

GET TAILORED BUSINESS INSURANCE FOR RESIDENTIAL SECTIONAL TITLES

Managing a residential sectional title scheme or home owners' association can be complex – risk events can happen at any time. In addition to maintaining the property, you must also ensure that the sectional title scheme is legally compliant and manage residents. It is therefore vital to have the right insurance support to protect your sectional title scheme and help you run it sustainably.

Our Residential sectional titles product is specifically tailored to suit your unique needs and to ensure that you are adequately covered against the risks facing residential sectional title schemes. This product offers all the benefits of the traditional multi-peril commercial policy, including cover for buildings, assets, liability, personal accident and crime events. You will also get access to embedded cover innovations and tailored benefits that are automatically included.



We have automatically included the following **EMBEDDED COVER INNOVATIONS** to make sure your residential sectional title is adequately protected:



COVER ENHANCEMENTS

We have enhanced our core insurance offering under the following sections.

- **Buildings combined (property)** includes cover for locating leaks, home modifications (where an owner becomes disabled), generator hire for the complex, theft of fixtures and fittings and more.
- **Buildings combined (rent)** includes cover for loss of rent of up to 25% of the sum insured where access to the property is prevented as a result of an insured event.
- **Public Liability** includes cover for emergency medical expenses, security firms, legal defence costs and more.



20% BOOST TO THE COVER SUM INSURED

We reward you for good risk management practices by boosting your cover limit by 20% for the sections below at no additional cost, if you meet the qualifying criteria.

- Fidelity guarantee section, provided you have:
 - Annually audited financial statements
 - An independent management agent appointed.
- Trustees' liability section, provided your body corporate:
 - Complies with all governing legislation and regulations of sectional title schemes
 - Has an administrative fund and reserve fund which are sufficient to cover both the estimated annual operating costs as well as cost of future maintenance and repair of common property as prescribed by Sectional Titles Schemes Management Act 8 of 2011.



In addition, we offer you the following **TAILORED BENEFITS** to help you run your sectional title scheme efficiently:



UP TO 15% OF NON-MOTOR PREMIUMS BACK FOR YOUR MAINTENANCE FUND

This benefit rewards you for maintaining a good loss ratio by assisting you with a cash back that you can put into your **maintenance fund**. The premium cash back will be based on your latest year's **non-motor premiums** and **non-motor loss ratio** over one, two or three years as follows:

Number of years you have maintained a loss ratio less than 50%	Cash back percentage
1 year	5%
2 years	10%
3 years	15%



25% OFF PROPERTY VALUATION FEES

You get a **25% discount** on property valuation fees with our partner Qantam Risk Assessment, to help you ensure that you get adequate cover for your property and remain compliant with sectional title law.



Get additional benefits from Discovery Business Insurance

In addition to the core insurance cover and embedded cover innovations, you can get all the benefits offered under the Discovery Business Insurance Plan, including:

IMPORTANT TO NOTE:

- To qualify for the Residential sectional titles product, you must meet the following criteria:
 - You must have non-motor cover, including cover under the *Buildings combined* section.
 - Your scheme must meet the description of a residential sectional title or home owners' association, as defined by our underwriting team.
- Cover for accidental damage to geysers is auto-selected for clients with the Residential sectional titles product. This cover comes at an additional premium. However, you have the option to remove this cover from your plan.
- You will be able to select which sections of cover, and the amount of cover for each section, that you require from your Discovery Business Insurance Plan.
- To qualify for the 20% boost to the sum insured for the Fidelity guarantee and Trustees' liability sections, you will need to answer additional questions on the underwriting proposal form relating to compliance with legislation and internal risk management processes.
- The 20% boost to the sum insured will be applied to both the Fidelity guarantee and Trustees liability sections at no additional cost if you meet the qualifying criteria set out below. The 20% boost to the sum insured is subject to the maximum cover limits set by our underwriting team.
 - **Fidelity guarantee** section
 - Annually audited financial statements
 - An independent management agent appointed
 - **Trustees' liability** section
 - Provided your body corporate:
 - Complies with all governing legislation and regulations of sectional title schemes
 - Has an administrative fund and reserve fund which are sufficient to cover both the estimated annual operating costs as well as cost of future maintenance and repair of common property, as prescribed by Sectional Titles Schemes Management Act 8 of 2011.
- The following applies to the property valuation fee discount from Qantam Risk Assessment:
 - To qualify for the discount, you need to be an active Discovery Business Insurance client and all your premiums must be up to date.
 - To request the valuation fee discount, you or your broker must send an email to DBIPartners@discovery.co.za and provide the company name and plan number. Your broker can also contact their Business Development Manager to request the discount on your behalf.
 - There is no limit on the number of times that you can use this benefit.
- The following applies to the maintenance fund premium cash back:
 - Claims used in the loss ratio calculation include all non-motor claims (both claims paid as well as outstanding estimates, excluding SASRIA claims) reported in the plan year, less any applicable excesses. Claims not reported at year end will be included in the calculation for the next plan year.
 - Premiums used in the loss ratio calculation comprise all non-motor premiums (for both cover and buy-ups, excluding SASRIA premium).
 - The loss ratio is calculated as claims divided by premiums over one, two or three years.
 - The qualifying cash back percentage will be applied to the sum of all non-motor premiums (for both cover and buy-ups, including VAT and excluding SASRIA premium) paid over the latest plan year.
 - The cash back is calculated at the end of the plan year (month 12 of each insurance period) and is paid out in the following month.
 - If your plan lapses before the end of the plan year, you will forfeit all rewards earned during that plan year.
 - If the plan year ends in less than one year since the benefit go-live date, the premium cash back will be calculated based on the premium for the period from the benefit go-live date to the date that the benefit is payable.
 - The loss ratios will still be calculated over one, two or three years, based on the total claims and premiums over that period.

To get a quote, speak to your broker or [click here](#)