

## SPECIMEN CLAUSE ON SOLAR PANELS

Solar panels are hot. Recent years have seen a rapid growth in roof-mounted photovoltaic (PV) systems and there is still no end in sight. Rooftop PV systems can lead to discussion between broker, insurer and customer. Subjects of discussion may be the technical requirements the roof, the installation, and the panels have to comply with or the insurability of solar panels. There is no consensus about this in the market, and the requirements vary. To simplify these discussions and provide the market with a guideline for PV system insurance, the Dutch Association of Insurers and the VNAB drew up a Specimen Clause on PV systems. You'll find this clause attached to the circular.

The specimen clause on solar panels relates to PV systems with an output exceeding 5kVA and serves as a guarantee clause. As soon as the clause has been stated to apply to the policy, the solar panels as such are covered against loss or damage due to fire, explosion, lightning, air- and spacecraft, and storm.

The clause sets out the requirements a PV system has to comply with, like various safety standards. The clause further specifies which documentation the insured has to submit in case of a claim. And the clause includes a reporting obligation under which the insured must inform insurers of the installation, replacement or extension of a PV system with an output of or exceeding 5kVA.

The potential consequences of non-compliance with the guarantees are set out in the clause. The relevant provisions are in line with the ones of generally applied guarantee clauses on hot work, electrical installations, and outdoor storage.

The clause stipulates that a roof construction calculation be submitted by the insured. Because it couldn't be assumed that all insured parties would be able to submit this calculation at the introduction of this specimen clause, a special provision has been incorporated in the clause. Under this special provision, insurers will not invoke this guarantee until 1 January 2023 in case of loss of or damage to PV systems installed before 2021. This special provision expires on 1 January 2023.

This clause relates to roof-mounted solar panels only. Wall-mounted solar panels have deliberately not been included yet, as this is a very recent phenomenon that is still being developed. The authors of this clause keep close track of relevant developments and will, if necessary, adjust the clause.

For the record, we'd like to state that the specimen clause is not binding and its application is not recommended in any way. It only serves as an example which may be adjusted by alterations, additional provisions and/or clauses. So parties are free to offer their customers an adjusted or different clause.

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