



20 October 2023

Dear Broker Partner

**UNDERWRITING NOTICE 001/10/2023
POWER SURGE COVER – COMMERCIAL, AGRICULTURAL AND BODY CORPORATE POLICIES**

Background.

Power surge claims have increased in both frequency and severity as a result of grid switching and loadshedding, which continues to be a significant problem in the country and is likely to continue for some time to come.

We have already adjusted our underwriting criteria in this regard in respect of all our Personal Lines Products and we are now addressing the balance of our available products. It is essential that our clients are aware of the available cover and enjoy cover for this peril.

In terms of the **Commercial, Agricultural (excluding Domestic Sections included in the policy) and Body Corporate policies**, power surge cover will remain available only under the Accidental Damage Section of the policy.

Revised Underwriting Criteria

The underwriting criteria in respect of power surge cover on the abovementioned policies will be amended as follows:

1. Power surge cover will remain available under the Accidental damage section of the policy only.
2. The indemnity per power surge claim (per event – not per item) will be **limited to R 100 000 per event**.
3. There will be no free limit of cover applied and the premium will be payable on the amount selected by the client for power surge cover at a rate of no less than 2%.
4. The rate applicable to the Accidental Damage limit of indemnity may not be less than 2%.
5. The excess applicable in the event of a power surge claim will be **10% of the claim minimum R 2 500**.
6. The excess applicable for a claim in respect of Accidental damage will be as stated in the schedule or the excess addendum.
7. Any and all extensions of power surge that have been included under other sections of the policy via custom memo or endorsement, should be deleted.
8. Sections such as Business All Risks and Computer Equipment will continue to offer power surge as an insured peril.

The abovementioned changes will be effective on all new business quoted on with effect from 1 November 2023, and on all renewals with effect from 1 February 2024.



1 Telesure Lane, Riverglen, Dainfern, 2191. Website: www.renasa.co.za
Licensed non-life insurer and FSP. Registration number 1998/000916/06.





Should you have any question, please do not hesitate to contact your Renasa Portfolio Manager.

Thank you for your ongoing support.

Warm regards

Leon de Koker

Regional Manager – Western Cape



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