**Needs Analysis and Renewal Form**



**Advising Broker**

Leon Roode

FSP: 11184

FSP: 11184



**Administrative Broker**

Smit & Kie Brokers(PTY)Ltd

FSP: 11184

FSP: 11184

**Commercial**

***All questions to be answered in full***

***The documents must be read with your Policy Schedule and Policy Wording, which indicates your***

***cover and insured amounts.***

BROKER’ S CHECKLIST:

|  |  |
| --- | --- |
| YES | NO |
| YES | NO |
| YES | NO |
| YES | NO |
| YES | NO |
| YES | NO |

1. Letter of Introduction
2. Completed Full Record of advice

1. Letter of Appointment
2. FICA documents where applicable
3. Claims Review Documents
4. Renewal Policy Schedule

If no, please stipulate why: ……………………………………………………………………………………………………………

PLEASE ENSURE any markings or notes on the Renewal Policy Schedule are to be signed by the client.

CLIENT CONTACT DETAILS:

Name: Company: Policy number:

………………………………………………… ………………………………………………… ……………………………………..

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………………………………………………… ………………………………………………… ……………………………………..

Full Names:

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Has any of your information changed? If yes, kindly advise:

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Have any material changes occurred in the last 12 months: ………………………………………………………

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VAT Number: ………………………………………………… Business Registration No: ……………………………….

**CONTACT PERSON:**

Name & Surname: …………………………………………………………………………………………………………………………

Capacity: ……………………………………………………………………………………………………………………………………..

Is the person duly authorized to enter into agreements on behalf of the Company?......................

# **STRUCTURE & PROJECTION OF ASSET VALUES**

Smit & Kie Brokers is not qualified to provide you with a valuation on your assets and any discussion in this regard merely aims to assist and guide you in determining an appropriate insurance value, which in turn will enable your full indemnification in the event of a loss

1. **NON-MOTORS ASSETS**

**STUCTURE COMPONENTS**

Current day replacement costs of buildings (to include boundary walls, fences, private roadways, railways sidings, etc.), plant/machinery, stocks (i.e. raw materials, work in progress, finished goods and stores, etc.), or any other assets including VAT also consider:

* Allowance for cost of demolition, clearance of site
* Allowance for Public Authorities Requirements during rebuilding
* Allowance for Architects and/or other Professional Fees during rebuilding

**PROJECTION PERIOD**

Bear in mind that a loss could occur on the last day of your insurance period. Add to this the period over which demolition and rebuilding could take place. Therefore, sums insured should be projected utilizing the Bureau for Economic Research building cost indices and other indices applicable to plant/machinery, project values such as exchange rates and inflationary figures, and taking into account escalation/inflation.

**AVERAGE**

In the event of under-insurance at the date of loss or date of reinstatement, Average could be applied to any claim according to the degree of under-insurance. For example:

* Total values at risk at date of rebuilding R 10 000 000

* Sum Insured at date of loss R 8 000 000 (80%)

* Cost of rebuilding/repairing R 1 000 000

* Insurance Payment R 800 000 (80%)

The ultimate responsibility for setting correct sums insured rests with you. The consequences of under-insurance are outlined above. Please note that over-insuring assets does not mean that the insurer will calculate the claim based on the inflated sum insured. Replacement and, in some cases, market value will be used when calculating the claim settlement amount.

**2) MOTOR VEHICLES:**

Most insurance policies will indemnify you at RETAIL value at the time of the loss. To arrive at the correct market value to use as a sum insured, you need to take the following into consideration

* Accurate vehicle description (e.g. 2008 Volkswagen Polo 1.9 TDI Sportline)

* Accessories fitted (either factory-fitted or aftermarket fitments)

* Mileage the vehicle has travelled

* Condition of the vehicle

* If the vehicle qualifies for credit shortfall cover, the outstanding amount to the financier will be required.

To assist clients in determining an appropriate sum insured, the insurance industry uses the Mead & McGrouther value guide

Please keep in mind the following consequences of selecting an incorrect sum insured:

* Should the sum insured be lower than market value the insurer will only be liable to compensate you up to the insured value.

* Should the sum insured be higher than market value the insurer will only be liable to compensate you up to the market value at the time of the loss

As mentioned before, we will assist you in determining an appropriate sum insured as far as possible, but ultimately the final decision rests with you as the insured.

**VEHICLES CROSSING THE BORDERS:**

Your motor policy provides for full cover within the territorial limits as defined in the policy wording. However, we strongly suggest that you advise us whenever a vehicle is travelling outside the borders of South Africa, so that we can advise your Insurer accordingly. In some instances, the Insurer may impose specific terms, in which case we will advise you. If the vehicle is the subject of a finance agreement, the financial institution will insist on us confirming that cover is in place for the territories the vehicle will be travelling to and in.

Available covers are divided into two distinct sections – one where we discuss what are commonly referred to as “Catastrophe Risks” and the second where “Non-Catastrophe” risks are discussed. Catastrophe Risks are generally insured through conventional insurance markets whilst Non-Catastrophe Risks can either be insured or potentially managed at operational level, depending on the philosophy of the organization. The policy sections highlighted represent covers not currently insured.

Your attention is also drawn to the “General Exclusions”, “General Conditions” and “General Provisions” of your policy – details of which are available on our policy wording CD or from your Account Executive.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| CATASTROPHE RISK EXPOSURES: Policy Section | |  |  |  |
| Brief Description of Cover Afforded | Benchmarked Limit of Indemnity | Coverage taken / not taken / quoted |
| Fire | | Damage to the whole or part of the property described in the schedule, owned by you, the insured, or for which you are responsible, including alterations by yourselves as tenants to the buildings and structure, caused by fire, thunderbolt or lightning, explosions, storm, wind, water, hail or snow, aircraft and other aerial devices or articles dropped therefrom, impact, trees, aerials, satellite dishes or vehicles, and malicious damage | Replacement value including VAT | □ Taken  □ Not taken  □ Quote |
| Business  Interruption | | Financial loss following the interruption of, or interference with the business in consequence of damage occurring during the period of insurance on the premises in respect of which payment has been made or liability admitted under (i) the Fire Section (ii) the Buildings Combined Section (iii) the Office Contents Section (iv) and other material damage insurance covering the interest of the insured, but only in respect of perils insured under the Fire Section hereof | Insurable Gross Profit-making provision for turnover growth during the insurance and reinstatement periods | □ Taken  □ Not taken  □ Quote |
| Fidelity/  Commercial  Crime | | Loss of money and/or property belonging to yourself or for which you are responsible stolen by an employee during the currency of this section - Subject to a questionnaire | R1 000 000 | □ Taken  □ Not taken  □ Quote |
| Liability | | Damages for which you, the insured, shall become legally liable consequent to the accidental death of, or bodily injury to, or illness of any person, or accidental loss of, or damage to tangible property occurring within the territorial limits and during the period of insurance in the course of, or in connection with the business | R20 000 000 | □ Taken  □ Not taken  □ Quote |
| Directors &  Officers Liability | | Damages for which you, the insured, shall become legally liable as a result of any act or omission of an employee acting in their capacity as Director or Officer  Legal Defence Costs are included. | R5 000 000 | □Taken  □ Not taken  □ Quote |
| Contractors All  Risks and  Contractors  Liability | Loss of or damage to (a) the contract works whilst in transit, in storage or on the contract site and (b) accidental death, bodily injury, illness or disease and/or accidental tangible loss to tangible property arising directly out of the performance of the insured contract | | Full contract  value with  Liability being  R10 million | □ Taken  □ Not taken  □ Quote |

NON-CATASTROPHE RISKS:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Policy Section | | Brief Description of Cover Afforded | | Benchmarked Limit of  Indemnity | Coverage taken / not taken / quoted |
|  | |  | |  |  |
| Accidental  Damage | | Accidental physical loss of, or damage to the insured’s property on or about the premises not otherwise insured or for which insurance is available | | R1 000 000 | □ Taken  □ Not taken  □ Quote |
| Electronic  Equipment | | Physical loss of, or damage to the property insured as described in the schedule from any cause not hereinafter excluded whilst at work or at rest anywhere within your premises as specified; or in transit, including loading and unloading, or whilst temporarily stored on any premises and route, or temporarily removed from your premises to any other location | | Full replacement value including VAT | □ Taken  □ Not taken  □ Quote |
| Accounts  Receivable | Loss of, or damage as a result of accident or misfortune to your books of account, or other business books or records on the premises, in consequence whereof you are unable to trace or establish the outstanding debt balances in whole or part due to you | | | Estimated maximum amount of debtors  book at any one time | □ Taken  □ Not taken  □ Quote |
| Buildings  Combined | Damage | | by the perils described in the Fire Section and including:  Loss of rent up to a maximum of 25% of the insured amount Legal liability  Theft accompanied by forcible and violent entry into, or exit from the building | Full replacement value including VAT | □ Taken  □ Not taken  □ Quote |
| Business All Risks | Loss of, or damage to the whole or part of the property described in the schedule while anywhere in the world by any accident or misfortune not otherwise excluded, provided that you shall be responsible for the first amount payable stated in the schedule in respect of each and every event, except a claim resulting from fire, lightning or explosion | | | Full replacement value including VAT | □ Taken  □ Not taken  □ Quote |
| Theft | Loss of, or damage to all contents of any insured building on your premises described in the schedule as a result of theft accompanied by forcible and violent entry into, or exit from such building or any attempt thereat, or as a result of theft, or any attempt thereat, following violence or threat of violence Cover is on a first loss basis – average does not apply. | | | First Loss | □ Taken  □ Not taken  □ Quote |
| Glass | Loss of, or damage to internal and external glass (including mirrors), signwriting and treatment thereon on your premises as stated in the schedule, the property of yourself or for which you are responsible | | | Full replacement value including VAT | □ Taken  □ Not taken  □ Quote |
| Goods in Transit | Loss of, or damage to the whole or part of the property described in the schedule, owned by yourself or for which you are responsible, in the course of transit by the means of conveyance or other means incidental thereto and caused by any accident or misfortune not otherwise excluded | | | Maximum any one  load taking into account the basis of valuation | □ Taken  □ Not taken  □ Quote |
| Machinery  Breakdown | Any unforeseen, visible loss of, or damage to equipment as  described in the schedule by an incident stated and not otherwise excluded while on your premises, but excluding any loss of, or damage caused by an incident covered under the Fire and Theft sections | | | Full replacement  value including VAT | □ Taken  □ Not taken  □ Quote |
| Machinery  Breakdown –  Business  Interruption | Financial loss following interruption of, or interference with the business in consequence of damage occurring during the period of insurance on the premises in respect of which payment has been made or liability admitted with regards to the Machinery  Breakdown section | | | Per Machinery Breakdown above,  but specifically listed for specific machinery | □ Taken  □ Not taken  □ Quote |

|  |  |  |  |
| --- | --- | --- | --- |
| Policy Section | Brief Description of Cover Afforded | Benchmarked  Limit of  Indemnity |  |
| Money | Loss of, or damage to money on your premises or in transit to and from the bank  Money stored in a locked safe at night is limited to a value depending on the category of the safe. Please consult with Smit & Kie Brokers Pty (Ltd) for further details. | First Loss | □ Taken  □ Not taken  □ Quote |
| Motor | Loss of, or damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon, including liability incurred towards third parties | Retail Value | □ Taken  □ Not taken  □ Quote |
| Motor Traders –  Internal Risks | Loss of, or damage to vehicles (not owned by the Insured) whilst on the Insured Property as described in the schedule, including liability to a third party | Retail value | □ Taken  □ Not taken  □ Quote |
|  |  |  |  |
| Motor Traders –  External Risks | Loss of, or damage to vehicles (not owned by the Insured) whilst in the course of a journey, including liability to a third party | Retail value | □ Taken  □ Not taken  □ Quote |
| Office Contents | Loss of or damage to the office contents (excluding Computer Equipment) unless otherwise stated in the schedule, as per the perils under the Fire section, including:  ▪ Theft or any attempt thereto  ▪ Loss of Rent up to 25% of the insured amount  ▪ Loss of, or damage to documents | Full replacement  value including VAT | □ Taken  □ Not taken  □ Quote |
| SASRIA | Loss of or damage to the insured property as a direct result of rioting, strikes or public disorder | Per underlying policy  – consider Standing  Charges | □ Taken  □ Not taken  □ Quote |
| Group  Accidental &  Stated Benefits | Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the insured specified in the schedule | Variable | □ Taken  □ Not taken  □ Quote |
| Marine | Loss of, or damage to goods whilst being imported, exported or temporarily being stored whilst part of a marine voyage | Replacement value depending on the  basis of valuation | □ Taken  □ Not taken  □ Quote |
| Employers Liability | The Company shall indemnify the Insured in respect of: Damages for which the Insured is entitled to pay due to the death or bodily injury or illness of any person who is in the service or apprenticeship contract in the Insured's employment and what on or after the retrospective date mentioned in the Schedule in the course of and in connection with such person's employment with the Insured takes place within the territorial limits and which gives rise to a claim or claims initially made against the Insured during the insurance period is set. | R1 000 000 | □ Taken  □ Not taken  □ Quote |

**Consideration should also be made for (where applicable):**

* Any property in the open which has not been specified or advised to insurers (stock, plant, signage, etc.);
* Non-standard construction such as shade cloth, thatch, iron or wooden structures;
* Specialised liability covers such as Product Recall, Product Guarantee, Inefficiency, Professional Indemnity & Employment Practices; Corporate Travel Insurance; and Credit Insurance
* Leakage of sprinklers – accidental exhaust of leakage of sprinkler systems in the occupied building.

# OTHER SMIT & KIE PRODUCTS & SERVICES

In addition to conventional insurance broking, Smit & Kie Brokers Pty (Ltd) has other services which may be beneficial:

|  |  |  |
| --- | --- | --- |
| Policy/Service | Brief Description |  |
| Smit & Kie  Brokers  Pty(Ltd).  Employee  Benefits (Pty)  Ltd | Assessing existing benefits for the fund and making recommendations  Developing investment strategies for members of the retirement fund  Reviewing risk benefits (i.e. death and disability) in terms of changing market conditions  Assisting companies in complying with governance and legislative requirements as this pertains to retirement funds  Communications with fund members by conducting verbal presentations and compiling documents such as explanatory booklets  Guiding companies and retirement fund committees through the process of appointing and/or replacing service providers of the fund |  |

Please indicate whether we can add the following cover to quotations or have already been taken:

1. Specialized Liabilities
2. Professional Indemnity Cover
3. Plant All Risks
4. Machinery Breakdown & Loss of Profit
5. Contractors All Risks
6. Erection & Testing
7. Damage to Works
8. Specialized Payment Level
9. Employee Benefits
10. Guarantee
11. Marine
12. Aircraft
13. Specialist Liability (Computer, Data, Syber etc.)
14. Plantation / Crops
15. Game / Pedigree Animals
16. Directors and Officers Liability
17. Motor Traders
18. Irrigation equipment on wheels and Pivots
19. Landslide and Construction Machinery
20. SASRIA - Business interruption

Quote:

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Add:

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Already taken: …........................................................................................................................ ................................................................................................................................................... ...................................................................................................................................................

# UNINSURABLE RISKS

There are certain risks which cannot generally be insured, either because there is no suitable market, or the risk is incapable of being assessed and rated, or because they are a governmental responsibility, or because there has not been sufficient demand for creating a market to insure the risk at a reasonable cost. Whilst conventional insurance is unavailable, prudent risk management should be considered both at strategic and operational levels to cater for these risks. The more important of these are:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Item | Explanation & Example | |
|  |
| 1. | Exchange Control/Currency fluctuation | Government/Authorities imposing/lifting restrictions regarding movement of exchange or currency  Forward cover can be purchased from Banks, and Currency Risk Management Services are available. | |
| 2. | Loss of Market (unless resulting from  Insurable Risk) | E.g. turnover loss following re-routing of road to bypass place of business (non-damage situation) | |
| 3. | Normal wear and tear, gradual corrosion or deterioration  Inherent vice | Wearing a way of a cutting edge  Ullages on a bottling line  Losses due to the inherent nature of the article e.g. the hygroscopic nature of salt | |
| 4. | Nuclear Risks (may not be excluded for Personal Accident benefits) | In most instances governmental responsibility Special pools formed to accommodate certain risks, e.g. S A Nuclear Pool    NB: Nuclear risks include ionising radiation or contamination by radio activity from any nuclear fuel  or from any nuclear waste, from the combustion of  any nuclear fuel or nuclear weapons material, nuclear fusion, and/or nuclear fusion. | |
| 5. | Political Decisions | | Censorship resulting in drop in sales of newspapers and magazines  Government/Trade embargoes, requisitioning or confiscation/commandeering |
| 6. | Public Opinion | | Drop in sales following adverse publicity |
| 7. | Risks against the Public Interest | | Insurance in respect of illegal activities, e.g. tax evasion, or criminal penalties, e.g. traffic fines |
| 8. | Stock shortages or unaccountable losses | | Shrinkage e.g. at supermarket/in retail trade  Losses discovered at stocktaking |
| 9. | Trade Risk losses | | Competitive price cutting  Change in fashion |
| 10. | Unaccountable Assets | | You cannot insure "hidden" stock or profit not declared or recorded in books of account/financial statements. |
| 11. | War Risks or threat thereof, including Rebellion, Civil War, act of foreign enemy/invasion in respect of assets on land (not excluded for imports/exports by sea or air and it is possible to arrange cover for personal accident benefits) | | 1. Declaration of status by de facto government      1. Complete breakdown of government, but insurable for assets outside South Africa |
| 12. | Terrorism involving nuclear and/or biological weapons | | Detonation of a nuclear device by terrorists |
| 13. | Asbestos    Any injury arising out of the hazardous nature of asbestos, i.e.  fibres or dust | | Asbestosis |

# DECLARATION

1. I, the undersigned, hereby confirm that the Renewal of my Insurance Portfolio has been discussed with me by my Financial Advisor; I do understand the contents thereof and is satisfied with the cover arranged.
2. I have never been sequestrated or declared insolvent or found guilty of any criminal offenses unless otherwise specified herein.
3. I warrant that the answers given are true and correct and I do not know of any material facts (even though specific questions about them have not been asked) that should be communicated to insurers.

1. I have never been refused insurance for the risk I now wish to insure, nor have I had any policy in which I have or had an interest cancelled or restricted. The person completing this renewal on my behalf does so as my agent. If I have been refused insurance cover, I have stipulated details of such during the inception stages.

1. There are any other material facts that could influence insurers’ decisions in accepting the risk, or any factors that could make the risk more hazardous than normal, they are stipulated here:

……………………………………………………………………………………………………………………………………………….

1. I AGREE THAT I have read and understood all changes to my existing policy, and where there have been any changes, it has been at my request. I agree that the Broker has correctly gone through all changes to my policy with me and have made me aware of the implications of any said changes.

1. I UNDERSTAND THAT this insurance will not start until this proposal has been accepted by the insurers.

1. I AM AWARE OF the Client Service Fee that Smit & Kie Brokers Pty (Ltd) charges in terms of Section 8(5) of the Short-term Insurance Act and agree that such fee has been explained to me and the exact numerical amount, as well as the exact Client Services which make up said fee, will be disclosed on my Insurance Policy. Should I at any stage no longer wish to be debited for the Client Service Fee, I am aware of my right to cancel this fee; however, I am also aware that cancelling the Client Service Fee will mean cancelling the Services provided in terms of said fee.

1. I UNDERSTAND THAT certain personal information may be required in order to render proper financial advice and that my consent in collecting such or otherwise processing such information is necessary. Should there be any personal information that I am not comfortable with my Broker/ Smit & Kie Brokers Pty (Ltd) collecting and/or otherwise processing, I will notify him/her in writing. I consent to such personal information being used by any necessary third party, such as the Insurer. I am aware that such Personal Information will be dealt with in accordance with the Protection of Personal Information Act.

1. If you are unable to sign this declaration without qualification, please state your reasons below:

…………………………………………………………………………………………………………………………………….

Signed at: ……………………………………………….. on this ……. day of ……………………….20……

Signature: …………………………………………………..