



**DEPARTMENT OF TRANSPORT**  
**UMNYANGO WEZOKUTHUTHA**

**Enquiries** : Miss A Singh  
**Extension** : 2237  
**Reference** : T6/17/P

**TO: ALL HEADS OF DEPARTMENT**  
**MEMBERS OF THE MOTOR TRANSPORT ADVISORY COMMITTEE**  
**ALL DEPARTMENTAL TRANSPORT OFFICERS**

**2005 -11- 28**

**PROVINCIAL TRANSPORT MANAGEMENT (PTM) CIRCULAR NO 30 OF 2005: INSURANCE CONTRACT TO TERMINATE SIMULTANEOUSLY WITH FINANCIAL CONTRACT IN RESPECT OF SUBSIDISED MOTOR TRANSPORT**

1. Following discussions at the Departmental Transport Officers Forum meeting held on 07 October 2005, it would appear that Departments are extending the insurance on subsidised vehicles, when the financial contract with Wesbank Auto has already been terminated.
2. Your attention is therefore drawn to discussions on this subject held at the DTO forum, on 28 September 2004 where the representative from Glenrand MIB suggested that the insurance cover can be extended for a further 3 months until the new subsidised vehicle is received, following terminations. In view of the financial implications surrounding the matter, the Forum agreed not to extend the insurance once the financial contract was terminated, and the official will utilise the private on official scheme whereby he/she is liable for the insurance.
3. In light of the above, it would be appreciated if Departments would adhere to the decision not to extend the insurance on subsidised vehicles once the financial contract has terminated.
4. Kindly bring the contents of this circular to the attention of all relevant officials within your Department as a matter of priority.

**For Head: Transport**

h: policies/circ/circ 2005/PTM Circular 30 of 2005.Termination of insurance contract.

cc: Ms D Lekalakala – Glenrand MIB

***MOTOR TRANSPORT SERVICES DIRECTORATE***

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