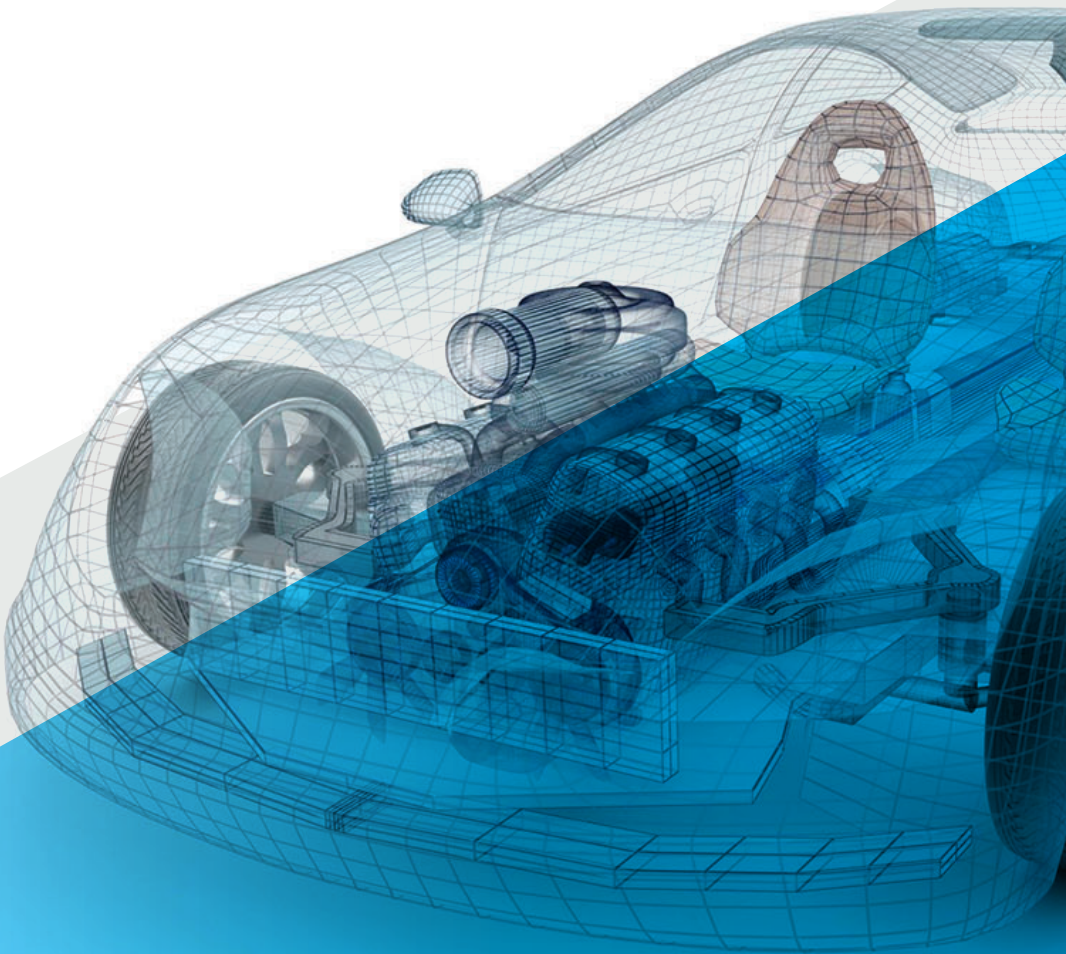




Consumer Protection Act (CPA) Insurance Policy Dealer Assist Warranty





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1 CONSUMER PROTECTION ACT (CPA) INSURANCE POLICY DEALER ASSIST WARRANTY

This document sets out the general terms and conditions that apply to your **policy** and is referred to as the "**Policy Wording**." Your "**policy**" consists of this Policy Wording and the "**Policy Schedule**." You must read the entire policy to understand and appreciate its full meaning.

This is a legal contract

This policy and the schedule are the contract between GENRIC Insurance Company Limited (GENRIC) and yourself and any other person stated in the schedule. Any application or statement made by you or on your behalf will form the basis of this policy and be part thereof.

In consideration of and upon receipt of the premium, we will indemnify you, subject to the terms, exclusions and conditions of the policy, against occurrences for which you are covered under the policy that occur during the period of insurance stated in the schedule.

Making things as clear as possible

The policy is designed to avoid confusion. Any word that has been formally defined shall have that meaning wherever it appears in this policy, for example, a claim.

The policy wording will always be the final authority in the event of any dispute around meaning or interpretation.

What are you covered for?

In consideration of the payment of premium as agreed by or on behalf of the Insured, Automotive VAPS Solutions (AVS) on behalf of GENRIC Insurance Company Limited (GENRIC), Reg no: 2005/037828/06, FSP: 44367, agrees to indemnify or compensate the Insured through payment in respect of a ruling made for a refund to the consumer and replacement or repair of goods, up to the agreed limits of indemnity, occurring during the period of insurance, less any excess payable by the Insured if applicable.

2 DEFINITIONS

The following words will have the meaning set out below wherever they appear in this policy:

- 2.1 **The Insurer** means GENRIC Insurance Company Limited (GENRIC), registration number 2005/037828/06. The Insurer is referred to as "the Insurer" or "we/our/us." GENRIC (FSP: 43638) is an Authorised Financial Services Provider and Licenced Non-life Insurer.
- 2.2 **The Insured** means any person(s) named in the schedule. The Insured is hereafter referred to as "the Insured" or "you/your" and means each of the following to the extent set forth below, namely:
 - 2.2.1 The named in the Schedule;
 - 2.2.2 If the Insured is a company, all subsidiary companies (present and future) of the Insured company, whose place of operation is within the Republic of South Africa;
 - 2.2.3 Any director, executive officer, employee, or partner of the Insured, but only whilst acting within the scope of their duties in such capacity.
- 2.3 **Policy Schedule** means the document attached hereto and forming an integral part hereof, showing the details of the Insured and stating inter alia the applicable sections of cover, the maximum benefits, excesses payable and cover provided.
- 2.4 **The Act** means the Consumer Protection Act 68 of 2008, including any regulations promulgated under the Act.
- 2.5 **Consumer** means any Consumer of the Insured, as provided for in the Act, with whom the Insured has entered into an Offer to Purchase in respect of the particular vehicle.
- 2.6 **Offer to Purchase** means the written Offer to Purchase entered into by and between the Insured and the Consumer in the manner provided for below in respect of a vehicle.
- 2.7 **Sum Insured** means the maximum amount we will pay in the event of a covered loss as per this agreement.
- 2.8 **Ruling** means any order made by a competent court, the Tribunal, the National Consumer Commission or Motor Industry Ombud, ordering the Insured to pay a refund to the consumer or replace or repair the defective goods.
- 2.9 **Claim** means any one or all of the following:
 - 2.9.1 Written demand issued by the Consumer against the Insured in respect of the Vehicle; or
 - 2.9.2 Summons, application or other legal or arbitral proceedings, crossclaim or counterclaim issued by the Consumer against the Insured in respect of the vehicle.
- 2.10 **Vehicle** means the vehicle supplied by the Insured to the Consumer, according to the Offer to Purchase concluded between the Insured and the Consumer.
- 2.11 **Vehicle Enquiry Report** means a verification test conducted by the Insured concerning the vehicle, before supplying same to the Consumer, according to which test the following history, data and information in respect

of the vehicle are verified and confirmed by the Insured as true and correct:

- 2.11.1 Ownership of the vehicle;
- 2.11.2 Whether the vehicle is stolen, cloned or wanted by any authority, including the South African Police Services;
- 2.11.3 Whether the vehicle is appearing on any security watch register;
- 2.11.4 Whether the vehicle is worth less than it portrays to be (for example adjustment of mileage);
- 2.11.5 Whether the vehicle was previously damaged or in an accident; and
- 2.11.6 Whether manufacturer-supplied technical data about the vehicle, ranging from the model, first year of registration, brake, horsepower figures, to maximum speed and height, length and width are correct and accurate.

3 YOUR RESPONSIBILITIES

3.1 Give us accurate information

You must make sure that all the information you give us about yourself, your property and your risk profile is accurate. This will include information about your financial situation, such as insolvency. Incomplete or incorrect information could affect the validity of your policy and may result in us voiding your policy.

You must tell us immediately of any material changes that may increase the risk of loss or damage to your insured property. We will then have the right to either cancel the policy or let it continue with new terms and conditions.

3.2 Misrepresentation and non-disclosure

Misrepresentation or non-disclosure in any material information relating to the risk shall render voidable the policy, the particular item, section, or sub-section of the policy, as the case may be, affected by such misrepresentation or non-disclosure.

In granting you cover, we have relied upon the material statements and particulars in the proposal form together with its attachments and other information supplied. These statements, attachments, and information are the basis of cover and shall be considered incorporated and constituting part of this policy. If we become entitled to void this policy from inception or from the time of any variation in cover, we may at our discretion maintain this policy in full force but exclude the consequences of any claim relating to any matter which ought to have been disclosed before inception or any variation in cover.

3.3 Be aware of how we use this information

Please note that the information you give us will be stored on databases and shared with other parties in the insurance industry to gather industry statistics, improve the quality of risk assessment and combat fraudulent claims. It is important to understand that this information will remain at the disposal of these parties, even after your policy with us ends.

3.4 Other insurance

If at the time of any event giving rise to a claim under this policy, an insurance contract exists with any other Insurer covering you against the defined events, we shall be liable to make good only a rateable proportion of the amount payable by or to you in respect of such event. If any such other insurance is subject to any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

3.5 Processing and protection of personal information

Your privacy is of the utmost importance to us. We will take the necessary measures to ensure that all information, including personal information (as defined in the Protection of Personal Information Act 4 of 2013) provided by you or which is collected from you is processed following the provisions of the Protection of Personal Information Act 4 of 2013 and further, is stored safely and securely.

3.5.1 You hereby agree to give honest, accurate, and up-to-date personal information and to maintain and update such information when necessary. You accept that your personal information collected by us may be used for the following reasons:

- 3.5.1.1 To establish and verify your identity in terms of the Applicable Laws;
- 3.5.1.2 To enable us to fulfill our obligations in terms of this policy;
- 3.5.1.3 To enable us to take the necessary measures to prevent any suspicious or fraudulent activity in terms of the Applicable Laws; and
- 3.5.1.4 Reporting to the relevant Regulatory Authority/Body, in terms of the Applicable Laws.

3.5.2 We may share your information for further processing with the following third parties, which third parties must keep your personal information secure and confidential:

- 3.5.2.1 Payment processing service providers, merchants, banks and other persons that assist with the processing of your payment instructions;
- 3.5.2.2 Law enforcement and fraud prevention agencies and other persons tasked with the prevention and prosecution of crime;
- 3.5.2.3 Regulatory authorities, industry ombudsmen, governmental departments, local and international tax authorities, and other persons that We, following the Applicable Laws, are required to share your personal

- 3.5.2.4 information with;
Credit Bureau's;
- 3.5.2.5 Our service providers, agents, and sub-contractors that we have contracted with to offer and provide products and services to any policyholder in respect of this policy; and
- 3.5.2.6 Persons to whom we cede our rights or delegate our authority in terms of this policy.

You acknowledge that any personal information supplied to us in terms of this policy is provided according to the Applicable Laws. Unless consented to by yourself, we will not sell, exchange, transfer, rent or otherwise make available your personal information (such as name, address, email address, telephone or fax number) to any other parties and you indemnify us from any claims resulting from disclosures made with your consent.

You understand that if we have utilised your personal information contrary to the Applicable Laws, you have the right to lodge a complaint with us within 10 (ten) days. Should we not resolve the complaint to your satisfaction, you have the right to escalate the complaint to the Information Regulator.

3.6 Tell us of any material changes

You must tell us of any such changes, for they may affect the level of your premiums, and other terms and conditions.

You are allowed to request a change to the policy at any time. Please note that the changes you request may require us to amend the terms and conditions of the policy.

3.7 We do not pay for fraud, dishonesty, misrepresentation or willful acts

You will lose all rights to claim under this policy if:

- 3.7.1 A claim is fraudulent if you or anyone acting on your behalf uses any fraudulent means to obtain any benefit under this policy; or
- 3.7.2 A claim occurs due to a deliberate, or willful, or intentional act committed by you or with your involvement or anyone acting on your behalf; or
- 3.7.3 Information or documents in support of a claim, whether created by you or on your behalf, is not true, is not complete or is fraudulent; or
- 3.7.4 The quantum of a claim is deliberately exaggerated by you or anyone acting on your behalf.

4 GENERAL TERMS & CONDITIONS

4.1 The intention of this product

- 4.1.1 This policy provides cover for the repair or replacement of components due to mechanical breakdown or electrical failure during the first 6 (six) months following the date of delivery. We will provide cover under this policy for claims made against you by the consumer in terms of the Consumer Protection Act sections 55 and 56 subject to terms and conditions.
- 4.1.2 The dealership will have a 12-month agreement with the Insurer which will allow 6-months of cover per individual vehicle under the Consumer Protection Act sold in those 12 months.
- 4.1.3 Cover under this policy is conditional upon us receiving the Insured's premiums for the period of insurance and is subject to the warranty terms, exclusions, and conditions stated herein. It is not the intention of this policy to provide total insurance protection relating to said claims and it is therefore limited in its scope with both individual claims and an aggregate claims limit.
- 4.1.4 It is not the intention, implied or otherwise of the warranty to make new from old vehicles - therefore normal wear and tear deterioration not resulting in actual failure of the component is not covered. Should any repair required be deemed to be more than what is necessary, the difference in cost will be met by you.
- 4.1.5 Should there be more than 1 (one) failure at the same time - only 1 (one) covered component failure will be entertained - the higher benefit will apply.
- 4.1.6 In terms of claims - repairs cannot start without prior authorisation from the claims department. Failure to obtain prior authorisation before the commencement of work will invalidate the claim.
- 4.1.7 Repair/replacement of parts - AVS may repair/replace damaged parts OR pay cash for any loss or damage. The unavailability of any part may lead to the payment of the lesser amount between the value of the part at the time of the breakdown or the last published list price of the stated benefit on the limits of the liability table.
- 4.1.8 If you do not understand or need any clarification, please feel free to contact us with your queries.

4.2 Indemnity

We hereby indemnify you, subject to the conditions of this policy, against all liability that may be incurred by you as a result of a claim made by a Consumer against you, or acting on your behalf, according to the provisions of the Act and related to a judgement or ruling made by a competent court, the Tribunal, the National Consumer Commission or Motor Industry Ombudsman (as provided for and under the Act), against you concerning the Consumer's vehicle, ordering the Insured to pay the Consumer a certain monetary sum of money as refund or compensation as a direct result of the fact that any one or more of the following Consumer's rights have been infringed or impaired by you in respect of the supply

of the vehicle to the Consumer, according to the provisions of the Offer to Purchase, as provided for in section 55 of the Act, namely the Consumer's right to receive goods that:

- 4.2.1 Are reasonably suitable for the purposes for which they are generally intended;
- 4.2.2 Are of good quality, in good working order and free of any defects;
- 4.2.3 Will be useable and durable for a reasonable time, having regard to the use to which they would normally be put and to all the surrounding circumstances of their supply;
- 4.2.4 Comply with any applicable standards set under the Standards Act 29 of 1993 or any other public regulation;
- 4.2.5 Arising out of a breach by you, of the implied warranty of quality given to the Consumer in respect of the Vehicle, according to the provisions of the Offer to Purchase and section 56 of the Act, that the vehicle supplied by you to the Consumer;
- 4.2.6 Complies with the requirements and standards as set out in clause above and as contemplated in section 55 of the Act, except to the extent that the vehicle has been altered contrary to the instructions, or after leaving the control of the Insured.

4.3 Limits of liability

Our liability in terms of this policy shall under no circumstances extend beyond:

- 4.3.1 The provisions, terms and conditions of the Act. We shall not be liable for any claim made against the Insured by a Consumer to which the Consumer is not entitled in terms of the Act;
- 4.3.2 The judgment or ruling made by a competent court, the Tribunal, the National Consumer Commission or Motor Industry Ombudsman (as provided for and under the Act) in terms of which the Insured is ordered to pay the Consumer a certain monetary sum of money as refund or compensation as a result of the circumstances set out in clause 1 above;
- 4.3.3 A claim not instituted by the Consumer;
- 4.3.4 A transaction to which the Act does not apply;
- 4.3.5 An event which gives rise to a Claim, which has not occurred within the ordinary course of your business;
- 4.3.6 The terms and conditions of the Offer to Purchase;
- 4.3.7 A claim not related to the supply of the vehicle by you to the Consumer in terms of the provisioned of the Offer to Purchase;
- 4.3.8 A claim against you which is directly or indirectly attributable to the gross negligence or willful misconduct by you or any person acting for or under the control of you; and
- 4.3.9 The total claim aggregate amount will not exceed R120 000.00 (one hundred and twenty thousand rand) per vehicle. This amount includes legal costs incurred by you or us on your behalf.

4.4 Authorisation Procedure

- 4.4.1 The selling dealership must forward the vehicle details to info@avssolutions.co.za as soon as the vehicle has been sold.
- 4.4.2 The AVS administrative department will add the vehicle to the CPA schedule to ensure it is insured with immediate effect.
- 4.4.3 Once the vehicle has been added, an updated policy schedule will be forwarded to the selling dealership, and the policy will be invoiced.
- 4.4.4 Please note the policy will be paid in arrears at the end of the month that the insurance started, but not exceeding 30 (thirty) days.
- 4.4.5 At the end of each month, the selling dealership will receive a debtor's statement and invoice for payment.
- 4.4.6 The selling dealership will receive the following reports monthly:
 - 4.4.6.1 Sales report;
 - 4.4.6.2 Claims report.

4.5 Offer to purchase and dispute resolution

It is a condition of this policy that the Insured and Consumer has entered into a written Offer to Purchase in respect of the vehicle supplied by you to the Consumer, upon terms and conditions prescribed by us, before you supplying any vehicle to the Consumer. Should you fail to comply therewith, such failure will result in us having no liability in terms of the policy. You shall be obliged to follow the dispute resolution procedure prescribed in terms of the Offer to Purchase.

4.6 Verification (vehicle inquiry report)

It is a condition of this policy that you will conduct a comprehensive vehicle inquiry report into the history of each vehicle, which is second-hand of nature, before supplying the second-hand Vehicle to the Consumer, at your cost and expenses. You shall hold under your control and safe-keeping all documentation, reports and information in respect of the vehicle inquiry report concerning all vehicles covered under this policy. If any irregularities are evident from the vehicle inquiry report, the particular vehicle shall not be covered under this policy.

4.7 Eligible vehicles

This policy is subject to the condition that the Consumer's vehicle complies with sound mechanical conditions with a valid roadworthy certificate, and the receipt and acceptance by you of a duly completed and signed pre-delivery

Inspection Schedule about all necessary checks on the vehicle as mentioned in the Schedule form.

4.8 Inception of insurance

This is a term policy of 6-months per individual vehicle sold and the cover is in force from the inception date as stipulated in the policy schedule until the term expiry of cover, 6 (six) months thereafter. Reference to the policy period in the policy schedule in respect of monthly paid policies is deemed to describe premium payment frequency.

4.9 Period of insurance

The dealership will have a 12-month agreement with the Insurer.

4.10 Cover period

The period of cover is 6-months from the date of sale of each vehicle.

4.11 Termination

This policy may be terminated by either you giving us notice or us giving you 31 (thirty-one) days prior notice of termination in writing.

Such termination shall become effective after midnight of the day on which such notice expires. Premium or pro-rata thereof will continue to be payable for the duration of any such notice period of termination. If this policy is cancelled before the expiry of the full 12-month period of insurance, the limit of indemnity under this policy will be reduced accordingly on a pro-rata to time basis. Should a claim have incurred which represents more than 50% of the annual limit of indemnity, the full annual premium or unpaid portion thereof will immediately become due and payable.

4.12 How we compensate you

4.12.1 You cannot claim more than the actual loss

We will never pay more than the value of the actual claim/loss, even if you are over-insured.

This also means that you could never be compensated twice for the same event. Similarly, if an insured event is covered by two different insurance policies, we will only pay our portion of it.

4.12.2 You cannot claim more than the policy limit

To restore your original financial position, the compensation will be based on the maximum benefits as noted in the policy schedule. If the market value is less than the maximum benefit, then the market value will be paid.

4.12.3 We do not pay interest

Although we strive to settle all claims promptly, we cannot be held responsible for any interest on an outstanding claim. We do not pay interest on any amount due by us unless ordered to do so by a South African Court of Law.

4.13 Fraud and fidelity exclusion

If any claim under this policy is in any respect fraudulent or if any fraudulent means are used by you or anyone acting on your behalf to obtain any benefit under this policy, or if any loss is occasioned by the willful act by you, all benefits under this policy shall be forfeited. This policy excludes any loss deriving from the dishonesty of any shareholder, director, officer, partner or executive management of the Insured, whether acting alone or in collusion with others.

4.14 Other insurance clause

If at the time of any event giving rise to a claim under this policy, any other insurance exists covering similar defined events, We shall be liable to make good only a rateable proportion of the amount payable to you in respect of such event. If any such other insurance is subject to any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

4.15 Admission of liability and settlement

You must notify us in writing if any claim is made against you, as provided for under this policy. You shall not be entitled, without our written consent, to conduct any negotiations for settlement, and you hereby agree to grant us exclusive control over any settlement negotiations and the ultimate settlement of a claim made against you, which is covered under this policy.

4.16 Subrogation

We are entitled to recover under any claim any amount paid to you or any third party on your behalf for your expenses and benefit, under subrogation. You are required to provide all reasonable assistance and information in pursuing such a claim/recovery.

4.17 Misrepresentation

Should you conceal or misrepresent any material fact or circumstances relating to this insurance, this insurance shall become void.

4.18 Prior events

This policy does not cover liability arising out of any occurrence or event, the circumstances of which were known and have occurred before the inception of this policy.

4.19 Warranties

Any breach by you of any warranty given, in terms of this policy, will result in us having no liability in terms of the policy.

4.20 Product warranty

This policy does not cover any liability arising out of any breach of a product warranty or guarantee issued by the manufacturer, supplier or distributor of the vehicle, in respect of the vehicle, which remains in place on the date of occurrence of an event, which otherwise would have given rise to a valid claim against you in terms of this policy.

4.21 Wear and tear

This policy does not cover any liability arising from claims made by the Consumer in respect of normal wear and tear of the vehicle, which has occurred after delivery of the vehicle to the Consumer.

4.22 Consumables

We shall not incur any liability under this policy in respect of a claim made by the Consumer concerning devices installed to a vehicle, which is consumed or get used up over some time, including, without any limitation, brakes, tyres, clutch plates, air filters, etc.

4.23 Excess clause

Claims recoverable under this policy may be subject to an excess if applicable. The amount stated shall be deemed to be exclusive of VAT. Where the excess is stated to be "costs inclusive", for such excess, the term "claim" shall be deemed to include compensatory awards, claimants costs, fees and expenses and associated defense costs.

4.24 Alterations

This policy does not cover any defect resulting from the fitting of experimental units, or modifications, other than those approved by the vehicle's original manufacturer.

5 CLAIMS

5.1 Claims notification

All claims against you which are to be considered under this policy are to occur during the policy period as stated in the policy schedule, and reported to us, in writing, within 7 (seven) days after you become aware of a potential claim. We will consider no further claims for losses reported 31 (thirty-one) days after the expiry of the policy.

5.2 Claims procedure

In the event of a claim, the selling dealer must contact GENRIC's claim department with a quotation from an authorised/approved repairing dealer within 31 (thirty-one) days. Should the vehicle still be subject to the original manufacturer's warranty then the vehicle must go to the relevant appointed franchise dealer. For all other vehicles, the vehicle needs to go to an RMI (Retail Motor Industry) registered facility. On receipt of the quote, the claims department will check the validity of the claim and, if valid, issue an authorisation number.

- 5.2.1 The following process is to be followed when submitting a claim:
- 5.2.1.1 The selling dealer must contact the claims department as soon as the incident has been reported.
 - 5.2.1.2 The repairing dealer must submit a preliminary quotation for repair to be done on the insured vehicle.
 - 5.2.1.3 The claims department will validate the insured vehicle against the CPA schedule.
 - 5.2.1.4 Once confirmed as a valid claim, the claims department will issue an authorisation number to the repairing workshop.
 - 5.2.1.5 The authorisation amount will be the benefit amount as listed in the Benefit Table for the specific component, subject to the maximum amount stated.
 - 5.2.1.6 Please note no work will commence without prior authorisation from the claims department. Any work started or carried out without prior written authorisation will invalidate the claim.
 - 5.2.1.7 On completion, the repairer is required to send an itemized invoice, quoting the order number.
 - 5.2.1.8 The claims department will pay the approved amount to the repairer and any amount over and above the claim benefit must be paid by the policyholder.

- 5.2.2 Mandatory documentation required when submitting a claim:
 - 5.2.2.1 Estimate quotation;
 - 5.2.2.2 Copy of the vehicle inspection sheet at point of sale;
 - 5.2.2.3 Copy of service history;
 - 5.2.2.4 Date vehicle came in stock (floor plan/stock sheet);
 - 5.2.2.5 Incident report.

5.3 Our rights after an event that can lead to a claim

After an event in respect of which a claim is or may be made under this policy, we and every person authorised by us may, without thereby incurring any liability and without diminishing our right, rely upon any conditions of this policy:

- 5.3.1 If there are damaged items as a result of an insured event, you cannot abandon these items or get rid of them until we have agreed that you can do so.
- 5.3.2 Take over and conduct in your name the defence or settlement of any claim and prosecute in your name for their benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by you without our written consent.
- 5.3.3 You shall, at our expense, do and permit to be done all such things as may be necessary or reasonably required by us to enforce any rights to which we shall be, or would become, subrogated upon indemnification to you regardless of whether such things shall be required before or after such indemnification.
- 5.3.4 In respect of any section of this policy under which an indemnity is provided for liability to third parties, we may, upon the happening of any event, pay you the limit of indemnity provided in respect of such event or any lesser sum for which the claim(s) arising from such event can be settled and we shall, thereafter, not be under further liability in respect of such event.

5.4 Breach of conditions

The conditions of this policy and sections thereof shall apply individually to each of the risks insured and not collectively to them so that any breach shall render voidable the section only in respect of the risk to which the breach applies.

5.5 No rights to other persons

Unless otherwise provided, nothing in this policy shall give any rights to any person other than yourself. Any extension providing indemnity to any person other than yourself shall not give any rights of claim to such person, the intention being that you shall claim on behalf of such person. The receipt by yourself shall in every case be a full discharge of us.

5.6 Loss prevention warranty

It is warranted that you shall take all reasonable measures in averting or minimising a loss and shall ensure that all rights against third parties are properly preserved and exercised.

5.7 Prescription

No claim shall be payable after the expiry of 12 (twelve) months from the date of the occurrence giving rise to the loss unless the claim is the subject matter to an already instituted legal action by you against us.

6 PREMIUM

6.1 Declaration clause (if stated in the schedule)

It is a warranty of cover that a declaration is received by no later than the 5th of the month following the month in which the subject matter insured hereunder was carried and processed, declaring the total number of vehicles sold (it is noted that declarations are noted from the 1st of the month to the last day of the month before declaration). It is further warranted that the premium due is paid to the Insurers by no later than the 15th of the month following the month during which the vehicle was sold, this will apply to all vehicles sold by the dealership during the previous month.

Failure to declare the vehicles sold or pay the premium within the prescribed time limits will result in cover under the policy being suspended for the period when the failure occurred.

6.2 The declaration shall include the following information:

- 6.2.1 Vehicle make and model;
- 6.2.2 Vehicle age and mileage;
- 6.2.3 Vehicle registration;
- 6.2.4 Date of sale.

6.3 Premium adjustment clause

We reserve the right to adjust the premium payable per vehicle sold on 31 (thirty one) days' notice to you. The premium for the period may be adjusted upwards and shall become immediately due and payable to us. Failure to make payment for a previous period of insurance will allow us to avoid any liability for the current period of insurance.

6.4 Premium assessment

If at the end of any 6-month period the fund balance is negative, and the policy is renewed for a further 6-month period, the dealership will be required to pay GENRIC an assessment premium of 35% (excluding VAT) of the negative fund balance. This premium will be due and payable within one month of the commencement of the subsequent 6-month period.

If the cover is not renewed the dealer will be required to pay GENRIC 70% (excluding VAT) of any deficit.

7 COMPLAINTS PROCEDURE

We aim to ensure that all aspects of your insurance are dealt with promptly, efficiently, and fairly. We are committed to providing you with the highest standard of service at all times.

If you have any questions or concerns about your policy or the handling of a claim you should provide us with your concerns or questions in writing to:

Complaints Department

Tel: 086 144 4462

Fax: 086 685 0357

Email: complaints@genric.co.za

Please visit our website, www.genric.co.za, or contact our offices for our Complaints Resolution Policy. If we repudiate or dispute your claim or the quantum of the claim, We will inform you of this in writing.

After we inform you of our decision on a claim, We will allow you 90 (ninety) days to make representations to us about our decision. If we do not compensate you for a claim or a part thereof, and you want to contest our decision, you must do so in writing and outline your reasons for the dispute and submit the same to the complaints department.

If you do not agree with the outcome of the appeal, you are afforded an additional 6 (six) months, in addition to the 90 (ninety) days, to take legal action.

Should you not enforce these rights your claim will be deemed prescribed/abandoned.

Further information about our complaint and dispute resolution procedure is available by contacting us.

8 OTHER IMPORTANT POINTS TO NOTE

8.1 Cover applies only in RSA

The cover in this policy is only valid for damage sustained within the territorial limits of South Africa only.

8.2 South African law applies

This policy is subject to South African Law.

8.3 Keeping within the law

If any of the terms or conditions of this policy are in breach of existing legislation, they will be amended so that they comply with the law.

9 GENERAL EXCLUSIONS

9.1 Dispossession or nationalisation

This means a loss that you suffer as a result of a vehicle being forcibly taken from you by a lawfully constituted authority, such as the national government or provincial authority.

9.2 Resultant damage/Consequential loss

This is a further loss that You may suffer as a result of an initial loss caused by an insured event. The only time we cover you for consequential loss or resultant damage is when it is specified as part of your policy.

9.3 Damage caused by incidents covered by legislation

This refers to any event for which a compensation fund has already been set up under relevant government legislation, whether in South Africa or any other country where the policy applies. An example of such legislation in South Africa is the War Damages Insurance and Compensation Act (Act 85 of 1976).

9.4 Riots, public disorder, terrorism

Generally, this refers to loss or damage to property, death, or bodily injury or liability directly or indirectly related to or caused by riots, political acts, war, public disorder, terrorism, or any attempted act of this kind for which we cannot reasonably be held responsible. They include:

- 9.4.1 Civil commotion, labour disturbances, riot, strike, lockout or public disorder, or any act or activity which is calculated or directed to bring about any of the foregoing;
- 9.4.2 War, invasion, an act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
- 9.4.3 Mutiny, military uprising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law, or state of siege, insurrection, rebellion or revolution;
- 9.4.4 Any act or attempted act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence any state or government, or any provincial, local or tribal authority with force, or through fear, terrorism or violence;
- 9.4.5 Any act or attempted act which is calculated or directed to bring about loss or damage or bodily injury, to further any political aim, objective or cause or to bring about any social or economic change, or in protest against any state or government, or any provincial, local or tribal authority, or for inspiring fear in the public, or any section thereof;
- 9.4.6 The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to above;
- 9.4.7 Any act of terrorism. An act of terrorism means the use of threat or violence or force for political, religious, personal, or ideological reasons. This may or may not include an activity that is harmful to human life. It could be committed by any person or group of persons, acting alone, on behalf of or with any organisation or government. It includes any act committed with the intention to influence any government or inspire fear in the public.

10 BENEFIT TABLE

COMPONENTS COVERED	LIMIT
Engine	R40 000.00
Gearbox	R20 000.00
Transfer Box	R20 000.00
Transaxle	R20 000.00
Differential	R20 000.00
Management System	R20 000.00
Turbo Charger	R8 000.00
Overheating	R8 000.00
Cambelt Failure	R8 000.00
Overfueling	R8 000.00
Drive Pulleys	R6 500.00
Intercooler	R6 500.00
Free Wheel Hubs	R6 500.00
Braking System	R6 500.00
Drive Shafts	R6 500.00
Steering Mechanism	R5 000.00
Cooling System	R5 000.00
Fuel System	R4 500.00
Electrical Components	R4 500.00
Electronic Ignition	R5 000.00
Air-Conditioner	R4 500.00
Clutch	R4 500.00
Suspension	R4 500.00
Wheel Bearings	R4 500.00
Central Locking	R3 000.00
Electric Sunroof Motor	R2 500.00
Tow-in	R2 000.00

11 COMPONENTS COVERED

COMPONENT	DESCRIPTION OF WHAT IS COVERED
Engine	All internally lubricated components, excluding decarbonisation and burnt valves.
Gearbox	Manual Vehicles (All internally lubricated components, gearbox casing (only if damaged by a covered component). Automatic Vehicles (All internally lubricated components, transmission casing (only if damaged by a covered component).
Transfer Box	All internally lubricated components, transfer box casing (only if damaged by a covered component), actuator and related transfer box.
Transaxle	All internally lubricated components, including hubs and bearings, casing (only if damaged by a covered component).
Differential	All internally lubricated components, differential casing (only if damaged by a covered component).
Management System	Engine and transmission management control unit, sensors and solenoids and EGR valves.
Turbo Charger	Original Manufacturer fitted unit only, including impellers, shafts, bushes, and casings and intercooler.
Overheating	Damage as a result of overheating, limited to the liability amount as stated in the benefit table.
Cambelt Failure	Actual breaking or stripping of teeth of the cambelt and any resulting damage, for example, bent valves. Any cambelt related claim will be limited to the amount stated under Cambelt Failure in the Benefit Table.
Overfueling	Damage as a result of overfuelling, limited to the liability amount as stated in the Benefit Table.
Drive Pulleys	Crankshaft, camshaft, tensioners and jockey pulleys are covered in the event of mechanical failure.
Intercooler	Original manufacturer fitted unit only.
Free Wheel Hubs	Complete unit.
Braking System	Brake booster, master cylinder, wheel cylinders, callipers, ABS control unit, air suspension and sensors, excluding discs and drums.
Drive Shafts	Half shafts, side shafts, CV joints, centre bearing and universal joints and couplings excluding tube and balancing.
Steering Mechanism	Column shaft, bearings and joints, internal components of the rack and pinion, steering box, tie-rod ends power steering pump and reservoir, excluding rubber boots and steering lock.
Cooling System	Radiator cooling fans, viscous fans including thermo switch (engine cooling only), water pump, weish plugs, thermostat, radiator and oil coolers (excluding pipes).
Fuel System	Mechanical and electrical fuel pumps, injectors, airflow meter, lambda probe, air sensor, fuel distributor and pressure regulator, excluding all calibration and serviceable components.
Electrical Components	Alternator, starter motor (including ring gear) and windscreen wiper motors, excluding relays and switches.
Electronic Ignition	Distributor packs and coil packs, all solid state and trigger units where fitted as standard by the manufacturer.
Air-Conditioner	Compressor and clutch pulley only (excluding re-gassing).
Clutch	Master and slave cylinder, clutch plate, pressure plate, clutch cable, flywheel release bearing and clutch fork, covered for mechanical failure only.
Suspension	Upper and lower wishbones with associated ball joints, bushes and springs or air suspension bladders.
Wheel Bearings	Front and rear.
Central Locking	Pump only.
Electric Sunroof Motor	Original manufacturer fitted only.
Tow-in	Tow-in charges up to the benefit amount stated in the benefit table, in the event of the insured vehicle suffering mechanical or electrical failure.

12 PRICING AND CLAIMS AGGREGATE

TOTAL PREMIUM	CLAIMS AGGREGATE
R1 750.00	R120 000.00



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Underwritten by



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