

Insurers

Upon acceptance of the premium, Auto & General Insurance Company Ltd (Reg. No.:1973/016880/06) fully underwrites the benefits of the policy. The insurer reserves the right to accept or decline all warranties.

Administrators

The policy is administered by Innovation Group in accordance with the terms and conditions set out herein.

For enquiries relating to your warranty, please contact our head office:

Innovation Group
Private Bag X99, Bryanston, 2021
Tel: 0860 21 0007
Fax: (011) 790 5193

Eligibility

The vehicle covered by this policy must, at the time of policy purchase be, in sound mechanical condition, be less than ten years old and have less than 220 000 km's, have a valid roadworthy certificate and have a gross vehicle mass of less than 3000kg.

Note:

Taxis, hire vehicles, modified vehicles, turbo conversions, rebuilt vehicles (code 3) and vehicles that are or have been used in any form of motoring competition are specifically excluded.

The policy does not cover the costs of servicing, routine maintenance or accident damage.

Vehicles older than ten years or exceeding 220 000 km's do not qualify for this insurance.

Policy Premium

The premium is payable monthly in advance by debit order. Cover will commence 30 days after receipt of successful debit order.

The policyholder agrees to ensure that there are sufficient funds available in the account to be debited as set out in the certificate of insurance, on the first, or last, working day of each calendar month as selected. Should the debit order be rejected for any reason, a rejection fee and/or a resubmission fee may be charged. The debit order will be resubmitted for payment seven days after receipt of rejection. If the debit order remains unsuccessful, the policy cover will cease immediately. Written notification of any changes in banking details should reach the administrator at least ten days before the next premium is due for payment. The indicated premium will be subject to an annual increase of 10%.

Service Requirements

- Petrol Engine Vehicles must be serviced as per the manufacturer's specifications.
- Diesel Engine Vehicles must be serviced every 10 000 km's or every 12 months whichever should occur first.

In both cases a maximum service overrun of 1 000 km's or 30 days, whichever occurs first, will be permitted. Services and repairs must be carried out by a manufacturer's registered franchise dealer or by a member of the Retail Motor Industries Organisation (RMI) with full repair facilities, unless otherwise agreed upon by the administrator.

The owner must retain service invoices, as the administrator will request proof of servicing in the event of a claim.

No self-servicing will be allowed under this policy.



Fraud

If any claim is fraudulent in any respect or if any fraudulent or improper means or devices are used by the insured or anyone acting on his/her behalf to obtain any benefit under this policy, or if any destruction or damage is occasioned by the willful act or negligence or with the connivance of the insured, all benefits under this policy will be forfeited.

Claims Procedures

In the event of an occurrence likely to result in a claim, the owner will advise the administrator telephonically. The administrator will in turn recommend an approved repairer who has conformed to the stringent requirements of the administrator's quality control panel.

Should it be necessary to disassemble any component to establish the cause or extent of the damage, it is the owner's responsibility to authorise such disassembly so as to establish liability.

The administrator reserves the right to inspect any vehicle or component. Any repair invoice not submitted within 30 days of the incident, will not be considered. Should your claim be repudiated, you will be entitled to receive a full explanation from the administrator.

Please Note: No claims will be accepted within 30 days of this policy being issued.

INFORMATION NECESSARY WHEN REPORTING A CLAIM

- Owner's name
- Policy number
- Current kilometer reading
- Nature of breakdown
- Address where vehicle can be inspected
- Service records and/or invoices

Claims Centre Office Hours

Monday to Friday: 08h00 to 17h00

Contact details: customer care, claims and administrator

Tel: 0861 106 068

THIS OFFICE IS CLOSED ON WEEKENDS AND PUBLIC HOLIDAYS

Cover provided

The cover provided under this policy is specified in the schedule of cover that accompanies this policy document. The schedule of cover forms part of your policy document.

General Terms and Conditions

- a) Definitions
 - i. **MECHANICAL OR ELECTRICAL BREAKDOWN** - Will mean, for the purpose of this policy, the breaking or burn out of any of the components listed in the "Components Covered" section arising from mechanical or electrical defect, causing sudden stoppage of their functions, necessitating repair or replacement.
 - ii. **COST OF REPAIR** - The usual and reasonable charges for components and/or labour to repair or replace the covered component(s).
 - iii. **INSURED** - The owner of the insured vehicle at the time of purchase of this policy, or in the instance where the policy has been transferred in terms of this policy, the new owner of the vehicle.
- b) This policy covers the primary causes of failure only, any subsequent damage is not covered under this policy.
- c) These terms and conditions will also incorporate as express terms and conditions of all the contents of this policy document, which the insured will be deemed to have read.
- d) It is expressly agreed and declared that the administrator, acting on behalf of the insurer, will be released from all liability and obligations under this policy if the terms and conditions of this policy are not fully complied with.
- e) All claims must be reported to the administrator immediately. In the event of a breakdown after hours, over a weekend or over a public holiday the claim must be reported to the administrator on the next working day. Failure to do so may invalidate the claim.
- f) All claims documentation must be received by the administrator within 45 days of the date of completion of the repairs, otherwise they will not be accepted.
- g) The insured must service the vehicle as per the requirements defined in the section "Service Requirements". A maximum tolerance of the lesser of 1 000 kilometres and/or 30 days on either side of the kilometers/date will be allowed. Failure to comply with the above will invalidate the policy.
- h) This insurance policy is in addition to, and does not detract from, any contractual rights under Statute or Common Law.
- i) The insured will take all reasonable steps to maintain the insured vehicle and keep it in a proper and efficient state of repair and in the event of any mechanical and/or electrical failure the insured will use all reasonable means to protect such vehicle from further loss or damage.
- j) In no case whatsoever will the administrator, acting on behalf of the insurer, be liable to make any payment in respect of any mechanical and/or electrical failure after the expiration of six months from the occurrence of such mechanical and/or electrical failure.
- k) This policy will be null and void in the case of fraudulent claims and in the event of change of ownership of the vehicle, where the administrator is not notified in writing.
- l) This policy may be cancelled by the administrator, acting on behalf of the insurer, by giving the insured 30 days written notice of cancellation at his/her last known address, in the event that the terms and conditions of this policy are not adhered to.

Duration

Cover commences after 30 days of date of sale, and continues on a monthly basis until the policy is cancelled by the insured or the vehicle reaches the age of ten years from date of first registration or the vehicles odometer reaches 220 000 km's.

It is the insured's responsibility to inform the administrator when the vehicle reaches its maximum age or odometer reading. Vehicles older than ten years or exceeding 220 000 km's do not qualify for this insurance.

Benefit Categories

The age of and distance covered by your vehicle at the time the policy becomes effective, will determine the category under which your cover commences. Once the age or odometer reading of your vehicle reaches the qualifying limit for the next category, the cover automatically converts to the cover applicable in the next category.

The categories, which the vehicle is subject to, as determined when the policy is sold, are as follows:

Category A: Vehicles less than 5 years old, with less than 120 000 km's

Category B: Vehicles less than 8 years old, with less than 160 000 km's

Category C: Vehicles less than 10 years old, with less than 200 000 km's

OPTION 1				
		A	B	C
1	Engine: All internal components	R 8 000	R 5 000	R 4 500
2	Gearbox: (Manual/Automatic) All internal components including torque converter (excluding flex plate and manual clutch components)	R 5 000	R 4 500	R 3 500
3	Differential: All internal components(excluding side shafts and wheel bearings)	R 5 000	R 4 500	R 3 500
4	Transaxle: All internal components	R 5 000	R 4 500	R 3 500
5	Turbo Blast Assembly: Original manufacturer fitted turbo charged only, includes impellers, shafts, bushes and casings (excluding intercoolers)	R 4 000	R 3 000	R 2 500
6	Management System: Computer control unit only	R 4 000	R 3 000	R 2 500
7	Electric Ignition: All solid-state control and triggered units where fitted as original components (excluding distributor assembly)	R 4 000	R 3 000	R 2 500
8	Propshaft: All internal components (excluding the tube and balancing)	R 3 000	R 2 500	R 2 000
9	Electrical Components: Alternator, starter motor, windscreen wiper motor, electrical window motors and central locking solenoids (excluding serviceable item - brushes and bushes)	R 3 000	R 2 500	R 2 000
10	Braking System: Master brake cylinders, wheel cylinders, callipers and servo units (excluding friction surfaces and handbrake mechanism)	R 3 000	R 2 500	R 2 000
11	Steering: Power steering pump, all internal parts of steering box/rack and pinion (excluding rubber dust cover)	R 3 000	R 2 500	R 2 000
12	Fuel System: Fuel pump, air flow meter, fuel accumulator, fuel distributor, and warm-up regulator (excluding fuel injectors, throttle bodies and carburettor assemblies)	R 3 000	R 2 500	R 2 000
13	Cooling System: Radiator, water pump, welsh plugs, thermo switch, thermostat and engine cooling fan assembly (excluding pipes, hoses and heater radiator)	R 2 500	R 2 000	R 1 500
14	Air-Conditioner: Compressor (excluding re-gassing)	R 2 500	R 2 000	R 1 500
15	Drive Shafts: All components including CV joints (excluding rubber dust covers)	R 2 500	R 2 000	R 1 500
16	Towing: (Where failure is covered by this policy)	R 750	R 750	R 750

OPTION 2				
		A	B	C
1	Engine: All internal components	R 15 000	R 10 000	R 8 000
2	Gearbox: (Manual/Automatic) All internal components including torque converter (excluding flex plate and manual clutch components)	R 10 000	R 8 000	R 6 000
3	Differential: All internal components (excluding side shafts and wheel bearings)	R 10 000	R 8 000	R 6 000
4	Transaxle: All internal components	R 10 000	R 8 000	R 6 000
5	Turbo Blast Assembly: Original manufacturer fitted turbo charged only, includes impellers, shafts, bushes and casings (excluding intercoolers)	R 5 000	R 4 000	R 3 000
6	Management System: Computer control unit only	R 5 000	R 4 000	R 3 000
7	Electric Ignition: All solid-state control and triggered units where fitted as original components (excluding distributor assembly)	R 5 000	R 4 000	R 3 000
8	Propshaft: All internal components (excluding the tube and balancing)	R 4 000	R 3 500	R 2 500
9	Electrical Components: Alternator, starter motor, windscreen wiper motor, electrical window motors and central locking solenoids (excluding serviceable item - brushes and bushes)	R 4 000	R 3 500	R 2 500
10	Braking System: Master brake cylinders, wheel cylinders, callipers and servo units (excluding friction surfaces and handbrake mechanism)	R 4 000	R 3 500	R 2 500
11	Steering: Power steering pump, all internal parts of steering box/rack and pinion (excluding rubber dust cover)	R 4 000	R 3 500	R 2 500
12	Fuel System: Fuel pump, air flow meter, fuel accumulator, fuel distributor, and warm-up regulator (excluding fuel injectors, throttle bodies and carburettor assemblies)	R 4 000	R 3 500	R 2 500
13	Cooling System: Radiator, water pump, welsh plugs, thermo switch, thermostat and engine cooling fan assembly (excluding pipes, hoses and heater radiator)	R 3 000	R 2 500	R 2 000
14	Air-Conditioner: Compressor (excluding re-gassing)	R 3 000	R 2 500	R 2 000
15	Drive Shafts: All components including CV joints (excluding rubber dust covers)	R 3 000	R 2 500	R 2 000
16	Towing: (Where failure is covered by this policy)	R 1 000	R 1 000	R 1 000

Important note:

Where failure is attributable to fair wear and tear or is the result of overheating or cambelt failure, the benefit in terms of the policy will be limited to 50% of the cost of repairs or 50% of the benefit, whichever is the lesser amount. Any number of failures or repairs that occur at the same time will be treated as one claim. In this instance the liability will not exceed the amount of the major component benefit.

Notwithstanding anything to the contrary contained herein, all claims (in the sole opinion of the administrator) due to the reduction in operating performance commensurate with the age or mileage covered by the insured vehicle, will be limited to a maximum liability of 50% of the stated benefit, on the quoted total whichever is the lesser amount.

Where the repair requires new or exchange units which in the opinion of the administrator, are in excess of what is necessary to make good the repair then the difference in cost will be met by the insured, if in doubt, the insured should consult the administrator.

Items Not Covered

The policy does not accept liability for the cost of repairs or replacement:

1. Undertaken without the prior authorisation of the administrator;
2. Should the odometer not be working, or in the opinion of the administrator, have been tampered

- with, altered, disconnected or replaced without the approval of the administrator;
3. Resulting from oil leaks or for oil leaks themselves;
 4. To drive shafts or steering racks as a result of damaged dust covers;
 5. Caused by fuels or incorrect lubricants, negligence, an accident, use of the vehicle for purposes other than those for which it was designed including any form of competition, improper servicing or malicious damage;
 6. Where the vehicle has not been serviced in accordance with the manufacturer's specifications as stated in the Vehicle Owner's Handbook or as in the case of a diesel powered vehicle as stated in this policy document, or where the vehicle has been serviced improperly with the knowledge and consent of the owner.
 7. To vehicles which are in any way altered from the manufacturer's specifications, where such modifications are not carried out by a recognised supplier or where it may affect the vehicle's performance;
 8. Arising out of any consequential loss of whatsoever nature, including failure of or damage to any component or part caused by the failure of a non-covered part;
 9. In respect of any part not included in the list of components covered as stated in the schedule of benefits;
 10. Of parts of the vehicle that are covered by the manufacturer's warranty at the time of failure, or the breakdown of the vehicle still covered by its manufacturer's warranty;
 11. Of all electrical wiring;
 12. Of all service items and items that require changing at specific or regular intervals, e.g. oil, grease, filters, hydraulic fluid, additives and anti-freeze, spark plugs, points, condenser, vee and cambelts, consumables and the like;
 13. Resulting from the failure of hoses and pipes;
 14. Of burnt exhaust valves; and
 15. Where any premiums are outstanding or unpaid;
 16. Hoses and auxiliary belts.

Betterment (Wear and Tear)

- It is not the intention, implied or otherwise, of this policy to make new vehicles from old.
- **Normal wear and tear** - deterioration, not resulting in actual failure, arising for example, through usage or age of the vehicle is therefore not covered by this policy.
 - **Fair wear and tear** - deterioration, resulting in actual failure, arising for example, through usage or age of the vehicle is therefore covered by this policy.
 - Notwithstanding anything to the contrary contained herein, all claims (in the sole opinion of the administrator) due to the reduction in operating performance commensurate with the age or mileage covered by the insured vehicle, will be limited to a maximum liability of 50% of the stated benefit.

Where the repair requires new or exchange units which in the opinion of the administrator, are in excess of what is necessary to make good the repair then the difference in cost will be met by the insured, if in doubt, the insured should consult the administrator.

Cancellations

The underwriter may cancel or amend this policy by giving the insured 30 days notice in writing addressed to the last known address.

Transfer of Cover

Should you sell your vehicle, the new owner may apply for the continuation of the cover under this policy. The new owner should contact the administrator and request a transfer of cover, at the same time providing the necessary details together with up-to-date banking details to facilitate premium collection.

Jurisdiction, Currency and Disputes

This policy will be governed by the laws of the Republic of South Africa, whose courts will have the jurisdiction in any dispute arising hereunder. All payments will be made in the currency of South Africa.

The policy is only valid within the territorial limits of the Republic of South Africa.

DISCLOSURES IN TERMS OF THE SHORT-TERM INSURANCE ACT AND THE FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT (Hereinafter referred to as “THE FAIS ACT”)

(This notice does not form part of the Insurance Contract)

AUTO & GENERAL MONTHLY MECHANICAL BREAKDOWN INSURANCE.

As a short-term insurance policyholder or prospective policyholder, you have the right to the following information:

1. CLAIMS

Please note that the procedure for instituting claims is included in your policy documentation.

2. COMPLAINTS

Any complaints relating to this policy will be handled by the Administrator, whose complaints department can be contacted on the telephone number for client services as provided in the policy document. Please note that the Administrator’s complaints policy and procedure is available on the Administrator’s website or from the Administrator by contacting the numbers listed below.

3. THE INSURER (PRODUCT SUPPLIER)

Auto & General Insurance Company Limited

Insurance Towers, 1 Queens Rd, Richmond, 2092
PO Box 11250, Johannesburg, 2000
Tel: (011) 489 4000
Fax: (011) 489 4425

If you have any complaint including complaints in respect of the intermediary relating to non-disclosure or inadequate disclosure of the information to which you are entitled, please contact the Compliance Officer whose details are as follows:

The Compliance Officer
PO Box 11250, Johannesburg, 2000
Tel: (011) 710 0429
Fax: (011) 489 4169

4. THE ADMINISTRATOR

Innovation Group (Pty) Ltd

Reg. No. 1997/005662/07

Building Two, Fourways Office Park, Cnr Roos & Fourways Boulevard
Private Bag X99, Bryanston, 2021, Fourways, 2055,
Tel: 0860 21 0007
Fax: 0860 41 0007
www.za.innovation-group.com

Compliance Department:

E-mail: compliance@za.innovation-group.com
Tel: 0861378257

The Administrator is an authorised Financial Services Provider in terms of the FAIS Act and may render intermediary services and provide advice relating to short-term insurance products. The Administrator has contractual relationships with different insurers and holds professional indemnity insurance.

The Innovation Group (Pty) Ltd, holds professional indemnity insurance.

5. THE TELEMARKETER

If the policy was sold to you by the Administrator's telemarketer, the same details as those of the Administrator are applicable. Recordings of the telephone discussion with the telemarketer can be made available to you upon request.

6. WARNING

Do not sign any blank or partially completed application forms and complete all forms in ink. If, however, any form is to be completed on your behalf by the Financial Service Provider, you must be satisfied with the accuracy and completeness thereof. Non-payment of your premium or any misrepresentations, incorrect information provided by you, or non-disclosure of any relevant facts, may influence the benefits you would have received in terms of this policy or could result in rendering this policy void.

7. THE SHORT-TERM INSURANCE OMBUDSMAN

The ombudsman is available to advise you in the event of claim problems which are not satisfactorily resolved by the insurance intermediary, the administrator and/or the insurer.
 PO Box 32334, Braamfontein, 2017
 Tel: (011) 726 8900
 Fax: (011) 726 5501

8. THE FAIS OMBUDSMAN

The ombudsman is available to advise you in the event of complaints which relate to the FAIS Act and which have not been resolved to your satisfaction.
 PO Box 74571, Lynwood Ridge, 0040, Tel: (012) 470 9089

9. THE REGISTRAR OF SHORT-TERM INSURANCE

Financial Services Board
 PO Box 35655, Menlo Park, 0102, Tel: (012) 428 8000, Fax: (012) 347 0221

10. FEES AND COMMISSION PAYABLE

Option 1	Including VAT	
Underwriting	5%	R5,75
Seller Comm. (Telesure)	12.5%	R14,38
Admin Fee	12.5%	R14,38
PREMIUM		R116,25

Option 2	Including VAT	
Underwriting	5%	R11,40
Seller Comm. (Telesure)	12.5%	R28.51
Admin Fee	12.5%	R28.50
PREMIUM		R229.24

(All premiums and commissions include VAT at ruling rate).

The underwriter has the right to increase premium once a year by giving the insured 60 days written notice at the last known address.

The premium amount is payable in advance for the cover period. Please note that if you do not pay your premium, you will not enjoy the cover provided under this policy. The fees and commissions are paid by the insurer.