



THE TEAM

We get excited when preparing our quarterly newsletter, as it gives us the opportunity to engage with you, our valued client. We take great time in choosing topics to discuss and we truly hope these equip you with knowledge, understanding and tips on managing your insurance portfolio.

Feel free to contact us at any time if you would like to discuss any of the content or if you would like to make suggestions on topics you would like us to discuss in the future.

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VEHICLE WARRANTY COVER

Comprehensive vehicle insurance covers your vehicle for theft, wind, water, hail, storm, impact, malicious and accidental damages that may occur. What happens if your vehicle warranty expires and you experience an unexpected mechanical breakdown and/or electrical failure of critical components?

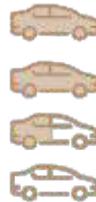
Discovery Insure and King Price Insurance are two of our insurers that have recently launched products to cater for these unforeseen circumstances.

See below details about the Discovery Insure product offering.

⊕ The standard manufacturer warranty plan is not enough

A manufacturer's basic warranty plan provides cover for an average of

4 years or 48 000 km

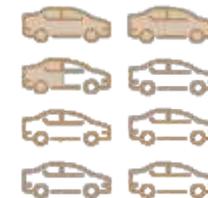


The average driver drives
21 600 km a year

Their manufacturer warranty
will expire after
2,2 years
of their warranty plan.

In addition, the average lifespan of a car is

8 years or 240 000 kilometres.



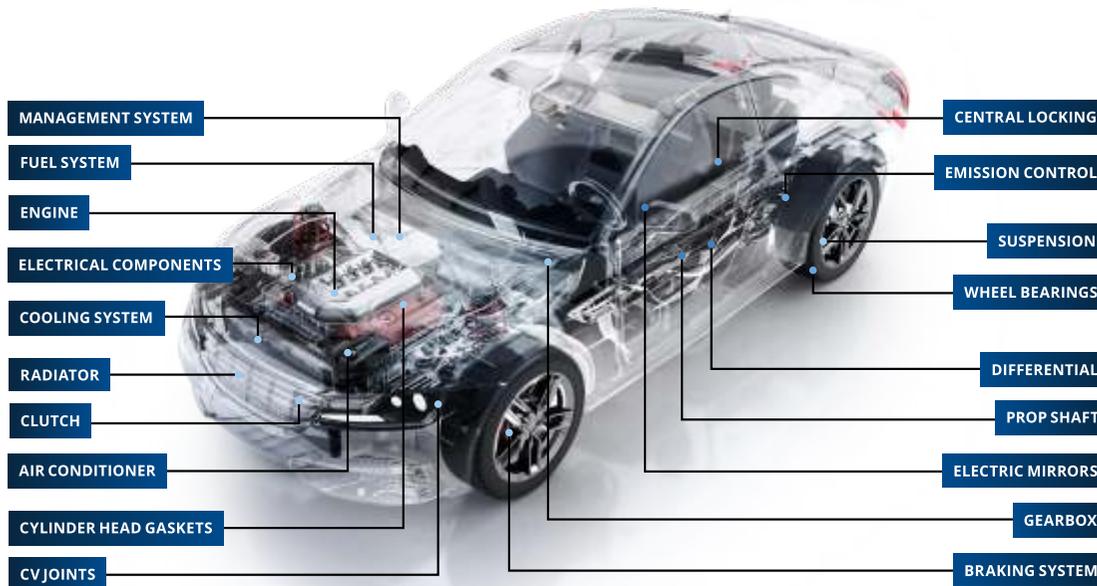
The client will still need
mechanical and electrical
breakdown cover for another
**5,8 years or
194 000 km.**

90% of South Africans say they are keeping their vehicles for longer due to the current economy



Discovery Insure Vehicle Warranty

Comprehensive, market-leading mechanical breakdown and electrical failure cover for
 36 CRITICAL COMPONENTS OF YOUR VEHICLE



MECHANICAL BREAKDOWN & ELECTRICAL FAILURE

Discovery Insure's Vehicle Warranty will cover the full cost of repairing or replacing a vehicle's critical components following unexpected mechanical breakdown or electrical failure that causes a component to suddenly stop functioning, needing repair or replacement.

WEAR-AND-TEAR

We also offer embedded wear-and-tear cover for the insured components. This covers component failure from the ongoing weakening of mechanical components that results naturally from use and age.

If you'd like to obtain more information about this product or are interested in obtaining a quote, please feel free to contact our offices.



PROOF OF OWNERSHIP

Regrettably, the insurance industry is often plagued by people who submit fraudulent claims. The result being that insurers lose money and increase policy premiums; which in turn negatively affects clients.

In an effort to minimize having to pay for these types of claims, an insurer will always ask to provide 'proof of ownership' when you submit a claim. This could be any document that provides details about an item that was lost, stolen or damaged.

This would usually be the original receipt or an electronic copy (if you can't find the original, try requesting a new copy from the retailer). It could be either a legal document such as a deed, registration sheet or a certificate, but even non-formal documents such as bills, receipts and credit card statements can be provided as proof of ownership wherever necessary, especially in for risk insurance claims. For some insurers, even the operating manuals or item's original packaging will

suffice as proof of ownership. Essentially, any document or form of evidence to show that a particular asset that's being considered under an insurance policy belongs to you.

We understand that the last thing you should be concerned about when dealing with damaged, lost or stolen property is tracking down receipts for years-old purchases.

Fortunately, there are steps you can take now to prevent headaches in the future:

COMPLETE AN INVENTORY

Home inventory lists are a comprehensive way of documenting everything you own. It's also ideal for determining whether your policy covers all



your assets and that they're insured for the correct replacement value.

TAKE PHOTOS/VIDEOS

Walk through each room of your home and take pictures. Make sure you are capturing all your belongings in each room and that the photo is detailed enough to show the condition of the items and serial numbers where applicable. Ensure you date each photo, as well.

KEEP DIGITAL COPIES OF DOCUMENTS

Save digital copies of your proof of ownership documents to cloud storage portals to ensure it's always accessible or keep an album on your phone filled with photos of documents.

HARD COPY EVIDENCE

If you're keeping hard copies of your documents, make sure to keep them in a fire-proof safe to ensure you're fully covered in the event of a disaster.

SEND IT TO NSB

Finally, you can always email us the documents and we will securely save it to your file, and you won't have to worry about having to produce it at claims stage.





DO NOT ADMIT FAULT WHEN THERE'S AN ACCIDENT

Car accidents happen in an instant. Collisions can be frightening in the moment, especially since they are never expected and seem to send your whole day – and world – into disarray.

If you're involved in a crash, it may seem obvious to you what happened, and maybe it was your fault. If the damages aren't too bad, you might be tempted to leave the scene as soon as possible to get on with your day.

However, always avoid admitting fault in a car accident. Whether you are talking to the other party in the accident, the police, or the insurance company, you should avoid saying:

- I'm sorry;
- It was my fault; or
- I didn't see the other driver.

Emotions run high when an accident occurs. The other party may place blame on you. The important thing to do is just let them talk. They can

continue to blame you, but unless they provide evidence to an insurance company or in court (if it comes to that), you cannot be blamed. There must be proven evidence that your negligence caused the collision.

When an accident occurs, it is common that the insurance assessor on the case determines fault. The assessor will investigate the matter and may consult the police.

That is why it is important to not admit fault to the police officer either, given that what you say will most likely end up on a police report. In some cases, police officers may determine fault based on their observations at the scene of the accident. This is typical in cases where serious injury or



death has occurred. One of the most important parts of the investigation is nuanced factors, that you may not consider important, but may have contributed to the accident.

A deeper investigation may reveal factors such as bad road/construction conditions, mechanical issues, the actions the other driver was taking during the time of the accident (texting, eating, or other forms of distracted driving), failure to yield, or an array of other factors specific to your





accident and case. Obscure evidence may help to determine the percentage of fault apportioned to each party.

When an insurance assessor investigates a car accident, they may look over the following:

- Police reports;
- Eyewitness statements;
- Statements made by the drivers to police;
- Statements made by the drivers to each other and those around them;
- Citations.

Once your insurer has authorised repairs to your vehicle, they will begin the process of recovering the cost of the claim from the other party's insurer (or the person themselves, if they are not insured). This is now a legal matter between the insurers. As much as we all know the rules of the road, such a matter becomes a legal discussion between the insurance companies, and you may prejudice the rights of the insurer during this legal recovery process by admitting fault.





VEHICLE INSURANCE

TO REPAIR OR TO REPLACE

When you are in an accident, you're probably focusing more on the time that it will take your vehicle to be repaired, rather than the parts that the repairer will use to fix your vehicle.

The decision to repair or replace parts, depends on several factors:

- The age of the vehicle;
- The mileage;
- Use of vehicle (the condition of a vehicle used for security services is different to one for personal use);
- The safety aspect of repairing a part, rather than replacing it; and
- The cost of repair versus replacement.

If the cost of repairs as estimated by the insurer surpasses the value of your vehicle or exceeds

70% of the value of the vehicle at the time of accident, a cash settlement will be made to you or the bank (if the vehicle is financed).

If, based on the quote from the repairer and the assessor's report, the insurer determines that your vehicle can be repaired to the condition it was in prior to the accident, your vehicle will be repaired accordingly. Where your vehicle is not under warranty, the insurer retains the right to authorise the use of second-hand parts. In doing so, the insurer must ensure that your vehicle is safe to use after the repairs are completed.

Ultimately, the insurer has the right to decide whether to repair or replace, as long as you are placed in the same position as before the incident.





Sport EQUIPMENT

South Africans love braaivleis, sunshine and sport! Running, cycling, hiking, surfing the beautiful waves along the coasts, golfing at one of our world class courses are all activities which involve sporting equipment and gadgets that can be stolen, lost or damage.

This equipment is expensive and easily stolen. Recently, SA athlete Nick Bester, went jogging and was badly assaulted and robbed. Whilst jogging, you might wear your smart watch and it can fall off your arm or you get stolen as was the case with Nick Bester.

If you have not insured the item, you would in for quite an expensive exercise to replace it. Sporting equipment is usually used when you are away from your home, therefore you need to ensure that it is covered under the All Risks section of your policy, which provides worldwide cover for theft, loss or damages. Please note, on your personal insurance policy, sporting equipment is only for personal and private use; in other words, you do not earn an income with the sport. In addition, if

sporting equipment is stolen from your vehicle, there must be evidence of forcible or violent entry, that is, you were not negligent in leaving your vehicle open and unattended when the theft occurred.

For golfers, ensure that every single golf club is specified, including the bag, shoes, gloves. Remember that we insure at replacement value. An added bonus on your policy, is usually a financial reward when you hit a hole-in-one. Call us when that happens, and we'll be happy to assist with submitting it to the insurer.

Cyclists must remember that it's not only your bicycle but also all your cycling gear that needs to be specified on the policy. As discussed earlier, proof



of ownership will be required when you claim, so always send us receipts/invoices to keep on file when you make these purchases.

If there is any sport that you do and are unsure of how the equipment should be insured, kindly contact us and we will advise you on the best options available.





SHORTAGE

OF VEHICLE PARTS AND CAR HIRE



Global events have far-reaching consequences. In 2020 we found ourselves in the midst of an unprecedented pandemic, which affected supply chains for a multitude of products. In 2022 those supply chains are further constrained by the on-going Russia-Ukraine conflict.

Local events such as the protest action in July 2021 and recent floods in the Kwa-Zulu Natal region have further exacerbated imports and exports. The port in Durban is South Africa's

biggest trade platform for the automotive sector and this industry anticipates a number of delays in accessing parts that were either at the harbour or those that were due to dock in the ensuing weeks and months.

The South African Motor Body Repairs Association (SAMBRA) issued a statement in April to warn of vehicle repair delays due to shortage of repair parts. In particular in-warranty vehicle repairs are taking longer than anticipated as repairers are faced with parts orders taking anything from 4 to 20 weeks to arrive from factories in Germany, India, Argentina, Brazil and Japan.

As a result of these factors, we anticipate that vehicle repair times will extend from the average

15 working days to possibly anything between 30 to 45 working days. These estimates are based on information being provided by vehicle dealerships and repair centres, for current vehicle claims. We continue to follow-up with all parties to provide our clients with feedback. However, at present neither insurers, vehicle repairers nor brokers are able to assert any control over the delays in sourcing parts.

If your vehicle is drivable after an accident, we request that you continue using your vehicle until such time as the repairer confirms that the repair parts have arrived before booking it in.

Our strong recommendation to all clients is to add car hire to your vehicle for the maximum number



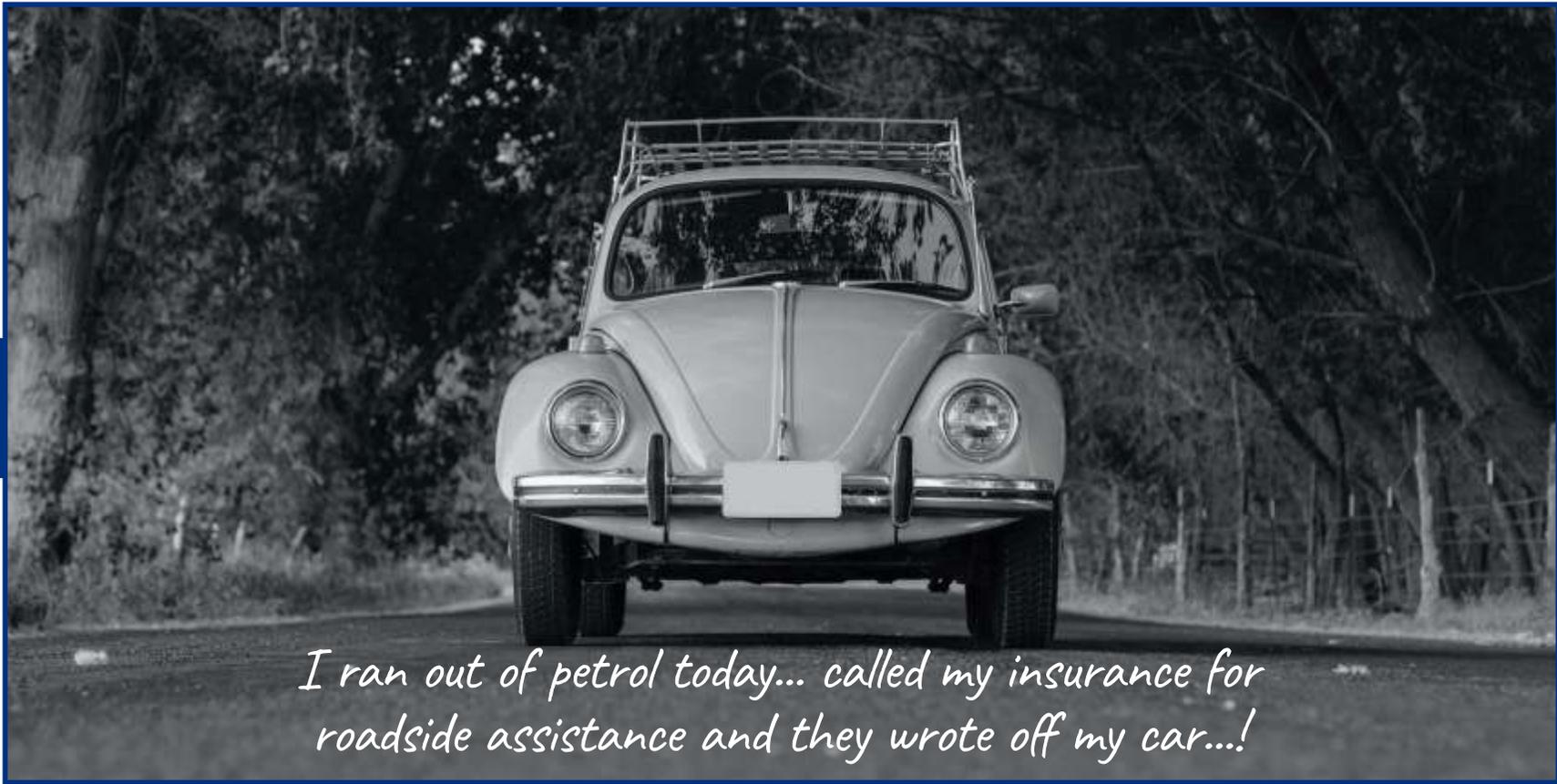


of days allowed by your insurer. If there are delays in repairing your vehicle, we will make every attempt to request that the insurer to increase the number of days that you have the rental vehicle or arrange a courtesy vehicle from the vehicle repairer. However, we cannot guarantee that these requests will be successful. Furthermore, the shortage of fleet vehicles may also affect the insurer's decision to grant these requests.

We urge all our clients to exercise extreme caution when driving in order to avoid accidents. Please ensure that your vehicles are serviced and maintained, as guided by manufacturer regulations, to avoid electrical and mechanical breakdowns.

We continue to always provide the best service to you. Please contact our offices to discuss your insurance needs with us and we'll have one of our expert consultants provide guidance on how to best manage your insurance policy.





I ran out of petrol today... called my insurance for roadside assistance and they wrote off my car...!

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