



**1.618**

SHORT TERM SOLUTIONS

## **IMPORTANT CHANGES TO YOUR DISCOVERY INSURE PLAN**

### **DEAR VALUED CLIENTS,**

This letter is to notify you that Discovery Insure is revising our clients' policies. The substantial amounts of load shedding have put a strain on the electricity grid and heightened the risk of potential repercussions due to grid failure. South Africa's insurance industry is also exposed to this systemic risk.

Taking into account the existing coverage and reinsurance availability in South Africa, and acknowledging the current pressure placed on the power supply, Discovery Insure has modified the prevailing prohibition regarding power grid breakdown. These alterations will take effect on July 1st, 2023. **Please note the amendment that follows.**

### **SECTION 13: EVENTS EXEMPTED**

#### **13.9 Grid failure, grid interruption, and restoration**

We accept no responsibility for any losses, damages, legal liabilities, claims, costs, exposures, expenses, or any other sum of whatever nature, whether direct or indirect, caused by, related to, resulting from, or arising out of or in connection with the following for any reason:

- Grid failure; or
- Grid interruption; or
- The restoration of the supply of electricity following grid failure or grid interruption.

Furthermore, the power surges related to twelve successive hours of load shedding are also covered. Despite any plan provisions to the contrary, this electricity grid exclusion will remain in effect. It is your obligation to demonstrate that we are legally responsible or that a claim is covered, in the event that we advise otherwise.

### **IMPORTANT DEFINITIONS:**

#### **Grid failure**

In the event of sudden and unanticipated disruption to the electrical network, an organisation, utility, or agent may be unable to provide electricity to its end user, resulting in a total or partial collapse of the power grid.

#### **Grid interruption**

This refers to a national (including provincial, regional, municipal, local, private, or both) total or partial interruption, interference, suspension, loadshedding, blackout, and/or failure of electricity supply from the electricity grid to any end users, for whatever reason, whether due to damage, an inability, or failure (whether partial or total) of a national, provincial, or regional utility supplier, municipality, public or private enterprise or agent to generate, transmit or distribute electricity, or otherwise.

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### 8.3.3 | Power surge

We will provide compensation for power surges up to the amount indicated in your Benefit Limit Annexure.

If a power outage exceeds twelve consecutive hours, no claims will be made for any damage caused by a power surge upon restoration.

## BUILDINGS

### 9.3.3 | Power surge

We can provide you with reimbursement for power surges up to the amount outlined in your Benefit Limit Annexure.

When power outages exceed twelve hours in a row, any losses or damages caused by a power surge when power is restored will not be covered.

It is imperative that you recall that this exclusion is included in your Plan Guide and must be read in conjunction with it. For more details regarding the exclusion, please reach out to your broker.

Kind Regards,  
**1.618 SHORT TERM SOLUTIONS**



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