



# Holburn Insurance Brokers

## Information Update

April 2013



Financial Intermediaries Association  
of Southern Africa

### INFORMATION UPDATE

**In this edition of Information Update, we look at some legal issues which are affecting our Industry.**

#### DECLARE ALL MATERIAL FACTS TO YOUR INSURER

**In the recent High Court decision of Jerrier v Outsurance, the Court found that non-disclosure of previous motor accidents was a material risk, and should have been disclosed to the Insurer. The duty of good faith between the Insurer and Insured still exists, and mis-representation, or omission of a material fact negates a claim at the instance of the Insurer. Please don't make this mistake when taking out your cover.**

#### DISCLAIMERS : ARE THEY STILL SAFE ?

**A recent High Court decision has overruled a well-worded disclaimer notice. The plaintiff was visiting a hotel, when a large gate fell on him. The Court ruled that the hotel was negligent in failing to prevent the incident. Prior to the new Constitutional dispensation, disclaimers were permissible. Reliance on two disclaimer notices failed in this instance.**

#### PROFESSIONAL DRIVING PERMITS

**A number of parties are experiencing motor claim repudiations from Insurers, where a driver does not hold a valid Professional Driving Permit. It is absolutely critical that renewal applications are made timeously, as expiry and non-renewal will result in repudiation of a motor claim. Be aware of this onerous condition ! Kindly also ensure that you comply with all regulations for Foreign Drivers' Licences as well.**

#### FAKE CLAIMS

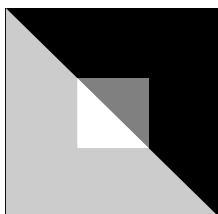
**The S.A. Insurance Crime Bureau has revealed that approximately 15% of all Short-Term claims submitted are fraudulent !!**

#### LONG TERM INSURANCE

**Please remember that we do now have a Long-Term Division, dealing in Life Assurance, Investments and Medical Aid covers. Please contact Myles White for assistance.**

**"BE INSURED AND BE SAFE"**

**[www.holburn.co.za](http://www.holburn.co.za)**



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