

**Press Release: 10 March 2026**

**Settlement – Vehicle Insurance Tracking Device**

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The Office has issued numerous press releases regarding tracking device-related complaints, yet it continues to receive them.

The case reported below is yet another example of an advisor failing to adequately inform a client of the tracker requirement.

The complainant purchased a Toyota Hilux in December 2022 and insured it under his business policy facilitated by the respondent. On 12 December 2022, the complainant received confirmation of cover from the respondent and took delivery of the vehicle on 4 January 2023. The cover letter he received indicated “yes” under the tracking device requirements.

The vehicle was stolen on 21 January 2023, and the insurer repudiated the claim due to non-compliance with the tracking device condition. The policy required an approved tracking device with tracking and recovery functionality. The vehicle did have a tracking device installed but it did not meet the specifications and functionality required by the insurer.

The respondent denied liability, stating that the tracking device requirement was clearly communicated via email on 12 December 2022. It argued that the complainant, an experienced policyholder who had multiple vehicles insured under various policies, all of which required tracking devices for theft and hijacking cover,

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failed to act on the disclosed requirements despite prior knowledge of similar conditions under other policies. In support of this, the respondent provided a Record of Advice when the policy was inception in February 2021, which stated that a tracking device is required for all vehicles exceeding R350,000.00. The respondent submitted that this, as well as the declaration signed by the Complainant on 21 April 2022, noting that all vehicles must have a tracking device, was proof of the disclosure requirement.

The Office found that the Record of Advice from February 2021 and the declaration from April 2022, submitted by the Respondent as evidence of disclosure, predated the addition of the vehicle in December 2022. These documents did not demonstrate compliance because they did not relate to the new vehicle covered under the policy.

Section 7(1)(a) of the General Code of Conduct for Authorised Financial Services Providers and Representatives (“the Code”) places a duty on Financial Services Providers to disclose any material terms of the contract and place the client in a position to make an informed decision. This is further enforced by section 7 (1) (c) (vii) of the Code, which states that a provider must provide full and appropriate information of the following: “*concise details of any special terms or conditions, exclusions of liability, waiting periods, loadings, penalties, excesses, restrictions or circumstances in which benefits will not be provided*”. The duty is to provide advice and disclosure relevant to the actual product or change being effected.

In an email of 12 December 2022, the respondent advised the complainant of a general requirement to install a tracker and that an installation certificate must be provided. The email did not specify the required device or functionality. The respondent should have advised the complainant regarding the specific device and functionality required and followed up at least once to see whether it had been installed. The Respondent admits that they did not follow up with the complainant.

The respondent and the complainant accepted the Office’s recommendation that it pay the complainant R820,000.00 in full and final settlement.

Consumers are encouraged to follow up with their advisors to confirm whether their vehicles require tracking devices and whether the installed devices meet the insurer's specific requirements.

Advisors are again reminded that tracking devices are a material term in most high-value vehicle insurance policies and that their clients must be properly advised of the specific device and functionality requirements.

Should you believe that you have been financially prejudiced because of the financial service rendered to you with respect to a regulated financial product, please lodge a written complaint directly with the service provider. If the complaint remains unresolved after six weeks, you can visit our Complaints Portal at [www.faisombud.co.za](http://www.faisombud.co.za) and select 'Lodge Complaint'. Alternatively, you may submit a complaint in writing to [info@faisombud.co.za](mailto:info@faisombud.co.za). You can also call our Client Care Centre at (012) 762 5000 or Sharecall at 086 066 3274 for assistance in submitting a complaint.