



FORMATIVE ASSESSMENT

SMK123: Formative Assessment 3
Unit Standard: 120135

Copyright © Santam Ltd. 2016
Santam is an authorised financial services provider (licence number 3416).





Santam recognises the importance of ensuring fair treatment to customers throughout the customer relationship life cycle. We believe that the principles of Treating Customers Fairly are already embedded in the Santam culture through our brand promise of "Insurance good and proper". All business decisions are made in full regard of the fair treatment of customers, and we believe that all clients must realise value in their insurance purchase. This training material is designed and developed in accordance with those TCF principles and is intended to provide the learner with sufficient knowledge and understanding in order for he/she to appropriately, effectively and fairly advise the customer.





US120135 ASSESSOR FEEDBACK

TOTAL	/69
PERCENTAGE	

OVERALL RESULTS

C	NYC
---	-----

ASSESSOR DETAIL

Assessor name and surname:

Assessor signature:

Date:

Comments:

MODERATOR DETAIL

Moderator name and surname:

Moderator signature:

Date:

Comments:

UPHELD	OVERTURN
--------	----------



ACTIVITY 1

(US120135;S01;AC1)

(US120135;S01;AC2)

(US120135;S01;AC3)

Mr Radebe has 34 vehicles.

- (A) 30 tow-trucks that he uses for his business purposes for ACE Tow Trucks Ltd.
 - (B) One Toyota Hilux he owns in his personal capacity and also uses to attend to client business meetings as and when necessary as well as using over the weekends to go camping.
 - (C) One Ford Fiesta that his wife uses to drive the children to school and back.
 - (D) Two Nissan 1400 Bakkies that is registered in the business name and used by his sales people.
- (a) Mr Radebe has two policies with Santam – a personal policy and a commercial policy.
Explain to the client which vehicles will be covered under which policy, and give reasons for your answer. (8)
- (b) Would there be a difference in the premium between the personal and commercial policy? Explain why or why not. (2)
- (10)**

(a)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

(b)

.....

.....

.....

.....

.....

.....

.....

.....

.....



ACTIVITY 2

(US120135;S02;AC1)

(US120135;S02;AC2)

(US120135;S02;AC3)

Explain the difference between:

- 14 ton Truck delivering coal from the mine daily.
- 1400 Nissan Bakkie delivering medical supplies to hospitals weekly.

By referring to

(a) Licence requirements. (2)

(b) Risk associated with each category. Supply reasons for your answer. (4)

(c) Premium difference. Supply reasons for your answer. (2)

(10)

(a)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....





ACTIVITY 3

(US120135;S03 AC1)

(US120135;S03;AC2)

(US120135;S03;AC3)

(US120135;S03;AC4)

A client heard from one of his friends about “agreed value” for vehicles. Explain the following to the client:

- (a) What is meant by agreed value as sum insured on the vehicle section? [2]
- (b) What evidence is needed to determine an agreed value? [2]
- (c) What methods does Santam prefer for quoting purposes? [2]
- (d) What factors are considered in determining a premium? [4] **(10)**

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....





4(b) The call centre agent mentioned something about Description of Use. Explain to Dean what this means, highlighting what is covered and name five (5) excluded uses. (6)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

4(c) State and explain the 4 exclusions applicable to Sub-Section A. (8)

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....

.....





4(d) Dean is aware that irrespective of thorough and advance training conducted, an accident can still happen and they may be held legally liable by the other party/parties.

(i) Advise Dean on the applicable cover, as stated on his policy schedule. (3)

(ii) State the exclusions applicable to this cover. (5)

(8)

(i)
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

(ii)
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

4(e) Dean heard from one of his friends that in the event of a liability claim, he must first claim from the Road Accident fund? Explain to Dean the difference between liability cover under the policy and the Road Accident fund.

(2)

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

(58)



SCHEDULE: MOTOR

Policy number: 631/123123123

Revision number: 88

Motor

SUMMARY OF VEHICLES INSURED

Item no	Year	Make	Model	Registration number	Cover	CAT	Sum insured	Annual premium (R)
1	2014	Toyota	Hilux 2.0 WT-I SC	ABC123GP	1	A2	200 000	2 189.77
2	2014	Toyota	Hilux 2.0 WT-I SC	ABC456GP	1	A2	200 000	2 189.77
3	2014	Toyota	Hilux 2.0 WT-I SC	ABC789GP	1	A2	200 000	2 189.77
4	2014	Toyota	Hilux 2.0 WT-I SC	ABC010GP	1	A2	200 000	2 189.77

COVER AND CATEGORY DESCRIPTION

Cover:	1	-	Comprehensive
	2	-	Third Party Fire and Theft
	3	-	Third Party Only

Category:	A1	-	Private motor vehicles and LDV's - Personal
	A2	-	Private motor vehicles and LDV's - Business
	B32	-	Commercial vehicles - 3 500kg to 7 500kg

Liabilities	Included	Limit (R)	Annual premium (R)
Contingency Liability	No	2500000	R0
Parking facilities and moving of third party vehicles	No	2500000	R0

VEHICLE(S) INSURED

Item no	Year	Make/Model	Registration number	Cover	CAT	CFG	Sum insured	Annual premium (R)
1	2014	Toyota Hilux 2.0 WT-I SC	ABC123GP	1	A2	7	200 000	2 189.77

<p>VIN: ABCD1234DEFG2212</p> <p>Engine number: 5DEFDEF2129346723</p> <p>Effective date: 01/03/2014</p> <p>Security system: VSS</p> <p>First amount payable</p> <p>(1) Basic First amount payable: 5.0% of claim. Minimum amount R2 000.00</p> <p>(2) Persons under the age of 25 or older than 75: R1000 (additional)</p> <p>(3) Theft and/or hijacking of the vehicle: 10% of claim. Minimum amount R3 000.00</p> <p>(4) Additional voluntary excess: None</p> <p>(5) Windscreen/Window: 25% of claim. Minimum amount R350.00</p>								
<p>Liabilities</p> <ul style="list-style-type: none"> Sub division B liability 2500 000 Passenger Liability 2500 000 Unauthorised Passenger liability 2500 000 								
<p>Standard extensions</p> <ul style="list-style-type: none"> Windscreen/Window 10 000 150.00 								
Total item premium						2 189.77		
Item no	Year	Make/Model	Registration number	Cover	CAT	CFG	Sum insured	Annual premium (R)
2	2014	Toyota Hilux 2.0 VVT-I SC	ABC456GP	1	A2	7	200 000	2 189.77
<p>VIN: KDNCTASAL5478915447</p> <p>Engine number: 7JDNCRAPDNTR24985377</p> <p>Effective date: 01/03/2014</p> <p>Security system: VSS</p> <p>First amount payable</p> <p>(6) Basic First amount payable: 5.0% of claim. Minimum amount R2000.00</p> <p>(7) Persons under the age of 25 or older than 75: R1 000 (additional)</p> <p>(8) Theft and/or hijacking of the vehicle: 10.0% of claim. Minimum amount R3 000.00</p> <p>(9) Additional voluntary excess: None</p> <p>(10) Windscreen/Window: 25.0% of claim. Minimum amount R350.00</p>								
<p>Liabilities</p> <ul style="list-style-type: none"> Sub division B liability 2 500 000 Passenger Liability 2 500 000 Unauthorised Passenger liability 2 500 000 								
<p>Standard extensions</p> <ul style="list-style-type: none"> Windscreen/Window 10 000 150.00 								
Total item premium						2 189.77		
Item no	Year	Make/Model	Registration number	Cover	CAT	CFG	Sum insured	Annual premium (R)
3	2014	Toyota Hilux 2.0 VVT-I SC	ABC789GP	1	A2	7	200 000	2 189.77

VIN: JIRYCLSH548733256848

Engine number: 5HANCRQQPZE54284

Effective date: 01/03/2014

Security system: VSS

First amount payable

- (11) Basic First amount payable: 5.0% of claim. Minimum amount R2 000.00
 (12) Persons under the age of 25 or older than 75: R1 000 (additional)
 (13) Theft and/or hijacking of the vehicle: 10.0% of claim. Minimum amount R3 000.00
 (14) Additional voluntary excess: None
 (15) Windscreen/Window: 25.0% of claim. Minimum amount R350.00

Liabilities

- Sub division B Liability 2 500 000
- Passenger Liability 2 500 000
- Unauthorised Passenger liability 2 500 000

Standard extensions

- Windscreen/Window 10 000 150.00

Total item premium

2 189.77

Item no	Year	Make/Model	Registration number	Cover	CAT	CFG	Sum insured	Annual premium (R)
4	2014	Toyota Hilux 2.0 WT-I SC	ABC010GP	1	A2	7	200 000	2 189.77

VIN: BCYRE2178852798722

Engine number: 4DANCYLAWQPNC18263

Effective date: 01/03/2014

Security system: VSS

First amount payable

- (16) Basic First amount payable: 5.0% of claim. Minimum amount R2 000.00
 (17) Persons under the age of 25 or older than 75: R1 000 (additional)
 (18) Theft and/or hijacking of the vehicle: 10.0% of claim. Minimum amount R3 000.00
 (19) Additional voluntary excess: None
 (20) Windscreen/Window: 25.0% of claim. Minimum amount R350.00

Liabilities

- Sub division B Liability 2 500 000
- Passenger Liability 2 500 000
- Unauthorised Passenger liability 2 500 000

Standard extensions

- Windscreen/Window 10 000 150.00

Total item premium

2 189.77

Total marks: 69

US120135 ASSESSOR FEEDBACK

ACTIVITY NUMBER	TOTAL
Activity 1	10
Activity 2	10
Activity 3	10
Activity 4	39
TOTAL MARKS	69

TOTAL	/69
PERCENTAGE	

C	NYC
---	-----

ASSESSOR DETAIL

Assessor name and surname:

Assessor signature:

Date:

Comments:

MODERATOR DETAIL

Moderator name and surname:

Moderator signature:

Date:

Comments:

UPHELD	OVERTURN
--------	----------



DOCUMENT PROPERTIES

Designed for: Santam staff and Intermediaries

Description: SMK123 – Formative Assessment

Version: Version 2.1

Last updated: 1 August 2016

Author: Blended Design and Development Services





