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### LOAD SHEDDING WOES PRESENT OPPORTUNITIES FOR CRIMINALS

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#### ***Take steps to protect your loved ones and assets***

As load shedding across the country wreaks havoc in homes, businesses and in the traffic, criminals have not missed the opportunity to capitalise on the compromised security. Countless homes have reportedly been robbed since the introduction of Eskom's load shedding and there is every expectation that the trend will pick up as load shedding is expected to continue for at least the next two years in South Africa.

Risk advisors and insurance brokers, Aon South Africa, has advised South Africans to put all reasonable measures in place to maintain their security, such as additional battery back-ups and solar lighting, as well as surge protection to protect their electronic assets when the power comes back on.

"The growing constraints on South Africa's power grid makes load shedding an unwelcome reality that many households and businesses will have to contend with for the next few years. While this has many implications, one of the most concerning is the fact that power outages compromise safety and security," says Mandy Barrett of Aon South Africa.

In an extended outage, the battery back-up on security equipment such as automated gates and fences, alarm systems, security cameras and outdoor motion passives may well run out before power is restored. The fact that automated gates are not operational presents a further complication during load shedding, in that armed response companies are unable to gain access to the premises. In addition, having to exit your vehicle to open gates to enter your own premises is a very real hijacking risk. In such circumstances it is essential to make use of your armed response to escort you in and out, or at the very least have someone at the gate to open for you and immediately close the gate. If you need to take your gate off the motor and leave it on manual, make sure you have a lock and chain to secure the gate.

"Criminals are capitalising on the situation, utilising the planned load shedding schedule to plan burglaries or robberies. You could well find yourself holding the short end of the stick in such an event, if your insurance coverage terms don't specifically provide for circumstances that are beyond your control. Consumers may find their claims rejected by insurers if their security system is not functional and they experience a burglary or break in during a power outage," says Terrance Booysen, CEO of CGF Research Institute and a strategic alliance partner of Aon South Africa.

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“This may well be the case on some insurance programmes, especially where the policyholder has not interrogated the implications of the terms and conditions of their cover. This is where the true value of having a professional broker ‘in your corner’ comes to bear. A professional broker can add tremendous value in the advice process and guide you towards a thorough understanding of the terms and conditions of your cover, pointing out terms in a policy that applies onerous or unreasonable limitations. A broker will also fight for you in the event of any unreasonable claim rejection. Unfortunately though, most people only discover the pitfalls of the D-I-Y approach to insurance at claims stage, when it’s too late,” says Mandy.

As part of your preparations for load shedding, it’s essential to check with your broker or insurer exactly what your policy covers you for should you have a claim as a result of a power failure. Power surges that bring about a sudden change in voltage can affect computers and electronic equipment that may cause damage, and you need to be sure that your policy provides for this. Not to mention the spoilage of foodstuffs during extended power outages. If you are unsure, engage the services of a professional broker who is equipped to guide you through the process in order for you to understand the cover and limitations that you have on your insurance policy.

“Make sure that you adhere to the specific conditions that insurers include to their cover, to successfully navigate the risks that come with load shedding. As an example, your policy may very well specify that the alarm has to be armed if your home is left unattended,” says Mandy.

“If these conditions are not adhered to under normal circumstances and a burglary takes place, the client may be subjected to additional compulsory excess payments, claim rejection or the settlement being dramatically reduced. But the key term here is ‘normal circumstances’. This condition should not be applicable if the alarm malfunctions due to a defect or circumstances unknown or beyond the control of the insured – such as an extended power outage. A good broker will be looking out for you in such circumstances and I strongly advise that you check the provisions in your insurance as soon as you can,” says Mandy.

Many commercial and private property owners are investing in renewable energy products such as solar geysers and PV systems in the face of South Africa’s ongoing power woes. “As a result of recent natural disasters such as the earthquake that took place in 2014, flash floods and freak hail storms, many insurers have however taken the stance of not insuring renewable energy products due to the cost of replacing the equipment and the risk it presents; as these products can generally not withstand a hail storm of the magnitude that South Africa’s been experiencing of late. It is therefore advisable that you inform your insurance company of any

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additions that you have made to your home of this nature and to confirm whether these additions will be covered under your insurance policy,” urges Mandy.

“The broker’s role is to examine your circumstances in detail and to impartially recommend covers that will meet your specific needs. Choice, simplicity of wording and customisation will ensure that your assets are covered correctly and that you are not prejudiced for being pro-active or something you have no control over. Good advice is always a great investment. Fortunately the insurance industry is taking steps to manage the changing environment and many are sympathetic in such extenuating circumstances, however it will be incumbent on all insured parties to take all reasonable measures to prevent a loss,” says Mandy.

“Load shedding and energy supply constraints are set to be part of our lives for some years to come, so it is essential that South Africans take steps to manage the repercussions for their homes, assets and businesses under such conditions,” concludes Booysen.

Aon’s safety tips for load shedding:

- Invest in emergency lighting such as solar lighting to keep your property illuminated – light is a deterrent for criminals.
- Make sure your battery back-ups on electric fences and alarms are working and if necessary, consider additional battery capacity for extended outages.
- Keep a chain and lock handy to lock any motorised gates that you may have to leave on manual during an outage.
- Make use of your armed response company to escort you in and out your premises during an outage, especially if you need to get out your car to open the gate.
- Make sure all appliances like ovens, stove plates, hair dryers and so on are switched off during an outage. If they are in use when the outage strikes, and you forget to switch them off while the power is out, you could face a fire disaster when the power comes back on, especially if you have since left the premises or gone to sleep.
- Put surge protection on all your electronic devices. Fridges/freezers, computers and audio equipment are particularly sensitive to power surges. Many insurance policies do stipulate surge protection as part of the terms and conditions of cover.
- Be particularly vigilant when using gas or open candle flames. Make sure the gas is properly turned off when not in use and do not use either gas or candles in draughty areas.

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- Load shedding has wreaked havoc in traffic and many roads are gridlocked for hours at a time. Smash and grab criminals are using the situation to survey vehicles for valuables such as laptops, phones and handbags left on seats. Make sure you lock all valuables out of site in the boot and remain extra vigilant in the traffic.

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For further information please contact: Aon South Africa (Pty) Ltd | Risk Solutions. Call today on 0800 400 400 or email [quoterequest@aon.co.za](mailto:quoterequest@aon.co.za) to check if you are adequately covered.

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