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Secure your future



## When the Renewal Date Slipped — Tadiwa's Lesson on Why Insurance Dates Matter

When Tadiwa bought his first car, he promised himself he would always keep it insured. After all, he had heard enough stories about people whose lives turned upside down after an accident because they did not have valid cover. For two years, Tadiwa kept his comprehensive motor insurance up-to-date. Every time the renewal date approached, the insurer sent him a reminder, he paid immediately, and life moved on smoothly.

But 2023 was a tough year for him. Prices were rising. School fees had increased, rentals were going up, and his business was not performing well. So, when the renewal SMS came through one Monday afternoon, he told himself, "I will do it at the end of the week, I just need to sort out a few things first." He forgot about it.

A week later, as he navigated a slippery road, Tadiwa's car skidded and rammed into the back of another vehicle. Thankfully, no one was injured, but both cars were damaged. Confident that his comprehensive insurance would cover everything, Tadiwa stepped out and assured the other motorist, "Relax,

I am fully insured. We'll sort this out."

But as he reached for the insurance disc on his windscreen to confirm the details, his heart stopped. The date glared back at him. His policy had expired five days earlier. The confidence drained from his face. In that instant, reality hit him: he had been driving without valid insurance, and now the entire financial responsibility rested squarely on his shoulders.

Still hoping for luck, he contacted his insurer, who confirmed his worst fears: his policy had lapsed, and the claim could not be processed.

This story is fictional, but it illustrates a situation many policyholders find themselves in, believing a small delay in renewing insurance would not matter, until it matters the most.

Insurance coverage is not continuous. It has a start date and an expiry date. Once it expires, no matter how faithfully you paid before, you are no longer covered.

A missed renewal date can transform a manageable incident into a major financial burden. Some policyholders mistakenly believe insurers can "backdate" policies after an incident. That is not the case. Insurance protects against future uncertain risks, not events that have already happened.

Therefore, being aware of renewal dates is so important. Insurance works based on continuous protection. The moment there is a gap, the insurer has no legal obligation to pay for losses occurring during that period. Most short-term insurance products, especially motor insurance do not have grace periods. Once the expiry date passes, the cover ends.

This is why it is essential to understand your policy terms.

### Tadiwa's costly lesson

After his claim was rejected, the true cost of missing the renewal date hit Tadiwa hard. The other driver demanded immediate

repairs for his vehicle, which cost about US\$1000, and his vehicle needed almost the same amount.

Without an insurer to step in, Tadiwa now had to shoulder the full bill alone.

He had no choice but to borrow from relatives and friends. Some gave small amounts, others offered loans with interest, which he would have to repay for months. His finances collapsed overnight, school fees delayed, rent deadlines became stressful, and his business suffered even more.

Every time he looked at his car, he remembered how a five-day delay had cost him thousands of dollars.

From that day, he vowed never to miss a renewal date again. He set phone reminders, and updated his calendar. The accident put him in debt, but it gave him a lesson he would never forget:

Insurance only works when it is active, and renewal dates matter more than people realise.

Renewing your insurance is more than a legal requirement, it is a financial safety net. Accidents are unpredictable and can happen any day or time, even a day after your insurance expires.

The Insurance and Pensions Commission (IPEC) urges policyholders to take note of all renewal dates to ensure continuous cover.

Insurance works best when policyholders are informed and prepared.

Do not let a forgotten date cost you your future.

### Closing the Series

This article marks the final instalment in IPEC's consumer-education series on common insurance and pensions pitfalls and how policyholders and pension scheme members can safeguard themselves. Over the past weeks, the series has walked readers through the importance of dealing with licensed entities, pension remittances, disclosing full information, electing knowledgeable trustees, and now ensuring timely renewal. The goal has been simple: to empower consumers with practical knowledge that prevents financial loss and strengthens trust in insurance and pensions. As the series closes, the message remains the same — an informed policyholder or pension scheme member is a protected policyholder or pension scheme member.

### About IPEC

The Insurance and Pensions Commission (IPEC) is a statutory body established in terms of the Insurance and Pensions Commission Act [Chapter 24:21] to regulate the insurance and pensions industry for the protection of policyholders and pension scheme members.

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