

EDITION 16

NEWSLETTER

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SHORT TERM INSURANCE

Car, Home And Business Insurance

As the vibrant colours of Spring begin to bloom...

Dear Valued Clients,

As the vibrant colours of spring begin to bloom, we would like to extend our warmest wishes to you and thank you for your continued trust and support. It's time for another edition of our newsletter, where we bring you essential advice and insights to help you navigate your insurance needs with confidence.

In this issue, we're excited to share several important articles. We strongly encourage you to take the time to read Sandra's piece on Legal Liability, which covers crucial information that every policyholder should be aware of. Additionally, don't miss René's article on Solar Systems and Lithium Batteries, especially relevant as more of our clients explore sustainable energy options.

We also delve into some of the common reasons why vehicle claims are



rejected and offer a clear explanation of policy excesses—topics that are often misunderstood but vital to ensuring your claims process goes smoothly.

Another important area of focus is the insured amounts on contents and buildings. We urge you to double-check your policy to ensure your coverage is accurate and up to date.

Finally, with the rainy season approaching, it's a good time to remind you to clean your gutters and ensure that all building maintenance is up to date.

Thank you for your continued partnership.

We hope you find this newsletter both informative and helpful.



FROM THE DESK OF OUR
GENERAL MANAGER

Jano Prinsloo



PERSONAL LEGAL LIABILITY COVER ON YOUR PERSONAL POLICY

WHAT IS A PERSONAL LIABILITY COVER?

Personal liability insurance is to cover your legal liability for accidental death, bodily injury, or illness of another person where you were found responsible at your property noted in the schedule. This insurance cover is typically entrenched in homeowners or household content insurance or a separate class on a personal insurance policy. As a rule, personal liability insurance cannot be purchased on a stand-alone basis. It serves to protect you financially in case of a valid liability claim which can be financially crippling.

WHY IS IT IMPORTANT?

1. Protection Against Lawsuits

Accidents happen; unfortunately, you could be held legally responsible for the consequences. Without adequate coverage, you may face significant financial burdens, including legal fees and compensation costs.

2. Coverage Details

Your policy typically covers legal expenses and damages up to a specified limit, which varies depending on your insurer and policy terms. Personal Liability covers any person OTHER than a person who is the Insured/co-insureds. Some of the insurers will also extend cover for your domestic worker if you are legally liable for bodily injury or death. It is also important to take note of the terms of the Compensation for Occupational Injuries and Diseases Act (COIDA). It's crucial to review these limits to ensure they meet your needs

3. Examples of Coverage

- **Tenant's Liability:** If you as a tenant become legally liable for damage to the premises noted under the contents section, the insurer will compensate you.
- **Bodily Injury:** In cases where someone is injured due to your negligence (e.g., slipping on a wet



floor), your policy can cover medical expenses and legal costs if you are sued.

- **Wrongful Arrest:** If you become legally liable to pay damages resulting from the wrongful arrest or wrongful searching of any person the insurer will compensate you for any one claim or series of claims arising out of any one such event. Please note that limits may apply to this cover.

UNDERSTANDING EXCLUSIONS	CLAIMS PROCEDURE	CONCLUSION
<p>While Personal Legal Liability coverage is extensive, it typically excludes intentional acts, contractual liabilities, and certain high-risk activities. It's essential to read your policy documents carefully and clarify any uncertainties with your insurance provider.</p>	<p>It is crucial to inform your portfolio consultant or insurer as soon as possible after an event that may give rise to a claim. Keep a record of what happened as well as any witness statements. If you receive any documentation from the third party immediately send it to your portfolio consultant to handle the claim for you. Very important... never try and negotiate with the third party directly as this could prejudice your claim and never admit liability.</p>	<p>At NSB we are committed to providing you with the peace of mind that comes from knowing you're protected against unforeseen events. Personal Legal Liability coverage is not just about meeting legal requirements; it's about safeguarding your financial well-being. Should you have any questions or need further clarification about your policy, our dedicated team is here to assist you.</p>



FROM THE DESK OF OUR OFFICE MANAGER

Sandra Breytenbach



SOLAR SYSTEMS, BATTERIES, SOLAR PANELS AND INVERTERS:

A GUIDE FOR INSURING YOUR INVESTMENT.

We all have something to be positive about; no more load shedding! South Africans, weary of interruptions to daily life, have increasingly turned to off-grid solar systems to maintain their standard of living without the irritations caused by power cuts.

While the benefits of uninterrupted power are blissful, the investment in these systems is significant and requires careful consideration, particularly regarding insurance coverage.

Here are key points to keep in mind:

BATTERY CHOICE MATTERS

Consumers have different options when it comes to batteries. Always confirm which batteries you installed when adding the cover to your policy. Store batteries in a designated area that is well-ventilated, away from any potential ignition sources, and follow manufacturer guidelines for safe storage.

SOLAR PANEL INSTALLATION AND MAINTENANCE

Proper installation according to specifications and regular maintenance are crucial for the longevity and efficiency of solar panels. Always consult with your service provider on maintenance protocols. A Certificate of Compliance (COC) is required for any solar installation and the COC is only valid for two years. Maintenance should be carried out on an annual basis, checking for loose connections or even doing infrared hot spot scanning on larger installations. Cleaning of solar panels should be conducted in accordance with recommended manufacturer guidelines to enhance the functionality of a solar installation. The best approach would be to engage the services of professional cleaners who are experienced in dealing with solar panels.



INSURANCE COVERAGE

Solar systems are covered against perils such as fire, storm and accidental damage (to a limited extent) under most policies. Most policies require forcible or violent entry or exit from the premises for theft claims to be considered. Therefore most insurers decided to exclude theft of solar panels on their policies. Familiarise yourself with the perils included in your policy. Ensure your system meets the insurer's specifications to avoid complications during claims.

EXCESS CONSIDERATIONS

Excesses for solar systems are typically noted under the building section of your insurance policy.

SYSTEM UPGRADES

Any upgrades to your solar system require a new Certificate of Compliance (COC). Inform your insurer of any changes to ensure your coverage remains adequate.

KNOW YOUR INSURER'S REQUIREMENTS

Each insurer may have different requirements for insuring solar systems. Familiarize yourself with these to ensure compliance and seamless claims processing.

For further assistance or to discuss the specifics of insuring your solar system, feel free to contact your portfolio consultant. They can provide tailored advice based on your insurer's policies and your individual needs.



FROM THE DESK OF OUR
PORTFOLIO CONSULTANT

Renè Scheepers



Investing in solar power is not just about energy independence but also about protecting your investment with the right insurance coverage. Stay informed and proactive to enjoy uninterrupted power worry-free.



WHY YOUR VEHICLE CLAIM MIGHT BE REJECTED.

ESSENTIAL INFORMATION FOR POLICYHOLDERS

Navigating the world of vehicle insurance can be complex, and understanding why a claim might be rejected is crucial for all policyholders. Here are some common reasons why your vehicle claim could be denied:

- 1 Policy Exclusions:** Every policy has exclusions—specific incidents or damages which not covered. For example, the policy excludes cover for any incident which occurs where the driver is under the influence of drugs or narcotics, or if blood or breath alcohol concentration exceeds the legal limit.
- 2 Misrepresentation:** Providing false or misleading information on your policy application and / or at claim stage may result in a repudiation of said claim. Always ensure that the information you provide is 100% accurate and honest.
- 3 Cancelled or Unpaid Premium:** If you submit a claim on a policy that is cancelled or if the premium is unpaid, it's likely to be rejected. Ensure your policy is active and monthly premiums are paid.
- 4 Late Registration of a Claim:** You will have 30 days to report an accident to your insurance company. If you report an accident after this timeframe, you will have to motivate the late registration and the claim may be repudiated if the insurer is unable to verify the details of the claim due to the time lapse.
- 5 Unlicensed or Unauthorised Driving:** If the driver involved in the incident was not authorised under your policy – such as an unlicensed driver – your claim might be rejected.
- 6 Policy Limits:** Claims that exceed your policy's indemnity limits can result in partial payments. For instance, where the accessories on your vehicle have a higher replacement value than the insured amount.



- 7 Fraudulent Claims:** Attempting to fabricate or exaggerate a claim is illegal and can lead to repudiation. This has further potential legal consequences, where the insurer could cancel the policy or declare it null and void and you would find it difficult to obtain other insurance cover.
- 8 Vehicle Inspection Requirement:** Many insurers require a vehicle inspection to be done when you purchase a pre-owned vehicle or if you move to a different insurer. Any pre-existing damage will be excluded on your policy. If in doubt, ask your consultant whether an inspection is required for your vehicle.
- 9 Legal Requirements:** All vehicles driving on public roads in South Africa need to be roadworthy and the driver needs to adhere to traffic laws and regulations. Always ensure your vehicle's tyres are roadworthy. If any law is not adhered to, the claim might be rejected.
- 10 Security Measures:** Insurers have implemented stricter security measures due to increased number of vehicle thefts lately. If a tracking device is a requirement for your vehicle, please make sure the insurer has your installation certificate on file and remember to test the device regularly. If the security measures are not in place, you might have an additional excess applicable or your claim may be rejected in totality.

To avoid claim rejection, take the time to thoroughly understand your insurance policy, ensure timely payment of premiums, and always report incidents promptly and accurately. If you have questions about your coverage or need assistance, don't hesitate to contact us. Your peace of mind is our priority.

Stay informed, stay protected, and drive safely!



FROM THE DESK OF OUR
PORTFOLIO CONSULTANT

Alna Bloem



UNDERSTANDING EXCESS

WHY IT MATTERS IN YOUR INSURANCE POLICY

Have you ever wondered why you need to pay an excess when you make an insurance claim? It's a common question, and understanding the rationale behind it can provide clarity on how insurance works to protect your interests.

- 1. Risk Sharing:** When you pay an excess, you're essentially sharing the financial burden of the claim with your insurance company. By contributing upfront, you become more invested in safeguarding your insured property, which can help prevent future claims.
- 2. Cost Control:** Excesses play a crucial role in keeping insurance premiums affordable. By requiring policyholders to pay a portion of the claim, insurers can offer competitive rates across the board. This accessibility makes insurance protection available to a broader range of individuals.
- 3. Reduction of Small Claims:** Managing numerous small claims can be administratively burdensome for insurers. Excesses discourage frequent small claims, streamlining the claims process and reducing administrative costs for everyone involved.
- 4. Mitigating Moral Hazard:** Insurance excesses help mitigate the risk of moral hazard, where individuals might take more risks knowing they won't bear the full financial consequences. Knowing you have to contribute financially encourages responsible behavior and reduces the likelihood of unnecessary claims.
- 5. Claim Frequency Management:** By requiring an excess, insurers effectively manage claim



frequency. This helps maintain a stable insurance system by ensuring that claims are made for significant losses rather than minor incidents.

In essence, paying an excess benefits both you and the insurance company by fostering responsible behavior, controlling costs, and ensuring the sustainability of the insurance system. It's a fundamental part of how insurance operates to provide financial protection when unexpected events occur.

THERE ARE 4 DIFFERENT TYPES OF EXCESSES:

1. Basic excess: The first amount payable by the insured to contribute towards the claim. Each insurer has their own schedule of basic excesses.

2. Additional excess: Each insurer has their own additional excesses which will be applicable under certain circumstances.

For example, over and above a Basic Excess, an insurer may apply an Additional Excess if a driver has their licence for less than 2 years. Familiarise yourself with all the Additional Excesses applicable on your policy.

3. Compulsory excess: The insurers might add a compulsory excess to your policy for instance when you have a high-performance vehicle, high-value vehicle, high claims frequency, etc.

4. Voluntary excess: You can select to add a voluntary excess in order to lower your monthly premium.

Excesses can be a fixed amount or a percentage of your claim amount. Percentage based excesses can become excessive, especially where Additional Excesses are added on. It is important to understand how the excess will be calculated. For example: The excess on your vehicle is 5% minimum R5000. Your vehicle was in an accident and is written off.





The current retail value of your vehicle is R260 000. The excess applicable on your claim will then be R 13 000.00 (R260 000 x 5%).

Most insurers do have an option to include Excess Waivers at an additional cost. The Excess Waiver however only waives the Basic Excess and any Additional and / or Compulsory Excesses will still be applicable. Some insurers also limit the Excess Waiver to policyholder and their spouse; for any other driver the Basic Excess will apply. Please contact your consultant should you require further information about the Excess Waiver options available.

Should you have any questions about excesses or any aspect of your insurance policy, please don't hesitate to reach out to us. We're here to ensure you have the knowledge and support you need to make informed decisions about your insurance coverage.



FROM THE DESK OF OUR
PORTFOLIO CONSULTANT

Rolanda Kirk

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THE IMPORTANCE OF EVALUATING YOUR CONTENTS AND BUILDING COVER

HOUSE CONTENTS

As your insurance broker, we want to ensure you have the right coverage for your household contents. It's crucial to understand the concept of replacement value: the cost to replace your belongings with new items at today's prices in case of loss or damage.

Why Replacement Value Matters:

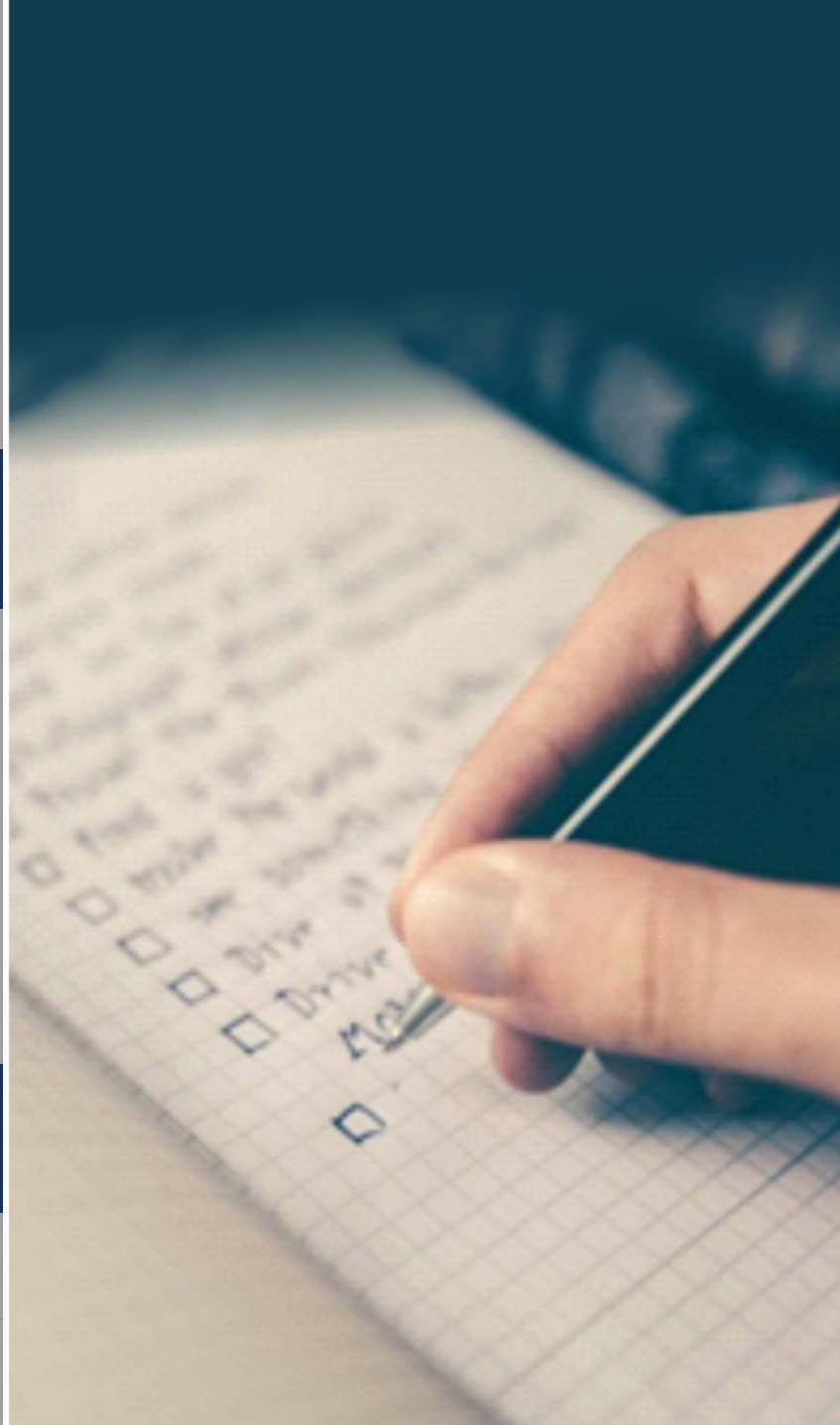
- **Under-Insurance Consequences:** If your insured amount is less than the replacement value, you could face partial compensation in the event of a claim. For instance, if your contents are valued at R400,000 but you're insured for only R200,000 and R50,000 worth of items are stolen, you might only receive R25,000 (50% of the claim).

Protect Yourself:

- **Take Inventory:** Compile a detailed list of all your possessions to accurately assess your coverage needs. This ensures you won't be under-insured when you need to make a claim. You are welcome to contact us for an inventory list which will assist you with the calculations. Alternatively, you can hire professionals to do a valuation of your contents.

BUILDING

Similar principles apply to insuring your building. Replacement value here means the cost to rebuild your home from scratch, including special features and fixtures.



Calculating Building Value:

- Square Meterage x Building Costs: Multiply the area of your house by the current building costs for your property type. Ensure to include additional features such as swimming pool, machinery and fixed appliances. Please remember to include professional fees in your calculation. Examples are Debris removal, architectural costs ect.

Special Considerations:

- Add-Ons: Remember to include costs for items like air conditioning systems, fixed generators, solar systems and solar geysers. Solar systems need to be specified on your policy.

Exclusions:

- Stand Value: Do not include the value of the land itself in your insurance calculations, as land is not insurable under a building policy.

By evaluating and updating your contents and building cover regularly, you can ensure peace of mind knowing that your insurance adequately protects your home and belongings. If you have any questions or need assistance with your insurance needs, don't hesitate to contact us.



FROM THE DESK OF OUR
SALES CONSULTANT

Darréle Kelbrick

PREPARE YOUR PROPERTY FOR THE RAINY SEASON.

ESSENTIAL BUILDING MAINTENANCE TIPS

As we approach the rainy season, ensuring your property is well-prepared to handle the increased moisture and potential storms is crucial. Effective maintenance can prevent costly damage and protect your investment. Here are some key steps to consider:

- 1. Inspect Roof and Gutters:** Check your roof for missing or damaged shingles and ensure that gutters and downspouts are clear of debris. Clogged gutters can lead to water overflow and potential roof leaks.
- 2. Seal Leaks and Cracks:** Examine your building's exterior for any cracks or gaps. Sealing these can prevent water infiltration and avoid more extensive damage.
- 3. Test Sump Pumps and Drainage Systems:** If your property has a sump pump, test it to ensure it is functioning correctly. Proper drainage around your building is also vital to prevent water pooling and foundation issues.
- 4. Check Windows and Doors:** Ensure that windows and doors close tightly and that weatherstripping is intact. This helps in reducing drafts and prevents water from seeping inside.
- 5. Maintain Landscaping:** Trim back any trees or shrubs that could potentially damage your property during storms. Also, ensure that the landscaping directs water away from the building's foundation.





6. Inspect Insulation and Ventilation: Proper insulation and ventilation help manage indoor humidity levels, preventing mould and mildew growth.

7. Review Insurance Coverage: It's a good time to review your insurance policy to make sure you have adequate coverage for potential storm damage. Speak with your insurance broker to address any concerns or update your policy as needed.

Taking these proactive measures can help safeguard your property against the adverse effects of the rainy season. Regular maintenance not only extends the life of your building but also provides peace of mind knowing you're well-prepared.

Don't hesitate to contact us for more personalised advice on protecting your property or reviewing your insurance coverage. We're here to help ensure that you weather the rainy season with confidence.

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