

## INTERNAL MEMO

**To:** All Operations, Marketing and Branch Staff

**From:** Underwriting Manager

**Date:** October 16, 2020

### **RE: REVIEW OF MOTOR PRIVATE TERMS**

Following continued monitoring of the Motor Private class performance, it has become necessary to review our motor private pricing guidelines to ensure that we remain competitive and profitable.

To enable us achieve this, the following Motor Private terms are revised effective immediately.

#### **1) Non-Fleet Terms (Less than 3 vehicles per policy)**

<b>Sum Insured</b>	<b>Below 5 Years</b>	<b>Btn 5 - 15 years</b>	<b>Above 15 years</b>	<b>Excess Protector (OD)</b>	<b>PVT</b>
500,000 - 750,000	4.00%	6.00%	7.50%	0.25% Min 5,000	0.25% Min 5,000
750,001 - 1,500,000	4.00%	4.50%	7.50%	0.25% Min 5,000	0.25% Min 5,000
1,500,001 - 2,000,000	3.25%	3.75%	6.00%	0.25% Min 5,000	0.25% Min 5,000
2,000,001 - 3,000,000	3.25%	3.50%	5.00%	0.25% Min 5,000	0.25% Min 5,000
Above 3,000,000	3.00%	3.25%	5.00%	0.25% Min 5,000	0.25% Min 5,000

**Minimum Basic Premium per motor vehicle Kes. 30,000**

#### **2) Fleet Terms**

Applicable to individuals and corporates with 3 or more vehicles

<b>Premium Rate</b>	3.75% of Sum Insured subject to Minimum premium of Kes. 30,000 per motor vehicle
<b>Excess Protector</b>	0.25% of Sum Insured min Kes. 5,000/-
<b>Political Violence Terrorism</b>	0.25% of Sum Insured min Kes. 5,000/-



### **3) Renewals (Effective 1<sup>st</sup> December 2020)**

Renew on existing basis subject to the following: -

- a) Proper underwriting considering the loss ratio to each policy
- b) No premium loading for policies with loss ratio below 60%
- c) Policies with loss ratio between 60 – 70% will attract loading of 25% of the premium subject to Minimum Basic Premium of Kes. 30,000
- d) Policies with loss ratio above 70% will not be accepted unless the client has supporting business and applicable premium loaded by 25% subject to Minimum Basic Premium of Kes. 30,000

### **4) Applicable Limits of Liability/Extension**

<b>Cover Extension</b>	<b>Limit of Liability</b>
<b>Windscreen/Window Glass</b>	Free up to Kes. 50,000.
<b>Car Entertainment</b>	Free up to Kes. 50,000. 10% of extra Limit
<b>Courtesy car</b>	Premium of 10% of Benefit Limit subject to 3 days' Time excess
<b>Saham Roadside Assistance</b>	Kes. 6,500
<b>AA Membership</b>	Kes. 6,500
<b>Infama Membership</b>	Kes. 6,960
<b>Third Party Property Damage</b>	Kes. 5,000,000
<b>Third Party Bodily Injury/Death</b>	Kes. 3,000,000
<b>Passenger Legal Liability</b>	Any One Person Kes. 3M & Any One Event 20M
<b>Medical Limit</b>	Kes. 30,000
<b>Recovery/Towing Limit</b>	Kes. 30,000

### **5) Applicable Excesses**

	<b>Excess Amount</b>
<b>Accidental Damage/Partial Theft</b>	2.5% of SI min 30,000; Max 100,000
<b>Third Party Property Damage</b>	Kes. 7,500/-
<b>Third Party Bodily Injury</b>	Nil Excess
<b>Inexperienced &amp; / Or Young Driver - (Below 1 years / 21 years)</b>	Additional 7,500/-
<b>Theft: Motor vehicle fitted With Tracking Device</b>	5% of Sum Insured Min 30,000
<b>Theft: Motor vehicle fitted With Anti-Theft Device</b>	10% of Sum Insured Min 30,000
<b>Theft: Motor vehicle Not fitted with Anti-Theft Device</b>	20% of Sum Insured Min 30,000



## **6) Motor Terms and Conditions**

- a) Excess Protector – No reinstatement following first claim within the Underwriting year.
- b) Motor vehicle valuation is Mandatory and should be undertaken within 14 days from date of cover inception.
- c) The following motor vehicles will only be accepted if covered under a fleet and use must be declared and approved by Sanlam in writing: -
  - a. Toyota Probox
  - b. Toyota Succeed
  - c. Toyota Sienta
  - d. Toyota Voxy
  - e. Toyota Noah

*Eduardo*

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