

Policy Conditions
Unfair Wear and Tear

Extract of the recondition Insurance policy conditions



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 **ayvens**
SOCIETE GENERALE GROUP

Policy Conditions Unfair Wear and Tear

This Recondition Insurance policy provides Insurance Cover (as hereinafter defined), in accordance with the terms and conditions of this policy (hereafter referred to as the Terms and Conditions) to the Insured in respect of damage to the Insured Vehicle identified following the expiry of a Lease Agreement between a Lessee and the Policyholder.

Insurance Cover is provided under these Terms and Conditions in accordance with the Limit of Liability (as hereinafter defined) agreed between the Insurer and the Policyholder and is valid during any Period of Insurance that the Insurance Premium has been paid.

ARTICLE 1 - Definitions

For the purposes of this coverage, the following definitions apply:

1. “Insurer” means Euro Insurances DAC, established in Dublin, Ireland, with its registered office at Ground Floor, Block C, Central Park, Leopardstown, Dublin 18, Republic of Ireland, registered with the Companies Registration Office in Ireland under registration number 222 618 and is regulated by the Central Bank of Ireland and operating in freedom of services regime, having been attributed the code number 4280 by the Portuguese Insurance Institute.
2. “Insured Vehicle” means a motor vehicle which has been accepted as an insured object by the Insurer and Insurance Cover has been provided during the Period of Insurance.
3. “Insurance Premium” means the sum which the Policyholder is obliged to pay by virtue of these Terms and Conditions to the Insurer.
4. “Policyholder” means person or entity who contracted for the Recondition Insurance policy with the Insurer and who is obliged to pay the Insurance Premium to the Insurer.
5. “Insured” means person or entity on whose interest the contract is celebrated, mentioned in the Subscription Proposal.
6. “Lease Agreement” means a lease agreement between the Policyholder and a Lessee under which the Policyholder as Lessor leases an Insured Vehicle to the Lessee
7. “Lessee” means lease clients of the Policyholder with whom the Policyholder has entered into a Lease Agreement
8. “Period of Insurance” means the length of time during which the Insurance is provided, the commencement of which is stipulated in the Subscription Proposal.
9. “Subscription Proposal” means a document which forms part of these Terms and Conditions outlining details of, but not limited to, the following: Insured; Period of Insurance; and other details of the Insurance Cover which may apply.
10. “Crash, Collision and Overturning”, whereas Crash means the damage of the insured vehicle due to a crash against any unmovable body or when itself is motionless. Collision, meaning the damage to the insured vehicle due to the collision with any moving body. Overturning, meaning the damage to the insured vehicle due to a situation in which it escapes from its normal position and does not end in a Crash or Collision.
11. “Fire, Lightning and Explosion”, means lightning, fire or explosion due to occasional external factors not related with the vehicle, whether in motion or parked, whether kept in a garage or elsewhere.

- 12.** “Vandalism”, means strikes, lock-outs and other disturbances at work, unrest, riots and other public order alterations, terrorism or sabotage, malicious or vandalism acts.
- 13.** “Breaking Glass”, means the total or partial rupture or breaking of the windshield, the back window and the side windows, rendering them incapable for use, and resulting from a sudden, accidental and violent event, apart from the will of the owner, Policyholder, insured or driver.
- 14.** “Natural Phenomena,”
- a) landslides, mudslides and land sinking, due to geological phenomena;
 - b) tunnel, bridge or other crumbling of works of art;
 - c) airplane crashes: the crash or fall of entire or parts of air navigation equipment and space equipment or fallen or jettisoned objects;
 - d) falling of rooftops, chimneys, walls, trees or other objects;
 - e) seismically phenomena: earthquakes, volcano eruptions, seaquakes and underground fires;
 - f) lightning: impact produced by an electrical discharge in the atmosphere;
 - g) floodings: the harmful consequences of the bursting of adductors, collectors, drains, dikes and dams, and also the runoff or overflow of riverbeds or lagoons;
 - h) hail;
 - i) strong or torrential rainfall: the rainfall intensity greater than ten millimetres each ten minutes in the pluviometer;
 - j) storms: typhoons, cyclones, hurricanes, tornados and any thrown or projected item by the above (when its intensity exceeds 100 km/hour); “Theft or Larceny” means the disappearance or destruction of the vehicle and/or its components.
- 15.** “Poor Repair” means a repair to the body (including paintwork, plastic and metalwork) of the Insured Vehicle demonstrating one or more of the following:
- A. Metalwork**
 - a. Any repair that has not been undertaken in accordance with the vehicle manufacturers specifications
 - b. Any welding work that has not been completed to the vehicle manufacturers' original specification
 - c. Body panels (repaired or replaced) that are misaligned and/or not completed to the vehicle manufacturers' original specification
 - d. Repairs to the vehicle chassis that have not been completed to the vehicle manufacturers' original specification
 - e. Any application of sealants that has not been completed to the vehicle manufacturers' original specification
 - B. Repair of any components, including plastic components**
 - a. Any repair of plastic components that has not been completed to the vehicle manufacturers' original specification
 - C. Paintwork**
 - a. Any paint that has not been applied in accordance with the vehicle manufacturers' original specification
 - b. Any application of paint that has not resulted in a uniform finish with the remainder of the vehicle and demonstrates impurities or imperfections
 - c. The result of applying anti-corrosive materials is unsatisfactory

ARTICLE 2 – Insurance Cover

These Terms and Conditions provide cover, up to the Limit of Capital agreed between the Policyholder and the Insurer, for damage to the Insured Vehicle which is deemed “Unacceptable” within the document titled “Fair Wear & Tear Guidelines for Passenger Vehicles and/or Fair Wear & Tear Guidelines for Commercial Vehicles” which are provided to the Lessee by the Insured in accordance with the operating Lease Agreement and damage to the Insured Vehicle which has been identified following an inspection of the Insured Vehicle on return of the Insured Vehicle at end of the Lease Agreement to the Insured.

The “Fair Wear & Tear Guidelines for Passenger Vehicles and/or Fair Wear & Tear Guidelines for Commercial Vehicles” is attached hereto in Appendix I and may be amended by the Insurer from time to time.

Insurance Cover is subject to certain restrictions as outlined in ARTICLE 4 – Exclusions to Insurance Cover

ARTICLE 3 –Limit of Liability

The Insurer's maximum limit of compensation for any one claim under these Terms and Conditions is the maximum amount agreed between the Policyholder and the Insurer at the time of concluding the Insurance Cover and detailed in the records of the Insurer.

ARTICLE 4 –Exclusions to Insurance Cover

Insurance Cover under these Terms and Conditions shall not guarantee (identified upon inspection of the Insured Vehicle when the Lease Agreement has expired):

1. Damage caused by Poor Repairs that occurred during the duration of the operating Lease Agreement;
2. Any part or accessory missing or that does not meet the original specifications of the vehicle at the time of delivery of the Insured Vehicle at the commencement of the Lease Agreement, except for the following:
 - safety nuts and keys of the alloy wheels;
 - Reflective vest;
 - CDs of the software provided with the navigation system and owner's manual;
 - Emergency Kit consisting of instant tyre puncture sealant and air compressor in the event that it was provided to the Lessee;
 - Aerial;
 - Cigarette lighter;
 - Removable carpets of the Insured Vehicle;
 - Safety triangle;
 - Service Record Book and certificate of inspection.
3. The removal of or damage caused by the removal of stickers and/or other applications;
4. Any damage to the Insured Vehicle arising from mechanical damages and/or alterations to the mechanical and/or electrical circuits which does not correspond to the original manufacturers specifications of the Insured Vehicle at the time of delivery of the Insured Vehicle to the Lessee;
5. Any damage, in the event of the Insured Vehicle being sold to the Lessee or any other party prior to the return of the Insured Vehicle at the end of Lease Agreement to the Policyholder as Lessor.
6. The costs resulting from the fact that one or more tires of the vehicle do not belong to any of the brands given below:

B.F.Goodrich
Continental
Goodyear
Firestone
Pirelli
Mabor
Toyo
Vredestein

Bridgestone
Dunlop
Hankook
Fulda
Semperit
Michelin
Uniroyal
Yokohoma

7. Loss or Damage to the Insured Vehicle exceeding €500 (passenger and commercial vehicles) arising from one single event caused by any of the following situations:
- Crash, Collision and Overturn in Fire, Lightning and Explosion
 - Vandalism
 - Breaking Glass
 - Natural Phenomena
 - Larceny or Theft

ARTICLE 5 – Commencement and Duration of Insurance Cover

Insurance Cover is effective from the date of acceptance by the Insurer and shall renew itself automatically for one-year periods, if no party opposes, and shall terminate upon the expiry date of the Period of the Lease Agreement unless otherwise terminated in accordance with the provisions set out in these Terms and Conditions.

The Insured may only seek the subscription of Insurance Cover for vehicles whose number of months until the end of the contract is greater than or equal to 12 months from the begin date, and provided he pays the premium as if the coverage had been in force since the beginning of the Lease Agreement. The application is subject to acceptance of the Insurer.

ARTICLE 6.° Insurance Deductible

1. No insurance deductible shall be borne by the Policyholder nor the Insured in case of a claim.

ARTICLE 7 -Claims Conditions

1. An inspection of the Insured Vehicle, will upon request and at the expense of the Insured, be undertaken by an independent and certified company to determine if any damage incurred might be subject to a claim under these Terms and Conditions. If the total of the damage noted in the survey exceeds €250, a claim will be notified to the claim handler appointed by the Insurer.
2. The Insured must request the inspection within 14 days of the termination of the lease contract and the return of Insured Vehicle to the Policyholder for a claim to be valid under these Terms and Conditions.
3. Only the Insurer or their appointed representative is permitted to authorise or reject claims. The Insured shall allow the Insurer or their appointed representative full access to inspect the Insured Vehicle, which is the subject of a claim under these Terms and Conditions.
4. The Insured must comply with all reasonable requests and follow any claims procedures determined and communicated by the Insurer or their appointed representative.

5. Any repair work commenced or carried out by the Insured or upon the Insured's instructions without prior authorisation from the Insurer or their appointed representative will render any claim for the respective Insured Vehicle invalid.
6. The Insured will be responsible for payment of any repair work completed to the Insured Vehicle that falls outside the scope of these Terms and Conditions.

ARTICLE 8 – Termination, reduction and other modifications to the agreement

1. Insurance Cover under these Terms and Conditions is subject to the payment of the Insurance Premium by the Policyholder in accordance with the Subscription Form of payment agreed with the Insurer.
2. Any amendments to these Terms and Conditions shall be communicated in writing to the Policyholder at least 30 days before the effective date of the amendment and shall take effect on the 30th day following the date of the abovementioned communication unless otherwise agreed by the Policyholder and Insurer. Any amendments proposed to these Terms and Conditions will not and cannot change the Insurance Cover originally provided under Article 5 of these Terms and Conditions.
3. The Terms and Conditions may be cancelled by the Insurer or Policyholder by giving notice in writing to the other party. The Insurance Cover shall cease and the notice of cancellation shall take effect on the 30th day following the date when the abovementioned notice in writing was sent by either party.
 - If the cancellation of Insurance Cover is requested by the Insurer, the Insurance Premium collected for Insured Vehicles where the Lease Agreement has not expired will be returned to the Policyholder;
 - If the cancellation of Insurance Cover is requested by the Policyholder, any Insurance Premium paid will be retained by the Insurer.
4. In the event of early termination of the operating Lease Agreement following the loss or total destruction of the Insured Vehicle or at the request of the Lessee no Insurance Cover will apply under the Terms and Conditions and any Insurance Premium paid will be retained by the Insurer.
5. Whenever there are changes made to the period of the operating Lease Agreement (reductions or increases), the Insurance Premium will be recalculated and adjusted based on the revised period of lease.
6. These Terms and Conditions shall be considered null and void in the event that the Policyholder and/or the Insured presented inaccurate statements or have not disclosed facts or circumstances known from the Policyholder and/or the Insured which may have influenced the Insurer in the acceptance or application of the Insurance Premium or Terms and Conditions at any time during the Period of Insurance. The Insurer would in such circumstances have the right to retain any Insurance Premium already paid, without prejudice to the nullity of the Terms and Conditions. The Policyholder and/or the Insured are obliged to cooperate with the Insurer prior to the acceptance or application of the Insurance Premium or Terms and Conditions at any time during the Period of Insurance and obtain accurate information from the Lessee under the Lease Agreement in order to ensure that all statements disclosed to the Insurer are factual and correct.

7. If the Policyholder has any complaint on any matter arising in respect of these Terms and Conditions, the complaint should be submitted in writing to the Insurer at the following address:

Head of Legal Risk and Compliance
Euro Insurances Ltd.
Ground Floor
Central Park
Leopardstown
Dublin 18
Republic of Ireland

E-mail: martin.clarke@euroinsurances.net

Fax n.º +353 1 680 4140

8. These Terms and Conditions shall be governed by, construed and interpreted under the laws of Portugal.
9. All current and future taxes and fees payable in respect of the Insurance Premium shall be for the account of and paid by the Policyholder as part of the Insurance Premium invoiced by the Insurer.
10. Any dispute arising out of these Terms and Conditions shall be brought before a competent court in Portugal who shall have jurisdiction to hear and determine such dispute and both parties hereby submit to the decision of such a court.

“Fair Wear & Tear Guidelines for Passenger Vehicles and Fair Wear & Tear Guidelines for Commercial Vehicles