

# Insurance sector braces for billions of rand in Sasria riot claims

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THE SOUTH African insurance industry is bracing itself to receive a number of claims in the coming days, which could potentially amount to billions of rand following the unrest and riots that have damaged a number of businesses across the country, particularly in Gauteng and KwaZulu-Natal provinces.

Momentum Insure chief executive Brand Pretorius said yesterday that the cover for civil commotion, public disorder, strikes and riots in South Africa was provided by the South African Special Risks Insurance Association (Sasria), the state-owned insurer for special risks.

"We, like most insurers, include this cover as part of our standard car, home and business insurance offering. Each claim will have to be assessed to determine whether it falls within the ambit of cover provided by Sasria. Sasria has assured us that they are ready to deal with the expected influx of claims, and our claims teams are ready to facilitate the claims submission between our clients and Sasria," Pretorius said.

He added that further inquiries regarding the cover could be directed to Sasria.

In the light of the ongoing unrest,

Ricardo Coetzee, the head of Auto & General Insurance, said claims had already started coming through and they are in contact with Sasria regarding them.

"Keep in mind that Sasria is the only insurer in South Africa that provides cover for any damage caused during civil unrest, including rioting, strike action and public disorder," Coetzee said.

He said Sasria had confirmed that it had sufficient cash reserves to honour insurance claims resulting from the civil unrest.

"This highlights the importance of having Sasria cover in place and going forward, we foresee many more people opting to include it in their policy schedules to protect themselves against these events. At Auto & General, Sasria is automatically included in your car insurance policy, if your car is currently financed, and you tell us this during the underwriting stage of your policy," he said.

Another insurer, Old Mutual Insure, said it had put special measures in place to ensure that claims resulting from the latest devastating unrest action were fast-tracked.

"Old Mutual Insure will assist its customers to lodge claims with Sasria as soon as possible, given that Sasria

is the only insurer in South Africa that provides cover against risks such as civil commotion, public disorder, strikes, riots and terrorism," Old Mutual Insure said.

Old Mutual Insure explained that it did not have a mandate to offer settlements or settle claims on Sasria's behalf, given that insurance companies are non-mandated intermediaries for Sasria.

"However, we have negotiated with Sasria to appoint loss adjusters for claim amounts of up to R1 million in order to speed up the assessment process.

"For claims exceeding R1m, we will facilitate the appointment of loss adjusters with Sasria," the group said.

The South African Insurance Association said it called on all policyholders who had suffered losses or damage to property and or business operations, which have been estimated to be in the billions, to reach out to their respective insurance companies or brokers/financial intermediaries for assistance.



THE COVER for civil commotion, public disorder, strikes and riots in South Africa is provided by the South African Special Risks Insurance Association (Sasria), the state-owned insurer for special risks. | Supplied

