

10 March 2022

Dear Intermediary,

Re: SELLING OF MOTOR SALVAGE TO THE INSURED:

1. We address this letter to you in respect of the sale of motor vehicle salvage “salvage” to the Insured.
2. It has come to our attention, that in certain instances where the Insured has expressed an interest in purchasing the salvage;
 - 2.1 the purchase price in respect of the salvage, is being agreed to by individuals not duly authorized to do so;
 - 2.2 the purchase price is being deducted from the settlement amount which is due to the Insured;
 - 2.3 the Total Loss Agreement, generated from the ROC system, is being used to formalize the agreement of sale;
3. This practice exposes Renasa to a myriad of financial and legal consequences as no formal agreement exists which clearly sets out the legal rights and responsibilities of the parties in relation to the transaction.
4. To address this concern, and with immediate effect, where the insured expresses an interest in purchasing the salvage, the salvage sale transaction (assuming the Insured tender is accepted) must be facilitated by Auto Salvage Management by means of concluding a separate agreement of sale with the purchaser. Under no circumstances may the Total Loss Agreement be used to formalize the agreement of sale in respect of the salvage.

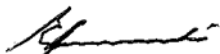
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5. Where the insured is interested in making an offer in respect of salvage, the written offer must be submitted directly to Auto Salvage Management. The offer made will be considered along with all other offers received by Auto Salvage Management in respect of the salvage. Renasa is not and will not be a party to this or any other arrangement.
6. The agreement of sale (assuming the Insured tender is accepted) will only be concluded between the Insured and Auto Salvage Management.
7. Under no circumstances will Renasa either negotiate with, or *alternatively*, enter into a sale agreement with the Insured in relation to salvage.
8. In the event of any uncertainty, please contact Erin Schrenk in the Legal Department.

Yours faithfully,



Brian Martin
Legal Director
Head of Legal and Compliance
Renasa Insurance Company Limited