

SECTION 13 INCEPTION VALUE POLICY

DEFINITION OF TERMS

1. **Us/We/Our:** Renasa Insurance Company Limited (the insurer).
2. **You/Your:** the insured.
3. **Inception value:** the retail value as at the inception of this policy with us.
4. **Retail value:** to be determined as per the publication of the Mead & McGrouther Auto Dealer's Digest.
5. **Outstanding balance:** the outstanding balance that you owe a financial institution as at the date of loss; less any
 - 5.1 overdue instalments and arrear interest as at the date of loss;
 - 5.2 rebates you would have been entitled to had you settled the loan as at the date of loss, or
 - 5.3 refunds due to you or the financial institution(s).
6. **Vehicle:** restricted to either a code 1 or code 2, as per the applicable Road Traffic Regulations of South Africa.

SETTLEMENT OF CLAIMS

In the event that your vehicle is a total loss (i.e. stolen, hi-jacked or written off), we will settle your claim as follows:

1. **If the vehicle is financed,** we pay your financial institution (any residual balance to be paid to you) the greater of
 - 1.1 the outstanding balance you owe as at the date of loss, or
 - 1.2 the retail value as at the inception date of this policy, less the retail value as at the date of loss, less any excesses in terms of this policy.
2. **If the vehicle is not financed,** we pay you the inception value, less
 - 2.1 the retail value as at the date of loss, or
 - 2.2 any excesses in terms of this policy.
3. **The Inception Value Policy does not pay you**
 - 3.1 if your underlying comprehensive insurance is repudiated or rejected;
 - 3.2 if your underlying comprehensive policy is voided or cancelled, or
 - 3.3 for any amounts payable by you in respect of the underlying comprehensive insurance and this insurance policy (including, but not limited to outstanding premiums and the excess amounts applicable).

SPECIFIC TERMS AND CONDITIONS

Terms and conditions are applicable to all aspects of your Inception Value Policy.

1. **Please familiarise yourself with the contents of the components of the Inception Value Policy**
 - 1.1 Policy documents
 - 1.2 Terms and conditions of our insurance
 - 1.3 The schedules
 - 1.4 All correspondence sent to you
 - 1.5 Any recorded verbal agreements.
2. **Alterations to and cancellation of the Inception Value Policy**

Alterations to or cancellation of the Inception Value Policy will be effected as follows:

 - 2.1 By giving you 30 (thirty) days' written notice (electronically, by fax or post to your last known address).
 - 2.2 Any changes made to or cancellation of the policy will be effective from the time and date agreed to.
 - 2.3 If you cancel your policy during the course of an insured month, we do not refund the premiums you have paid for the rest of that month.
3. **Premium Payments**

If your insurance policy is cancelled due to non-payment of premiums, your cover will terminate.
4. **Reinstatement of the cancelled policy**

If your insurance policy is cancelled due to non-payment of premiums (either your comprehensive cover or inception value premium) then, notwithstanding that your comprehensive policy may be reinstated, the Inception Value Policy will not be reinstated but it may be re-issued from the date that you requested reinstatement, and the value will be the retail value as at the inception of the replacement Inception Value Policy.
5. **First Amount Payable by you each time you claim**
 - 5.1 **Basic First Amount Payable:**

You are required to pay a basic excess every time you lodge a claim.

5.2 Additional excesses:

Where applicable, you are also required to pay additional excesses stipulated in the policy schedule, over and above the basic excess.

6. Representations and legal process: disputed and/or repudiated claims

In the event that we dispute the validity of, or repudiate your claim, you will have 90 (ninety) consecutive days to make written representations to us and thereafter, 180 (one hundred and eighty) consecutive days to serve legal process on us. If this is not done, we accept no further liability for the claim.

7. Double or multiple insurance covers: Our contribution

If the item in respect of which you lodge a claim with us is covered by more than one insurance policy, we will only pay you for our rateable proportion of the risk.

8. No claims to be paid for deliberate and fraudulent acts

We do not pay you for

8.1 fraudulent claims, or

8.2 loss, damage or injury arising from deliberate acts by you, or a member of your household, or anybody who acts on your behalf or with your knowledge or approval.

