

Domestic Insurance

Domestic motor section



Defined events

1. Comprehensive

(a) Own damage

- (i) If the vehicle or any part of it is lost or damaged the company will at its choice indemnify the insured by paying for its repair or replacement or the amount of the loss or damage, less the first amount payable. If the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the company in respect of such loss or damage. The company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured within the territorial limits.
- (ii) If within 12 months of first registration the vehicle is
 - (1) stolen or hijacked and not recovered or physically returned to the company, or
 - (2) damaged and the assessed cost of repairs exceeds 70 percent of the current new retail price including tax,the maximum amount payable by the company will be the current purchase price of a new vehicle of the same or a similar model or the limit shown in the schedule whichever is the lower, less the first amount payable.
- (iii) If the vehicle is lost or damaged more than 12 months after first registration the maximum amount payable by the company will be the limit shown in the schedule or the reasonable market value of the vehicle at the time of loss or damage whichever is the lower, less the first amount payable.

The company shall not be liable for

- (i) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages.
- (ii) damage to tyres by application of brakes or by road punctures, cuts or bursts.
- (iii) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
- (iv) detention, confiscation or requisition by customs or other officials or authorities.

(b) Liability to third parties

- (i) The company will indemnify the insured
 - (1) for any amount that the insured become legally liable to pay arising from the use of the vehicle in respect of
 - a. injury which shall mean accidental death of or bodily injury to any person.
 - b. damage which shall mean accidental loss of or damage to property.
 - (2) for costs and expenses incurred with its written consent.
 - (3) at its discretion for any costs incurred for representation at any inquest or post-mortem or for defence against any criminal proceedings in a magistrate's court.
 - (4) while driving a vehicle not owned by the insured or being purchased, hired or leased by the insured under an instalment sale or lease agreement but the company shall not be liable for damage to such vehicle.
 - (5) while the vehicle is being used for the purpose of towing (other than for reward) any other vehicle or trailer (including liability in connection with the towed vehicle or trailer) but the company shall not be liable for damage to the towed vehicle or trailer or to property in or on such vehicle or trailer.
- (ii) The company will indemnify any person who is driving or using the vehicle with the insureds' permission provided such person
 - (1) is not entitled to indemnity under any other policy;
 - (2) observes the terms of the policy as far as they can apply;
 - (3) has not been refused any motor vehicle insurance.

The company shall not be liable for

- (i) injury to any person being carried in
 - (1) a trailer or caravan;
 - (2) the unenclosed load carrying section of a light delivery vehicle.
- (ii) damage to property
 - (1) belonging to or held in trust by or in the custody or control of the insured;
 - (2) carried in a trailer or caravan.
- (iii) any compensation provided or insurable in terms of any motor vehicle insurance legislation.
- (iv) any claim arising out of contractual liability.
- (v) death of or bodily injury to any person being a member of the same household as the insured.

2. Third party fire and theft

Cover in terms of Defined event 1(a) Own damage is restricted to loss or damage resulting from fire, self-ignition, lightning, explosion or by theft or attempted theft. The company will not pay for loss of or damage to motor vehicle audio equipment of any type.

The following clauses are cancelled:

Extensions and clauses 2. Medical expenses

Claim free groups.

3. Third party only

Cover is restricted to Defined event 1(b) Liability to third parties.

Specific definitions

1. The insured means the person in whose name this policy is issued and spouse.
2. Vehicle means
 - (a) motor cars and light delivery vehicles with a gross vehicle mass not exceeding 3500 kg;
 - (b) motorcycles and motor scooters (with or without sidecar);
 - (c) caravans and trailers (including permanent fixtures and fittings) without means of self-propulsion, designed to be drawn by a self-propelled vehicle owned by or hired or leased to the insured including any vehicle temporarily used by the insured whilst the insureds' vehicle is being overhauled, serviced or repaired.

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

	Defined events	Limits
1(b) Liabilities to third parties - fire and explosion		R1 000 000
	- other- motor cars and light delivery vehicles	R2 000 000
	- motorcycles and motor scooters	R500 000
	- trailers and caravans	R500 000

	Extensions and clauses	
1. Wreckage removal		Per schedule
2. Medical expenses	- per occupant	R5 000
	- not exceeding in total	R20 000
4. Locks and keys		R5 000
6. Audio accessories	- any one event	R5 000

Specific memoranda

3. Repairs and measures after a loss
 - (a) (i) vehicle repairs R5 000
 - (ii) emergency accommodation R5 000
 - (b) tow-in costs - electrical or electronic or mechanical breakdown R2 000

First amounts payable

The insured will be responsible for the amounts as stated in this table in respect of each and every claim arising out of any one occurrence or series of occurrences with one original cause or source during any one period of insurance. This table must be read in conjunction with the relevant clauses in this section.

1. Motor cars and light delivery vehicles:
 - (a) Basic Per schedule
 - (b) Additional:

- | | | |
|-------|--|----------------------------|
| (i) | Theft or hijack of the whole vehicle as a unit. 'Hijack' will mean the seizing of or exercising of control of the vehicle by threat or force. | 5% of gross claim |
| (ii) | Whilst the vehicle is being driven by any person under the age of twenty five (25) years or who has held a licence to drive for a period of less than two (2) years. | 5% of claim minimum R1 000 |
| (iii) | Voluntary. | Per schedule |
| (iv) | Window glass where no other damage has been caused to the vehicle. | 20% of claim minimum R350 |
- If more than one motor vehicle is described in the schedule the above provisions will apply as if a separate policy has been issued for each vehicle. The amounts borne by the insured will be the amounts specified above and these amounts will apply independently and be cumulative.
2. Motorcycles and motor scooters. Per schedule
 3. Caravans and trailers. Per schedule

Exclusions

The company will not be liable to pay for loss, damage or injury caused, sustained or incurred

1. outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique except for loss of or damage to the vehicle while in transit by sea or air between ports or places within these territories.
2. while the vehicle is being driven or used
 - (a) other than in accordance with the description of use.
 - (b) by the insured or any person with the insureds' consent who is not licensed to drive the vehicle in terms of legislation applying to the territory in which the vehicle is being used. If a licence is subject to renewal the driver must have held and not be disqualified from holding or obtaining such a licence. This exclusion will not apply if the vehicle is being driven by the insured or any person with the insureds' consent while learning to drive and legislation relating to learner drivers is being obeyed.
 - (c) by the insured while under the influence of intoxicating liquor or drugs or while the concentration of alcohol in the insureds' blood exceeds the statutory limit.
 - (d) by any person, with the insureds' consent and knowledge, who the insured know is under the influence of intoxicating liquor or drugs or while the concentration of alcohol in that person's blood exceeds the statutory limit.
 - (e) in a condition which does not comply with the provisions and regulations of The Road Traffic Ordinances of the Republic of South Africa or any similar legislation which applies to the areas referred to above.
3. while a light delivery vehicle is being used to carry goods for business or professional purposes.

Extensions and clauses

1. Wreckage removal

The company will pay the reasonable cost of recovery, protection and removal of debris and wreckage of the vehicle to the nearest repairer following a defined event.

2. Medical expenses

If any occupant of the vehicle sustains bodily injury as a direct result of an accident the company will pay the medical expenses in connection with the injury less amounts recoverable in terms of any compulsory motor vehicle insurance act or compulsory occupational illness or disability act or workmen's compensation legislation.

3. Window glass

Where there has been no other damage to the vehicle the company will pay for damage to window glass (including a sunroof) of the vehicle without alteration of the claim free group. The insured will be responsible for the first amount payable as stated but if the glass is repaired, the insured will not have to pay this amount.

4. Locks and keys

The company will indemnify the insured for costs necessarily and reasonably incurred following loss of or damage to locks and keys (including cardkeys and remote control devices) for the vehicle. Payment will be made without alteration of the claim free group or application of an excess.

5. Parts or accessories not readily available

If any part or accessory needed to repair the vehicle is not available in the Republic of South Africa as a standard ready manufactured article the most the company will pay is the sum equalling the value of the part at the time of loss or damage. In no case will the company pay more than the manufacturer's listed price.

6. Audio accessories

The company will not pay more than the limit stated (after deduction of any first amount payable) for fitted accessories in the form of car radios, tape players, record players, compact disc players and the like unless such equipment is specified and any additional premium is paid.

7. Riot and strike

Damage directly occasioned by or through or in consequence of

- (a) civil commotion, labour disturbances, riot, strike or lockout;
- (b) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrences referred to in (a) above,

provided that this event does not cover

- (a) damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) damage caused by total or partial cessation of work, or the retarding, interruption or cessation of any process or operation;
- (d) damage caused by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) damage caused by or related to any occurrence referred to in General exception 1(a) (ii), (iii), (iv), (v) or (vi) of this policy, or the act of any lawfully established authority in controlling preventing suppressing or in any other way dealing with any such occurrence.

If the company alleges that damage is not covered by reason of proviso (a), (b), (c), (d) or (e) of this event, the burden of proving the contrary shall rest on the insured.

8. Car Hire – theft/hijack of the vehicle

If the vehicle, as specified in the schedule and insured on a comprehensive basis, is stolen or hijacked as a unit, the company will pay the car hire charges levied by the service provider for the hire of a medium category motor car (not exceeding 1600 cm³ engine capacity) on an unlimited mileage basis but excluding the cost of fuel or lubricants,

provided that

- (a) the order for the hire of the motor car from the service provider will be authorised by the company.
- (b) the period of the hire will
 - (i) commence no later than 21 days following the date of theft or hijack;
 - (ii) terminate on the day following the repossession of the motor vehicle by the insured after any repairs necessitated as a result of its theft or hijack have been effected, or 30 days after the commencement of the period of hire, whichever is sooner.
- (c) in the event of any occurrence giving rise to a claim involving the hired motor vehicle during the period of hire, the insured shall be responsible for the first amount payable, as stated in the hire contract, of any expenditure and such amount shall be payable to the service provider.

Definition of “vehicle”

Motor cars and light delivery vehicles with a gross vehicle mass not exceeding 3500 kg (not used for commercial purposes).

Description of use

Class of use A

Social domestic pleasure and professional purposes

excluding -

hiring or carriage of passengers for hire or carriage of fare-paying passengers, commercial travelling, selling insurance, driving instruction for reward, racing, speed or other contests, rallies, trials or any purpose in connection with the motor trade.

Class of use B

Social domestic pleasure business and professional purposes

excluding -

hiring or carriage of passengers for hire or carriage of fare-paying passengers, racing, speed or other contests, rallies, trials or any purpose in connection with the motor trade.

Class of use C

Social domestic and pleasure purposes only

excluding -

business or professional use of any nature, hiring or carriage of passengers for hire or carriage of fare-paying

passengers, commercial travelling, selling insurance, driving instruction for reward, racing, speed or other contests, rallies, trials or any purpose in connection with the motor trade.

Notwithstanding anything stated above under the description class of use A, B or C, the term "motor trade" will not invalidate cover while the vehicle is in the custody or control of a member of the motor trade for the purpose of being overhauled, serviced or repaired.

Specific memoranda

1. The insured will advise the company in writing immediately the insured are aware
 - (a) that the insureds' driver's licence or that of the insureds' authorised driver is endorsed suspended or cancelled.
 - (b) of the insured or the insureds' authorised driver being charged or convicted of negligent, reckless or improper driving.
2. If more than one vehicle is insured by this policy the claim free groups will be applied as if a separate policy had been issued for each vehicle.
3. Repairs and measures after loss (only applicable to Defined event 1(a) Own damage)
 - (a) After loss or damage by any insured event
 - (i) the insured may authorise repairs to the vehicle, provided an invoice is obtained and forwarded to the company without delay.
 - (ii) the company will pay the reasonable costs of emergency accommodation whilst the vehicle is being repaired following an accident or breakdown.
 - (b) The company will also pay the reasonable costs of towing in the vehicle following electrical or electronic or mechanical breakdown up to the amounts shown in the limits of indemnity.

Optional limitations and extensions (if stated in the schedule to be applicable)

1. Credit shortfall

If any total loss settlement under Defined event 1(a) Own damage is less than the amount owing to the financier under a current instalment sale or lease agreement, the company will pay to the insured an additional amount equal to the shortfall less

- (a) any arrears instalments or rentals including interest payable on such arrears;
 - (b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
 - (c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
 - (d) the first amount payable;
- provided always that
- (a) the amounts payable shall not exceed the maximum indemnity less the first amount payable under Defined event 1(a) Own damage.
 - (b) this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10 percent from any other instalment.
 - (c) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

2. Claim free group protection

Paragraph 2 of the section headed "Claim free groups" is deleted.

3. Insured only driver

For the purposes of this section "the insured" means the insured named in the schedule and any references to the insureds' spouse, the insureds' family, the insureds' authorised driver or any other driver driving with the insureds' permission are deleted.

4. Insured and family only drivers

For the purposes of this section "the insured" includes the insureds' spouse and any member of the insureds' family permanently living with the insured and any references to the insureds' authorised driver or any other driver driving with the insureds' permission are deleted.

5. Medical expenses deleted

Medical expenses is deleted.

6. Passenger liability excluded

The company will not pay for injury to any person who at the time of the accident is being conveyed in, or is mounting or alighting from, the vehicle.

7. Specified accessories

Payment of any claim for loss of or damage to specified accessories will be made without deduction of any first amount payable and will not constitute a claim in terms of the table of claim free groups.

Claim free groups

1. If no claims have been paid under this section during any one annual period of insurance, the next renewal premium will be based on the following claim free group:

A. Motor cars and light delivery vehicles							
Existing claim free group	0	1	2	3	4	5	6
Renewal claim free group	1	2	3	4	5	6	6
B. Motorcycles and motor scooters							
Existing claim free group			0	1	2	3	4
Renewal claim free group			1	2	3	4	4
C. Caravans and trailers							
Existing claim free group			0	1	2	3	4
Renewal claim free group			1	2	3	4	4

2. If any claims have been paid during the period of insurance, the next renewal premium will be based on the following claim free group:

A. Motor cars and light delivery vehicles							
Existing claim free group	0	1	2	3	4	5	6
Renewal claim free group	0	0	0	1	2	3	4
B. Motorcycles and motor scooters							
Existing claim free group			0	1	2	3	4
Renewal claim free group			0	0	0	1	2
C. Caravans and trailers							
Existing claim free group			0	1	2	3	4
Renewal claim free group			0	0	0	1	2