

VAPS Excess Reducer PRODUCT GUIDE

2020

A semi-truck is shown from a side-rear perspective, with a network of white dots and lines overlaid on the image. The truck is white with a red stripe and is parked on a dark surface. The background is a dark blue gradient.

VAPS
INSURANCE UNDERWRITERS

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Intelligent insurance solutions.



Important Notes

- ▶ There must be a valid Comprehensive Underlying policy in place.
- ▶ All our products can be taken as stand-alone cover.
- ▶ Broker Commission: Non-Motor 20% & Motor 12.5%
- ▶ The Underlying Insurer must admit liability and pay out before our cover will respond, except where the claim falls within the excess.
- ▶ Our rating guide is a guideline only and is always subject to the policy wording.

Important Notes:

- ▶ If the client's claim falls within the excess with the Underlying Insurer, they can still submit a claim to VAPS.
- ▶ Vehicles, Trailers & Plant must always be comprehensively insured with a valid underlying policy in place.
- ▶ All products can be taken as stand-alone.
- ▶ Theft/Hijack excluded.
- ▶ If Non-Standard Excesses are applied by the Underlying Insurer, then the Inner Excesses may vary.

1. Own Damage Excess Reducer

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

This section insures your Standard Own Damage excess which is payable in terms of your Underlying Insurance Policy limited to the Sum Insured stated in this Policy Schedule and the Maximum Sum Insured stated below.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES & PLANT	
Monthly Rate	▶ 1% of basic excess
Minimum Monthly Premium	▶ R100 (Per policy)
Maximum Indemnity Limit	▶ R350 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ Flat Excesses

PRIVATE MOTOR VEHICLES & LDV'S	
Vehicle Value	Monthly rate
Less than R100 000	▶ 1.5% of basic excess
Between R100 000 and R200 000	▶ 1.25% of basic excess
Between R200 000 and R500 000	▶ 1% of basic excess
Over R500 000	▶ Flat Excesses
Minimum Monthly Premium	▶ R100
Maximum Indemnity Limit	▶ R80 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ Flat Excesses

2. Theft/Hijack Excess Reducer

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

This section insures your Theft/Hijack excess (Theft/Hijack/Write-off) which is payable in terms of your Underlying Insurance Policy limited to the Sum Insured stated in the Policy Schedule or the Maximum Sum Insured stated below, subject to the applicable Inner excess.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES & PLANT	
Monthly Rate	▶ 0.25% of Theft/Hijack Excess
Minimum Monthly Premium	▶ R100
Maximum Indemnity Limit	▶ R450 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ Nil

Important Note:

- ▶ To a vehicle stolen and recovered with damage an inner excess of R5 000 will apply unless otherwise agreed with VAPS.

3. Third Party Excess Reducer

HCV's, Trailers, Buses, Taxi's, Commercial Vehicles, LDV's, PMV's & Plant

This section insures you for payment of your liability / Section II excess which is payable in terms of your Underlying Insurance Policy limited to the Sum Insured stated in this Policy Schedule and the Maximum Sum Insured stated below or in the Policy Schedule.

PRIVATE MOTOR VEHICLES, TAXI'S & LDV'S		
Monthly Rate	Sum Insured	Premium
	▶ R2 500	▶ R30 pm
	▶ R5 000	▶ R45 pm
	▶ R7 500	▶ R60 pm
	▶ R10 000	▶ R70 pm
Minimum Monthly Premium	▶ R 100	
Maximum Indemnity Limit	▶ R 450 000	
Excluded	▶ Rental Vehicles & Courtesy Vehicles	
Inner Excess	▶ Nil	

4. Mechanical Breakdown Towing*

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

Should the insured vehicle or vehicle combination (including trailers) become disabled as a result of mechanical, electronic or electrical breakdown, the company will pay the reasonable cost of towing the vehicle or vehicle combination to the nearest repairer or to the insured's premises, whichever is closest, within the Republic of South Africa.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES, LDV'S, PMV'S & PLANT	
Monthly Rate	▶ R 165 per vehicle
Minimum Monthly Premium	▶ R165
Maximum Indemnity Limit	▶ R15 000 per insured item
*Excluded	▶ Rental Vehicles; Third Parties; Courtesy Vehicles; Vehicles older than 5 Years
Inner Excess	▶ Nil

5. Penalty Excess Reducers

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

This section insures your excess which is payable in terms of your Underlying Insurance Policy covering the additional penalty excesses due, limited to the Sum Insured as stated in the Policy Schedule and the Maximum Sum Insured as stated below provided the said liability on the Underlying Insurance Policy exceeds the Sum Insured stated in this Policy Schedule.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES, LDV'S, PMV'S & PLANT	
Monthly Rate	▶ 1% per penalty excess
Minimum Monthly Premium	▶ R100
Maximum Indemnity Limit	▶ R60 000 per penalty excess
Inner Excess	▶ Nil

Important Note:

- ▶ Penalty excesses capped by the Underlying Policy will be rated as above to this capped percentage amount.

Penalty excess cover must be specified and is limited to:

- ▶ Single vehicle accident
- ▶ Driving during hours of 23h00 and 05h00
- ▶ Professional Driving Permit (PDP) less than 2 years
- ▶ Driver under 23 or older than 65 years of age
- ▶ Capsizing & Overturning whilst tipping
- ▶ Driving license issued by an authority outside the Republic of South Africa
- ▶ Driver licensed for less than 3 years
- ▶ Extended Territorial Limits



6. Loss of Use

HCV's, Trailers, Buses, Commercial Vehicles, LDV's & Plant

This section insures your Loss of Income of your Insured Commercial Vehicle following an Insured event of Own Damage or Total Loss (including Theft/Hijack) which is payable in terms of your Underlying Policy, limited to the Sum Insured /daily pro-rata benefit as stated in the Policy Schedule whilst having repairs effected within a reasonable period (solely determined by VAPS) following an Insured event.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES, LDV'S & PLANT)	
Minimum	▶ 4 weeks @ R5 000 per week
Maximum	▶ 12 weeks @ R15 000 per week (Client can select any number of weeks from 4 to 12 & select any limit from R5 000 to R15 000 per week)
Monthly Rate	▶ 1.25% applied to Total sum insured
Time Excess Period	▶ 1 Day after receipt of Authorization

Important Notes:

- ▶ Mechanical and electrical breakdown excluded.
- ▶ This cover will commence from the date of the Authorization of repairs minus the 1 day.
- ▶ Time Excess Period.
- ▶ The indemnity period will expire on date of completion of authorized repairs or on the day the Agreement of Loss/Agreed.
- ▶ Total Loss Release/Tender of Settlement is forwarded from Insurer onto Insured.
- ▶ If being repaired, cover will only be applicable whilst the Insured Vehicle is in the custody of a registered member of the Motor trade, who is an Underlying Policy approved collision damage repairer.
- ▶ Tracking reports may be requested in the event of a claim.

7. Cross Border Towing & Recovery

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

Where the insured vehicle is involved in an accident outside the borders of the RSA and sustains damage which is insured in terms of sub-section A of the policy and which renders it undriveable, the company will pay the actual costs of recovery and towing which have been incurred to repatriate the insured vehicle to the RSA, provided that the indemnity afforded by this section does not exceed R50,000, and provided that the cover under this section only pays for the costs incurred in getting the insured vehicle to the South African side of the border. Once the insured vehicle is on the South African side of the border all cover under this section ceases.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES, LDV'S, PMV'S & PLANT	
Monthly Rate	▶ 1% of limit chosen
Minimum Monthly Premium	▶ R200
Maximum Indemnity Limit	▶ R50 000
Excluded	▶ Rental Vehicles; Third Parties; Courtesy Vehicles
Inner Excess	▶ Nil

Important Note:

- ▶ The company shall not be liable to pay for the cost of any damages which may occur to the vehicle during the course of repatriation to the South African side of the border and/or the cost of any duties payable to the authorities.

8. Pollution Liability Excess Reducer

Heavy Commercial Vehicles, LDV's & Commercial Vehicles

This section insures your excess which is payable in terms of your Underlying Insurance Policy covering the transportation of dangerous goods, environmental liability and clean-up costs limited to the Sum Insured as stated in the Policy Schedule and the maximum Sum Insured stated below.

HEAVY COMMERCIAL VEHICLES, LDV'S & COMMERCIAL VEHICLES	
Monthly Rate	▶ 0.3%
Minimum Monthly Premium	▶ R200
Maximum Indemnity Limit	▶ R150 000 - PMV's, LDV's & Motorcycles ▶ R250 000 - All other types
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ 25% of claim min R5 000

Important Note:

- ▶ Must be a valid and entertained claim with the Underlying Insurer.

9. Goods in Transit (GIT) Basic Excess Reducer

HCV's, Trailers, Buses, LDV'S, Commercial Vehicles

This section insures your specified vehicle's GIT Basic excess applicable, which is calculated and payable on your Underlying Insurance Policy limited to the Sum Insured and Specified excesses as stated in the Policy Schedule and the maximum Sum Insured.

HCV'S, TRAILERS, BUSES, LDV'S, COMMERCIAL VEHICLES	
Monthly Rate	▶ 0.33%
Minimum Monthly Premium	▶ R100
Maximum Indemnity Limit	▶ R400 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ Nil

Important Note:

- ▶ Cover can be extended to include Tarps, Ropes, Chains, Debris removal etc.

10. Goods in Transit (GIT)

Theft/Hijack Excess Reducer

HCV's, Trailers, Buses, LDV'S, Commercial Vehicles

This section insures your specified vehicle's GIT Theft/Hijack excess applicable, which is calculated and payable on your Underlying Insurance Policy limited to the Sum Insured and Specified excesses as stated in the Policy Schedule and the maximum Sum Insured.

HCV'S, TRAILERS, BUSES, LDV'S, COMMERCIAL VEHICLES	
Monthly Rate	▶ 0.33%
Minimum Monthly Premium	▶ R100
Maximum Indemnity Limit	▶ R400 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess Nil	▶ Nil



11. Windscreen Comprehensive Cover

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

This section insures the repair or replacement of your windscreen damaged on your specified Insured Vehicle and NOT the excess reducer section.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES, LDV'S, PMV'S & PLANT	
Monthly Rate	▶ R120 per Insured Vehicle
Minimum Monthly Premium	▶ R120
Maximum Indemnity Limit	▶ R15 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ 20% of claim minimum R250

Important Notes:

- ▶ All Windscreen claims must be reported within 30 days of loss.
- ▶ In terms of the Insured vehicles, this section is limited to R 15 000 any one loss.

12. Windscreen Excess Reducer

HCV's, Trailers, Buses, Commercial Vehicles, LDV's, PMV's & Plant

This section insures your standard Windscreen excess which is payable in terms of your Underlying Insurance Policy limited to the Sum Insured stated in this Policy Schedule and the maximum sum insured stated below.

HCV'S, TRAILERS, BUSES, COMMERCIAL VEHICLES, LDV'S, PMV'S & PLANT	
Monthly Rate	▶ 2.5%
Minimum Monthly Premium	▶ R25
Maximum Indemnity Limit	▶ R10 000
Excluded	▶ Rental Vehicles & Courtesy Vehicles
Inner Excess	▶ Nil

Important Note:

- ▶ All Windscreen claims must be reported within 30 days of loss.

13. VAPS Non-Motor Excess Reducer

All Commercial & Personal Lines Sections other than Motor

This product insures any Non-Motor excess as described in your VAPS Policy Schedule which is payable in terms of your Underlying Insurance Policy limited to the Sum Insured stated in the VAPS Policy Schedule and the maximum sum insured stated in this VAPS Policy Schedule.

Commercial Lines sections that we can provide Excess Reducer cover on: Fire, Buildings Combined, Office contents, Electronic Equipment, Business Interruption, Accounts Receivable, Theft, Money, Glass, Fidelity, Goods in Transit, Business All Risks & Accidental Damage.

Personal Lines sections that we can provide Excess Reducer cover on: Houseowners (Buildings), Householders (Contents) & All Risks.

These rates are a guide only. Please refer all quotes to VAPS for a formal quote.

ALL COMMERCIAL & PERSONAL LINES SECTIONS OTHER THAN MOTOR	
Monthly Rate	▶ 1% to 2% of Underlying Excess
Minimum Monthly Premium	▶ R60
Maximum Indemnity Limit	▶ R250 000
Inner Excess	▶ Inner Excess will be determined by VAPS

The Underwriter shall not be held liable if:

- ▶ Proof of settlement has been received from the Underlying Policy Insurer.
- ▶ The Underlying Insurer has refused your claim for an event.

14. VAPS Tyre Cover

In the event of Accidental Damage to a tyre caused by sudden braking, cuts, punctures by foreign objects or bursts, VAPS will indemnify the Insured for the cost of repair or replacement of a tyre including balancing, provided that the indemnity is based on the percentage of unused tread left on the tyre.

These rates are a guide only. Please refer all quotes to VAPS for a formal quote.

PRIVATE MOTOR VEHICLES & LDV'S	
Monthly Rate	▶ Option 1 – R 45; Option 2 – R 65
Minimum Monthly Premium	▶ R45
Maximum Indemnity Limit	▶ R3000 per tyre
Inner Excess	▶ Inner Excess will be determined by VAPS

The Insurer will reimburse the Insured the amount on the invoice relating to the purchase or repair of tyres, less any wear and tear on the tyre at the time of an event that may result in a claim. Maximum indemnity is R2 000 per tyre (Option 1) or R 3 000 (Option 2), less any wear and tear/worn tread. Maximum liability per claim/event is R4 000 (Option 1) or R6000 (Option 2).

Specific Conditions:

- ▶ This policy is limited to two claims per year, or one claim if two tyres are replaced in one incident. All claims must be reported to the VAPS call centre on 012 942 4536 before any replacement of damaged tyre(s) may be done. No claim(s) will be paid if the client replaces tyre(s) without authorisation from VAPS.

15. RENASA IVP (Credit Shortfall)

(Inception Value Policy)

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 insures 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.

Important Note:

- ▶ This product is underwritten by Renasa Insurance Company Limited. All our products can be taken as stand-alone cover.
Broker Commission: Motor 12.5%

Inception Value Policy Wording

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

1.1. If the vehicle is financed, we shall pay your financial institution (any balance left over will be paid to you) the higher of:

- a. the outstanding balance that you owe as at the date of loss; or
 - b. retail value as at the inception date of this Inception Value Policy;
- 1.1.1. less the retail value as at the date of loss;
 - 1.1.2. less any excesses under this Inception Value Policy.

1.2. If the vehicle is not financed, we shall pay you the inception value: less

- 1.2.1. the retail value as at the date of loss;
- 1.2.2. any excesses 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 & McGrouther 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;

1.4. Vehicle shall be restricted to either a code 1 or code 2 as per the applicable Road Traffic Regulations in South Africa.

1.5. Inception Value Policy does not pay you:

- 1.5.1. if your underlying comprehensive insurance is repudiated or rejected;
- 1.5.2. 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).





Authorised Financial
Services Provider

FSP No: 46264

T 012 942 4536

E info@vapsinsurance.co.za

www.vapsinsurance.co.za / www.vapshcv.co.za

Suite 008, Midlands Office Park West,
Mountain Quray Rd, Midstream Estate, 1692