



AFRICA ROAD TRANSPORT FORUM

Insurance Pitfalls and RTMS



Pietermaritz Montage of Truck Crashes.flv





What is a Repudiation

- When an Insurer declines, rejects or refuses to accept liability for the payment of a claim for losses as a result of an accident or theft.



General reasons for Repudiation

- Non compliance with the terms and conditions of the Insurance Contract
- Fraudulent behaviour
- Non disclosure of material facts
- Non payment of premium



Specific reasons for Repudiation

- Roadworthiness – Brakes and Tyres
- Valid drivers licences
- Overloading
- Non functional tracking devices



The Consequence of Rejection

- Losses
 - Own damage to vehicles
 - Goods in Transit
 - 3rd Party Liability
 - Criminal, civil and statutory liability
- Potentially catastrophic and crippling



Solutions

- Proof of regular maintenance schedules
- Evidence of pre trip check list
- Driver Training
- Validation of drivers license / PDP's
- Compliance with statutory vehicle inspections - COF
- RTMS accreditation

Inadequate insurance

- Gaps in cover
 - Liability – 3rd party and contractual
- Insufficient limits
 - GIT
 - Tow in
 - Hazardous spillage

Consequences

- Strain on cash flow
- Ability to replace vehicles and do repairs
- Civil and criminal law suites
- Negative impact on client relationship

Solution - Avoidance

- Proper Risk Analysis
 - Identification
 - Severity
 - Risk Management
 - RTMS



Thank you - any questions?

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