

## 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/-

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### 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

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

### 5) Applicable Excesses

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



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