

### Are you at risk?

If you are one of the many people in South Africa who fail to set your alarm when you leave your property unattended - even for a short while - you are at risk of having your claim rejected by your short-term insurer in the case of a break-in.

That is if a burglar alarm warranty clause applies to your short-term insurance policy.

According to Pravin Pather, technical and risk specialist at Centriq Insurance, a breach of this particular warranty as stipulated in your short-term insurance policy will result in the Insurer having no liability in terms of the policy at the time of a claim. Says Pather: "This means that a household contents residential insurance claim can be rejected if the policy holder failed to ensure that his/her alarm was in good working order, among others, at the time of the loss taking place."

Pather continues to say that it is the responsibility of the Insured to ensure that all preventative alarm and/or security systems and controls known to the Insurer are activated and/or engaged whenever the named location(s) on their insurance policy are unattended.

### THE PROOF IS IN THE PUDDING

"The insured would have to prove that the burglar alarm / security system was indeed activated and/or in good working order at the time the theft took place," says Pather. Therefore, it is important to have your burglar alarm or security system tested by a reputable security or service provider at least annually to ensure that your system is sound and not in dire need of an upgrade.

"Many outdated burglar alarm systems don't register with security providers once switched on. This means that the security provider will not be able to confirm that your alarm was indeed switched on at the time of the loss taking place. This can result in the non-payment of a claim as you would have failed to comply with the burglar alarm warranty set out in your policy," he says.

### BYLAW 25

Unofficial statistics reveal that the South African short-term insurance industry deals with more than 11 000 burglary claims per month. "Most of these take place where there is a burglar alarm system in place, however, *not* necessarily activated or in working order or correctly installed," confirms Pather.

Given the above, the South African Insurance Association (SAIA) decided to enter into discussions with the South African Intruder Detection Services Association (SAIDSA) a few years ago regarding the implementation of Bylaw 25 – an acceptable standard and criteria that would have governed the installation and the quality of the product, service and even call centre offerings provided by security providers in SA, had it been successfully implemented.

Bylaw 25 could not be implemented to date due to the following reasons, among others:

- The majority of burglar alarm systems that preceded this standard required upgrades
- Customers needed to be shown how to use the Bylaw 25 accredited burglar alarm system

"Getting customers to actually switch on the system posed another great challenge," says Pather. He adds that the number of claims where house owners wake up at night with intruders next to their bed is enormous.

"Had Bylaw 25 been successfully implemented, the SAIA Approved system could have helped to reduce the number of actual claims received. It also could have helped the insurance industry to combat fraudulent claims," comments Pather.

"The system would have allowed the assessor to determine whether or not the device was turned on at the time of a break-

in. It would also have enabled the Insurer to track the actual movement of the intruder/s while in the house," he says. Pather refers to a case study in which a client fraudulently claimed that a television set was stolen from one of the bedrooms in his house. "But then the Insurer established by tracking the movement of the intruder inside the house, that the intruder did not enter that specific room," says Pather.

By helping Insurers combat fraudulent claims, policy holders can keep their premiums from increasing. "The higher the number of claims, the higher insurance premiums rise in order for insurers to underwrite certain risks," notes Pather.

### **CHEAP SECURITY IS NO SECURITY**

According to Chubb Security, consumers should invest in the best security systems they can afford. The company has the following advice when choosing an alarm system or installer:

- Seek qualified advice from a security consultant so that a professional security risk assessment of your property can be done
- In order to ensure that all installations and equipment meet appropriate industry standards, choose a burglar alarm installer that is registered with the South African Intruder Detection Service Association (SAIDSA)
- Choose a burglar alarm system that is configured to warn you about a break-in (or attempted break-in) both when you are in the house and when you are away
- Choose a burglar alarm system that is constantly monitored by a SAIDSA approved control room 24 hours a day
- Your burglar alarm system should accommodate your families' behaviour patterns and domestic staffs' needs

Other Chubb safety tips aimed at the safe-keeping of South Africans during the upcoming festive season include locking your garage and tool shed to prevent intruders from accessing any items that can be used as weapons. Chubb also advises consumers to programme their telephone with an emergency number before going to bed. "By dialling the emergency number and hanging-up before the call is answered, consumers can save valuable time by only pressing the redial button in case of an emergency."

The security company also encourages consumers to install exterior beams around the perimeter of their property "as it will alert you to an initial security breach, giving you time to protect your family."

Pather adds to this, saying that consumers should install outside lights that can be remotely controlled via a timer or the burglar alarm system. "Lights activated by a motion detector have also proven to be very successful in keeping intruders away," Pather concludes.