

# Instructor's Insight

LIVINGSTONE



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## Welcome!

**WOW** – 2009 is already underway and we'd like to wish all a happy and prosperous new year.

Welcome to our first ever Driving School Newsletter "INSTRUCTORS INSIGHT". We intend to make this a quarterly publication, filled with articles and stories that may be of interest to you. We would also welcome your comments, suggestions, ideas, etc, as well as any stories you'd like to share with your Driving School

Colleagues. We will also be inviting companies (sign writers, dual control installers, panelbeaters, etc) to advertise in the newsletters which will hopefully benefit you.

Enjoy the first read.

Chivon Tucker - Editor



## Driving School Protest

The following article was published in the citizen on the 19/12/2008.

**JOHANNESBURG** – The Gauteng transport department will meet driving schools over problems related to bookings for driving licence tests, spokesperson Alfred Nhlapo said on Friday.

He said the department agreed with driving schools that there were problems at a call centre regarding booking dates for driver's and learner's tests.

Gauteng driving school association members marched to the office of Gauteng premier Paul Mashatile on Friday to protest that the call centre used for booking for test dates was not accessible to all driving schools.

"We have established that some corrupt officials at the centre clog the system with names of people who are not

interested in obtaining licences," Nhlapo said. He explained that some officials at the call centre had been suspended or fired for corruption.

"These officials connived with certain driving schools to give them booking dates and other driving schools could not get bookings."

He said 40 percent of the people on the system booked for either driving or learner's licence test, did not appear for their tests, mostly because they did not know that they had been booked for a test.

"These result in classes not being fully occupied and reflects that the system was not working," he said.

In the memorandum handed for the attention of the premier, driving schools demanded concrete improvements to the driving licence bookings and

processing system.

"We are aware of concerns raised regarding access to the service and the huge demand for licences by the growth in population," said Nhlapo.

The provincial government has set up a roadshow in Sedibeng where residents can make bookings and undergo tests for licences during the learner driver outreach programme, which will be conducted in twenty communities around Gauteng.

The Democratic Alliance in Gauteng said it supported the protest against corruption and inefficiency in the issuing of driver's licences.

"It is an absolute disgrace that the simple matter of obtaining a driver's licence continues to be dogged by controversy," said DA Gauteng leader Jack Bloom.

## Drivers can now insure everyone in their car for only R20.54pm

The following article was published in an Insurance magazine called the RISKsa in the November issue -For the first time in South Africa drivers can insure themselves and any passenger travelling in their car against personal injury or death just over R20 a month and payout is completely independent of, and has no impact on, any other insurance claim or the Road Accident Fund.

The new insurance is called EnRoute In-Car Insurance and is the result of a creative collaboration and partnership between Hollard Insurance and Flexible Accident & Sickness Acceptances (FASA).

"The uniqueness and advantage of ENRoute to South Africans is that unlike ordinary personal accident policies which cover specific individuals, this insurance is linked to a certain car and protects anyone travelling in that vehicle – whether or not they belong to the same household," says Mike de Vale, MD of FASA.

"This meets a very real need in our country," says Stef Theofanidis, divisional head at Hollard. "Our terrible road accident rate, cultural make-up and lack of protection for so many, make this a way for

virtually all types of vehicle owners to achieve peace of mind about their passengers who will receive immediate relief in the event of an accident."

***"Driver's can insure themselves and any passenger in their car against personal injury or death for R20.54 per month".***

FASA's de Vale explains further, "The vehicle itself doesn't even have to be insured for the driver and passengers to be covered by EnRoute and it can be used for domestic or business purposes. Another problem it solves for the public is that no lawyers are needed to claim on this insurance because claims will be handled directly by us – and as quickly as possible to provide immediate relief.

"The entry level policy payout per passenger – at the monthly premium of R20.54 – is: death R25 000; permanent disability R25 000; temporary disability R500 per week up to 52 weeks; and medical expenses R10 000 Higher Levels of payout are



available to those who choose to go for a higher premium."

The insurance is in force throughout South Africa as well as adjoining countries: Swaziland, Mozambique, Zimbabwe, Malawi, Botswana and Namibia

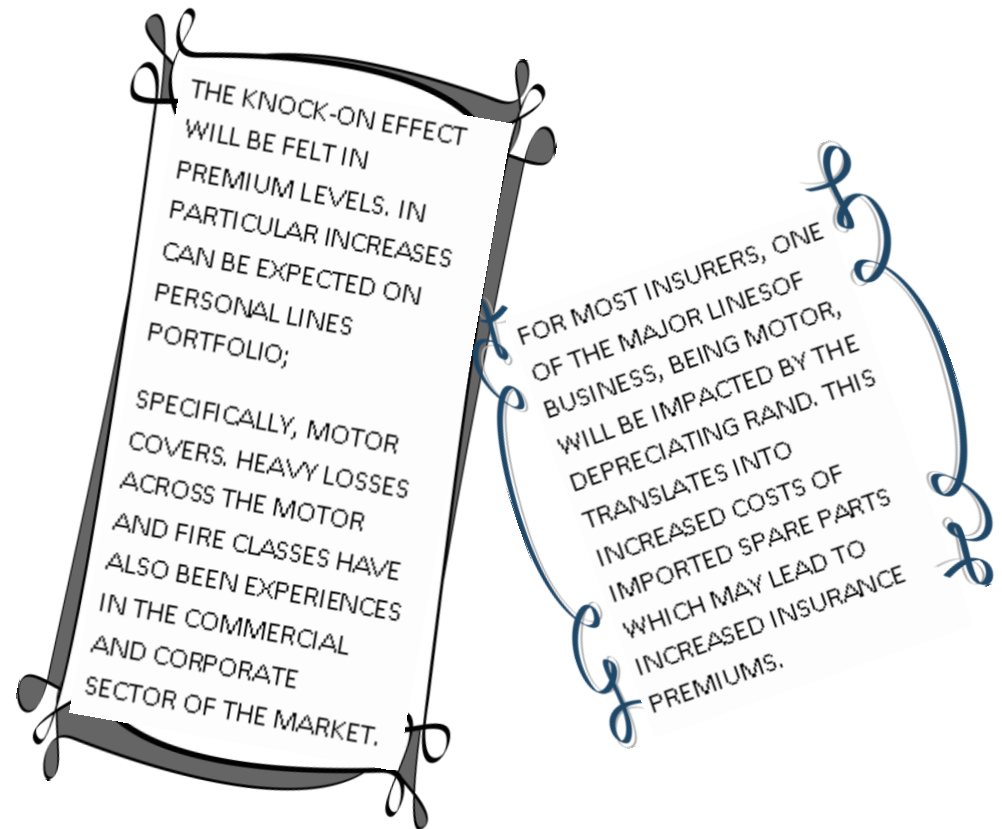
For more information contact us on 011 453 8099.



# 2009

## HOLDS IN STORE

Executives from various insurance companies were asked to predict what would happen in 2009. Here are some of their views;



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SOME FACTORS THAT WILL PLAY A ROLE IN THE INSURANCE INDUSTRY IN 2009 ARE THE ECONOMY, CRIME AND WEATHER AND, WITH INCREASING PRESSURE ON OUR ROADS, MOTOR INSURANCE WITHOUT PROPER PLANNING AND RISK PROFILING, THESE EVENTS COULD HAVE FAR-REACHING EFFECTS FOR THE PARTIES INVOLVED.

MOTOR INSURANCE CONTINUES TO BE PLACED UNDER PRESSURE. GIVEN THE MOTOR INDUSTRY CRISES, THEIR BIGGEST CLIENT, SOUTH AFRICAN INSURERS SHOULD ENGAGE IN DIALOGUE AND SEEK TO COMBAT COMMON ISSUES. THIS WOULD RESULT IN A POSITIVE OUTCOME FOR CLIENTS, BROKERS, INSURERS AND THE MOTOR INDUSTRY ITSELF AND COULD PERHAPS BE A FOCUS OF SAIA IN THE COMING YEAR.

NOTE THE EMPHASIS ON MOTOR VEHICLE INSURANCE

## The Subrogation Clause



**KEEP IT QUIET**

The following was published in RISKsa in the August issue. A Wise man once said that a person's true character shines through when circumstances put them under pressure. More awkward social situations often test the limits of our decorum and self-restraint. Your client, when involved in a motor vehicle accident, especially when they are not responsible, can end up in a sticky situation. The prospect of dealing with the complexities of police reports, Panelbeaters, quotes, and insurance policies is daunting and unpleasant, to say the least. What further complicates matters is that both parties are limited in what they can say to avoid responsibility for the accident.

Within every insurance policy is a clause that clearly states that the policy holder is prohibited from making 'any statement, admission, offer, promise payment or from giving indemnity to any other party'. As you will know, this is called a Subrogation Clause. It entitles the insurer to claim any damages paid out from third party, and restricts what can be said between parties at the site of the accident.

If your client is not at fault, their insurer will approach the third party's insurer to be compensated for paying the

claim. This is where the subrogation Clause steps in. It prevents the policyholder from making any admission of guilt or offering exemption to the other party.

CIB Insurance recommends that your client, when involved in an accident, whether at fault or not, should be careful about sharing certain information. Make it your responsibility to let them know about the ramifications of this clause.

"It is our advice that our policy holders limit what is said at the scene of the accident" says Julie Steyn, legal department manager for CIB Insurance. "Policyholders should limit heir exchange of information to contact details so as not to breach any terms and conditions of their policy."

Steyn concludes, "The Subrogation Clause is there to enable the insurer who has the necessary skilled resources, to successfully recoup the cost of a claim where possible, which ultimately benefits both insurer and insured. We therefore encourage our policyholders to rather deal directly through their insurer, rather than attempting to deal directly with third party".



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