



## **Vehicle Collector's Insurance Scheme Proposal to South African Veteran and Vintage Association. 12 January 2021**

### **Introduction.**

Cross Country is a well-respected underwriting management agent established 22 years ago in 1999. Cross Country is well versed in the insurance market and has mutually beneficial business relationships with over 700 brokers.

Through our technical expertise and insurance knowledge and constant search for innovation we identified a need in the market for a Classic Vehicle product with a difference, this unparalleled product was successfully launched by Cross Country 6 years ago.

Cross Country has a service driven approach and take a lot of pride in our prompt and professional service deliverance to our clients.

### **Vision**

Our commitment to continuously develop and improve the way business is done and to form mutually sustainable and beneficial business partnerships. Once Cross Country Insurance Consultants and PUMA Insurance Brokers are successful in their bid for the SAVVA Insurance Scheme we will negotiate and agree a tri partied service level agreement.

## **SAVVA CLASSIC CAR AND MOTOR CYCLE INSURANCE SCHEME PROPOSAL FOR VEHICLES OVER 20 YEARS OLD**

### 1. Eligibility

- 1.1 Policy Holder must be a current club member, in "good standing and paid up" for the current financial year, of a SAVVA Affiliated Club.

The SAVVA Affiliated Club is also required to be in "good standing with the SAVVA body for their members to become policy holders on the scheme.

Lapsed Members are not permitted to avail themselves of this Scheme

### 2. Valuations

- 2.1 Vehicles up to a value of R4 000 000 can be insured
- 2.2 It is an underwriting requirement that as the vehicle is insured on an Agreed Value basis, a full description, with a recent valuation (not older than 2 years) and photographs provided by a recognised classic or collectors valuator, must accompany the proposal form
- 2.3 We advise SAVVA that valuations from any of the affiliated Classic Car Clubs will be accepted (with photographs)
- 2.4 We advise that any accredited valuator can be utilised.
- 2.5 These valuations must be updated every two years

### 3. Variable Tariff

- 3.1 Vehicles will be rated individually between a base rate of 0.075% and a capped at a rate of 0.4%. Each risk will be allocated an appropriate rating based on individual merit between the base and ceiling rate. Where we take on risks for the purposes of the SAVVA scheme, we will match the existing rate or where the spectrum allows better the rate.
- 3.2 Discounts will be applied to volume selection in the following bands.  
formulate a rate for vehicle's (individually) 6 up to 10 and apply a 15% discount on total agreed value  
formulate a rate for vehicle's (Individually) 11 up to 20 and apply a 20% discount on total agreed value  
formulate a rate for vehicle's (individually) 21 up to 50 and apply a 30% discount on total agreed value

formulate a rate for vehicle's (individually) 51 upwards and apply a 40% discount on total agreed value

**The minimum rate of 0.075% shall remain the minimum rate (per individual risk), irrespective of any discounts being applied.**

4. Use of Vehicle
  - 4.1 The vehicle is insured strictly for private use and may not be the Policy Holder's primary or secondary means of transport.  
**Classic Vehicle Private Use is defined as:  
For social, domestic, pleasure and occasional purposes.**
  - 4.2 The use of the vehicle to and from work, place of business, employment, education institution and business use is excluded.
  - 4.3 The insured Classic Vehicle may not be used as a Temporary replacement vehicle for their own or a family member's primary or secondary vehicle
  - 4.4 Mileage is limited to 8 300 kilometres or 5 000 miles per policy year.
  
5. Paid Wedding/Event/Exhibition Use  
We will indemnify you if the Vehicle is used for any wedding/event/exhibition for which you are paid. This use is intended to provide an income to support the upkeep of the Vehicle. This cover is not applicable to chauffeurs, private hire operators or where the wedding/event/exhibition use is the main source of income or for any occupation in connection with the motor trade.
  
6. Historical Re-enactment  
Cover is extended to include use while the Vehicle is used for historical re-enactment purposes.  
This Includes any television/film production.
  
7. Organised Event Cover  
Cover is extended to include use of the Vehicle for participation in an Organised Event.
  
8. Repair, Restoration or Maintenance  
Cover is extended to while such motor vehicle / motorcycle is being taken for repair, restoration, or maintenance under own power, or by trailer, (provided that this is not done in peak traffic times)
  
9. Classic Car Club Activity  
Cover is extended to include use for any Classic Car Club Activity.

10. Drivers

Cover is extended to include the following drivers with a valid licence:  
Policy Holder and Spouse  
Family members over the age of 25  
A SAVVA Affiliated Club member with the permission of the Policy Holder

Names and ID Numbers of Regular Drivers must be noted on the policy for cover to be in force

11. Audio Equipment

Cover is automatically included for vehicle audio, navigation or two way radio equipment up to a Sum Insured of R5 000. Removable items such as cellular telephones, satellite phones, and rally equipment must be more specifically insured for cover to be in place. Other All Risk items can also be added at additional premium.

12. Cherished Remains Cover

We will deduct fifteen percent (15%) off the Agreed Value in the event of a Total Loss if you want to keep the salvage as your cherished remains.

13. Locks, Keys and Remote Controls

Cover is automatically included up to R5 000 for the loss of or damage to locks, keys and remote controls excluding wear and tear.

14. Fire Extinguishing Charges

We will pay for the fire extinguishing costs if you are legally liable for such costs and the Vehicle was on fire or was in danger of being damaged by fire. It is an underwriting requirement that an SABS fire extinguisher must be maintained in accordance with SABS guidelines and must be kept in the vehicle at all times.

15. Laid Up Cover

The Policy Holder qualifies for a discount in premium while the Vehicle is not in use but is laid up. We will:

- 15.1 Indemnify the Policy Holder for any loss or damage to the Vehicle while it is not operating under its own power whether on a road or not
- 15.2 Indemnify the Policy Holder for any loss or damage to the Vehicle while it is loaded/unloaded for transport
- 15.3 or while being transported from your private residence to a storage facility, workshop or exhibition

- 15.4 We will not indemnify the Policy Holder for any Third Party Liability. Other than the afore mentioned.
16. Documents  
We will pay for loss of or damage to your personal and travel documents due to an Insured Event up to a Sum Insured of R10 000. We are only liable for the value of the materials and the cost of labour to reinstate the documents or obtaining duplicates. We are not liable for the value of the content thereof to you.
17. Medical Expenses  
Medical costs and expenses incurred as a result of bodily injury due to an accident provided the Policy Holder is unable to claim compensation under any medical scheme or other health insurance up to the Sum Insured of R5 000 per person and a maximum of R10 000 per event
18. Funeral Expenses  
If any person travelling in the closed-in compartment of a Vehicle is accidentally killed or injured and then suffers death within 3 (three) months of the accident or Insured Event, we will pay the Funeral Expenses benefit up to the Sum Insured of R5 000 per person and a maximum of R10 000 per event.
19. Third Party Liability  
The Policy Holder's personal legal liability to pay compensation to a Third Party as a result of an accident caused by or in connection with such Vehicle. We will indemnify for:
- 19.1 Their death or bodily injury up to a Sum Insured of R5 000 000.
  - 19.2 Loss or damage to their property up to a Sum Insured of R10 000 000.
  - 19.3 The Policy Holder's legal costs and expenses in respect of the above which are incurred with our written consent.
20. Emergency Repairs
- 20.1 The Policy Holder may authorise emergency repairs in respect of a valid accident or incident claim up to the amounts shown on the Limit of Indemnity Schedule according to the Territorial Limits without our prior consent.
  - 20.2 If the damage occurs outside the borders of the Republic of South Africa, you have to pay the repair costs yourself and we will reimburse you upon your return. The amounts include the amount of your Excess.
  - 20.3 Damaged replaced parts and photographs pre and post repairs must be submitted with the claim.
  - 20.4 Cover outside South Africa is up to a maximum of R25 000
  - 20.5 Cover inside South Africa is up to a maximum of R10 000.

21. Optional Cover if selected / requested by the Policy Holder and premium paid is available for:

- 21.1 Third Party Liability up to R10 000 000 and R20 000 000
- 21.2 Personal Accident cover for all occupants limited to
  - Death – R30 000
  - Permanent Disability – R50 000
  - Medical Expenses – R10 000

Cat B Car hire is available following Theft or Hijack in RSA limited to 30 Days per policy year. At an additional premium of R90.79 per month per vehicle.

22. Territorial Limits....Ultimate

The Classic Car and Motor Cycle territorial limits are:

Republic of South Africa, Botswana, Eswatini (Swaziland), Lesotho, Mozambique, Namibia and Zimbabwe. Anything outside of the aforementioned territories cover can be sourced at additional premium. (Lloyd's of London Facility).

23. Protection and Removal

We will pay for the protection and removal costs of the Vehicle to the nearest specialist repairer or home following an Insured Event.

This must be arranged via our Call Centre or Claims Department

24. Delivery after repair

We will pay for the delivery costs of the Vehicle to your address as shown on the Policy Schedule if we have repaired it.

This must be arranged via our Call Centre or Claims Department

25. Repatriation Costs

If the Vehicle suffers loss/damage due to an Insured Event or a mechanical or electrical breakdown outside the borders of the Republic of South Africa but inside the Territorial Limits, we will pay for the following:

- 25.1 Repatriation costs of the Vehicle and the tow rig attached to it back to the Republic of South Africa following an incident/accident or mechanical/electrical breakdown up to a maximum of R25 000. It is a requirement that this is arranged by the Policy Holder contacting the Call Centre to arrange the repatriation.
- 25.2 Hospitality Benefits following vehicle repatriation up to R12 000 includes the following:
  - 25.2.1 Vehicle Car Hire for a period not exceeding three (3) days at a rate of R1 000 per day, or
  - 25.2.2 Occupant Repatriation costs of the occupants of the Vehicle by way of a one way flight back to the Republic of South Africa.

25.2.3 Hospitality Benefits Temporary accommodation for the occupants of the Vehicle.

Provided always that:

25.2.4 The Policy Holder will pay the upfront costs of the Vehicle Hire, Occupant Repatriation and Temporary Accommodation and we will reimburse you following the formal submission of a claim

25.2.5 The Policy Holder must arrange these costs to the most reasonable level and avoid unnecessary duplication.

26. Emergency Assistance Benefit

The CIMS Emergency benefit to a Policy Holder following an incident is as follows:

26.1 Medical evacuation expenses within South Africa – Unlimited Benefit

26.2 Medical evacuation expenses outside South Africa, within the Territorial Limits – R250 000 per person up to a maximum of R1'000'000.00 per vehicle

26.3 In the event of the Policy Holder or a member of their family requiring Trauma Counselling, the benefit must be arranged via our Call Centre and the Cover amounts to a maximum of R5 000.

Note: Please call the Cross Country Call Centre on 0800 005 688 or +27 (0)11 966 5004 in all emergency instances"

26.4 Medical Evacuation Cover outside South Africa within the Territorial limits is valid for 30 days from the date of departure from South Africa.

27. Roadside Assistance Benefit

27.1 Roadside Assistance following mechanical/electrical breakdown within South Africa is limited to R5 000 per policy year.

27.2 Should the breakdown occur outside a radius of 100 kms from home, the benefit is extended to include overnight accommodation or a Cat B hire car for 24 hours up to a limit of R1 000

<b>GENERAL EXCESS – CLASSIC CAR</b>	
<b>In respect of each and every occurrence giving rise to a claim</b>	<b>First Amount payable per event</b>
In respect of each and every occurrence giving rise to a claim	First amount payable per event
Basic Accident/Incident	5% of the loss, minimum R2 500 per claim
Basic Accident/ Incident 2 years claim free on insured vehicle with Cross Country	Excess Waived
Basic Accident/ Incident Wedding / Event / Exhibition Use	R5 000
<b>In the event of a Theft/Hijack</b>	<b>First Amount payable per event</b>
Caused by Theft / Hijack of the Insured Vehicle	10% of the loss
<b>In the event of Glass Damage</b>	<b>First Amount payable per event</b>
Front and Rear Glass	20% of the loss, minimum R500 per claim
Side window glass	20% of the loss, minimum R500 per claim
Head / Tail lights (including fitted spotlights)	R500
<b>Audio Equipment</b>	<b>First Amount payable per event</b>
If Vehicle Audio equipment not specified	R1 000
<b>Insured vehicle extensions</b>	<b>First amount payable per item</b>
Fitment and Accessories	R500
Spare Wheels	5% of the loss, minimum R2 500 per claim
Locks and Keys	Nil
<b>Loss of Documents from Vehicle</b>	<b>First amount payable per event</b>
Loss of documents from vehicle	R500
<b>Loose Items in the Vehicle</b>	
Loose items in the vehicle	R500
<b>In respect of each and every occurrence giving rise to a claim First Amount Payable per event</b>	
<b><u>Age Excess for Policy Holder and Spouse Only (Age over 55 years) Waived</u></b>	
<b>Age Excess Exclusions:</b>	
Glass As per Glass Excess	



<b>GENERAL EXCESS – CLASSIC MOTORCYCLE</b>	
<b>In respect of each and every occurrence giving rise to a claim</b>	<b>First Amount payable per event</b>
Basic Accident/Incident	5% of the loss, minimum R2 500 per claim
Basic Accident/ Incident 2 years claim free on insured vehicle with Cross Country	Excess Waived
Basic Accident/ Incident Wedding / Event / Exhibition Use	R5 000
<b>In the event of a Theft/Hijack</b>	<b>First Amount payable per event</b>
Caused by Theft / Hijack of the Insured Vehicle	10% of the loss
<b>In the event of Glass Damage</b>	<b>In the event of Water Damage</b>
Front Screens / Side Car Screens	Caused by Water Damage to the Insured Vehicle
Head / Tail lights (including fitted spotlights)	R500
<b>Insured vehicle extensions</b>	<b>First amount payable per item</b>
Spare Wheels	5% of the loss, minimum R2 500 per claim
Locks and Keys	Nil
<b>In respect of each and every occurrence giving rise to a claim First Amount Payable per event</b> <b><u>Age Excess for Policy Holder and Spouse Only (Age over 55 years) Waived</u></b>	
<b>Age Excess Exclusions:</b> Glass As per Glass Excess	