

## SUPPLIER DEFAULT TRAVEL INSURANCE TERMS AND CONDITIONS



This policy document provides GO2AFRICA (PTY) LTD with the terms, conditions and exclusions of the supplier default insurance cover underwritten by GENRIC INSURANCE COMPANY LIMITED and / or its successor in name, who is a public company duly registered and incorporated in accordance with the company laws of the Republic of South Africa, having registration number 2005/037828/06 & Financial Service Provider number 43638, that carries on business as a registered short-term insurer with registration number 00051/001. This policy is effected in South Africa and is subject to the laws of the Republic of South Africa.

### DEFINITIONS AND INTERPRETATION

In this agreement the following words will have the meanings referred to below, unless the context clearly indicates otherwise:-

- a) **Travel Arrangements:** Any travel arrangements such as but not limited to a holiday, business or pleasure journey arranged by GO2AFRICA.COM (PTY) LTD on behalf of a Passenger
- b) **Airlines:** Any airline that publishes a timetable and operates its service to a distinct schedule and sells to the public.
- c) **Special/ Private Charter Airlines:** Special one off rotation or series of rotation for special programs such as a company arranging trips for supporters of football clubs playing overseas in a tournament and these will be covered on an ad hoc basis
- d) **Consolidators/Flight Brokers:** Companies that have contracts with airlines that sells to either the general public or business-to-business. These companies will contract allocation of seats on different airlines to lessen their risk.
- e) **Tour Operators:** Companies that operate package holidays but also sell components like flights or accommodation separately to both public and business to business
- f) **Bed Brokers:** Companies who only sell accommodation to the public and business-to-business.
- g) **Accommodation Providers:** Companies that own and operate accommodation and sell it to the public and B2B
- h) **Other Transport Providers:** Trains, Ferries, coach, Cruises not bonded.
- i) **Transfers Providers:** Includes coaches, taxi transfer companies, car hire companies, cruise transfer companies etc.
- j) **Other Suppliers:** Attraction companies, Villas abroad & cottages, Caravan sites / campsites / mobile homes, excursion companies, Day Tours, Day Activities ...
- k) **Principal:** The company closest to the consumer in accommodating their holiday booking
- l) **Insured Company:** GO2AFRICA.COM (PTY) LTD
- m) **Underwriters, GENRIC INSURANCE COMPANY LIMITED, Us, Our:** GENRIC INSURANCE

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- n) **Passenger(s):** Any person, excluding South African Residents making bookings through the [www.sun-city-south-africa.com](http://www.sun-city-south-africa.com) domain which is owned by Go2Africa, who has purchased travel arrangements or had them purchased on their behalf, from GO2AFRICA.COM (PTY) LTD.
- o) **Sales Agent:** The insurance agent, broker or intermediary that sold this insurance to GO2AFRICA.COM (PTY) LTD
- p) **Premium:** As per Our quotation provided to GO2AFRICA.COM (PTY) LTD
- q) **Third Party Provider:** A provider of one or more components of the Travel Arrangements that has been declared by the Insured Company and accepted by the Underwriters. The provider must fall within the definition of Airlines, Special/ Private Charter Airlines, Tour Operators, Consolidators/Flight Brokers, Bed Brokers, Transfer Providers, Other Transport Providers and/or Other Suppliers.
- r) **Insolvency/insolvent:** For the purposes of this policy a Third Party Provider will be deemed insolvent where:
  - I. A petition has been presented to the Court for the compulsory winding up of the Third Party Provider.
  - II. A Third Party Provider convenes a meeting of its Creditors informally or otherwise for the purpose of considering an arrangement with such Creditors pursuant to the provisions of the Insolvency Act, 1936 (Act No. 24 of 1936) or any statutory modification or re-enactment hereof.
  - III. A Receiver is appointed over any of the property or assets of the Third Party Provider;
  - IV. The Third Party Provider stops payment of its debts or is unable to pay its debts within the meaning of the Insolvency Act, 1936 (Act No. 24 of 1936) Section 518 of the companies Act 1985 or ceases to carry on its business as a result of being unable to pay its debts as they fall due.

## WHAT IS COMMERCIAL SUPPLIER FAILURE COVER?

Commercial Supplier Failure Cover is a program with three products that is designed to give financial protection on GO2AFRICA.COM (PTY) LTD business against costs incurred by GO2AFRICA.COM (PTY) LTD due to the financial failure of one of a declared Third Party Provider that cannot be recovered by any other means.

The policy is held by GO2AFRICA.COM (PTY) LTD for the protection of GO2AFRICA.COM (PTY) LTD's clients. As a commercial policy it cannot be sold and is mandatory for the forecast passengers declared on the application form.

## COMMERCIAL SUPPLIER FAILURE COVER: PRODUCTS

Commercial Supplier Failure Cover has three different products in order to be flexible for different types of travel business:

- a) **Complete Supplier Failure Cover (SFC):** Covers Third Party Providers including airlines, consolidators/flight brokers, accommodation properties, trains, coaches, cruises, ferries, car hire, transfer companies, hotel & car parking suppliers, excursion companies, attraction suppliers and many more. This product suits any company who sells dynamic packages with reasonable level of different components.
  
- b) **Scheduled Airline Failure (SAFI):** This product covers all Airlines with ICAO airline designator assigned by the International Civil Aviation Organization (ICAO) and that publishes a timetable and operates its service to a distinct schedule and sells to the public at large. This includes all Low Cost Airlines and charter programs. Suits companies who only want to cover the flying element of a holiday or sells flight only. NB: Does not cover flight consolidators or flight brokers.
  
- c) **Supplier Failure Insurance (SFI):** Covers all Third Party Providers excluding Airlines. SFI will suit those companies that sell accommodation only or dynamic packaged holiday with travel on train, coach, cruise, ferries and self-drive. NB Covers flight consolidators and flight brokers.

## SECTION OF COVER

The policy will cover GO2AFRICA.COM (PTY) LTD for any cost incurred not covered by any bond or other insurance. It is provided for GO2AFRICA.COM (PTY) LTD benefit where such other bond or insurance is insufficient to meet a valid claim. In which case, cover will be provided by this insurance in excess of the amount recoverable under any other bond or insurance up to the maximum sum insured.

- a) **SFC:** In consideration of payment by GO2AFRICA.COM (PTY) LTD of the premium due to GENRIC INSURANCE COMPANY LIMITED, GENRIC INSURANCE COMPANY LIMITED will indemnify GO2AFRICA.COM (PTY) LTD, unless otherwise stated, up to a maximum sum insured shown on GO2AFRICA.COM (PTY) LTD policy certificate in total for each Passenger(s) in respect of: -
  - I. **Pre-Departure Cancellation** - any financial loss GO2AFRICA.COM (PTY) LTD suffers, being non-refundable deposits and amounts GO2AFRICA.COM (PTY) LTD has paid (or has contracted to pay), where GO2AFRICA.COM (PTY) LTD clients are unable to commence their trip because one of the Third Party Providers of their trip has become insolvent and it is impossible to replace that element of their trip.
  
  - II. **Insolvency – Replacement Cost(s)** - If one of the Third Party Providers of GO2AFRICA.COM (PTY) LTD Passengers' trip has become Insolvent and it is possible to replace that element of the Trip, the cost of replacing that element.
  
  - III. **Repatriation** - The cost of repatriation of GO2AFRICA.COM (PTY) LTD Passengers to their original point of departure where GO2AFRICA.COM (PTY) LTD Passengers' trip is curtailed after departure because one of the Third Party Providers of

GO2AFRICA.COM (PTY) LTD Passengers' Trip has become insolvent and it is not possible to replace the unavailable travel component. Subject to any bond or other insurance provided for GO2AFRICA.COM (PTY) LTD benefit rejecting the claim or insufficient to meet a valid claim.

- i. In the event of one or more Third Party Providers becoming insolvent, all efforts should be made by GO2AFRICA.COM (PTY) LTD to replace the element with one of a similar or equivalent standard so that the Passenger(s) can proceed with their trip. Replacement cost must be obtained at the same or similar level of accommodation. In respect to the SFC product this cannot exceed the original cost of the holiday booked. (SFC Only)
- b) **SAFI:** In consideration of payment by GO2AFRICA.COM (PTY) LTD of the premium due to GENRIC INSURANCE COMPANY LIMITED, GENRIC INSURANCE COMPANY LIMITED will indemnify GO2AFRICA.COM (PTY) LTD, unless otherwise stated, up to a maximum sum insured shown on GO2AFRICA.COM (PTY) LTD policy certificate in total for each Passenger(s) in respect of: -
- I. The cost relating to Scheduled air flights necessarily and unavoidably cancelled prior to the departure of the Passenger(s) from their country of domicile due to insolvency of an Airline as defined above on which the booked trip depends and in respect of deposits or charges paid in advance by the
    - i. Passenger(s) which are forfeited by the Passenger(s)

**OR**

- II. The costs relating to Scheduled Air flights in the event of curtailment due to
    - i. Insolvency as set out in 1 above whilst the **Passenger** is on the booked holiday/trip, those costs being of a similar standard to the originally booked flights.
    - ii. Cover under this section is only applicable in respect of the costs relating to scheduled air flights (excluding all pre-booked tours).
    - iii. The policy will only cover the cost of the original flight paid or the sum insured whichever is less.
- c) **SFI:** In consideration of payment by GO2AFRICA.COM (PTY) LTD of the premium due to Us, GENRIC INSURANCE COMPANY LIMITED will indemnify GO2AFRICA.COM (PTY) LTD, unless otherwise stated, up to a maximum sum insured shown on GO2AFRICA.COM (PTY) LTD policy certificate in total for each Passenger(s) in respect of: -
- I. The cost incurred by GO2AFRICA.COM (PTY) LTD relating to any paid and non-refundable section of the Travel Arrangements on behalf of the Passenger(s) and whose name appears on the invoice, which is necessarily and unavoidably cancelled prior to departure of the Passenger(s) from their country of domicile, due to the insolvency of a Third Party Provider

**OR**

- II. The cost incurred by GO2AFRICA.COM (PTY) LTD relating to curtailment of any non-refundable part of the Travel Arrangements on a pro-rata basis due to the insolvency of a Third Party Provider whilst the Passenger(s) is on the Arranged Travel. GENRIC INSURANCE COMPANY LIMITED will only cover the cost of repatriation of the Passenger(s) to the original point of departure of the Arranged Travel.

The policy will only cover the cost of the original component paid or the sum insured whichever is less.

## WHAT IS COVERED

- a) **Commission/Profit:** Cost incurred by GO2AFRICA.COM (PTY) LTD will be based on the client invoice / ticket sum that GO2AFRICA.COM (PTY) LTD refund to GO2AFRICA.COM (PTY) LTD clients.
- b) **Credit Card Charge back:** As it is deemed as a cost incurred GO2AFRICA.COM (PTY) LTD company will be covered in the case of credit card charge back that does not exceed the cost of the component, original holiday cost or sum insured, whichever is less.
- c) **Replacement Flights (SFC ONLY):** GO2AFRICA.COM (PTY) LTD are under a duty to act as a prudent [un] insured and should always look at the equivalent class of flight; should this be more expensive than the original flight price GO2AFRICA.COM (PTY) LTD will be covered as long as the cost does not exceed the original holiday price. If the only option is for a same class flight from a different airport then cost in transporting the client will be taken into consideration along with the flight cost but again must not exceed the original holiday price.

## WHAT IS NOT COVERED?

- a) Any Travel arrangements not booked through the Insured Company
- b) Losses, which are recoverable under another insurance or bond. If partial recovery is possible under another insurance or bond then this policy will cover the shortfall up to the Maximum Sum Insured.
- c) The financial failure of any Third Party Provider that is in Bankruptcy or Receivership, or is listed as an excluded supplier / airline by the insurer at the date the Travel Arrangements are booked.
- d) GENRIC INSURANCE COMPANY LIMITED will not pay for any losses that are not directly resulting from the incident that caused GO2AFRICA.COM (PTY) LTD to claim unless expressly stated in the policy.

- e) Any loss, injury, damage, illness, death or legal liability arising directly or indirectly from, or consisting of, the failure or fear of failure or inability of any equipment or any computer program, whether or not GO2AFRICA.COM (PTY) LTD own it, to recognize or to correctly interpret or process any date as its true calendar date, or to continue to function correctly beyond that date.
- f) The financial failure of any Third Party Provider, whose details as required by the proposal form for this insurance completed by GO2AFRICA.COM (PTY) LTD, have not been advised to Us by GO2AFRICA.COM (PTY) LTD or on GO2AFRICA.COM (PTY) LTD behalf and accepted by Us in writing.
- g) Claims' arising directly or indirectly from existing or publicly declared financial failure or collapse of a Scheduled Airline on or before the date the trip is booked.
- h) Claims relating to airlines in Bankruptcy, or Bankruptcy Protection where the ticket was purchased subsequent to the airline registering under Bankruptcy Protection.
- i) Cover does not apply in respect of non-normal business agreements with Special/ Private Charter flights.
- j) Cover does not apply if a Scheduled Airline is taken over or forms part of a merger by another airline, as this is not deemed as a financial failure, and provided the service is provided to the traveller.

## PREMIUM PAYMENT

Declaration reports and premium payment procedures as instructed by GO2AFRICA.COM (PTY) LTD's sales agent must be strictly adhered to, failure to do so may result in the withdrawal or cancellation of GO2AFRICA.COM (PTY) LTD policy by the insurer with no refund.

## CLAIMS PROCEDURE

- a) GO2AFRICA.COM (PTY) LTD must notify the insurer within six months of an incident of GO2AFRICA.COM (PTY) LTD intention to make claim. Any notification or submission of a claim after the six-month period will **NOT** be accepted and processed unless the insurer has been informed due to the reason of the delay past the six-month deadline.
  - I. Claims evidence required to support a claim
    - i. Travel and accommodation cost documentation, such as invoices, flight booking confirmation, Cancellation invoices or letters from the Third Party Supplier confirming that GO2AFRICA.COM (PTY) LTD did not use their service and whether any refund is due to GO2AFRICA.COM (PTY) LTD from them.
    - ii. A letter from the relevant authority or transport provider confirming the cause and length of the delay (if requested to do so by Us)
    - iii. Invoices to confirm the cost of the additional travel, accommodation and subsistence costs incurred

**Please Note:** GENRIC INSURANCE COMPANY LIMITED may request other evidence to support GO2AFRICA.COM (PTY) LTD's claim dependent upon GO2AFRICA.COM (PTY) LTD's circumstances.

**Please Note:** in the event of any fraudulent claim being submitted by the Insured Person or anyone acting on his/her behalf or with whom they are in close collusion, all benefits under this policy shall be forfeited.

- I. GO2AFRICA.COM (PTY) LTD claims procedure
  - i. In the event of a claim GO2AFRICA.COM (PTY) LTD should contact us on + 27 (0) 861666 991
  - ii. Email us on [go2africaclaims@linkhamservices.com](mailto:go2africaclaims@linkhamservices.com)

If GO2AFRICA.COM (PTY) LTD is unhappy with their response GO2AFRICA.COM (PTY) LTD needs to contact the Public Officer in English, who will arrange for an investigation on behalf of the Chief Executive: GENRIC Insurance Company Ltd, PO Box 1115, Bromhof, 2154, South Africa.

If GO2AFRICA.COM (PTY) LTD is still dissatisfied, GO2AFRICA.COM (PTY) LTD may take the complaint to the Short- term Insurance Ombudsman by calling 011 726 8900, Sharecall: 0860 726 890, faxing 011 726 5501, Email: [info@osti.co.za](mailto:info@osti.co.za) or by sending GO2AFRICA.COM (PTY) LTD complaint to PO Box 32334, Braamfontein, 2017, GENRIC INSURANCE COMPANY LIMITED website: [www.osti.co.za](http://www.osti.co.za)

Alternatively, GO2AFRICA.COM (PTY) LTD may contact the Financial Services Board on 012 428 8000 or at PO Box 35655, Menlo Park, 0102.

- b) **FSB (Financial Services Board):** This is a commercial policy with cover for GO2AFRICA.COM (PTY) LTD's business; GO2AFRICA.COM (PTY) LTD is not required to be FSB regulated.
- c) **Can Commercial Supplier Failure Cover be sold?** As the policy is a commercial one for GO2AFRICA.COM (PTY) LTD's business it cannot be sold. Cover is offered on a mandatory basis and should be included in all bookings for suppliers GO2AFRICA.COM (PTY) LTD wants protection on.
- d) **VAT (Value Added Tax):** As a commercial policy it carries a **14%** VAT rate.
- e) **Does it cover South African Tourism Services Association (SATSA):** The policy requires that claims should first be made to any bonds or insurances, but the policy will cover claims if SATSA do not pay GO2AFRICA.COM (PTY) LTD or if the amount paid out by

SATSA is insufficient to cover the cost of the claim, where the policy will cover the excess up to the agreed sum insured.

f) **Policy Excess?** There is no excess on Commercial Supplier Failure Cover

## WARRANTIES

It is warranted by the Policyholder as a term and condition of this Policy that at inception of this Insurance:

- a) The Policyholder has truthfully declared all material facts, having diligently made all necessary enquiries to establish those facts, likely to influence a prudent Underwriter in determining:
  - I. Whether or not to accept the risk
  - II. The premium
  - III. Any conditions, exclusions and limitations
  
- b) The Policyholder has no knowledge or information of matter, fact or circumstance, which is likely to give rise to a loss hereunder.

## CONDITIONS

Under the law of South Africa GO2AFRICA.COM (PTY) LTD and **GENRIC INSURANCE COMPANY LIMITED** can choose the law that will apply to this contract. Unless GO2AFRICA.COM (PTY) LTD and **GENRIC INSURANCE COMPANY LIMITED** has agreed otherwise, South African Law will govern this contract.

Any fraud, misrepresentation, mis-description or non-disclosure in any material particular either in the Proposal on which this Policy is based or in relation to any other matter affecting this Insurance shall render this Policy null and void and all claims hereunder shall be forfeited.

If the premium in the Schedule is subject to adjustment, the Policyholder shall keep the record necessary to enable the premium to be adjusted on the basis specified in the Schedule and shall at all reasonable times permit the Insurers representatives to examine and verify such records. At the end of each period specified in the Schedule and at the expiry of this Policy the Policyholder shall declare to the Insurers such particulars for premium adjustment and pay any additional premium due.