike (other than RSA and Namibia)	No
- Leakage of oils, chemicals or other fluids	Yes
- Wash basins and Sanitary Ware	Yes
- Thatch structures unless specifically insured	R
- Reasonable Precautions	R 100 000
- Claims Preparation Costs	R 100 000
<b>TOTAL BUILDING COMBINED</b>	<b>R 612 266 259</b>

**Business Interruption**

<b>Indemnity period: 12 months</b>	
- Income	R 164 039 000
- Gross rentals	R 32 808
- Increase in Cost of Working	R -
- Additional Increase in Cost of Working	R 1 000
<b>TOTAL BUSINESS INTERRUPTION</b>	<b>R 174 139 000</b>

**Extensions**

- Specified suppliers / sub-contractors	No
- Sum insured	R -
- Unspecified suppliers / sub-contractors	No
- Sum insured	R -
- Specified Customers	No
- Sum insured	R -
- Public Utilities	No
- Sum insured	R -
- Fines and Penalties	R -
- Claims Preparation Costs	R 100 000
<b>TOTAL BUSINESS INTERRUPTION</b>	<b>R 174 139 000</b>

R 113 493.13 R 11 349.31 R 102 143.81 R 12 543.98 R 89 599.84 R 20 428.76 R 17 919.97 R 71 679.87

R 34 807.80 R 3 480.78 R 31 327.02 R 3 847.18 R 27 479.84 R 6 265.40 R 5 495.97 R 21 983.87

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SECTION	SUM INSURED	RATE	GROSS PREMIUM	10% LTA Discount	NETT OF LTA (VAT INCL)	VAT	NET PREMIUM (VAT EXCL)	COMMISSION (VAT INCL)	COMMISSION (VAT EXCL)	NETT OF NETT PREMIUM (EXCL COMM & VAT)
<b>Office Contents</b>										
- Contents insured property	R 3 000 000	0.1000%	R 3 000	R 300	R 2 700	R 332	R 2 368	R 540	R 474	R 1 895
- Theft ( forcible & violent entry)	R 750 000	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- Loss of Rent	R -	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- Loss of Documents	R 300 000	0.1000%	R 300	R 30	R 270	R 33	R 237	R 54	R 47	R 189
- Legal Liability (Documents)	R 1 000 000	0.1000%	R 1 000	R 100	R 900	R 111	R 789	R 180	R 158	R 632
- Increase in Cost of Working	R 1 000 000	0.1000%	R 1 000	R 100	R 900	R 111	R 789	R 180	R 158	R 632
<b>Extensions</b>										
- Subsidence and Landslip	No									
- Sum Insured										
- Riot and Strike (other than RSA and Namibia)	No									
- Leakage of Oils, Chemicals or other Fluids	Yes									
- Locks and Keys	R 10 000									
- Claims Preparation Costs	R 100 000									
<b>TOTAL OFFICE CONTENTS</b>	<b>R 6 160 000</b>		<b>R 5 300.00</b>	<b>R 530.00</b>	<b>R 4 770.00</b>	<b>R 585.79</b>	<b>R 4 184.21</b>	<b>R 954.00</b>	<b>R 836.84</b>	<b>R 3 347.37</b>

<b>Accounts Receivable</b>	R 6 600 000	0.0100%	R 660	R 66	R 594	R 73	R 521	R 119	R 104	R 417
<b>Extensions</b>										
- Duplicate Records	No									
- Protections	No									
- Riot and Strike (other than RSA and Namibia)	No									
- Claims Preparation Costs	R 100 000									
<b>TOTAL ACCOUNTS RECEIVABLE</b>	<b>R 6 700 000</b>		<b>R 660.00</b>	<b>R 66.00</b>	<b>R 594.00</b>	<b>R 72.95</b>	<b>R 521.05</b>	<b>R 118.80</b>	<b>R 104.21</b>	<b>R 416.84</b>

<b>Business All Risks</b>	R 1 656 468	1.0000%	R 16 565	R 1 656	R 14 908	R 1 831	R 13 077	R 2 982	R 2 615	R 10 462
- All other specified items (excluding Cellphones & Laptop)	R 1 300 200	2.0000%	R 26 004	R 2 600	R 23 404	R 2 874	R 20 529	R 4 681	R 4 106	R 16 424
<b>Extensions</b>										
- Increase in Cost of Working	Yes									
- Sum insured	R 100 000									
- Riot and Strike (other than RSA and Namibia)	No									
- Locks and Keys	R 10 000									
- Claims Preparation Costs	R 100 000									
<b>TOTAL BUSINESS ALL RISKS</b>	<b>R 3 166 668</b>		<b>R 42 568.68</b>	<b>R 4 256.87</b>	<b>R 38 311.81</b>	<b>R 4 704.96</b>	<b>R 33 606.85</b>	<b>R 7 662.36</b>	<b>R 6 721.37</b>	<b>R 26 885.48</b>

<b>Theft</b>	R 75 000	6.0000%	R 4 500	R 450	R 4 050	R 497	R 3 553	R 810	R 711	R 2 842
- First Loss Limit										
<b>Extensions</b>										
- Property in the open	R 20 000	Included	R -	R -	R -	R -	R -	R -	R -	R -
- Full Theft Cover	No	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- Malicious Damage	R 55 000	3.0000%	R 1 650	R 165	R 1 485	R 182	R 1 303	R 297	R 261	R 1 042
- Reasonable Precautions	R 10 000									
- Locks and Keys	R 10 000									
- Claims Preparation Costs	R 100 000									
<b>TOTAL THEFT</b>	<b>R 270 000</b>		<b>R 6 150.00</b>	<b>R 615.00</b>	<b>R 5 535.00</b>	<b>R 679.74</b>	<b>R 4 855.26</b>	<b>R 1 107.00</b>	<b>R 971.05</b>	<b>R 3 884.21</b>

SECTION	SUM INSURED	RATE	GROSS PREMIUM	10% LTA Discount	NETT OF LTA (VAT INCL)	VAT	NET PREMIUM (VAT EXCL)	COMMISSION (VAT INCL)	COMMISSION (VAT EXCL)	NETT OF NETT PREMIUM (EXCL COMMI & VAT)
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<b>Glass</b>										
- All fixed internal & external glass at the premises	R 50 000	8.0000%	R 4 000	R 400	R 3 600	R 442	R 3 158	R 720	R 632	R 2 526

<b>Extensions</b>										
- Riot and Strike (other than RSA and Namibia)	No									
- External advertising signs, blinds and canopies	R 60 000									
- Claims Preparation Costs	R 100 000									
<b>TOTAL GLASS</b>	<b>R 210 000</b>				<b>R 3 600,00</b>	<b>R 442,11</b>	<b>R 3 157,89</b>	<b>R 720,00</b>	<b>R 631,58</b>	<b>R 2 526,32</b>

<b>Money</b>										
- Possession of Councillors/Employees away from insured premises on a business trip	R 5 500	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- On the premises outside business hours in locked safe	R 5 500	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- Loss of or damage to crossed cheques, money or postal	R 500 000	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- Major limit	R 150 000	3.0000%	R 4 500	R 450	R 4 050	R 497	R 3 553	R 810	R 711	R 2 842
- Seasonal	R -	0.0000%	R -	R -	R -	R -	R -	R -	R -	R -
- Receipts as a result of theft of money or attempt	R 25 000	1.0000%	R 250	R 25	R 225	R 28	R 197	R 45	R 39	R 158

<b>Extensions</b>										
- Locks and keys	R 10 000									
- Credit cards	No									
- Personal Accident (Assault)	No									
- Capital Sum	R 25 000									
- Weekly Amount	R 2 500									
- Medical Expenses	R 25 000									
- Riot and Strike (other than RSA and Namibia)	No									
- Electronic Vending machines	R -									
- Claims Preparation Costs	R 100 000									
<b>TOTAL MONEY</b>	<b>R 848 500</b>				<b>R 4 275,00</b>	<b>R 525,00</b>	<b>R 3 750,00</b>	<b>R 855,00</b>	<b>R 750,00</b>	<b>R 3 000,00</b>

<b>Fidelity Guarantee</b>										
- Limit any one period	R 300 000	2.0000%	R 6 000	R 600	R 5 400	R 663	R 4 737	R 1 080	R 947	R 3 789

<b>Extensions</b>										
- Retroactive Cover	No									
- Suspended Policy	Yes									
- Reinstatement Amount	X1									
- Cost of Recovery	R 100 000									
- Claims Preparation Costs	R 100 000									
<b>TOTAL FIDELITY GUARANTEE</b>	<b>R 500 000</b>				<b>R 5 400,00</b>	<b>R 663,16</b>	<b>R 4 736,84</b>	<b>R 1 080,00</b>	<b>R 947,37</b>	<b>R 3 789,47</b>

<b>Goods in Transit</b>										
- Load Limit	R 25 000	2.0000%	R 500	R 50	R 450	R 55	R 395	R 90	R 79	R 316

<b>Extensions</b>										
- Removal of Debris	R 20 000									
- Fire, Explosion, Collision and overturning	R -									
- Fire Extinguishing Expense	R 30 000									
- Claims Preparation Costs	R 100 000									
<b>TOTAL GOODS IN TRANSIT</b>	<b>R 175 000</b>				<b>R 450,00</b>	<b>R 55,26</b>	<b>R 394,74</b>	<b>R 90,00</b>	<b>R 78,95</b>	<b>R 315,79</b>

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SECTION	SUMINSURED	RATE	GROSS PREMIUM	10% LTA Discount	NET OF LTA (VAT INCL)	VAT	NET PREMIUM (VAT EXCL)	COMMISSION (VAT INCL)	COMMISSION (VAT EXCL)	NETT OF NETT PREMIUM (EXCL COMM & VAT)
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<b>Group Personal Accident - 24 Hours</b>										
- Mayor and Speaker	2	R 1 000	R 2 000	R 200	R 1 800	R 221	R 1 579	R 360	R 316	R 1 263
- Officials	0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0
- Temporary staff	0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0	R 0

<b>Benefits</b>	R	500 000
- Death	R	500 000
- Permanent Disability	% of Death benefit as specified for particular	
- Temporary Total Disablement	R 1 000 per week for a period not longer than 104 weeks	
- Medical expenses	R 20 000	
- Additional death benefit	R 20 000	
- Relocation	R 20 000	
- Repatriation	R 20 000	
- Mobility	R 20 000	
<b>Extensions</b>		
- War Risks	Yes	
- Claims Preparation Costs	R 100 000	
- Maximum Limit Any One Life	R 2 000 000.00	
- Maximum Limit Any One event (Accumulation Limit)	R 10 000 000.00	
<b>TOTAL GROUP PERSONAL ACCIDENT</b>		

<b>Stated Benefits</b>	R	2 000.00	R	200.00	R	1 800.00	R	221.05	R	1 578.95	R	360.00	R	315.79	R	1 263.16
- 24 Hours	R	0.000%	R	0.000%	R	0.000%	R	0.000%	R	0.000%	R	0.000%	R	0.000%	R	0.000%
- Business Hours Limitation	R	0.050%	R	5 472	R	49 248	R	6 048	R	43 200	R	9 850	R	8 640	R	34 560
- Business Hours Limitation plus Commuting Limitation	R	109 441 000														

<b>Benefits</b>	R	54 720.50	R	5 472.05	R	49 248.45	R	6 048.06	R	43 200.39	R	9 849.69	R	8 640.08	R	34 560.32
- Death	R	2 x annual earnings														
- Permanent Disability	R	% of Death benefit as specified for particular														
- Temporary Total Disablement	R	100% of average weekly earnings max 52 weeks														
- Medical Expenses	R	20 000														
- Additional death benefits	R	20 000														
- Relocation	R	20 000														
- Repatriation	R	20 000														
- Mobility	R	20 000														
<b>Extensions</b>																
- War Risks	Yes															
- Claims Preparation Costs	R	100 000														
- Maximum Limit Any One Life	R 2 000 000.00															
- Maximum Limit Any One event (Accumulation Limit)	R 10 000 000.00															
<b>TOTAL STATED BENEFITS</b>																

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SECTION	SUM INSURED	RATE	GROSS PREMIUM	10% LTA Discount	NETT OF LTA (VAT INCL)	VAT	NET PREMIUM (VAT EXCL)	COMMISSION (VAT INCL)	COMMISSION (VAT EXCL)	NETT OF NETT PREMIUM (EXCL COMM & VAT)
<b>Electronic Equipment</b>										
- Specified Equipment	R 3 300 000	0.300%	R 9 900	R 990	R 8 910	R 1 094	R 7 816	R 1 782	R 1 563	R 6 253
- Laptops	R 1 300 200	1.000%	R 13 002	R 1 300	R 11 702	R 1 437	R 10 265	R 2 340	R 2 033	R 8 212
<b>Extensions</b>										
- Prevention of Access	No									
- Increase in Cost of Working	R 200 000									
- Reconstruction of Data	R 100 000									
- Incompatibility	R 50 000									
- Telkom access line	Yes									
- Utilities (Failure of supply)	Yes									
- Riot and Strike (other than RSA and Namibia)	No									
- Claims Preparation Costs	R 100 000									
<b>TOTAL ELECTRONIC EQUIPMENT</b>	<b>R 5 050 200</b>		<b>R 22 902 000</b>	<b>R 2 290 200</b>	<b>R 20 611 800</b>	<b>R 2 531 270</b>	<b>R 18 080 530</b>	<b>R 4 122 360</b>	<b>R 3 616 110</b>	<b>R 14 464 420</b>
<b>Machinery Breakdown</b>										
- Specified Equipment - Limit	R 2 178 000	0.100%	R 2 178	R 218	R 1 960	R 241	R 1 719	R 392	R 344	R 1 376
- Expediting Costs	R 100 000	0.100%	R 100	R 10	R 90	R 11	R 79	R 18	R 16	R 63
<b>Extensions</b>										
- Stock Spoilage	No									
- Damage to Surrounding Property	R 1 000 000									
- Automatic Additions	No									
- Claims Preparation Costs	R 100 000									
<b>TOTAL MACHINERY BREAKDOWN</b>	<b>R 3 378 000</b>		<b>R 2 278 000</b>	<b>R 227 800</b>	<b>R 2 050 200</b>	<b>R 251 780</b>	<b>R 1 798 420</b>	<b>R 410 040</b>	<b>R 359 680</b>	<b>R 1 438 740</b>
<b>Motorfleet Own Damage - value up to R500 000</b>										
- Private type motor cars and minibuses seating up to 16 persons	6 R 1 500	R 9 000	R 9 000	R 900	R 8 100	R 994	R 7 105	R 1 012	R 888	R 6 217
- Commercial vehicles										
LDVS	41 R 2 000	R 82 000	R 82 000	R 8 200	R 73 800	R 9 063	R 64 736	R 9 225	R 8 092	R 56 644
Trucks	17 R 2 500	R 42 500	R 42 500	R 4 250	R 38 250	R 4 697	R 33 552	R 4 781	R 4 194	R 29 358
Fire Engines	51 R 3 000	R 15 000	R 15 000	R 1 500	R 13 500	R 1 657	R 11 842	R 1 687	R 1 480	R 10 361
Trailers	41 R 750	R 30 750	R 30 750	R 3 075	R 27 675	R 3 398	R 24 276	R 3 459	R 3 034	R 21 241
Trailers	50 R 350	R 17 500	R 17 500	R 1 750	R 15 750	R 1 934	R 13 815	R 1 968	R 1 726	R 12 088
Special type vehicles (roadmarking & construction vehicle machinery, refuse removal, caravans etc)	61 R 2 250	R 137 250	R 137 250	R 13 725	R 123 525	R 15 169	R 108 355	R 15 440	R 13 544	R 94 810
High value vehicles (First R 500 000.00)	3 R 6 000	R 18 000	R 18 000	R 1 800	R 16 200	R 1 989	R 14 210	R 2 025	R 1 776	R 12 434
- Third party Fire and Theft	0 R	R	R	R	R	R	R	R	R	R
<b>Extensions</b>										
- Wreckage removal	R 25 000									
- Fire extinguishing expenses	R 25 000									
- Medical expenses (per occupant)	R 5 000									
- Loss of keys	R 10 000									
- Theft or attempted theft of radios/sound equipment	R 5 000									
- Theft or attempted theft of telephones (excluding cellphones)	No									
- Claims preparation costs	R 100 000									
<b>TOTAL MOTOR OWN DAMAGE</b>	<b>R 224</b>		<b>R 352 000 000</b>	<b>R 35 200 000</b>	<b>R 315 800 000</b>	<b>R 38 905 260</b>	<b>R 277 894 740</b>	<b>R 39 600 000</b>	<b>R 34 736 840</b>	<b>R 243 157 890</b>
<b>TOTAL ASSETS PREMIUM</b>										
	R 652 130 111	R 65 213 011	R 586 917 100	R 72 077 540	R 514 839 560	R 93 623 420	R 82 125 810	R 39 600 000	R 34 736 840	R 432 713 750

SECTION	SUM INSURED	RATE	GROSS PREMIUM	10% LTA Discount	NET OF LTA (VAT INCL)	VAT	NET PREMIUM (VAT EXCL)	COMMISSION (VAT INCL)	COMMISSION (VAT EXCL)	NETT OF NETT PREMIUM (EXCL COMM & VAT)
<b>LIABILITIES</b>										
<i>Public Liability</i>										
Standard sublimits - refer to MUM specification										
- Primary Policy Limit	R 2 000 000									
- Umbrella Policy Limit	R 23 000 000									
<b>TOTAL Public Liability</b>	<b>R 25 000 000</b>									
<i>Employers Liability</i>										
- Limit	R 2 000 000									
<b>TOTAL Employers Liability</b>	<b>R 2 000 000</b>									
<i>Motor Third party Liability</i>										
- Limit	R 5 000 000									
- Number of vehicles	246	R 200.00								
<b>TOTAL Motor Third Party Liability</b>	<b>R 5 000 000</b>									
<b>TOTAL LIABILITY PREMIUM</b>										
<b>GRAND TOTAL</b>										
<i>MOTOR OWN DAMAGE OVER R 500 000.00 MOTOR XO1</i>										
<b>TOTAL SUM INSURED IN EXCESS OF R 500 000.00</b>	<b>R 1 473 396</b>									
<b>GRAND TOTAL</b>										

(Please complete High valued sheet which will automatically pull through the XOL sum insured)

R	500.00	R	50	R	450.00	R	55.26	R	394.74	R	90.00	R	78.95	R	315.79
R	35 000.00	R	3 500	R	31 500.00	R	3 868.42	R	27 631.58	R	6 300.00	R	5 526.32	R	22 105.26
R	35 000.00	R	3 500.00	R	31 500.00	R	3 868.42	R	27 631.58	R	6 300.00	R	5 526.32	R	22 105.26
R	500.00	R	50	R	450.00	R	55.26	R	394.74	R	90.00	R	78.95	R	315.79
R	49 200.00	R	4 920	R	44 280.00	R	5 437.89	R	38 842.11	R	8 856.00	R	7 768.42	R	31 073.68
R	49 200.00	R	4 920.00	R	44 280.00	R	5 437.89	R	38 842.11	R	8 856.00	R	7 768.42	R	31 073.68
R	84 700.00	R	8 470.00	R	76 230.00	R	9 361.58	R	66 868.42	R	15 246.00	R	13 373.68	R	53 494.74
R	736 830.11	R	73 683.01	R	663 147.10	R	81 439.12	R	581 707.98	R	108 869.42	R	95 499.49	R	486 208.49
R	747 881	R	73 683	R	674 198	R	82 796	R	591 401	R	110 251	R	96 711	R	494 690.21

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<b>COMBINED</b>	
Lightning/Power surge Damage:	10% of gross claim subject to a minimum of R5 000
<u>All Transformers claims:</u> 0-5 years old 6 - 10 years old Over 10 years old	10% of gross claim subject to a minimum of R 2 500 15% of gross claim subject to a minimum of R3 000 20% of gross claim subject to a minimum of R5 000
All Other Claims:	5% minimum R2,500 of gross claim each and every occurrence
Storm / Flood damage	10% minimum R 5 000.00 of each and every claim
Stadiums / Sports Ground	Theft / Malicious damage R 250 000.00 each and every gross claim All other R 100 000.00 each and every gross claim
Reservoirs	20% minimum R 50 000.00 each and every claim
Traffic signs, lights, parking meters & lamp posts	10% minimum R 2 500 of gross claim each and every occurrence
Parked vehicles:	R100,000 gross each and every occurrence
Unoccupied buildings (First 4 weeks of unoccupancy) after 4 weeks cover is cancelled	25% minimum R 5 000.00 each and every gross claim
<b>HOUSEOWNERS</b>	R2,500 of gross claim each and every dwelling unit
<b>BUSINESS INTERRUPTION</b>	As per Combined section
<b>OFFICE CONTENTS</b> Contents Personal Property of the Councillors /Employees Locks and keys	5% minimum R2,500 of gross claim each and every occurrence R500 of gross claim each and every occurrence R500 of gross claim each and every occurrence
<b>ACCOUNTS RECEIVABLE</b>	R2,500 of gross claim each and every occurrence
<b>BUSINESS ALL RISKS</b> All items as per schedule Cellphones Laptops Locks and keys	5% minimum R2,500 of gross claim each and every occurrence 10% minimum R 1 000 of gross claim each and every occurrence 10% of gross claim minimum R2,500 R500 of gross claim each and every occurrence
<b>GLASS</b>	R2,500 of gross claim each and every occurrence
<b>THEFT</b> All other claims Locks and keys	R5,000 of gross claim each and every occurrence R500 of gross claim each and every occurrence
<b>MONEY</b> Loss or damage to money as a result of dishonest employee/councillor All other claims	Fidelity Guarantee excess applies 10% minimum R2,500 of gross claim each and every occurrence
<b>FIDELITY GUARANTEE</b>	2% of sum insured plus 10% of nett claim
<b>GOODS IN TRANSIT</b>	R2,500 of gross claim each and every occurrence
<b>GROUP PERSONAL ACCIDENT</b> Medical Expense TTD	R500 of gross claim 7 Day time excess
<b>STATED BENEFITS</b> Medical Expense TTD	R500 of gross claim 7 Day time excess



<b>ELECTRONIC EQUIPMENT</b> Increase in Cost of Working Reconstruction of Data Lightning/Power surge Laptops Any other loss	24 Hours time excess R2,500 of gross claim each and every occurrence 10% of gross claim minimum R5,000 10% of gross claim minimum R2,500 5% minimum R2,500 of gross claim each and every occurrence
<b>MACHINERY BREAKDOWN</b> Increase in Cost of Working Any other loss  <u>All Transformers claims:</u> 0-5 years old 6 - 10 years old Over 10 years old	24 Hours time excess 10% minimum R5,000 of gross claim each and every occurrence  10% of gross claim subject to a minimum of R 2 500 15% of gross claim subject to a minimum of R3 000 20% of gross claim subject to a minimum of R5 000
<b>LIABILITIES</b> All Claims Potholes Motor Third Party Liability	R5,000 of gross claim each and every occurrence R20,000 of gross claim each and every occurrence R3,000 of gross claim each and every occurrence
<b>MOTOR FLEET</b> Subsidised Vehicles: Vehicles R0 - R100 000 Vehicles R101 000 - R250 000 Vehicles R250 000 and over Theft/Hi-Jack Windscreens All other:	5% of each and every gross claim min R2,500 5% of each and every gross claim min R3,500 5% of each and every gross claim min R5,000 Additional 10% of each and every gross claim min R5,000 max R10,000 25% of each and every gross claim min R350
Private type Vehicles, LDV's (windscreens) Special Types, Fire Engines & Commercial Trucks (windscreens) Private type Vehicles, LDV's Special types, Fire Engines & Commercial Trucks Tractors, Trailers, Lawnmowers and Implements Loss of keys Motor Cycles Theft/Hi-Jack	25% minimum R500 of each and every gross claim  25% of each and every gross claim min R 2 500 5% of each and every gross claim min R 2,500 5% of each and every gross claim min R5,000 5% of each and every gross claim min R500 R 750 each and every claim 5% of each and every gross claim min R500 Additional 10% of each and every gross claim min R5,000 max R10, 000

*Handwritten signature and initials*

## Thatch Risk Requirements for Municipalities

### Thatch Buildings / Structures with a value in excess of R200 000

#### 1. Lightning Protection

SABS Lightning conductor required

#### 2. Bush Clearance

25 metres from all sides of the insured building.

#### 3. Application of a fire retardant substance / material

Retards the spread of fire

#### Subject to the above (1,2,3,) in place:

Excess: 10% of gross claim min R5 000 each and every loss


Buildings / Structures with value of R200 000 and where the thatch warranty is not observed the excess

### Thatch Buildings / Structures with a value less than R200 000

No minimum requirements other than:

Excess 20% of gross claim, minimum R5 000 each and every loss

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Vehicle	Reg No	Year	Total sum insured	Less MUM Limit	XOL sum insured
MG 530 MOTOR GRADER	CYJ210FS	TBA	R 1 074 745.80	R 500 000.00	R 574 745.80
MG 530 MOTOR GRADER	CYJ213FS	TBA	R 1 074 745.80	R 500 000.00	R 574 745.80
UD 330 WF Chassis Cab	TBA	TBA	R 823 904.10	R 500 000.00	R 323 904.10

**Total XOL Sum insured R 1 473 395.70**

MUM

Y

Sasria Rates Calculator



Insured	Setsoto Municipality			
Insurance Period	2014-2015			
Annual Policy	Yes			
Risk Address				
Total Sum Insured	Sum Insured Disc %	Specific CW Discount %	47 Wierda Road West, Wierda Valley, Sandton, 2196	
R 786 885 927.0000	14.4328%	0.0000%	For support contact Ayanda Ngeza at 011 881 1300	
			<input checked="" type="checkbox"/> Annual	<input type="checkbox"/> Monthly
			Reset	
Rate Code	Rating Category	Sum Insured	Rate	Net Premium
F2	Commercial Fire	R 610 635 259.00	0.01440%	R 75 240.50
Sasria Extensions				
<input checked="" type="checkbox"/> Include <input type="checkbox"/> Exclude				
	Business All Risk/All Inflation	R 2 956 668.00	0.01440%	R 333.51
	Electronic Equipment	R 3 300 000.00	0.01440%	R 375.81
	Rent	R 0.00	0.01440%	R 0.00
	Claims Preparation Costs	R 900 000.00	0.01440%	R 80.09
	Capital Additions	R 0.00	0.01440%	R 0.00
	Professional fees	R 0.00	0.01440%	R 0.00
	Clearance costs	R 0.00	0.01440%	R 0.00
	Security Costs	R 0.00	0.01440%	R 0.00
	Deterioration Of Stock	R 0.00	0.01440%	R 0.00
	Updating Of Sprinkler System	R 0.00	0.01440%	R 0.00
	Property In the course of construction	R 0.00	0.01440%	R 0.00
	Destruction of Salvage	R 0.00	0.01440%	R 0.00
	Accumulation of Motor vehicles/tauc Risk	R 5 000 000.00	0.05000%	R 2 375.00
	Goods in the open	R 0.00	0.01440%	R 0.00
	Fire Extinguishing	R 55 000.00	0.01440%	R 6.78
Esc & or Inflation				
Excess of Loss Fire				
FES	Excess of Loss Fire - Category 1			
	MD + SC/WE (12 Months IP)	R 0.00	Sasria referral	R 0.00
	Required Loss Limit	R 0.00		R 0.00
FES	Excess of Loss Fire - Category 2			
	MD + SC/WE (12 Months IP)	R 0.00	Sasria referral	R 0.00
	Required Loss Limit	R 0.00		R 0.00
	Total Fire	R 622 846 927.00		R 78 411.69
Business Interruption				
SC/WE2	12 Months	R 164 039 000.00	0.06340%	R 88 990.50
AICOW	Additional Increase in cost of working	R 5 000 000.00	0.0951%	R 4 068.72
ASC	12 Months	R 0.00	0.0634%	R 0.00
NP	12 Months	R 0.00	0.06340%	R 0.00
	Total Business Interruption	R 169 039 000.00		R 93 059.22
Motor: Single Vehicle Policies				
M1	Cars-Single vehicle	0	R 20.00	R 0.00
M2	Goods vehicles - single vehicle	0	R 45.00	R 0.00
M3	Taxis single vehicle	0	R 45.00	R 0.00
M4	Motor Traders & Ferries	R 0.00	0.00860%	R 0.00
M5	Busses - single vehicle	R 0.00	0.4000%	R 0.00
M6	Mobile plant - single vehicle	R 0.00	0.0360%	R 0.00
M7	BRT Busses	R 0.00	Sasria referral	R 0.00
Motor: Group Scheme Policies				
M1	Cars - Group scheme	0	R 20.00	R 0.00
M2	Goods vehicles - Group scheme	224	R 45.00	R 10 080.00
M3	Taxis Group scheme	0	R 45.00	R 0.00
M4	Ferries & Traders - Group scheme	R 0.00	0.00860%	R 0.00
M5	Busses - Group scheme	R 0.00	0.4000%	R 0.00
M6	Mobile plant - Group Scheme	R 0.00	0.0360%	R 0.00
M7	BRT Busses	R 0.00	Sasria referral	R 0.00
	Total Motor Vehicles			R 10 080.00
Money				
MCON	Money	R 4 750.00	0.720%	R 50.00
	Total Money			R 50.00
Goods in Transit				
GIT	Goods in Transit		Select..... without_RSCC	
		R 500.00	(f) 1.224%	R 50.00
	Total Good In Transit			R 50.00
Contract Works				
Specific Contract works	Select Construction works period	R 0.00	0.0072%	R 0.00
Annual Contract works	Contract Works (works)	R 0.00	0.0072%	R 0.00
Plant	Select payment method	R 0.00	0.0000%	R 0.00
	Total Contract Work			R 0.00
Grand Total	Total			R 181 650.91

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