

28 April 2023

**Circular 526**

**To All Sasria Agents and Intermediaries**

**Grid Failure Exclusion**

The reinsurance market has been urging us to eliminate our coverage for claims stemming from electricity grid failure as a result of the unprecedented levels of loadshedding that have occurred due to various factors.

Please note that starting **1 June 2023**, all Sasria policies, whether existing, new, or renewed, will incorporate the following exclusion related to **Electricity Grid Failure**:

- Your Sasria policy will not indemnify you for any loss, damage, cost or expense, directly or indirectly caused by, arising out of, in any way or to any extent contributed to by, or in connection with Electricity Grid Failure:
- This exclusion applies to any riot, strike or public disorder (including civil commotion, labour disturbances or lock-outs) directly or indirectly caused by, arising out of, in any way or to any extent contributed to by, or in connection with Electricity Grid Failure.
- This exclusion also applies to consequential or indirect losses in respect of any supply by public utilities that is affected in any way by Electricity Grid Failure, including but not limited to, the disruption of water, telecommunications or sewerage supply or systems. It also includes any other direct or consequential or indirect losses such as the deterioration of any food or any other items.

This exclusion does not apply to Loadshedding.

**“Electricity Grid Failure”** means the total or partial, failure of, interference with, interruption of or suspension of any electricity supply, in any manner and from any source, and for any reason (including fortuitous or malicious damage and any inability) which affects an entire or major part of any municipal area (including local, district, regional or any other local government area created by law) or any major part of any province or the country substantially as a whole at substantially the same time, including any interruption, power surge or suspension occurring as result of the reconnection or reinstatement of electricity supply.

**“Loadshedding”** means the intentional, total or partial, withholding, curtailment or limiting of electricity supply (from any source) by any electricity supplier other than you, implemented in phases,

Kindly distribute this Circular as widely as possible within your organisation and notify all our insureds accordingly.

**Themba Sibiyi**

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