

27 January 2021

Dear Broker

IMPORTANT NOTICE: LEGAL LIABILITY RESTRUCTURING – MOTOR ONLY POLICIES

In the past, Passenger and Third Party Liability cover was reflected under the Motor section with an indemnity limit of R25million.

For various reasons, we are now obliged to show the split between the basic cover of R5million and the Extended Legal Liability (PLIP) of R20million on the schedule. In order to do so, the policy schedule will now include Section 7 – Personal Liability with the addition of PLIP included.

The premiums for these covers are as follows:

Basic cover R5million	= R5 p.m. / R60 p.a.
Extended cover R20million	= R15 p.m. / R180 p.a.

The above premiums will be absorbed into the vehicle premium although it will be shown separately under Section 7 of the policy. The client's total premium will therefore not be affected negatively.

We are currently finalising a system change to accommodate the above adjustments and this should be completed soon. In the interim existing policies will show the basic cover of R5m but PLIP remains active and existing clients continue to have the full R25m cover unless they specifically advise that they do not need it.

Should you have any queries relating to this matter, kindly contact us.

Yours sincerely



CINDY SCHNETLER
Underwriting Manager