



COVID-19: Business Interruption cover

COVID-19 (coronavirus) has had an immense impact on the global market, the effects of which are being felt across multiple sectors/ industries and enterprises in South Africa.

In this context, it is important for customers to note the following relating to possible claims against losses as a result of COVID-19. We have also included herein some general advice on measures that the public can implement to reduce their risk of exposure.

Note to policyholders

An overall decrease in revenue due to the COVID-19 outbreak is a trade risk and cannot be claimed for if there is no specific booking with our customer or incident that links our customer directly to the loss.

Point to remember with regards to cancellation of a booking

- A loss/event needs to be linked to a specific booking/s
- The booking date needs to have passed without being able to fill the cancelled/affected booking
- Proof that the cancelled booking was due to COVID-19, and that it could not be filled, will need to be provided
- The customer will need to provide a doctor's notes, death

certificates (where applicable), booking cancellation confirmations, proof of deposits paid and not refunded, official documents for cancelled travel plans (where applicable)

- All other documents (in terms of the applicable policy) that may be required to substantiate the loss
- Each claim submitted will be based on its own merits

Policy coverage

We have highlighted the sections in the policy wording where the cover would respond.

BnB Sure

Business Interruption Extensions

Loss following interruption of or interference with the business in consequence of murder, rape, suicide, food or drink poisoning, contagious or infectious diseases, vermin, pests, or defective sanitary arrangements occurring at the premises.

What does this mean?

Should an outbreak occur at the premises and employees and guests need to be placed in quarantine, then a claim for loss of revenue can be submitted.

Loss of revenue following the cancellation of accommodation by a guest by any reason over which the guest has no control and which specifically prevents the insured from being able to fulfil the booking.

What does this mean?

The guest has a confirmed booking however, travel restrictions have been imposed by the relevant authorities or the guest has become ill and cannot travel. A claim can be submitted for that confirmed booking, provided that the booking could not be filled.

Loss of revenue following the cancellation of reservation by a guest in the event that their trip is curtailed (either shortened or altered) due to:

- a. The unexpected death, injury or illness of any of the travelling party residing at the insured's establishment or the unexpected death, injury or illness of a close business associate or family member.

What does this mean?

The guest has a confirmed booking but they (or a close family member) become/s ill resulting in the guest not being able to travel. A claim can be submitted for that confirmed booking, provided that the booking could not be filled.

Boutique Stay

Consequential Loss

Cancellation of bookings

The insurance under this item is limited to **the loss of the value of deposits received for the reservation** (booking) of accommodation in consequence of returning or refunding such deposits following curtailment or cancellation of the relevant bookings due to a cause listed below:

1. Accidental injury, **illness** or death of
 - i. the person for whom the accommodation was booked (the guest) or any person with whom he/she has arranged to travel;
 - ii. a close relative, fiancé or close business colleague of the guest...

What does this mean?

The guest has a confirmed booking but has become ill and cannot travel or a close family member has become ill. A claim can be submitted for the deposit that needs to be refunded for that confirmed booking, provided that the booking could not be filled.

Robbery, violent crime, disease, pollution, animal and shark attack extension

(Note: all covers (a to g) below are limited to a 3-month indemnity period)

Loss as insured by this Section resulting in interruption of the Business as a result of:

- a. armed robbery, violent crime, murder or suicide occurring at the premises stated in the schedule
- b. food or drink poisoning at the premises or attributable to food or drink supplied from the premises stated in the schedule
- c. closure of the premises stated in the schedule due to defective sanitation, vermin or pests on the order of the competent local authority
- d. notifiable disease occurring within a radius of 50 kilometres of the premises stated in the schedule**

What does this mean?

In the event that an outbreak occurs at the premises and/or within 50 kilometres of the premises, resulting in a decline in bookings and subsequent loss of Gross Profit, a claim for such loss can be submitted. The claim must however be supported by evidence to substantiate the loss.

Wine Dine and Leisure

Consequential Loss

Cancellation of bookings

The insurance under this item is limited to **the loss of the value of deposits received for the reservation** (booking) of accommodation in consequence of returning or refunding such deposits following curtailment or cancellation of the relevant bookings due to a cause listed below:

1. Accidental injury, **illness** or death of
 - i. the person for whom the accommodation was booked (the guest) or any person with whom he/she has arranged to travel;
 - ii. a close relative, fiancé or close business colleague of the guest...

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What does this mean?

In the event that an outbreak occurs at the premises and/or within 50 kilometres of the premises, resulting in a decline in bookings and subsequent loss of Gross Profit, a claim for such loss can be submitted. The claim must however be supported by evidence to substantiate the loss.

Tours and Transfers

Motor

Cancellation of bookings (If cover has been selected)

The insurance under this item is limited to **the loss of the value of deposits received for the reservation** (booking) of accommodation in consequence of returning or refunding such deposits following curtailment or cancellation of the relevant bookings due to a cause listed below:

1. Accidental injury, **illness** or death of
 - i. the person for whom the accommodation was booked (the guest) or any person with whom he/she has arranged to travel;
 - ii. a close relative, fiancé or close business colleague of the guest...

What does this mean?

The guest has a confirmed booking but has become ill and cannot travel or a close family member has become ill. A claim can be submitted for the deposit that needs to be refunded for that confirmed booking, provided that the booking could not be filled.

Consequential Loss

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What does this mean?

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Using quieter periods to assess your business

The impact of COVID-19 on South Africa's hospitality industry is already visible. We must all play our part in reducing employee and customer exposure (see [guidelines on page 4](#)) to stem the spread and minimise the socio-economic impact.

However, during a period of reduced bookings, we would recommend that you encourage your customers (owners/managers, etc.) to take some time to experience their own offering.

Advise them to pack a bag and spend a night in one of their own rooms. I am sure they will be surprised by the number of little things that need to be refreshed, repaired or changed.

In my travels I often come across blocked drains, plugs that are not in the correct position to dry your hair or power your laptop, and other things that need attention. The list goes on...

Most guests won't communicate what is wrong, they just won't return. Let's therefore use the time wisely to ensure establishments are delivering their best and that guests remain satisfied hence continue to return.

Please feel free to contact Lana Mizen on 011 370 9869 with any queries you may have.

PREVENT THE SPREAD OF COVID-19



HAND HYGIENE

- Keep your hands clean and sanitised
- Wash your hands:
 - For at least 20 seconds – regularly
 - After using the toilet
 - Before and during food preparation
 - After coughing or sneezing
 - After contact with animals, in general, or animal waste
- Where water is not available, it is advisable to use an alcohol-based sanitiser
- Avoid touching your eyes, nose and mouth with unwashed hands



RESPIRATORY HYGIENE

- Cover your coughs
- Sneeze into your elbow or a tissue
- Do not reuse tissues and dispose of these in a sealed plastic bag
- No spitting in public areas



OTHER PRECAUTIONS

- Avoid contact with dead animals or strays
- Avoid visiting markets and places where live or dead animals are handled
- Maintain at least a 1 metre distance between yourself and anyone who is coughing or sneezing
- If you are feeling unwell, it is advisable to:
 - Stay at home
 - Maintain a distance from others in the household
 - Seek medical attention
- Sanitise toilet seats before use and flush after use
- Ensure toilets remain clean after use
- Keep a clear desk to enable it to be cleaned



POTENTIAL SYMPTOMS

- Fever
- Fatigue
- Cough
- Muscle aches
- Nasal congestion
- Sore throat
- Diarrhoea
- Sneezing
- Runny nose
- Difficulty breathing

Information provided by the World Health Organization

For more information and updates, please visit: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/advice-for-public>