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Lite cover

1. Introduction

Your **Cars (Lite cover)** section explains the types of benefits that are available to you. You must read this section together with the general terms and conditions and your policy schedule.

2. Definitions that apply to your Cars (Lite cover) section

Where we refer to “you” in the **Cars (Lite cover)** section, it also means anyone who drives the *car* with your permission. The following definitions are used in the **Cars (Lite cover)** section of this policy.

<i>Car</i>	A passenger <i>car</i> , 4x4, SUV (sports utility vehicle), bakkie, mini-bus, light delivery vehicle, panel van and motorised caravan with a gross <i>vehicle</i> mass not exceeding 3 500kg. The specific <i>car</i> that we cover is set out in the policy schedule.
<i>Excess</i>	<p>The first amount you must pay towards a claim under this policy. Your <i>excess</i> amount will be the total of the following excesses as set out in the policy schedule:</p> <ul style="list-style-type: none"> – basic <i>excess</i> is the amount that you chose. – additional <i>excess</i> is an extra amount on top of your basic <i>excess</i>.
<i>Regular driver</i>	The person who drives, or is in control or possession of the <i>car</i> most of the time. The name of the <i>regular driver</i> is set out in the policy schedule.
<i>Off-road</i>	Off-road means that you use your <i>car</i> for four wheel driving, trail driving, sand dune driving or any other driving away from a public, prepared or graded private road.
<i>Cosmetic damage</i>	<p>Cosmetic damage means:</p> <ul style="list-style-type: none"> – Superficial damage that affects only the appearance of your <i>car</i>, for example scratches or dents to the body of your <i>car</i>. – Damage that does not affect the functional operation of your <i>car</i> or any part of it; this means the <i>car</i> and all its components are fully operational and in a drivable state. <p>Not repairing <i>cosmetic damage</i>, will not affect the:</p> <ul style="list-style-type: none"> – safety of the driver when driving the <i>car</i>; or – roadworthiness of the <i>car</i> as required by the applicable National Road Traffic Act.
<i>Functional damage</i>	<p>Functional damage includes:</p> <ul style="list-style-type: none"> – Damage that leaves your <i>car</i>, its parts or components with more than just <i>cosmetic damage</i>. – Damage that affects the functional operation of a part or component, and that must be repaired or replaced to ensure the successful operation of the part or component. This means your <i>car</i> is not fully operational and might not be in a drivable state. – Damage that affects the roadworthiness of your <i>car</i> as required by the applicable National Road Traffic Act. <p>For example:</p> <ul style="list-style-type: none"> – Damage to the undercarriage. – Damage affecting the operation of lights, airbags, doors, brakes, suspension parts or the engine.

<i>Latest policy schedule</i>	The <i>latest policy schedule</i> is the one we sent you on the later of the following dates: <ul style="list-style-type: none"> – the <i>cover start date</i>; – the <i>policy review date</i>; or – when you asked us to make a change to your policy.
<i>Credit agreement</i>	An enforceable <i>credit agreement</i> in terms of the National Credit Act 34 of 2005 entered into between you and the <i>credit provider</i> .
<i>Credit provider</i>	A registered financial institution whose interest in the <i>insured property</i> forms the subject of the <i>credit agreement</i> .
<i>Write-off or Written off</i>	Your <i>car</i> was so badly damaged that it would be uneconomical for us to repair. This means that the cost of repairs, plus the cost of any parts on the <i>car</i> that can be saved and re-used (salvage), is more than the <i>sum insured</i> . <i>Written off</i> has the same meaning.
<i>Theft</i>	Your <i>car</i> was stolen or hijacked.

3. Conditions for cover

- a. Your *car* must be registered in terms of current South African legislation.
- b. You, or any other person driving the *car* must be in possession of a valid South African driver's licence, or a valid driver's licence that complies with South African legislation. This includes a person with a valid learner's licence, but only while accompanied by a person with a valid driver's licence.
- c. Your *car* must be fully paid up and may not be financed in terms of a *credit agreement* with a *credit provider*. If your *car* is financed, we may cancel your cover from the *cover start date* and pay back all premiums, less the amount of any claims we may have paid.
- d. We will only cover your *car* within the borders of South Africa, unless you are travelling as set out below.
- e. We will cover your *car* for a total of 90 days per year while you are travelling in the following countries: Angola, Botswana, Kenya, Lesotho, Malawi, Mozambique, Namibia, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.
- f. If your *car* is damaged outside the borders of South Africa, you must bring the *car* back to South Africa at your own cost before we will consider the claim.
- g. We may ask you to have your *car* inspected at the *cover start date*, or after a claim. We use this inspection report to assess whether we can continue to cover your *car*. Read more about this under the heading **Cover after a claim**.
 - We may decide not to continue covering your *car*, depending on the inspection report. We will not continue to cover your *car* for longer than the time we gave you to have your *car* inspected.
 - If we do not receive the inspection report within the time we gave you, your cover will automatically end.
 - If we cancel your cover under the **Cars (Lite cover)** section, we will only pay back the premium we received for the time that we did not cover your *car*.

4. You must tell us what you use your *car* for

You must tell us what you mainly use your *car* for, as set out below. We will set this out on the policy schedule.

- a. **Personal use:** You use your *car* for private, domestic and pleasure purposes. This includes travelling to and from your place of work, but excludes business use as explained below.
- b. **Business use:** You use your *car* for personal use as explained above, and on a regular basis for professional or business travelling.

5. You must tell us how to calculate the value of your car

You must tell us how to calculate the value of your car for **Theft cover** and **Write-off cover**. This amount is shown as the *sum insured* on your policy schedule. You will only be covered for **Write-off cover** if you chose the **Optional benefit: Write-off cover**.

5.1 The sum insured

- a. You could choose from the following two calculation methods as set out in the policy schedule:
 - **Retail value:** This is the value from the Auto Dealer's Guide published by TransUnion Auto Information Solutions (Pty) Limited, or any similar publication approved by us. It is the price most dealers would be prepared to sell your car for, based on the mileage and condition of the car.
 - **Specified value:** If no retail value can be determined, you may insure your car for a specified value. If we agreed, the specified value and any other information and proof we may need, are set out in the policy schedule.
- b. We calculate the *sum insured* on the *cover start date* and thereafter on every *policy review date*, by using your chosen method of calculation.
- c. This means that your *sum insured* will be the same (static) until the next *policy review date*, and you will always know exactly how much we will pay for **Theft cover** or **Write-off cover**.
- d. We will always pay the amount that is shown as the *sum insured* on the *latest policy schedule*, after deducting the *excess* and any other costs you are responsible for.

6. Main cover

6.1 Functional damage cover

- a. We will cover your car for the cost of repairing *functional damage* caused directly by the *insured events* listed below:
 - Accident damage. Damage when your car is involved in a collision or any other accidental damage.
 - Weather, including storm, wind, snow, hail, rain, or flood.
 - Attempted theft or attempted hijacking.
 - Fire, lightning and explosion.
 - Earthquake.
 - Malicious damage.
- b. We will only cover your car up to the *limit* set out in the policy schedule, after deducting the *excess* and any other costs you are responsible for.
 - The *limit* is the amount you chose at the *cover start date* or any later date.
 - You might not be covered for the full cost of the repairs.
 - You must arrange for the repairs to the car yourself.
- c. Please read the following headings under **Specific conditions when you claim** to understand how we determine the cost of replacement parts and repairs:
 - **How we determine the cost of replacement parts**
 - **How we determine the cost of repairs**
 - **How much we will pay**
- d. You are not covered for the cost to repair *cosmetic damage* unless you chose the **Optional benefit: Cosmetic damage cover**.

- e. We will only pay for the replacement of the fitted windows of your *car* if there is *functional damage* to another part of your *car*, because of the same *insured event* that damaged the fitted windows.
 - Fitted windows include the windscreen, rear window and side windows.
 - If only the fitted windows are damaged, you will only be covered if you chose the **Optional benefit: Windscreen and glass cover**.

6.2 Theft cover

- a. We will cover your *car* for loss caused by the *theft* of your *car*, for the amount shown as the *sum insured* on your *latest policy schedule*.
- b. If your *car* is found after it was stolen or hijacked, we will pay as follows:
 - If your *car* is damaged, we will not repair your *car*, but we will pay for the cost of the repairs of **all** the damage to your *car* up to the *sum insured*.
 - If your *car* is *written off*, we will pay the *sum insured* shown on your *latest policy schedule*, regardless of whether you chose the **Optional benefit: Write-off cover**.
- c. We will pay for the cost of stolen accessories, but only if those accessories are factory-fitted and included in the retail value of your *car*.
 - If the theft of those accessories also caused damage to your *car*, we will not repair your *car*, but we will pay for the cost of the repairs of that damage up to the *sum insured*.
 - An accessory is an addition to your *car* that can only be removed by using a tool.
- d. We will always deduct the *excess* and any other costs you are responsible for from the amount we pay.
- e. Your cover for the *car* ends if it is stolen or hijacked and not recovered, and we accept a claim under **Theft cover**.

6.3 Third party liability

A third party is another person whose property is damaged because of an accident that involved your *car*, for example the owner of another *car* or the owner of property.

You can be held legally responsible if this other person's property is damaged. This is called legal liability. We will cover the following types of liability, including reasonable legal costs and expenses that we agreed to in writing, up to the *limit* set out in the policy schedule.

a. Legal liability for damage

We will cover you for your legal liability to third parties if your *car* is involved in an *insured event* that causes damage to the property of any person.

We will also cover your legal liability to local authorities for damage because of an accident.

b. Other people driving your *car*

If someone else drives your *car*, that person will also be covered for legal liability as described above. You must have given the person permission to drive your *car*.

c. Driving a *car* that does not belong to you

If you drive a *car* that does not belong to you, you are also covered for legal liability as described above, but only if:

- you are the driver at the time of the incident;
- the *car* is a private *car* or light delivery vehicle;
- the *car* is not leased to you and you are not in the process of buying the *car* from a motor dealer;

- the car is not rented;
- the *insured event* happened in the borders of South Africa; and
- the car is not insured for third party liability elsewhere.

For example, you are covered for legal liability to third parties if you borrow a friend's car that is not insured, and you are in an accident that causes damage to another car.

You are only covered for legal liability, and not for loss of or damage to the car you were driving, or for any property carried by that car.

d. When there is no legal liability

There is no legal liability cover in the following instances:

- Accidental death of or bodily injury to any other person. In South Africa, this is covered by the Road Accident Fund Act (RAF) and by law you can only claim from the RAF.
- Damage to property:
 - belonging to you, or a member of your household or any person in your employ;
 - in the care, custody or control of you or any other person covered by this policy;
 - being carried in or on a caravan or a trailer towed by your *car*.
- Loss or damage to a caravan, trailer or another vehicle that does not belong to you while it is towed by your *car*.
- Legal costs to defend criminal acts or fines for breaches of the National Road Traffic Act.
- When you travel outside South Africa.

7. Additional benefits

We will automatically cover you for the following additional benefit.

7.1 Transport, towing and storage

- Pre-approved transport, towing and storage
 - If you call us, we will arrange for your *car* to be towed to a place of our choice so that we can assess the damage.
- Unapproved transport, towing and storage
 - If you do not call us before the *car* is towed, we will not pay for the cost of towing and storage.
- After-claim towing

After we assessed the damage to your *car* and if your *car* is not drivable, we will tow your *car* on the following conditions:

- You must tell us where to tow your *car* to within seven days after we gave you our decision on your claim. If we have to keep your *car* for longer than seven days, any extra costs will be for your account.
- We will tow your *car* to where you tell us to tow it, up to the maximum distance set out in the policy schedule.
- If the place that you want your *car* to be towed to is farther than the maximum distance set out in the policy schedule, the extra cost will be for your account.
- The place that your *car* is towed to must be within the borders of South Africa.

- **Accepted claims:** If you did not ask us to arrange for the first towing of your *car*, you must pay all costs to the service provider before we can tow your *car* after we assessed the damage to your *car*. If you ask us to pay the service provider directly we will pay the service provider and deduct the cost from the amount we pay to you.
- **Rejected claims:** We will only tow your *car* after we assessed the damage to your *car* if you asked us to arrange for the first towing of your *car*. If you did not ask us to arrange for the first towing of your *car*, you must pay all costs to the service provider and we will not tow your *car* after we assessed the damage.

8. Optional benefits

These are not automatic benefits. You must choose to be covered for these benefits and pay the extra premium.

- If you choose to be covered for an optional benefit, we will show your choice on the policy schedule.
- If you chose the **En route** optional benefit, the explanation of your cover is included in the **Personal accident** cover section of your policy.
- If you chose the **Tyre cover** optional benefit, the explanation of your cover is included towards the end of the **Cars** section of your policy.

8.1 Cosmetic damage cover

- a. We will cover your *car* for the cost of repairing *cosmetic damage* caused directly by the *insured events* listed below:
 - Accident damage. Damage when your *car* is involved in a collision or any other accidental damage.
 - Weather, including storm, wind, snow, hail, rain, or flood.
 - Attempted *theft* or attempted hijacking.
 - Fire, lightning and explosion.
 - Earthquake.
 - Malicious damage.
- b. You must have your *car* inspected by our service provider within the waiting period set out in the policy schedule, to assess whether we can cover it for *cosmetic damage*.
- c. We may decide not to cover your *car* for *cosmetic damage* depending on the inspection report. If we cancel cover, we will tell you and pay back all premiums we received for *cosmetic damage* cover, for the time that we did not cover your *car* for *cosmetic damage*.
- d. We will only cover your *car* up to the *limit* set out in the policy schedule, after deducting the *excess* and any other costs you are responsible for.
 - You might not be covered for the full cost of the repairs.
 - You must arrange for the repairs to the *car* yourself.
- e. You are not covered for the cost to repair damage to the windscreen, rear window or side windows, unless you chose the **Optional benefit: Windscreen and glass cover**.
- f. Please read the following headings in the **Specific conditions when you claim** section to understand how we determine the cost of replacement parts and repairs.
 - **How we determine the cost of replacement parts**
 - **How we determine the cost of repairs**
 - **How much we will pay**
- g. You may not claim for an event that happens during the waiting period set out in the policy schedule.

8.2 Write-off cover

- a. If your *car* is *written off* because of any of the *insured events* listed below, we will cover your *car* for the full amount shown as the *sum insured* on your *latest policy schedule*.
 - Accident damage. Damage when your *car* is involved in a collision or any other accidental damage.
 - Weather, including storm, wind, snow, hail, rain, or flood.
 - Fire, lightning and explosion.
 - Earthquake.
 - Malicious damage.
- b. Your cover for the *car* ends if your *car* is *written off*.
- c. If the *car* is not *written off*, we will only pay the cost to repair the *functional damage* or *cosmetic damage* as explained under the headings **Main benefit: Functional damage cover** and **Optional benefit: Cosmetic damage cover**.

8.3 Windscreen and glass cover

This benefit applies to an *insured event* that causes damage to fitted windows, without also causing *functional damage* to any other part of the *car*.

- a. We will pay for the repair or replacement of fitted windows (windscreen, rear window and side windows) of your *car* that are damaged because of the following *insured events*:
 - Accidental damage. For example when a stone hits the windscreen.
 - Weather, including storm, wind, snow, hail, rain, or flood.
 - Attempted *theft* or attempted hijacking.
 - Malicious damage.
- b. You must call us before repairing or replacing the fitted windows, and you must use one of our service providers. If you do not, we will not pay for the cost of repair or replacement.
- c. You must have your *car* inspected by our service provider within the waiting period set out in the policy schedule, to assess whether we can cover the windscreen and glass.
- d. We may decide not to cover your *car's* windscreen and glass depending on the inspection report. If we cancel cover, we will tell you and pay back all premiums we received for windscreen and glass cover, for the time that we did not cover your *car's* windscreen and glass.
- e. You may not claim for an event that happens during the waiting period set out in the policy schedule.

8.4 Alternative transport allowance

If we accept a claim under this policy, we will also pay you an alternative transport allowance to help you with transport while you are without a *car*. The alternative transport allowance amount is set out in the policy schedule.

- a. If your *car* is stolen or cannot be driven because of the damage:
 - We will pay you a portion of the amount as set out in the policy schedule as soon as you call us about your claim.
 - Once we accept a claim, we will pay you the balance of the amount.
- b. If your *car* can be driven, we will pay you the full amount only once we accept a claim for the cost to repair your *car*.
- c. If we reject a claim for any reason, we will not pay you the alternative transport allowance. You will have to pay back any amount that we may have already paid to you.
- d. The alternative transport allowance does not apply to claims for **Cosmetic damage cover** and **Windscreen and glass cover**.

9. We will offer to buy your car

We will always offer to buy your damaged car when we accept a claim, unless:

- The claim is under the **Optional benefit: Write-off cover** or **Optional benefit: Windscreen and glass cover**; or
- The owner of the car is not a South African citizen.

9.1 The amount of our offer

- a. Our offer will be based on what we believe your car is worth and will be a reasonable offer. We will not negotiate on the amount that we offer.
- b. We will offer you a minimum of the guaranteed buy-back amount set out in the *latest policy schedule*, regardless of the extent of the damage to your car. We may change this amount at the *policy review date*.
- c. We may deduct any unforeseen costs from the amount we offered, for example fees to release the car from storage.
- d. You must tell us within seven days from the date of our offer, whether you want to accept our offer or not.
- e. If the car is not in the same condition as when it was assessed or inspected, we may change the amount of the offer.

9.2 If you accept our offer

- a. If you accept our offer the car will become our property and we will sell it to someone else.
- b. We will pay you after:
 - we have possession of the car;
 - we have received all the documents we asked for, such as the registration papers;
 - you have sent us proof of payment of any outstanding licence fees; and
 - we have checked and confirmed all the information we need.

9.3 If you do not accept our offer

- a. If the car is in our possession, you must tell us where to tow your car to within seven days of the date of our offer.
- b. We will arrange to tow it as explained under the heading **After-claim towing** of the **Additional benefit: Transport, towing and storage**.

10. Cover after a claim

There are certain conditions to your cover after a claim, for example, your cover may be cancelled, or it may continue.

10.1 If cover is cancelled

- a. We may decide not to continue cover for your car based on the report from our claims assessor. We may then cancel your cover and we will tell you.
- b. You may decide that you do not want cover to continue after a claim. You must tell us and we will then cancel your cover with effect from the date that you tell us.

10.2 If cover continues

- a. If we decide to continue cover for your *car*, we will tell you on which terms we will continue cover.
 - **Accepted claims:** You must have your *car* repaired and then inspected by our service provider within 90 days from the date of our payment.
 - **Rejected claims:** You must have your *car* inspected by our service provider within 30 days of our claims decision, whether you have decided to repair it or not.
 - We will not cover any damage that happened because of poor repair work, or damage that was not repaired.
 - We may also reduce the *sum insured* or exclude certain parts or *insured events* from cover.
- b. We may decide not to continue cover because of any of the following reasons. We may then cancel your cover and we will tell you.
 - **Accepted claims:** If you did not have your *car* repaired and inspected with our service provider within three months from the date of our payment.
 - **Rejected claims:** If you did not have your *car* inspected with our service provider within 30 days of our claims decision.
 - If the quality of the repairs or the state of your *car* does not meet generally accepted safety and roadworthy standards in our opinion.

11. Specific exclusions – what we do not cover

Specific exclusions are in addition to the exclusions set out in the **General exclusions** section. We will not pay a claim for any of the benefits set out in the **Cars (Lite cover)** section of this policy that was caused by, or related to any of the following specific exclusions.

- a. While your *car* is in the custody and control of the motor trade for any purpose other than the overhaul, upkeep or repair of the *car*. For example, if your *car* is parked at the dealer while the dealer is trying to sell it for you.
- b. Using your *car* for *off-road* driving or 4x4 track driving.
- c. Exposing your *car* to situations that clearly have a high risk of loss or damage, for example crossing a flooded road or making a U-turn on a highway.
- d. Using your *car* to give driving lessons for which you or the driver of the *car* receive payment.
- e. Using your *car* for commercial travelling or as a tool of trade, for example:
 - using your *car* as a courier or delivery *car*;
 - renting out your *car* for use by others;
 - using your *car* to carry passengers for reward, such as a taxi or limousine (excluding lift clubs);
 - using your *car* to carry out your trade, such as plumbers, electricians, builders, garden services, farmers, etc.
- f. Using your *car* to carry dangerous, hazardous, flammable goods or substances that pollute or contaminate, in quantities greater than that used for domestic purposes. Examples are nitro glycerine or dynamite, chemicals or compressed gas, gas in liquid form, hazardous waste or liquid petroleum.
- g. During any motor sport, racing, rally, time trial or while being tested in preparation for any motor sporting activity, or while being driven on a motor sporting circuit or track of any kind.
- h. Using your *car* in connection with any experiments, tests, trials, performance or any other *car* demonstration purpose.
- i. Using your *car* to carry or tow a load that is greater than what the *car* was designed or licensed for.
- j. Using your *car* outside of South Africa in a listed country for longer periods than those set out under the heading **Conditions for cover**.

- k. While the *car* is driven or towed by you, or any other person that you gave your permission to, where:
- the driver does not have a valid driver's licence;
 - the driver is under the influence of alcohol or drugs;
 - the alcohol content in the driver's blood or breath exceeds the legal *limit*; or
 - the driver refuses to submit to any test to determine the level of alcohol or drugs in his blood, when requested to do so by the authorities. Any test includes a blood test and breathalyser test.

We will assume that you gave your permission if:

- the driver has used your *car* on previous occasions; and
- the driver has access to your *car's* keys.

- l. Certain parts of the *car* are not covered:
- damage to the engine or suspension unless caused by an *insured event*; or
 - damage to tyres and wheels caused by road punctures, cuts and bursts, or by applying brakes unless caused as a direct consequence of an *insured event*.
- m. We do not cover any accessories to your *car* that are not factory-fitted and included in the retail value of the *car*. This is the value from the Auto Dealer's Guide published by TransUnion Auto Information Solutions (Pty) Limited, or any similar publication approved by us. An accessory is an addition to your *car* that can only be removed by using a tool.
- n. Theft of sound equipment from inside the *car* unless there has been forcible and violent entry into the *car*.
- o. Any resultant loss or damage that was caused because you continued to drive your *car* after an *insured event*.
- p. The cost to repair any pre-existing or old damage, faulty workmanship or incomplete repairs that were in existence prior to the *insured event*.
- q. If your *car* does not meet the roadworthy requirements of the applicable National Road Traffic Act.
- r. Where the driver of the *car* leaves the scene of the accident unreasonably.

12. Your specific responsibilities

In addition to your responsibilities set out in the **Your responsibilities** section, you have extra responsibilities that specifically apply to your **Cars (Lite cover)** section.

- a. Tell us if your *car* was modified from the manufacturer's specifications, for example:
- changes to engine capacity;
 - enhancing the *car's* performance; or
 - changes to the suspension.
- b. Tell us if any fact that is material to the risk of the *car* changes within 14 days from the date that it has changed, for example:
- the use of the *car*;
 - the *regular driver* of the *car*; or
 - the address where you usually park the *car*.
- c. Keep your *car* roadworthy
- You must maintain your *car* according to the roadworthy requirements of the applicable National Road Traffic Act.
- d. Take out separate third party liability insurance cover when you travel outside South Africa
- There is no third party liability cover when you travel outside South Africa. There is only cover for damage to the *car* itself.

13. Specific conditions when you claim

The conditions set out in the section **Claiming under this policy** do not apply to the benefits payable under your **Cars (Lite cover)** section.

13.1 How to claim

- a. **Report *theft* of your car to the police within 24 hours.**
- b. **You must tell us of the claim within 30 days** from the date of the *insured event*. We will tell you what evidence and other documents we need to process the claim.
- c. **You must tell us immediately** after you become aware of any action or possible action against you, for example if you receive a summons from the court.
 - Please read the section called **Third party claims** that you will find at the end of the **General terms and conditions section**, for a full explanation of how the third party liability claims process works and what your responsibilities are.
- d. **You must send us the evidence and other documents we ask for within the time that we will give you.** We typically need the following, but we may need more information depending on the *insured event*:
 - A sketch and description of the incident.
 - Photographs taken of the scene (if any were taken).
 - The driver's details and identity number. If the driver does not have a South African driver's licence, we will need a copy of his valid international or SADC driver's licence.
 - The details of witnesses and any other persons that were involved in the incident (if applicable).
 - The police reference number (accident report or case number).
 - A copy of the statement made to the police.
 - The details of any other insurance policy that covers the same *car*.
 - A copy of the *car's* registration document as proof of ownership.
- e. **You must never do any of the following:**
 - Admit guilt, fault, liability, or incur any legal costs without first getting our permission.
 - Offer or negotiate to pay a claim.
 - Accept any offer from another person for any damage that you want to claim for under this policy. If you do, you will not have any claim under this policy.
- f. **If the steps above are not followed**, or you do not send us the information we ask for within the time we gave you, we will reject your claim.
- g. **If you choose not to continue with the claim** after you have told us, you may still claim under this policy, but only within the time that we will give you. After this time we will no longer consider the claim and you would have lost all your rights to claim for that incident.

13.2 If a person you know used your car without your permission

- a. If a person you know used your *car* without your permission you must lay a criminal charge against that person within 24 hours, if you want to claim for:
 - the *theft* of your *car*; or
 - damage to the *car* while it was used without your permission.
- b. You will lose your right to claim under this policy if you withdraw the criminal charge.
- c. If we agree to pay a claim we may recover all claim costs from the person who used your *car* without your permission.

13.3 When we will pay

We will pay as soon as we have received all documents, and we have assessed the claim as valid.

13.4 Who we will pay

- a. If we repair or replace your windscreen or fitted windows, we will pay the service provider directly.
- b. If you did not ask us to arrange for towing and storage, and you ask us to pay the service provider, we will pay the service provider directly.
- c. We will pay all other amounts directly to you.

13.5 What you must pay

a. The excess

You may have to pay an *excess*. This is the first amount that you must pay towards a claim under this policy, but we will always deduct the *excess* from the amount we pay.

- Your *excess* amount will be the total of your basic *excess* and additional *excess*, as set out in the policy schedule:
 - The basic *excess* is the amount that always apply.
 - An additional *excess* is an extra amount on top of your basic *excess*. If an additional *excess* applies to you, we will show it in your policy schedule.

For example: You will have to pay an additional *excess* if your car is stolen and not fitted with an immobiliser or a tracking device.

- If more than one additional *excess* applies to your claim, we will only add the highest *excess* amount to the basic *excess*.

For example: Your basic *excess* is R1 000. Two additional *excess* amounts of R2 000 and R4 000 also apply to you. If you claim, you will only have to pay a total *excess* of R5 000 (R1 000 plus R4 000) and not R7 000 (R1 000 + R2 000 + R4 000).

b. The uninsured amount

- Certain benefits under the **Cars (Lite cover)** section might not cover you for the full cost of the damage and you will have to pay for the difference yourself. The uninsured amount is the difference between the total amount of the damage and the amount that you are covered for under the **Functional damage cover** and the **Cosmetic damage cover** (if you chose this Optional benefit).

c. Other costs you are responsible for

- If you did not ask us to arrange for towing and storage, you must pay all costs to the service provider directly. If you ask us to pay the service provider directly we will pay the service provider and deduct the cost from the amount we pay.
- You must tell us where to tow your *car* to within seven days after we gave you our decision on your claim. If we have to keep your *car* for longer than seven days, any extra costs will be for your account.
- You must pay for the cost to have your *car* inspected if we ask you to.

13.6 How we determine the cost of repairs

- a. We will calculate the cost of repairs based on the report from our claims assessor.
- b. The cost of repairing *functional damage* will not include the cost to repair any *cosmetic damage*.

For example:

- If the door needs to be replaced, we will only pay for the cost to replace the door, but not for the cost to paint the door.
- We will not pay for the cost of the manufacturer's emblem, badge or description of the *car's* model.
- We will not pay for the cost of ornamental or decorative lettering or strips.

- c. You are only covered for the repairs of *cosmetic damage* if you chose the **Optional benefit: Cosmetic damage cover**.

13.7 How we determine the cost of replacement parts

- a. If the *functional damage* to your *car* requires the replacement of parts, we may choose which of the following kinds of parts we will cover. We will pay for the cost of:
 - new parts;
 - approved alternative parts; or
 - parts which are consistent with the age or condition of your *car*.
- b. The kinds of parts that we choose to base our cost on will not be influenced by any requirements that the manufacturer of your *car* may have under the terms of a warranty, service or motor plan.
- c. If we replace windows, we may base our cost on glass that was not produced by the original manufacturer. The glass will meet the South African Bureau of Standards (SABS) safety and quality standards.
- d. If any damaged part forms part of a set (for example side mirrors), we will only pay for the replacement of the actual part that is damaged.
- e. If any part is no longer available from the manufacturer, or is not available in South Africa, we will only pay the cost of:
 - a similar part or accessory that is available; or
 - the last listed price of the part or accessory that is no longer available.

13.8 How much we will pay

We will always deduct the *excess* and any other costs you are responsible for from the amount we pay. How much we will pay depends on:

- whether you chose the **Optional benefit: Write-off cover** or **Optional benefit: Cosmetic damage cover**;
- the type of damage (*functional damage* or *cosmetic damage*); and
- whether or not you accept our offer to buy back your *car*.

a. Theft cover or Write-off cover

The maximum amount we will pay on any claim for *theft* or if your *car* is *written off* is the amount that is shown as the *sum insured* on your *latest policy schedule*, after deducting the *excess*.

For example: The *sum insured* of your *car* shown on your *latest policy schedule* is R120 000 and your *excess* is R3 000.

- If your *car* is stolen, we will pay you R117 000 (R120 000 less R3 000).
- If your *car* was *written off* (and you chose the **Optional benefit: Write-off cover**) we will pay the same amount and the wreck will become our property.

b. Repairs for functional damage (excluding cosmetic damage)

If your *car* is damaged because of any of the *insured events*, we will pay the cost of repairing the *functional damage* up to the maximum of the *limit* you chose, after deducting the *excess*.

For example: You chose a *functional damage limit* of R35 000 and your *excess* is R1 000.

- If the cost to repair the *functional damage* to your *car* is R25 000, we will pay R24 000 (R25 000 less R1 000).
- If the cost to repair the *functional damage* to your *car* is R40 000, we will pay R34 000 (R35 000 less R1 000).

c. Repairs for cosmetic damage

We will only pay for repairs of *cosmetic damage* if you chose the **Optional benefit: Cosmetic damage cover**.

If your *car* is damaged because of any of the *insured events*, we will pay the cost of repairing the *cosmetic damage* up to the maximum of the *limit*, after deducting the *excess*.

For example: You have a *cosmetic damage limit* of R15 000 and your *excess* is R1 000.

- If the cost to repair the *cosmetic damage* to your *car* is R10 000, we will pay R9 000 (R10 000 less R1 000).
- If the cost to repair the *cosmetic damage* to your *car* is R18 000, we will pay R14 000 (R15 000 less R1 000).

d. You accept our offer to buy your car

If you accept our offer to buy your damaged *car* after a claim for *functional damage* or *cosmetic damage*, we will pay you:

- the amount we accepted under the *functional damage* or *cosmetic damage* claim;
- plus the amount that we offered to pay for your *car*.

For example: We agree to pay a claim for *functional damage* of R24 000 (after we deducted the *excess*), and we offer to buy back your *car* for R80 000.

- We will pay R24 000 for the damage and R80 000 for the *car*. You will receive a total amount of R104 000.

13.9 What if you have other insurance

a. Theft cover and Write-off cover

If you have more than one policy in place that covers the same *car* for *theft* or *write-off*, the full amount of the claim will be split between the different policies.

- The cover you have under each policy will determine how we split the claim amount.
- You may not claim under your other policy for any amount that we have paid you under this policy.

b. Functional damage cover and Cosmetic damage cover

If you have more than one policy in place that covers the same *car* for damage that is also covered under this policy as *functional damage* or *cosmetic damage*, the following conditions apply:

- You may not claim under your other policy for any amount that we have paid you for under this policy.
- If you have already claimed under your other policy, you may not also claim under this policy for the same loss or damage.

13.10 Our responsibility ends after we have paid a claim

Once we have paid a claim, we have met our responsibilities to you in terms of this policy. We will not be responsible for any other costs relating to that claim.

13.11 We will not pay any interest

Any amount due by us will not attract any interest.

13.12 If you do not agree with our claims decision

a. Complain to Hollard

If we do not accept a claim or if you don't agree with the amount of the claim, you may ask us to review our decision within 90 days of the date that you received our notice.

b. Complain to the Ombudsman

You may also send your complaint to the Ombudsman for Short-term Insurance at any time. Please contact the Ombudsman on the contact details set out in the [Quick reference guide](#).

c. Take legal action

You may take legal action against us within 270 days of the date that you received our notice. To take legal action, summons must be served on us. If this is not done in time, you will lose your right to claim and we will no longer be responsible for that claim.

You may also choose to take legal action against us without first asking us to review our claim decision or contacting the Ombudsman for Short-term Insurance. If you take legal action against us before contacting the Ombudsman, you can only approach the Ombudsman for assistance after you have withdrawn the summons against us.

14. General conditions – applicable to Cars (Lite cover)

The condition **We will take over your rights** set out in the section **General conditions** does not apply to the **Cars (Lite cover)** section and is replaced with the following conditions:

14.1 The difference between the insured and uninsured amount

Certain benefits under the **Cars (Lite cover)** section might not cover you for the full cost of the damage and you will have to pay for the difference yourself. These are explained below as the insured amount and the uninsured amount.

a. Insured amount

- This is the amount that you are covered for under this policy up to the *limits* set out in the policy schedule for **Functional damage cover** and **Cosmetic damage cover** (if you chose this Optional benefit).
- This is also the amount of the *sum insured* set out in the policy schedule for **Theft cover** and **Write-off cover** (if you chose this Optional benefit). You are always covered for the full cost of the loss or damage if your *car* is stolen or is *written off*.

b. Uninsured amount

- This is the difference between the total amount of the damage and the amount that you are covered for under the **Functional damage cover** and the **Cosmetic damage cover** (if you chose this Optional benefit).
- This is also the amount of the *excess* you had to pay and any other costs you are responsible for.

14.2 Claiming from the responsible party

a. Who may claim from the responsible party

- In terms of South African law, only one party is allowed to claim from another party for loss or damage caused by the same event.
- The responsible party is the party that we consider responsible for causing the loss or damage.
- Once we paid you for a claim for the insured amount, your rights to claim against the responsible party are automatically given to us by law. This means that we may decide to claim from the responsible party to recover the insured amount that we have paid you.

- If we decide to claim from the responsible party, we will claim for the total amount of the damage (the insured amount plus the uninsured amount).
- This means that you transfer your rights to claim for the uninsured amount to us in terms of this policy (legal contract).

b. If we decide to claim for the total amount of the damage

- We will claim the total amount of the damage from the responsible party and we will cover all the legal costs.
- If you do not allow us to take this action, you may lose all benefits under this policy and you may need to pay back any payment or benefit you received from us.
- You must give us all information and assistance that we need to claim from the responsible party.
- You may not deal directly with another party in any way that might affect our chances of success in claiming from the responsible party.
- If we are successful, we will pay you back the amount of your *excess* and a portion of the uninsured amount that we were able to recover from the responsible party.

For example: Your *car* was damaged in an accident. The total amount of the damage is R100 000. Your total (functional plus cosmetic damage) cover limit is R40 000 and your *excess* is R1 000. We recovered R81 000 from the responsible party.

- The uninsured amount is R60 000 (R100 000 less your R40 000 total cover). The uninsured amount is therefore 60% of the total damage (R60 000/R100 000).
- We paid you R39 000, which is the insured amount after we deducted your *excess* of R1 000.
- From the R81 000 we recovered, we will first pay back your *excess* of R1 000, leaving a balance of R80 000.
- You are entitled to 60% of the balance of R80 000 which is R48 000.
- This means we will pay you R49 000 in total (R1 000 plus R48 000) from the recovered amount.

c. If we decide not to claim for the total amount of the damage

- We may also decide not to claim from the responsible party for any of the following reasons:
 - The amount of the full damage or loss (the insured amount and the uninsured amount) is less than the legal costs would be if we claimed from the responsible party.
 - We do not have reasonable prospects of success in our opinion.
- If we decide not to proceed you may take back your rights to claim against the responsible party for the uninsured amount of the loss or damage.
 - You may not claim for the insured amount that we have already paid to you.
 - If you claim for the uninsured amount and you are held legally responsible, we will not pay the amount that you are held liable for, legal costs or expenses.