



VAPS HCV | RENASA
INCEPTION VALUE POLICY
PRODUCT GUIDE & POLICY WORDING

2023



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Important Notes:

- ▶ This product is available on the VAPS HCV Transporter Policy.
- ▶ Also available as a stand-alone policy, but only for brokers with an Renasa entry point/agency through VAPS
- ▶ Underwritten by Renasa Insurance Company Limited
- ▶ Broker Commission: Motor 12.5%

▼ **PREAMBLE**

Whereas the Insured named in the Schedule has by a signed proposal and declaration, which the Insured has agreed shall be the basis of this Contract, and in consideration of and conditional upon receipt of the premium on the due date, the Insurer, Renasa Company Limited, represented by VAPS Insurance Underwriters, agrees to indemnify the Insured against the defined events occurring during the period of insurance by way of replacement, reinstatement or repair, up to the stated Sum Insured and limits of Indemnity, subject to the Terms, Conditions, and Exceptions as contained in this policy wording.



▶ Underwritten by
Renasa Insurance Company Limited

1. Product Guide

Renasa's IVP division underwrites motor policies which insure vehicles against depreciation in the event that it is stolen or written off, and automatically includes credit shortfall (free of charge) for financed vehicles. The IVP Division was established in 2010. Based in Johannesburg, the division provides a countrywide service.

Renasa's IVP Policy covers vehicle value depreciation and has several other benefits for policyholders:

The IVP Policy:

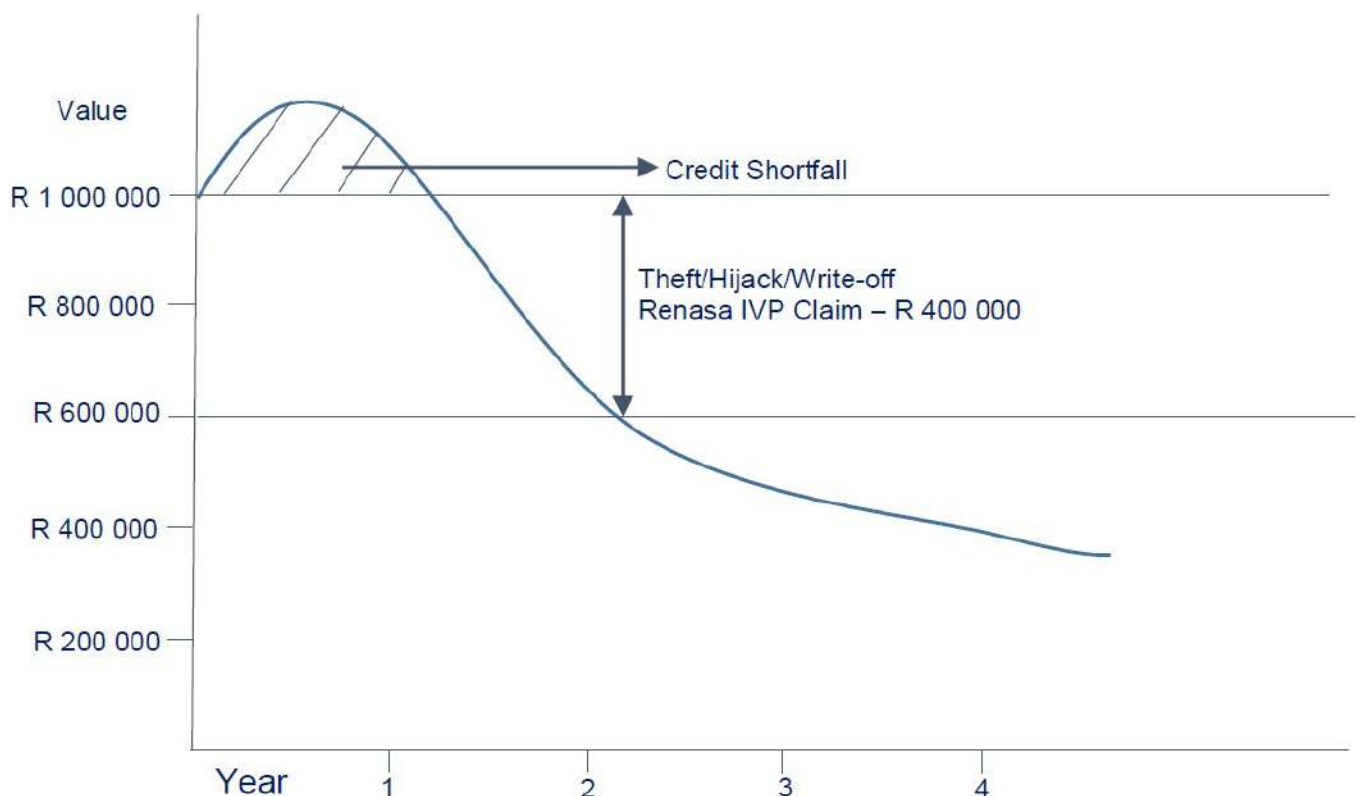
- ▶ pays the difference between retail value at inception and retail value at date of loss;
- ▶ automatically includes credit shortfall cover for finance of vehicles;
- ▶ is available on financed and non-financed vehicles;
- ▶ is available on any age of vehicle;
- ▶ represents an increasing benefit as the vehicle depreciates;
- ▶ represents highly economical cover;
- ▶ is available as additional cover to comprehensive policies issued by other South African insurers;
- ▶ will respond if the underlying comprehensive policy responds.

Renasa's IVP Policy also has benefits for intermediaries:

Benefits for intermediaries include:

- ▶ IVP encourage retention as the benefits increase over time;
- ▶ premiums are determined by a dynamic rating engine already integrated to all major policy administration systems;
- ▶ IVP represents an attractive cross selling opportunity.

Example:



2. Defined Events

In the event that your vehicle is a total loss (i.e. stolen, hi-jacked or written off), and/ or subject to a valid claim in terms of SASRIA we shall settle your claim as follows:

- 1.1 **If the vehicle is financed**, we shall pay your financial institution first, the greater of:
 - (a) the outstanding balance that you owe as at the date of loss less the payment made in terms of the underlying comprehensive policy; or
 - (b) the balance between the retail value as determined by the underlying comprehensive policy at the time of the loss and the sum insured as at the inception date of this Inception Value Policy

Any other monies due in terms of the policy will be paid directly to you less any excesses that might be stated in the schedule as being applicable under this Inception Value Policy.
- 1.2. **If the vehicle is not financed**, we shall pay you the inception value: less the retail value as at the date of loss; less any excesses that might be applicable as stated in the schedule under this Inception Value Policy
- 1.3. **Definition of terms**
 - 1.3.1. Us/we/our shall mean Renasa Insurance Company Limited;
 - 1.3.2. You/your shall mean the insured;
 - 1.3.3. Inception value shall be the retail value as at the inception of the Inception Value Policy with us;
 - 1.3.4. Retail value shall be determined as per the publication of the Mead & Mc Grouther Auto Dealers Digest;
 - 1.3.5. Outstanding balance refers to the outstanding balance that you owe a financial institution as at the date of loss; less any:
 - 1.3.5.1. overdue instalments and arrear interest as at the date of loss;
 - 1.3.5.2. rebates you would have been entitled to had you settled the loan as at the date of loss;
 - 1.3.5.3. refunds due to you or the financial institutions;
 - 1.3.6. Vehicle shall be restricted to either a code 1 or code 2 as per the applicable Road Traffic Regulations in South Africa. and/ or a motorcycle and/ or HCV (Heavy Commercial Vehicle) provided that a legally recognised retail value as per the publication of the Mead & Mc Grouther Auto Dealers Digest can be attached to the vehicle/ motorcycle/ Heavy vehicle at the time of the loss occurring and the vehicle(s) are legally licensed as per the applicable Road Traffic Regulations in South Africa.
- 1.4. **Inception Value Policy does not pay you:**
 - 1.4.1. if your underlying comprehensive insurance is repudiated or rejected;
 - 1.4.2. if your underlying comprehensive policy is voided or cancelled;
 - 1.5.3. 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).

2. Specific Terms and Conditions

2.1. The Inception Value Policy is made up of;

Please familiarize yourself with the contents of the following components of the Inception Value Policy:

- 2.1.1. policy documents;
- 2.1.2. the terms and conditions of our insurance;
- 2.1.3. the schedules;
- 2.1.4. all correspondence sent to you;
- 2.1.5. any recorded verbal agreements.

2.2. Alterations to and cancellation of the Inception Value Policy

Alterations to or cancellation of the Inception Value Policy will be effected in the following manner:

- 2.2.1. by giving you 30 days' written notice (electronically, by fax or by post to your last known address).
- 2.2.2. any changes or a cancellation made to the policy will be effective from the time and date agreed to.
- 2.2.3. if you cancel your policy during the course of an insured month, we will not refund the premiums you have paid for the rest of that month.

2.3. Premium Payments

If your insurance policy is cancelled due to the non-payment of premium, then your cover shall be terminated.

2.4. Reinstatement of cancelled policy

If your insurance policy is cancelled due to the non-payment of premiums (either your comprehensive cover premium or your Inception Value premium) then notwithstanding that your comprehensive policy may be reinstated, the Inception Value Policy shall not be reinstated but may be reissued from the date that you requested reinstatement and the value shall be the retail value as at the inception of the replacement Inception Value Policy.

2.5. Monthly Policy

- 2.5.1. The premium is payable in advance and must be paid on the due date which is the first day of every month.
- 2.5.2. If We do not receive Your premium by the due date a thirty (30) day grace period will be granted by Us from such due date and a debit order will be submitted at the beginning of the next month in respect of the unpaid debit order and the premium for the next month. If payment of the double debit is not received, Your Policy will be cancelled automatically from the original due date.
- 2.5.3. Should You have a claim during the grace period of thirty (30) days mentioned in sub clause 2.4.2 above, We will not process the claim until You have paid the outstanding premiums.

2.6. Excesses payable by you each time you claim

- 2.6.1. Basic excess - You may be required to pay a basic excess each time you lodge a claim – if stated in the schedule to be applicable.
- 2.6.2. Additional excesses - You may also be required to pay additional excesses as stipulated in the policy schedule, over and above the basic excess as stipulated in 2.6.1. above

2.7. Representations and legal process: disputed and repudiated claims

In the event that we dispute the validity of or repudiate your claim – you will have 90 consecutive days to make representations to us in writing and thereafter, 180 consecutive days to serve legal process on us, failing which any action shall prescribe.

- 2.7.1 Double or multiple insurance covers: our contribution If the item for which you lodge a claim with us is covered by more than one insurance policy - then we will only pay you for our rateable proportion of the risk.
- 2.7.2 No claims will be paid for deliberate and fraudulent acts:
We will not pay you for:
 - 2.7.2.1. fraudulent claims;
 - 2.7.2.2. loss, damage or injury arising out of deliberate acts by you, or a member of your household, or anybody who acts on your behalf or with your knowledge or approval.

2.8. Underlying Insurer Policy

All the terms, conditions, exclusions, exceptions and warranties (General and specific/special) applicable to the underlying insurer's policy are deemed to be incorporated and applicable to this policy with the exception that;

- 2.8.1. Excesses, deductibles and similar payments only apply if specifically indicated in the policy schedule
- 2.8.2. Any premium adjustment clause/condition shall not apply to this policy.



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