



IG eZine April 2016

Especially distilled for Business Insurance Consumers and Insurance Professionals

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GENERAL

A preview of King IV

Recently a draft of the latest instalment of the King Reports on Corporate Governance, namely King IV, was released by the Institute of Directors in Southern Africa (IoDSA) and the King Committee for public comment. [More](#)

South Africa must become more inclusive

2016 is proving to be a very exciting and challenging year for our young democracy. The events of the first few weeks of this year, presents us as a nation with the impetus to assess our 22 years of democracy within the context of the country we will bequeath to our future generations. [More](#)

SA's insurers are having to break away from 'business as usual'

SA's insurers are having to break away from 'business as usual' to look for new ways to achieve growth: PwC insurance report. [More](#)

Dawn raids by the South African Competition Commission – Ten things to know

The Competition Commission (Commission) is increasingly using dawn raids to gather evidence to prosecute companies involved in anticompetitive conduct in South Africa. [More](#)

National Credit Act Course

Moonstone Business School of Excellence offers the National Credit Act (NCA) Course for Intermediaries in the Motor industry who are Finance and Insurance brokers (F&I) and Industry providers of personal loans, HP agreements, credit cards and revolving credit. [More](#)

FAIS, TCF, RDR, Twin Peaks & Other Regulatory Updates

[Have your say on Financial Services Code](#)

[Lapsing of a Fais License](#)

[Causal event charges investigated](#)

[Financial Intelligence Centre Update](#)

[FAIS: Revised Fit and Proper requirements for Key Individuals](#)

[FAIS: When is a debarment not a debarment? \[Part 1\]\(#\); \[Part 2\]\(#\); \[Part 3\]\(#\)](#)

[FAIS: Reinstatement of Debarred Representatives](#)

[Updated FSB views on Phase 1 of the RDR Proposals](#)

[The RDR and Objective Product Recommendation and Advice](#)

[Compelling value propositions will aid brokers in post-RDR world](#)

SHORT-TERM

In the wrong place at the wrong time

We find ourselves in an extremely litigious society and thus it is paramount that a business understands their risks and ensures that they have adequate public liability insurance in place. [More](#)

Interest on insurance awards

The Supreme Court of Appeal has ordered an insurer to pay interest from the date upon which the indemnity should have been furnished, rather than the date the insured issued a summons. [More](#)

Manufacture Safe Products with a Loss Liability Prevention Program

Ensuring the safety of your products begins at the time each item is conceptualized and continues through manufacturing and sales. The degree of risk associated with your product must be acceptable not only to management, but also to customers and regulators. [More](#)

Misrepresentation of past losses avoids policy

A US court has allowed an insurer to avoid a \$25 million policy it issued to H.J. Heinz Co. because of a material misrepresentation regarding its product recall history. [More](#)

Sensory technology to redefine vehicle insurance in South Africa

Innovative short-term insurers are increasingly applying sensory technology to offer clients customised vehicle insurance products based on their individual driving profiles. [More](#)

Cyber threats, exposures and insurance

One of the main concerns for South African businesses is dealing with cyber threats. [More](#)

See also: [Cover for a cyber breaches under general liability policies](#)

Using different styles for effective risk facilitation

When a facilitator is leading a group in a facilitated workshop or meeting, he or she can adopt a range of facilitation styles. These vary by the amount of control exercised by the facilitator compared with the degree of control allowed for the group. [More](#)

Redefining the management of reputational risk in the age of social media

According to a study by the World Economic Forum, an average of more than 25 percent of a company's market value is directly attributable to its reputation. This means that a reputational crisis can wipe out tens of millions of Rands from a company's value. [More](#)

Most Lethal Year for Terrorism in Europe in Nearly a Decade

Aon Risk Solutions, the global risk management business of Aon plc, today launches its annual Terrorism and Political Violence Map, highlighting 2015 as the most lethal year for terrorist violence in Europe in nearly a decade. [More](#)

How will the Road Accident Benefit Scheme work in practise?

The Road Accident Benefit Scheme (RABS) is a proposed legislation that is intended to replace the current Road Accident Fund. Under RABS, fault is not considered on the part of the persons involved in the road accident, instead the focus shifts to how the claimant is immediately assisted. [More](#)

HEALTHCARE

Walking with purpose

On Sunday, 24 April 2016, hundreds of South Africans will take to the streets of Johannesburg for the Human Rights Walk at Constitution Hill, in celebration of twenty years of the Constitution of the Republic of South Africa. [More](#)

Hospital plan uptake on the increase as medical costs soars

As pressure on household incomes grow, interest rates increase and levels of discretionary income decline, more South Africans are looking at ways of trimming their monthly budgets. [More](#)

Utilisation of Medical Services

The Council for Medical Schemes carried out an analysis on the utilisation data of health services during the calendar years 2013 and 2014, based on the data provided by medical schemes through the Annual Statutory Returns in 2015. [More](#)

Largest African Healthcare Congress to focus on collaborative innovation

Solving Africa's biggest healthcare challenges requires a collaborative approach between governments, healthcare professionals and specialists. [More](#)

Growing diabetes rates require a shift towards preventative medicine

Netcare hospitals are warning that type 2 diabetes is on the rise. Fortunately, there is much that the public can do to fend off this medical condition. [More](#)

LIFE, RETIREMENT (incl. Employee Benefits) and INVESTMENT

FPI Annual Convention: Leading our Profession

Never in the history of financial planning have so many game changers come into play at the same time, leaving many South Africans with more questions than answers about their financial future. [More](#)

Nominating a minor as a beneficiary on a life insurance policy

It is trite law that a person can nominate a minor as a beneficiary on a life insurance policy, but remember, the minor will not be regarded as a party to the contract (i.e. the policy) between the policyholder and the insurer. [More](#)

South Africans underestimate the need for disability cover

A 2013 study by True South Actuaries and Consultants found that South Africans are seriously underinsured when it comes to both permanent and temporary disability. [More](#)

Liberty pays out over R3.5-billion in valid claims

Liberty, the largest writer of new risk business since 2002^[1], and the first insurer to publish its Claim Statistics in 2006, has paid out R3.57 billion in valid claims for the 2015 financial year. [More](#)

The Fitness Device: Fad? Or Future?

Reward for physical activity is moving beyond gym visits. "Multiply's Active DayzTM encourages members to become physically active in the way that their busy lifestyle allows or in the different ways they prefer. [More](#)

You can run but you can't hide – pension fund fraud

Let's not fool ourselves, fraud is anything BUT a victimless crime and could be committed at any time by anyone. [More](#)

Big advance in fees disclosure

Rob Rusconi, the independent actuary who has for years criticised the complexity and opaqueness of investment charges, welcomes the introduction by Asisa of a standardised Effective Annual Cost (EAC) measurement for retail products. [More](#)

Change retirement fund statements to change members' thinking

Presenting retirement fund members with regular statements that set out the value of their fund credits like bank account statements can actually promote incorrect thinking and have unintended consequences. [More](#)

Silence of the lambs

Pension funds have been hit hard by Nenegate. They should have been up in arms. But where were they to be heard? Nowhere. If they had a collective voice, it would be potent. [More](#)

Smart Beta attracting increased interest among SA investors

With the debate around the merits of active versus passive approaches to asset allocation continuing to rage, Smart Beta is attracting increased attention. [More](#)

Ratings downgrade already priced into market

During the course of 2016 we believe there is a very good chance that at least one of the major ratings agencies will downgrade South Africa to sub-investment grade. [More](#)

New Investment Strategies for a Changing Investment Landscape?

The global investment landscape is in the midst of considerable change, and this has been reflected by unusually volatile markets. [More](#)

Yours sincerely

Michael E. Stoker
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