



# Holburn Insurance Brokers

## Information Update

November 2011



Financial Intermediaries Association  
of Southern Africa

**In our June 2011 edition of Information Update, we again examine two important matters which manifest themselves at the time of loss. Don't let these factors adversely affect your circumstances.**

### **UNDERINSURANCE**

**Up to 55% of those people with Insurance are underinsured. It must be stressed that Sums Insured must represent Full Value, or Replacement Cost. At all times avoid underinsurance, which applies when the Sum Insured is less than the correct Full Value or Replacement Cost. Underinsurance merely means that when a claim occurs, the Insured becomes a contributor or co-insurer for his own loss. Such a loss could be prohibitively expensive and the possibility exists whereby there is inability to replace the loss. Two particular areas of concern would be Buildings and Contents insurance.**

**Review your Insurance Policy and avoid misfortune.**

### **PROPERTY MAINTENANCE**

**While different property classes each have their own unique exposures, there are general guidelines that can be implemented to prevent claim repudiation. Often poor maintenance can lead to a loss, but not necessarily an insurance claim. So.....**

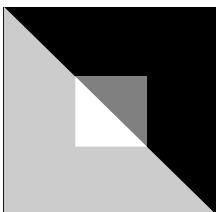
- a. Check the roof for any loose or damaged/broken tiles.**
- b. Inspect the building for any blocked or broken gutters and drain pipes.**
- c. Prevent leaks by checking cracks or gaps in door and window frames, vents and roofs.**
- d. Ensure that windows and doors are not broken or poorly fitted.**
- e. Check and test that Alarm systems are working correctly and that physical security measures are intact.**

### **POINTS OF INTEREST – MOTOR VEHICLE THEFT**

**A new form of theft has become VERY prevalent. A simple household/gate remote is being used to jam vehicle alarms. Be careful and observant when locking your vehicle, especially with valuables in the boot. As you lock your car, a perpetrator uses this device that emits a signal, to prevent your vehicle from locking. You leave and the thief has full access to your vehicle and belongings. Upon your return, your goods are gone and your vehicle has no forced entry. It is not covered....and will lead to difficulties between Insurance Companies and clients.**

**DO NOT be distracted by a phone call or a fellow passenger while locking your car. BE AWARE of your surroundings and ensure your car is carefully locked before you walk away.**

### **“BE INSURED AND BE SAFE”**



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