

# Product Definitions

1. When there is more than one excess applicable to the same claim, these are called additional excesses and are usually added together (accumulated).  
A. Covered Events
2. The customer should not expect to end up better off than they were before the loss or damage occurred. If, for instance, repairs must be done in such a way that the insured item will have a higher value than it had to start with, the insurer may ask the customer to pay in the difference.  
B. Third Party
3. These are sentences and paragraphs describing the duties of the customer and the insurer, and other terms and conditions that may apply to the policy.  
C. Roadworthy
4. Any additional loss or damage that happens as a result of a Covered Event.  
D. Reserve class (minor claims)
5. Means the events that the customer is insured for. The Covered Events are shown in each section of the Policy Wording document.  
E. Policy Schedule
6. These are sentences and paragraphs describing specific items, losses, or events that are not covered by the insurance policy, as detailed in the Policy Schedule.  
F. Betterment
7. Sets out the type of cover the customer has bought, the people who are insured, the period of insurance the amounts they are insured for, the excesses that apply and the premiums which must be paid. Any changes to the customer's policy will be shown in the Policy Schedule.  
G. Pro Rata Premium
8. This is the amount which the customer pays to the insurer for them to provide insurance cover.  
H. Regular Driver
9. The portion of the full premium if the customer is only covered for a certain period. For example: On a monthly policy, if the customer requires cover from the 20th of April, they will be charged a pro-rata premium which is equal to 10 days from the 20th to the 30th of April, after which they will pay the accepted monthly premium.  
I. Re-rate
10. A person named in a motor policy as the person who uses the vehicle most. Also known as the Usual Driver.  
J. Exclusions

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| 11. A vehicle that complies with existing road traffic laws of the county and is in a fit condition to be used on a public road is considered roadworthy.   | K. Write-off              |
| 12. This is what is left of a damaged item. The damaged item becomes the property of the insurer if the claim is paid.  | L. Reject/Repudiate       |
| 13. Refers to any other person to whom the customer may become legally liable to pay compensation/damages for accidental death or accidental bodily injury or illness of that person, or for accidental loss of, or damage to property belonging to that person occurring during the period of insurance. | M. Consequential Loss     |
| 14. The property which it is possible to safely repair, but the cost of doing the repairs is more than the value of the property. In such case iWYZE may not consider if financially worthwhile to repair.  | N. Salvage                |
| 15. This means that nobody lives in or uses the building, or that someone uses the building without the customer's permission. This is different to the meaning of the word unoccupied.   | O. Vacant                 |
| 16. When an item or property is so badly damaged that it cannot be repaired, is unsafe or uneconomical to repair, and it is then considered a write-off.  | P. Clauses                |
| 17. Reserve class claims refers to the incurred cost associated with processing a claim which is not recovered from the client. E.g. Assessment costs relating to claims , Car hire cost etc.   | Q. Peril                  |
| 18. A refusal to pay a claim or part of the customer's claim in terms of the policy.  | R. Premium                |
| 19. When iWYZE re-calculates or reviews the premium on the policy.  | S. Additional Excess      |
| 20. A peril is a specific risk or cause of loss covered by an insurance policy, such as a fire, windstorm, flood, or theft.   | T. Uneconomical to repair |