THE OMBUDSMAN FOR SHORT-TERM INSURANCE

ANNUAL REPORT 2017

THE OMBUDSMAN
For Short-Term Insurance

KEY FIGURES – AS AT 31 DECEMBER 2017

» 9 097
FORMAL COMPLAINTS RECEIVED

» 5 079
PRELIMINARY COMPLAINTS RECEIVED

» 9 962
FORMAL COMPLAINTS CLOSED

»87 101 354
AMOUNT RECOVERED

»131 DAYS
AVERAGE TURNAROUND TIME

»77 660
CALLS RECEIVED BY CALL CENTRE

MISSION

To resolve short-term insurance complaints fairly, efficiently and impartially.

ABOUT US

We resolve disputes between consumers and short-term insurers:

- in a cooperative, efficient, and fair manner;
- with minimum formality and technicality;
- as transparently as possible, taking into account our obligations for confidentiality and privacy.

This involves understanding all aspects of a dispute without taking sides, and making decisions based on the specific facts and circumstances of each dispute.

CONTENTS

“ Fairness is a somewhat nebulous concept and what is or is not considered fair differs from person to person. ”

Haroon Laher, Chairman

REPORT
BY THE CHAIRMAN

It gives me great pleasure to present my first annual report as the in-coming chairman of the board of the Ombudsman for Short-Term Insurance NPC following my appointment to this position midway during 2017.

The annual report provides an opportunity to reflect on OSTI's achievements, its challenges, and on its continued purpose in a changing insurance landscape.

The 2017 statistics demonstrate considerable progress in turn-around times in settling complaints. Against the backdrop of the improvements that were made in 2016 to the quality of OSTI's service and output, and safe in the knowledge that OSTI remains committed to further enhancing all aspects of its service, this improvement is particularly reassuring.

However, OSTI's purpose cannot be simply to resolve complaints in the fastest time possible. Nor is it OSTI's purpose to resolve complaints by accurately applying the law. An important and perhaps sometimes overlooked aspect of its purpose is to resolve complaints on the basis of what is fair. Fairness is a somewhat nebulous concept and what is or is not considered fair differs from person to person. Often, the more formality that is applied to the resolution of a matter, the less fair the outcome seems. If OSTI is able to assist consumers and insurers in identifying and focusing on the real underlying issues, and it can get these issues resolved quickly and informally, and without recourse to the application of stringent legal principles, everyone wins. That is the overarching purpose of OSTI.

As ever, I should record my gratitude to my board for their unfailing wisdom and support. I am particularly grateful for the assistance that I have received from long-standing board members and from those who serve with me on OSTI's Exco for their assistance in orientating me during my first few months at the helm.

They, and in particular the vice-chairman, Mr Richard Steyn, contributed to a seamless transition, allowing me to embrace the tasks and challenges ahead. Not immune from the changes that are taking place at OSTI, a number of new members joined OSTI's board during 2017. It is with great sadness that I report the passing of Ms Leila Moonda who faithfully served as SAIA's board representative. Although I never had the privilege of serving with her, Leila's dedication, by all accounts, to the betterment of OSTI and her passion for the organization left a prominent mark on the board. Leila was replaced by SAIA's CEO, Ms Viviene Pearson. Ms Dianne Terblanche resigned from the board following the end of her term at the South African Consumer Tribunal. She was replaced by Ms Ina Wilken who has many years of experience in consumer affairs.

In conclusion, I look forward to an exceptionally exciting year for OSTI on a number of fronts. Regulatory reform remains an important issue, and the board has started a process that will see OSTI operate, as it has always been doing, within a restructured framework. There are also significant changes in the pipeline on how OSTI will work in the future. The welfare of our staff remains critical, and the changes being implemented will ensure that everything from the services provided by OSTI, to the facilities and environment of the staff, are changed beneficially to improve the service offered by OSTI and the welfare of its staff.

OSTI remains a pivotal player in the insurance playing-field, committed to providing an efficient and fair resolution to disputes between an insurer and a policyholder, thereby ensuring a platform for the man-in-the-street.

Haroon Y Laher
3 April 2018

> “ A misperception has arisen that a low overturn rate is indication of an insurer’s service excellence. This is in fact not the case. A low overturn rate can have a number of meanings. ”
>
> *Deanne Wood, Ombudsman*

REPORT
BY THE OMBUDSMAN

In this year's annual report OSTI showcases some of the extraordinary acts of nature that were experienced around the country during 2017. These evocative images serve to remind us of the hardship suffered by those who were affected during 2017 when Mother Nature unleashed her wrath through uncharacteristic tornadoes in the Vaal area, flash floods in Gauteng and KZN, fires fuelled by storm winds which dramatically ripped through and destroyed much of Knysna and the extreme drought in the Western Cape.

As many as 13% of all complaints submitted to OSTI during 2017 concerned claims relating to acts of nature. Indeed, 2017 was not a year that can be described as climatically dreary or boring.

Closer to home, OSTI experienced its own environmental challenges during 2017 as it sought to find the right balance between the qualitative enhancements that it had made during the previous year and the efficient turnaround times that it had enjoyed in the years prior to that.

As part of its continuing endeavours to improve the standard of its complaints handling process, in March 2017, OSTI launched a new manual for insurers (operating only as a guide during 2017 but to be fully effective as from 1 June 2018) detailing its complaints handling procedures. The purpose of the manual is to delineate the way in which complaints ought to be handled by OSTI's insurer members. The introduction of this manual was met with noteworthy co-operation from insurers – even in relation to potentially punitive additions to the complaints handling process which will, as from the effective date, see insurers penalized for failing to provide sufficient information to OSTI at the inception of a complaint.

Commendable co-operation was also received from insurers in the manner in which they adapted to the various operational changes that took place at OSTI during 2017. Perhaps the most significant of these changes was the introduction in the latter part of the year of a fast-track complaints handling process whereby preliminary recommendations are made in significantly curtailed time lines on matters capable of early initial assessment. This process has not only improved, and continues to improve, OSTI's turn-around times but it also enhances the quality of the service that OSTI is able to provide. This is because bad news served swiftly is far more palatable than that same news delivered after a prolonged period of time.

Acts of nature are often unpredictable and unexpected. This makes it difficult to plan ahead and anticipate the necessary action to take in order to cope with sudden changes to our surroundings. It is unlikely that anyone with an eye into the future would fail to take appropriate measures to ensure that the impact of a sudden extreme climactic event was kept to a minimum. The financial services industry has been afforded an eye into its future through the series of discussions and negotiations that have taken place between it and the Regulator over the course of the past few years. The same is true for financial ombud schemes who have been afforded significant insight into their own anticipated evolution under the now enacted Financial Sector Regulations Act, 2017. Through its alliance with the Banking, Credit and Long-Term Insurance Ombudsmen, and under the auspices of the Ombudsman Association of South Africa, OSTI participated in discussions held with National Treasury and the financial services industry about the future model of financial ombud schemes. OSTI remains committed to

taking the appropriate measures to anticipate the intended changes to its structural landscape. OSTI is, as a short term measure, exploring ways in which to rationalize its structures so as to align closer with those of the Long-Term Ombudsman and to embark on a process of creating a single port of entry to financial ombud schemes for all financial consumers.

A detailed discussion of OSTI's operational statistics for 2017 follows later in this report. For the most OSTI experienced a temperate year with little dramatic movement in its statistical data. There is however one outlier to this general trend. OSTI's overturn rate (i.e. the percentage of matters where some portion of the insurer's decision was overturned) for 2017 has decreased substantially when compared with that of previous years. An initial assessment of this decrease might seem to suggest that in 2017 insurers were more correct in their claims assessments than in previous years. Or, more worryingly, that OSTI was less willing to challenge insurer's decisions and more susceptible to industry bias. However, neither of these assessments are accurate. In truth, the reduction in OSTI's overturn rate can primarily be explained by the material shift in some insurers' approach to this measure and to what it represents for their organizations. A misperception has arisen that a low overturn rate is indication of an insurer's service excellence. This is in fact not the case. A low overturn rate can have a number of meanings. It can indeed indicate service excellence and a general trend towards making the correct decision at the outset. But, importantly, it can also be indicative of inflexibility, dogged decision-making and an unwillingness to be tractable and to treat each complainant as an individual when considering the merits of a complaint that has been submitted to OSTI. Whatever the reason, it is my hope that the overturn figures published by OSTI will be viewed in the proper context and will be read in conjunction with the other reported insurer statistics. It is OSTI's intention to relook at this reporting aspect in its next annual report.

In changing times it is essential that we grow confidence in our organization. Last year OSTI committed to improving the quality of the service that it provides. This year it has sought to imbed this improvement as an axiomatic step in its complaint resolution process and to couple it

with improved turnaround times. Looking ahead to 2018 OSTI's complaint's handling focus will be on consumer experience and a better understanding of the way in which it can improve its service to its users.

Of course, none of OSTI's achievements during 2017 would have been possible without its people. This year the winds of change blew both through OSTI's staffing compliment and through its governance structure in the form of its board and sub-committees.

Having bid farewell to a number of staff members in the early part of the year, OSTI welcomed as part of its professional team Lora Bezri, Regina Chindomu and Abri Venter.

OSTI also welcomed a new chairman in 2017 – Haroon Laher, a senior attorney specialising in Insolvency Law. I am extremely grateful to Haroon for the enthusiasm with which he has embraced the role and for his unfailing support. Thanks also go to the other members of the board for their insight, rigorous debate and commitment to the betterment of OSTI. I am also extremely grateful to the members of the audit committee, and welcome its two new members Skhumbuzo Mlangeni from Standard Bank and Lumka Phala from ABSA who were appointed during 2017.

Finally, my sincere appreciation and thanks go to my management team and senior assistant ombudsmen, whose sage advice and insight I have relied on heavily this year. Special mention must be made of my Deputy Ombudsman, Edite Teixiera-Mckinon, for her continued wisdom and support throughout 2017.

At the end of each year it is important to take time to stop and reflect. This report is a chance to do just that. No doubt there are still some storms for OSTI to weather but I believe that 2017 has shown that OSTI will endure the changes that are yet to come and that its persistence, hard work, pragmatism and dedication to those whom it serves will ensure that it thrives in the times that lie ahead.

Deanne Wood
Ombudsman for Short Term Insurance

March 2018

“ If implemented early in the dispute resolution process, ADR can minimise divisiveness and prevent the conflict from escalating. ”

Edite Teixeira-Mckinon, Deputy Ombudsman

UBUNTU THROUGH ADR – A VESTED INTEREST IN COLLABORATIVE OUTCOMES

Nelson Mandela has been labelled 'the greatest negotiator of the 20th century.'[1] Barach Obama said of Mandela that he 'taught us the power of action, but… also… ideas; the importance of reason and arguments; the need to study not only those you argue with, but those you don't… Mandela understood the ties that bind the human spirit. There is a word in SA – Ubuntu – a word that captures (his) greatest gift: his recognition that we are all bound together…'

Ombud schemes are flexible and easily approachable forums focusing on effective and efficient alternative dispute resolution processes. Alternative dispute resolution, or ADR, properly applied, echoes the spirit of Ubuntu and gives recognition to the power of reason.

All too often the temptation is to focus only on adjudicative dispute resolution processes. In recognising the power of reasoning, OSTI has identified the need to develop a more flexible, less adjudicative dispute resolution process. This appreciation is supported by international good practice and the move in the financial services industry towards greater access to alternative dispute resolution mechanisms through the use of ombud schemes. Properly applied, alternative dispute resolution encompasses a variety of different forms of dispute resolution, including mediation, conciliation and arbitration.

Conciliation and mediation are appropriate where the interests of the disputing parties need to be addressed and where relationships need to be preserved or even enhanced. The use of mediation and conciliation allows the parties to create options for resolution that are generally not available to the parties through the court process or arbitration.

Both mediation and conciliation offer, in slightly different forms, a cost effective and expeditious structured negotiation process promoting restorative justice. Mediation has a long history of resolving disputes in indigenous African communities. Colonialism disrupted this tradition by preferring adjudicative outcomes instead of consensual ones. There has however been a resurgence of the use of mediation since the 1980's, starting with employment mediation in terms of the Labour Relations Act, then the Code of Corporate Governance and, in 2014, the Magistrates Court mediation project which encourages mediation in selected Magistrates Courts.

Negotiated and consensual outcomes, where appropriate, are to be encouraged. The advantages of ADR are that its different techniques are easy to execute and the process is collaborative, rather than adversarial. The proceedings are private and confidential. The parties are generally more satisfied with the outcome as they participate in working out, and therefore have greater control over, the outcome.

If implemented early in the dispute resolution process, ADR can minimise divisiveness and prevent the conflict from escalating. ADR is responsive to the individual needs of the parties involved and gives the parties a chance to tell their story as they see it.

ADR is a source for providing mutually acceptable remedies in the context of broken relationships. Like Ubuntu, ADR

Footnote 1. Professor Robert Mnookin, Chair, Program on Negotiation, Harvard Law School.

favours, through dialogue and mutual tolerance and respect, restorative rather than retributive justice. It promotes mutual understanding and restores the dignity of the one party without ruining that of the other.

Generally, and based on an international comparison of similar schemes to ours, notably those of the United Kingdom and Australia, industry ombudsmen operate by applying flexible standards and principles. This enables ombudsmen to exercise discretion and to consider each matter on its own merits rather than by way of a strict application of the law.

If, after applying the law, the outcome is still unfair, ombudsmen take into account flexible principles, being notions of equity, fairness and reasonableness.

This is done by having regard to good practice, relevant industry codes and the law. It is from this practice that ombudsmen derive their jurisdiction to make equitable determinations.

OSTI's Terms of Reference make room for it to apply an equity jurisdiction in resolving complaints. The Financial Sector Regulation Act 9 of 2017 also states that the 'Ombud Council must not recognise an industry ombud scheme unless satisfied that the governing rules of the industry ombud scheme require the ombud to apply, where appropriate, principles of equity when dealing with a complaint.' (Section 196 (3)(6)(vii)).

OSTI exercises its equity jurisdiction similar to that of ombudsmen in other jurisdictions. When making an equitable determination, OSTI:

- considers the law;
- takes into account codes of practice, both regulatory and imposed;
- looks at industry best practice. This may result in decisions that are in conflict with case law if the law has not sufficiently developed to regulate such practice;
- evaluates the particular circumstances of each case; and
- assesses what is fair to both parties by taking into account what the average person would consider a fair outcome and a moderated application of the law so as to give proper weight to considerations of equity and good conscience.

OSTI's approach, when deciding matters requiring an application of its equity jurisdiction, will continue to be that the relevant law will be considered but where this does not lead to a fair and reasonable outcome, the law will be departed from. Regard will be had to the particular circumstances of an individual case and what is fair and reasonable in those circumstances.

OSTI recognises the importance of consistency. Although no precedents are set by OSTI, like matters must have like outcomes. OSTI will continue to communicate norms and standards to ensure consistency in approach.

Edite Teixeira-Mckinon
Deputy Ombudsman

“ As at 31 December 2017, OSTI’s received revenue increased by 21% from R29.8 million in 2016 to R36.2 million. ”

Miriam Matabane, General Manager

FINANCE MATTERS

2017 Annual Financial Statements

PricewaterhouseCoopers Inc. audited the Annual Financial Statements for the year ended 31 December 2017. OSTI once again received an unqualified audit report as no significant audit findings were identified. The annual financial statement have been prepared in accordance with International Financial Reporting Standards and the requirements of the Companies Act of South Africa. The accounting policies have been applied consistently compared to the prior year. The approved and detailed audited financial statements are available at: http://www.osti.co.za/financial.html

A copy of our 2017 Annual Financial Statements will, in addition, be emailed to all our stakeholders.

Financial Position

The financial position of OSTI remains sound with all member insurers settling what was owed by them for the financial year ended 31 December 2017. As a non-profit company, OSTI's objective is to cover its annual expenses and to budget to break-even, going forward. I am pleased to report that for the 2017 financial year, this has been achieved with a minimal deficit of R246 214.

The revenue of the company depends solely on fees levied to member insurers against new complaints received. A decline of 11% in the number of complaints received has been recorded for the 2017 financial year. OSTI is concerned by this slight decline in the number of complaints received and it has put measures in place to remedy this.

OSTI's revenue is recognised based on the actual number of closed cases. As at 31 December 2017, OSTI's received revenue increased by 21% from R29.8 million in 2016 to R36.2 million. An annual inflationary fee increase was introduced and the fee per complaint increased from R3500 to R3700 for the year under review.

Liquidation of SaXum Insurance Company

SaXum Insurance was liquidated on 28 October 2016 and a provision for bad debt has once again been raised for the 2017 financial year to cater for this loss in revenue.

Audit and Risk Committee

The financial reports and risk analysis reports are reviewed quarterly by the Audit Committee and the Board. The Committee is satisfied that the risk management processes undertaken during the year to address high risk areas within OSTI were adequate and effective. As new risks are identified, appropriate control measures and mitigation measures are taken.

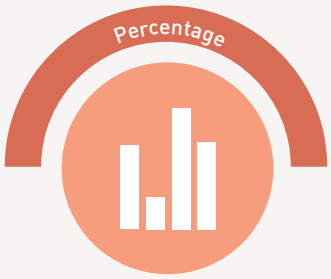
New Membership

No applications for membership were received during 2017, the members totalled at 54. The list of member companies is enclosed in this report.

Miriam Matabane
General Manager

OFFICE STATISTICS

Finalisation per period

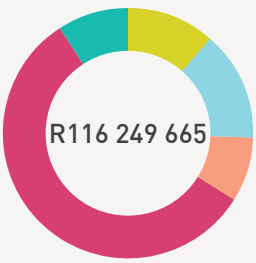


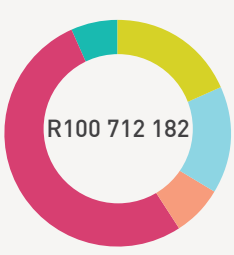
Finalised within 4 months	49%
Finalised between 4 and 6 months	27%
Finalised between 6 and 9 months	21%
Finalised in over 9 months	3%
Total cases closed	100%

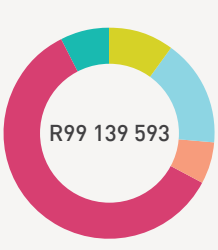
Formal complaints closed

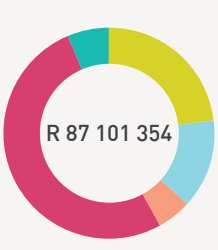
2014	2015	2016	2017
10 347	9 944	8 631	9 962

Rand value of complaints resolved in favour of insured - Claim type



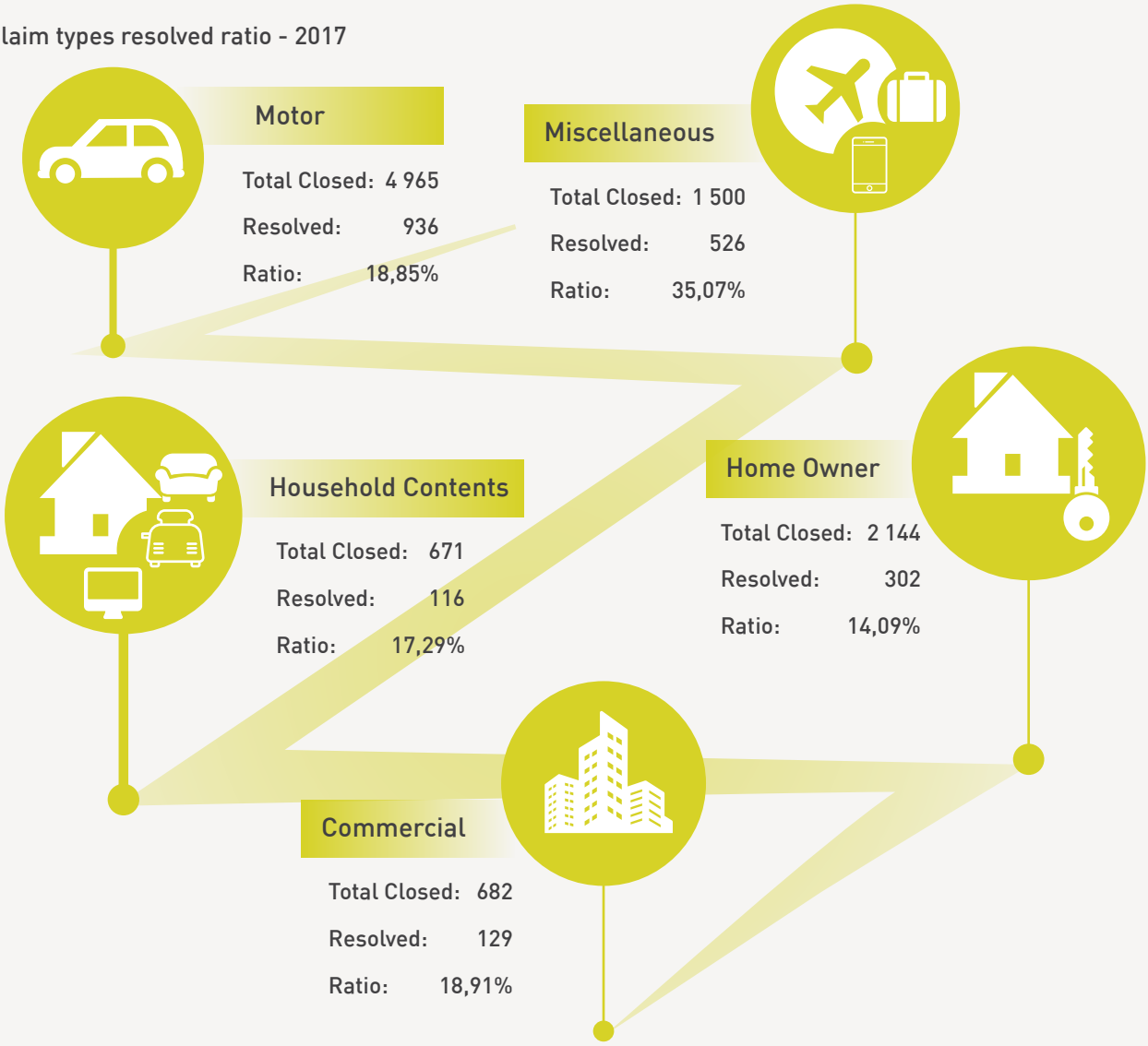




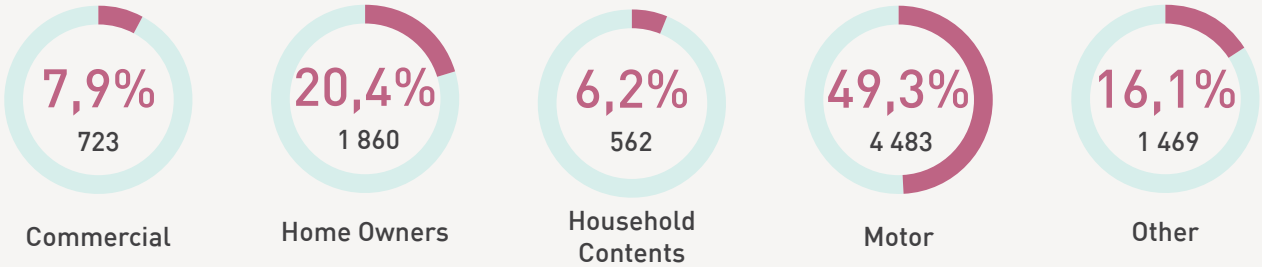


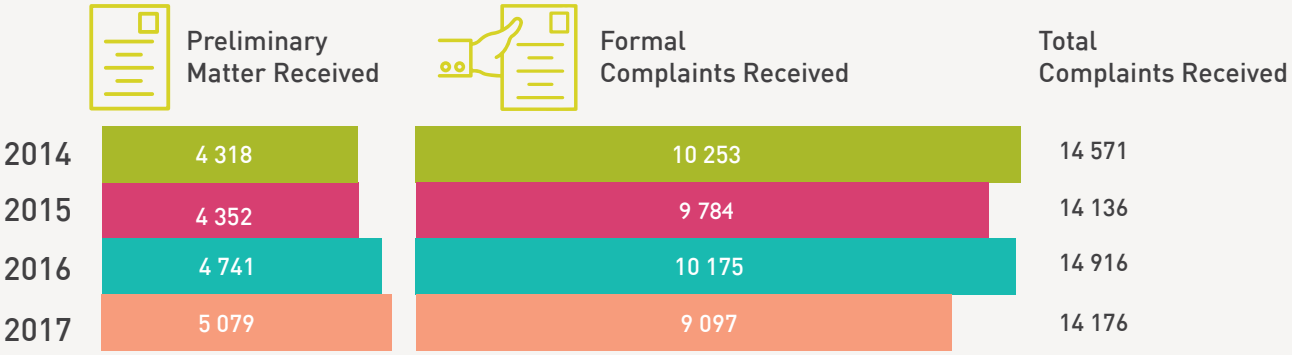
	2014	2015	2016	2017
Commercial	R13 513 747	R18 513 071	R10 159 765	R 19 982 717
Home Owner	R16 576 761	R15 498 565	R16 029 454	R 11 829 111
Household	R8 740 678	R7 339 724	R6 372 811	R 4 280 912
Motor	R66 863 957	R52 897 530	R59 238 533	R 45 692 919
Other	R10 554 523	R6 463 292	R7 339 030	R 5 315 695

Claim types resolved ratio - 2017



Types of complaints by cases (on matters received for 2017)





A STATISTICAL ANALYSIS
OF MATTERS CLOSED BY OSTI IN 2017

Ayanda Mazwi, Senior Assistant Ombudsman

During **2017**, OSTI **finalized** a total of **9 962** Formal Complaints

The majority were in respect of

Motor vehicle claims at **49.3%** followed by

Homeowners claims at **20.4%**

Commercial claims at **7.9%** and

Household content claims at **6.2%**

So what, in relation to these categories, did people complain about?

Motor vehicle claims

The **majority** of these **complaints** at **74%** were for **accidental damage**

This figure mainly comprised claims rejected on the grounds that the insured was **driving under the influence of alcohol**. Some insurance companies have introduced measures such as the 'take me home' service to manage the risk associated with drunken driving. However, it is clear from this year's statistics, that DUI remains a very real problem for the South African insurance industry.

The second highest cause for complaints was rejections based on a policyholder's alleged **misrepresentation of underwriting details** at sales stage. Examples include misrepresentations about regular driver details, previous insurance and claims history, credit history, security devices and whether the vehicle would be used for personal or business use. The Ombudsman has always highlighted the importance of truthful and accurate information being provided to the insurer during underwriting.

A significant number of complaints related to rejections based on the **policyholder's obligation to excersise due care and to prevent loss.** When the ombudsman assesses disputes of this nature it requires that there be a causal connection between the insured's conduct and the accident.

Complaints relating to **quantum disputes** were also high. These disputes frequently relate to the settlement calculation in respect of a total loss claim, that is, when the vehicle has been stolen or written off. The settlement calculation may result in a shortfall where the vehicle is financed.

Warranty and mechanical breakdown claims comprised 9% of complaints considered by OSTI in 2017. We have noticed that the cause of these disputes often arose from the insurer's **advice provided as sales stage.**

" DUI REMAINS A VERY REAL PROBLEM FOR THE SOUTH AFRICAN INSURANCE INDUSTRY. "

Homeowners claims

Given the **extreme weather conditions** experienced in **2017**, it is not surprising to report that **61%** of complaints considered by OSTI under homeowner's insurance related to acts of nature, largely **storm damage.**

11% related to **bursting of water apparatus** and only **4%** to **theft claims.**

The primary cause for complaint was the dissatisfaction with the rejection of claims on the grounds of **damage arising from gradual deterioration, maintenance, wear and tear,** which is not the responsibility of the insurer to remedy. In general, the Ombudsman will assess these matters by asking whether the loss or damage would have occurred if the property had been properly maintained. If it clearly would have occurred even if the property had been adequately maintained the Ombudsman will usually uphold the claim.

The secondary cause for a complaint under homeowner's claims related to **quantum disputes** - the most prevalent being the settlement calculation in circumstances where the policyholder was underinsured.

There were also a significant number of complaints relating to rejections on the basis that **no insured event occured.** The Ombudsman will consider the policy and the facts and circumstances of the loss in determining whether an insured event occurred.

Household content claims

Theft and burglary claims comprised **73%** of formal complaints considered by OSTI in 2017. 7% related to acts of nature, 6% to accidental damage and 5% to power surges.

73% Theft and burglary claims

7% acts of nature

6% accidental damage

5% power surges

Quantum disputes comprised the highest number of complaints considered by OSTI under household content claims. Again, the disputes related to underinsurance and replacement values. In many of these claims, the insured was unable to prove ownership and/or the value of the goods. It is reasonable and necessary for the insurer to request proof of ownership when validating a claim, particularly with high value items. Whilst this office will always endeavour to establish an equitable outcome, we encourage policyholders to keep an inventory of their home contents and retain proof of ownership, including copies of receipts and valuation certificates outside the risk address so that these are not also taken during a burglary or destroyed in a fire.

Claims rejected on **fraud and dishonesty** remain a concern in the insurance industry. This is also reflected in our statistics.

Commercial

The Ombudsman has limited jurisdiction on commercial policies. The majority of complaints considered related to building claims at 28% closely followed by motor vehicle claims at 25%.

28% complaints related to building claims

25% motor vehicle claims

The primary cause for the complaint under building claims was rejections on the ground of **gradual deterioration and maintenance.** Under motor vehicle claims, rejections based on the **roadworthiness of heavy commercial vehicles** formed a significant number of the complaints considered by OSTI.

Other

OSTI also considered non-claim related policy complaints such as policy cancellations, premium refunds and instances where the insurer has not complied with its obligations. Our statistics reflect an increasing number of complaints relating to mobile device insurance claims at 29%, legal expenses cover at 4.3% and hospital plans at 5%. Again, we often find that these disputes stem from the quality of the communication that takes place at sales stage.

Ayanda Mazwi
Senior Assistant Ombudsman

EXPLANATORY NOTES AND INSURER STATISTICS

Explanatory notes

1. The data must be understood in the correct context and it is therefore necessary to record some words of explanation in relation to these statistics.

Ombudsman's limited jurisdiction

2. The office of the Ombudsman has limited jurisdiction over commercial lines policies and, in any event, has jurisdiction for personal lines business only up to R2 million, save for home owners claims where the jurisdictional limit is R4 million. The statistics therefore focus only on personal lines claims (statistics provided by the Financial Services Board) and personal lines complaints received by this office. Commercial lines complaints which are not reflected in the statistics, represent only about 7.9% of total complaints to the office of the Ombudsman.

3. No adverse conclusions should be drawn against any insurer based purely on the number of complaints against them received by this office. Larger insurers issue proportionately more policies which cannot form the basis of a complaint to this office due to our jurisdictional limits. Thus, for example, when considering the percentage of complaints received by this office against a large insurer, the large insurer, upon a superficial analysis, therefore appears to attract a relatively low number of complaints. What is the more important statistic is the proportion of personal lines complaints relative to an insurer's share of the total personal lines claims reported to the Financial Services Board. The clearest indicator of this is column 5, being the number of complaints to this office per thousand claims received by an insurer. Where an insurer receives a high number of complaints to this office per thousand claims, this may be an indicator that claims are dealt with unfairly by the insurer. However, this statistic should be considered in conjunction with column 8, being the overturn rate. The overturn rate is an indicator that the decision of the insurer with respect to a complaint was changed in some respect by this office with some additional benefit to the insured. Further comments on the overturn rate appear on the following page.

4. Please note that a claim can be received by an insurer in year one and a complaint in respect of that claim may be received by OSTI only in year two, hence the number in column 3 may be greater than the number in column 1. The statistics record the numbers received by insurers and by OSTI respectively during 2017.

5. Also note that under column 1, certain insurers are shown by the FSB statistics as having received no claims during 2016. This may be explained on the basis of either the company issuing only commercial lines policies or that the company is dormant. We repeat that only personal lines statistics are included in the table as this is what has been received from the FSB (columns 1 and 2).

Overturn rate

6. The overturn rate per insurer as shown in the table is for personal lines claims only. It excludes commercial lines claims. However, the overall 20% overturn rate mentioned in the Ombudsman's report includes both types of claims. If a high overturn rate is registered, this may, but not necessarily, indicate that the insurer is not treating its customers as fairly as it should. However the overturn rate should be treated with considerable caution as a high overturn rate can also be indicative of a high degree of co-operation being received by the Ombudsman's office from a particular insurer in resolving a complaint to the satisfaction of the customer. The Ombudsman takes into account the following two circumstances in determining the Overturn Rate:

a) The decision of the insurer is overturned by the Ombudsman by way of a recommendation which is accepted or by way of a Final Ruling.

b) A resolution of the dispute has been mediated by the Ombudsman with the insured receiving a benefit which he/she would not have received without the involvement of the Ombudsman.

General

7. Any media queries in relation to insurer statistics should be directed to the particular insurer.

	1	2	3	4	5	6	7	8
Name of Insurer	Claims received by Insurers (FSB statistics)	Share of claims received by the particular insurer (FSB statistics)	Complaints received by OSTI	Share of the total number of complaints received by OSTI	Number of Complaints received by OSTI per thousand Claims received by Insurer	Complaints finalised by OSTI	Complaints finalised with some benefit to the insured	Overturn Rate
Abacus Insurance Limited %	2,897	0,09%	4	0,05%	1.38/1000	3	1	33,33%
Absa Insurance Company Ltd*	160,037	4,91%	778	9,38%	4.86/1000	953	207	21,72%
AIG Insurance	33,598	1,03%	55	0,66%	1.63/1000	58	17	29,31%
Alexander Forbes Insurance Company	54,606	1,68%	129	1,56%	2.36/1000	154	32	20,78%
Allianz Global Corporate	372	0,01%	1	0,01%	2.68/1000	1	1	100,00%
Auto & General Insurance Company	103,232	3,17%	217	2,62%	2.10/1000	261	35	13,41%
Bidvest Insurance Limited	18,959	0,58%	57	0,69%	3.00/1000	76	9	11,84%
Bryte Insurance Company Limited	138,183	4,24%	131	1,58%	0.95/1000	146	44	30,14%
Budget Insurance Company Limited	70,252	2,16%	203	2,45%	2.88/1000	222	21	9,46%
Centriq Insurance	45,723	1,40%	117	1,41%	2.55/1000	132	34	25,76%
Chubb Insurance South Africa Limited	1,143	0,04%	7	0,08%	6.12/1000	10	3	30,00%
Compass Insurance Company Limited	7,168	0,22%	46	0,55%	6.41/1000	58	5	8,62%
Constantia Insurance Company Limited	84,011	2,58%	153	1,84%	1.82/1000	103	17	16,50%
Dial Direct Insurance Limited	39,923	1,23%	107	1,29%	2.68/1000	131	13	9,92%
Discovery Insure	122,372	3,76%	252	3,04%	2.05/1000	243	40	16,46%
First for Women Insurance Company Limited	44,623	1,37%	111	1,34%	2.45/1000	118	16	13,56%
Genric Insurance Company Limited	56,111	1,72%	45	0,54%	0.80/1000	41	10	24,39%
Guardrisk Insurance Company Limited	175,446	5,39%	480	5,79%	2.73/1000	484	216	44,63%
Hollard Insurance Company	322,343	9,90%	601	7,25%	1.86/1000	706	208	29,46%
Indequity Specialised Insurance Limited	2,468	0,08%	3	0,04%	1.21/1000	5	0	0,00%
Infiniti Insurane	37,185	1,14%	99	1,19%	2.66/1000	114	30	26,32%
King Price Insurance	64,251	1,97%	312	3,76%	4.85/1000	367	36	9,81%
Legal Expenses southern Africa Limited	28,323	0,87%	64	0,77%	2.25/1000	85	12	14,12%
Lion of Africa	35	0,00%	0	0,00%	0/1000	0	0	0,00%
Lloyd's South Africa	194	0,01%	1	0,01%	5.15/1000	1	0	0,00%
Lombard Insurance Limited	10,857	0,33%	4	0,05%	0.37/1000	2	1	50,00%
MiWay Insurance Limited	107,802	3,31%	608	7,33%	5.63/1000	671	58	8,64%

	1	2	3	4	5	6	7	8
Name of Insurer	Claims received by Insurers (FSB statistics)	Share of claims received by the particular insurer (FSB statistics)	Complaints received by OSTI	Share of the total number of complaints received by OSTI	Number of Complaints received by OSTI per thousand Claims received by Insurer	Complaints finalised by OSTI	Complaints finalised with some benefit to the insured	Overturn Rate
Momentum ST Insurance Company Limited	31,332	0,96%	122	1,47%	3.89/1000	122	7	5,74%
Monarch Insurance Company Limited	24,525	0,75%	11	0,13%	0.44/1000	12	9	75,00%
Nedgroup Insurance Company	69,224	2,13%	232	2,80%	3.35/1000	247	52	21,05%
New National Assurance Company Limited	24,371	0,75%	288	3,47%	11.81/1000	265	80	30,19%
NMS Insurance Services (SA) Limited	96,192	2,95%	8	0,10%	0.08/1000	9	8	88,89%
Oakhurst Insurance Company Limited	33,185	1,02%	207	2,50%	6.23/1000	206	26	12,62%
Old Mutual Health Insurance Limited	1,318	0,04%	1	0,01%	0.75/1000	2	0	0,00%
Old Mutual Insure %	144,953	4,45%	608	7,33%	4.19/1000	710	184	25,92%
OUTsurance	267,997	8,23%	366	4,41%	1.36/1000	410	20	4,88%
Professional Provident Society Short-term Insurance Company Limited	3,762	0,12%	1	0,01%	0.27/1000	1	0	0,00%
Regent Insurance	47,894	1,47%	111	1,34%	2.31/1000	124	22	17,74%
Relyant Insurance Company Limited #	0	0,00%	0	0,00%	0/1000	0	0	0,00%
Renasa Insurance Company Limited	66,197	2,03%	86	1,04%	1.29/1000	102	33	32,35%
SAFIRE Insurance Company Limited	6,745	0,21%	7	0,08%	1.04/1000	8	1	12,50%
SAHL Insurance Company Limited	24,254	0,74%	63	0,76%	2.59/1000	80	5	6,25%
Santam Limited	384,489	11,80%	579	6,98%	1.50/1000	621	134	21,58%
Santam Structured Insurance Limited %	57,756	1,77%	282	3,40%	4.88/1000	346	54	15,61%
SASRIA SOC LIMITED	819	0,03%	1	0,01%	1.22/1000	1	1	100,00%
Shoprite Insurance Company Limited	12,005	0,37%	23	0,28%	1.91/1000	30	13	43,33%
Standard Insurance Limited	119,743	3,68%	499	6,02%	4.16/1000	569	75	13,18%
Unitrans Insurance Company Limited	3,526	0,11%	5	0,06%	1.41/1000	3	1	33,33%
Vodacom Insurance Company Limited	82,743	2,54%	30	0,36%	0.36/1000	31	19	61,29%
Western National Insurance Limited	13,950	0,43%	168	2,03%	12.0/1000	198	46	23,23%
Workerslife Insurance Limited	8,445	0,26%	10	0,12%	1.18/1000	12	7	58,33%
TOTAL	3,257,539	100.00%	8,293	100%	2.4/1000	9,254	1,864	20,14%

Please Note:

*The Statistics for ABSA Insurance Co Ltd include statistics for ABSA Idirect and ABSA Insurance Risk Management Services Limited.

*The Statistics for Old Mutual Insure include statistics for Iwyze and Mutual & Federal Risk Financing.

FSB Legend

Deregistered

% Insurer changed name during the 2017 period

I HAVE A CREDIT SHORTFALL POLICY

SO WHY DO I STILL OWE THE BANK?

Peter Nkhuna, Senior Assistant Ombudsman

Earlier in the year I was representing OSTI on a call-in radio show. An unhappy listener contacted the station complaining that, although her insurance company had settled a credit shortfall claim, she found herself still indebted to the bank which had financed the purchase of the insured vehicle. The caller was under the impression that because she had purchased a credit short-fall policy, her entire indebtedness would be settled under the shortfall policy. However, and in spite of the way in which these policies are sometimes sold, shortfall cover does not necessarily mean that the entire amount owed to a bank will be settled under the shortfall policy.

This piece is intended to provide insight into the mechanics of credit shortfall policies, and, more particularly, into instances where a shortfall insurer will be liable for the full outstanding balance.

Generally speaking, shortfall policies do not cover all excesses, refundable amounts and finance charges and non-standard accessories or extras. Finance agreements involving deferred payments and instances where there are discrepancies in insured amounts between the comprehensive policy on the one hand and the credit shortfall policy on the other, can also prove problematic.

Excesses

Shortfall policies do not cover all excesses payable under a comprehensive insurance policy. Many insured persons opt for policies with higher and multiple excesses in order to keep monthly premiums low. Most credit shortfall policies limit the extent to which they will cover excess payments by stipulating that in calculating a shortfall, a maximum excess amount will apply. If the maximum stated excess amount is, for example, R10 000, and the insured has an excess applicable to the comprehensive policy of say, R35 000, the insured will already have a payment gap of R25 000 and thus may have a balance owing to the bank of that amount even after the credit shortfall claim has been paid.

Refundable amounts and finance charges

If there are any financial products which were purchased with the vehicle and were also financed, these will usually be excluded from consideration when calculating the liability of the credit shortfall insurer. These amounts will ordinarily be refundable anyway, and may be recovered from the sellers of the respective products. Examples of these are service or maintenance plans, some mechanical warranty policies or plans, scratches and dents policies and so forth.

Discrepancies in insured amounts

Where the insured vehicle is covered in terms of a comprehensive policy for less than the insured value or presumed value in terms of the credit shortfall policy, there is a likelihood of there being an outstanding amount despite payment under a credit shortfall policy. This will happen if the insured value in terms of the credit shortfall policy is higher than the insured value in terms of the comprehensive policy therefore resulting in an outstanding balance after payment by the credit shortfall insurer.

“ Shortfall cover does not necessarily mean that the entire amount owed to a bank will be settled under the shortfall policy. ”

Non-standard accessories and extras

Where an insured does not specify on the comprehensive policy any non-standard equipment or accessories installed on the vehicle, the main insurer will not pay for these non- standard accessories or extras. So too will the credit shortfall insurer exclude these amounts from the calculation of the credit shortfall liability. Ultimately, the insured will have to carry any losses relating to these items should there be such items involved in the insured's claims. The insured will however be entitled to remove these items from a vehicle being salvaged by the comprehensive insurer. So, for example, an insured would be entitled to remove items such as a non-specified floor mat prior to the salvage of the vehicle. The removal of the non-standard accessories or extras is however not usually practical and may involve additional costs which the insured may have to incur as the vehicle would have to be reinstated to a standard condition once those items have been removed. For example, if the insured decided to remove a sunroof installed as a non-standard accessory or extra, the insured would not be in a position to leave the vehicle with a gaping hole in the roof. It is also not clear what the insured would do with such a sun roof after removal. The costs of removal and restoring the roof to a standard one, would probably discourage the insured from removing the sun roof.

Finance agreements involving deferred payments

In my view finance agreements involving some or other type of a deferred payment (which have gained prominence lately) create the biggest risk of a shortfall not being covered by the credit shortfall policy.

Finance agreements which involve deferred payments include agreements where:

- the insured does not pay a deposit and the monthly payments are structured in such a way that the deposit amount is paid over the whole finance period;
- there are residual values and balloon payments;
- there may be payment holidays; and
- the finance period is extended, for example where the finance period is 72 months.

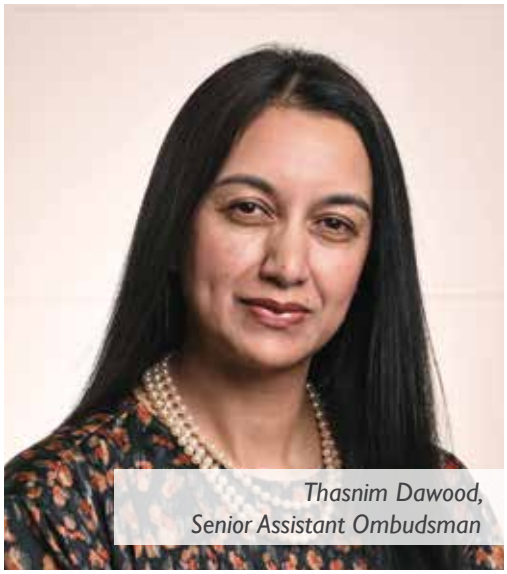
Essentially, the structure of the finance agreement could lead to a shortfall which is not covered in terms of the credit shortfall insurance policy. The longer one extends the payment period, the longer it takes to break even and the greater the risk of the credit shortfall not covering some of the outstanding balance. Other amounts not covered by the credit shortfall policy are licensing and delivery charges which the motor dealerships charge and are usually included in the finance agreement.

Conclusion

It must be clear from the above discussion that there are many factors which may result in an outstanding amount even after the credit shortfall insurer has paid out a claim correctly and in line with its obligations under a policy. Consumers of insurance products and users of finance agreements must therefore ensure that the choices they exercise are consistent and do not leave them unnecessarily exposed.

Peter Nkhuna
Senior Assistant Ombudsman

DON'T LET IT BE MISUNDERSTOOD



Thasnim Dawood,
Senior Assistant Ombudsman

George Bernard Shaw said: *"The biggest single problem in communication is the illusion that it has taken place."*

In making this observation, Mr Shaw may well have been referring to discussions that take place between insurance sales consultants and their customers during the conclusion of contracts of insurance. I make this observation because all too often OSTI is approached by unhappy complainants whose claims have been rejected on the grounds that they do not have the proper insurance cover in place to indemnify them for the loss that they have suffered. Usually these complaints stem from the fact that, because of a failure in the communication between the complainant and the sales consultant, the complainant misunderstood the nature and ambit of the cover that was being sold.

During sales stage, it is important for an insurer to make the salient terms and conditions of a policy clear to an insured. In return, the insured must take the time to understand what cover he or she is getting when purchasing the policy. One of the key problems identified by OSTI in the communication between sales consultants and insureds lies in the use of pre-written sales scripts. These scripts, while being perfectly understandable when being read on paper, are often rapidly read out and are clearly incomprehensible to the insured.

The Policyholder Protection Rules are designed to protect consumers and to improve market conduct in the insurance sector. The rules require that insurers should at all times act in a manner which ensures the fair treatment of customers. They require that policyholders are given clear information and are appropriately informed at the time of entering into a policy agreement as well as thereafter. They also require that the policyholders receive advice, that the advice is suitable and that it takes into account the insured's circumstances. The FAIS Code of Conduct provides that an advisor must provide a reasonable and appropriate general explanation of the nature and the material terms of the relevant contract.

Perhaps I can communicate the importance of proper communication by way of an example of a matter that OSTI was recently called upon to consider.

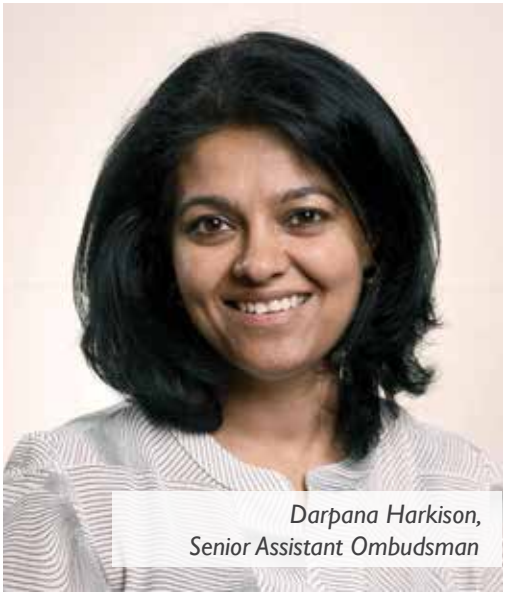
Mrs M, responding to an advertisement by ABC insurer, contacted ABC for a quote on comprehensive motor vehicle and household contents insurance cover. Mrs M explained to ABC's sales consultant that she found her current insurance premium to be too expensive and wanted to pay a cheaper premium but continue to enjoy the same cover that she was currently enjoying. The premium amount quoted to her by the sales consultant was too high as it was roughly the same premium as she was currently paying. She advised the insurer that she would have to think about it. The following day the consultant contacted the insured and, referring to the quote which was given to her the previous day, offered Mrs M insurance at a significantly lower premium for a product described by the sales consultant as being "tailor-made" for Mrs M. Mrs M accepted the quote and cover incepted. Several months later Mrs M was involved in an accident. When she claimed under her policy, the claim was declined on the grounds that the policy did not cover damage which did not result in a total loss. As Mrs M now discovered, the cover that was given to her was a limited cover policy where damage which did not result in a total loss, was excluded.

Mrs M duly approached OSTI for assistance. OSTI noted from the sales conversation that Mrs M was not given a proper, clear explanation of the true nature and extent of this "tailor-made" cover. Moreover, Mrs M's needs were not taken into account and she was not given an opportunity to freely choose the cover she wanted or the necessary information to make an informed decision. OSTI accordingly recommended that ABC insurer pay the claim, which it agreed to do.

This type of dispute would not have arisen had there been clear communication and understanding between the parties regarding the type of cover that was being sold and that it was indeed fit for the purpose and needs of the insured.

Thasnim Dawood
Senior Assistant Ombudsman

OSTI NEWS



Darpana Harkison,
Senior Assistant Ombudsman

Attend a conference or a seminar these days and you will hear about the Fourth Industrial Revolution. Everyone is talking about what it is, and speculating about how it will radically change our lives. Klaus Schwab, chairperson of the World Economic Forum, has cautioned that, to ensure readiness for a future that is still emerging, organisations and people need to be adaptable, innovative and responsive.

During 2017, OSTI resolved to join the revolution when it embarked on an exciting IT Project which aims to:

- Improve efficiency of OSTI's work processes;
- Stream-line the process of lodging complaints;
- Give both insurers and complainants better visibility on the status of open complaints;
- Reduce OSTI's carbon footprint by introducing a paperless system; and
- Reduce data and paper storage costs by moving all OSTI's IT systems to the cloud.

At present, a new telephone system has been installed which allows for enhanced efficiency and remote access to telephones in the event of a disaster.

The next phase of the project is the upgrade of the fibre line and the move to the cloud of all existing software. A new work process is being developed in order to allow OSTI to become a paperless environment. It is anticipated that this new process will go live in the second half of 2018.

We are confident that these new systems will enable OSTI to be more adaptable, innovative and responsive in its ability to resolve complaints.

Darpana Harkison
Senior Assistant Ombudsman

MISCONCEPTIONS ABOUT THE OFFICE

"OSTI does not represent either party in the complaint and does not seek to achieve a specific outcome for either party. Instead OSTI acts independently and impartially."

JOHAN JANSE VAN RENSBURG
Assistant Ombudsman

"OSTI cannot investigate or gather evidence on behalf of complainants. It will therefore not contact service providers or obtain expert reports. The onus is on complainants to provide OSTI with the evidence on which they rely in support of their matter."

SANGEETHA SEWPERSAD
Assistant Ombudsman

"OSTI cannot give any legal advice to the parties about a specific complaint as this would compromise its ability to act independently in resolving the dispute."

HANNES BESTER
Assistant Ombudsman

"Although OSTI tries to resolve all complaints quickly, some complaints may take longer to resolve because of the complexity of the issues in dispute or because OSTI requires additional information in order to make a decision."

KGOMOTSO MOLEPO
Junior Assistant Ombudsman

"OSTI is not a court of law and therefore does not conduct formal hearings in the same way in which a court does."

NADIA GAMIELDIEN
Assistant Ombudsman

"OSTI is not part of any government structure. Insurer members of the Ombudsman scheme pay a fee for each complaint lodged with OSTI."

VALERIE MNGADI
Assistant Ombudsman

"OSTI provides a platform for unbiased mediation of complaints based on written correspondence. The process resembles an adversarial system more than an inquisition system where parties to the dispute must provide evidence in support of what they allege. If a matter is not resolved by mediation, OSTI will adjudicate the matter by assessing the evidence contained on file."

JOHN THEUNISSEN
Assistant Ombudsman

"Complainants are not bound by OSTI's decisions. Only insurers are bound. If a complainant is unhappy with OSTI's recommendation or decision, he or she has the option to challenge the insurer through other avenues."

LORA BEZRI
Assistant Ombudsman

"OSTI cannot make an award for punitive damage, i.e. "pain and suffering" nor can it award other damages or costs that fall outside what the insurer can be held liable for in terms of the insurance contract."

ABRI VENTER
Assistant Ombudsman

"In instances where contradicting evidence is submitted and it is not possible to make a probability finding, OSTI has no power to decide on the credibility of one witness over the other."

REGINA CHINDOMU
Assistant Ombudsman

BOARD OF DIRECTORS

Standing from left: *Collin Molepe, Richard Steyn, Leigh Bennie, Paul Crankshaw, Farzana Badat, Gerhard Genis*
Seated from left: *Ina Wilken, Viviene Pearson, Haroon Laher, Thuli Zungu, Gail Walters*

STAFF OF THE OMBUDSMAN

Ombudsman
Deanne Wood

Deputy Ombudsman
Edite Teixeira-Mckinon

General Manager/Company Secretary
Miriam Matabane

Senior Assistant Ombudsman
Ayanda Mazwi
Darpana Harkison
Peter Nkhuna
Thasnim Dawood

Assistant Ombudsman
Abri Venter
Hannes Bester
Johan Janse van Rensburg
John Theunissen
Lora Bezri
Nadia Gamieldien
Regina Chindomu
Sangeetha Sewpersad
Valerie Mngadi

Junior Assistant Ombudsman
Kgomotso Molepo

Office Manager
Azeht Du Plessis

Call Centre Manager
Jo-Anne Goqo

Call Centre Consultants
Gadija Fisher
Louisa Letlhabe
Mary Tshabalala
Melissa van Zyl
Refilwe Mokoena
Selinah Phakoe

Project Coordinator
Marilize Blignaut

Executive Assistant
Karinien Kok

Case Administrators
Aadielah Human
Claudia Kampmann
Janine Jacobs
Joanne Sergel
Katia Lo Drago
Marinda Nolte
Monica Bolgann
Terry Freemantle

Receptionist
Lebohang Morokolo

Clerical
Mavis Mabaso
Sibongile Gumede

Clerical Assistant/Cleaner
Mariam Khampepe

TERMS OF REFERENCE

1. Preamble

1.1 The Ombudsman is appointed to serve the interest of the insuring public and all short-term Insurers registered under the Short-term Insurance Act and including Lloyds. The Ombudsman provides, free of charge, an accessible, informal and speedy dispute resolution process to Policy Holders who have disputes with their Insurers where those disputes fall within the Ombudsman's jurisdiction.

1.2 The Ombudsman acts independently and objectively in resolving disputes and is not under instructions from anybody when exercising his or her authority. The Ombudsman resolves disputes using the criteria of law, equity and fairness. These Terms of Reference define the powers and duties of the Ombudsman.

1.3 The services rendered by the Ombudsman are not the same as those rendered by a professional legal advisor and are confined purely to resolution in terms of clause 3.1 below or mediation or conciliation in an attempt to settle complaints.

2. Definitions

In these terms of reference the following expressions have the following meanings:

2.1 "the Board" means the Board of Directors of the Ombudsman for Short-term Insurance NPC ;

2.2 "Commercial Lines Policy" means a policy (a) issued to a person who is not a natural person, or (b) if issued to a natural person is intended to indemnify such a natural person in respect of a commercial enterprise conducted by the natural person for his or her own benefit.

2.3 "the Complainant" means any Policy Holder who makes a complaint to the Ombudsman in respect of any insurance services provided by their Insurer;

2.4 "Ruling" means, with respect to a complaint, a written directive issued by the Ombudsman which is binding on the Insurer and which is based either in law or equity;

2.5 "the Ombudsman" means the Ombudsman for Short-term Insurance appointed from time to time by the Board of the Ombudsman for Short-term Insurance NPC ;

2.6 "Ombudsman's office" means the office of the Ombudsman established to perform the functions set out in these terms of reference;

2.7 "Policy" means a short term insurance Policy issued by an Insurer to a Policy Holder; with the Policy benefits under a Policy;

2.8 "Policy Holder" means the person entitled to be provided with the Policy benefits under a Policy;

2.9 "Insurer" means a short-term insurer registered as such in terms of the Short-term Insurance Act of 1998;

3. The Ombudsman's

Powers and Duties

3.1 The Ombudsman shall:

3.1.1 act within these terms of reference;

3.1.2 receive complaints relating to the provision within the Republic of South Africa of insurance services by an Insurer to a Policy Holder;

3.1.3 resolve such complaints, relating to the provision of insurance services, by agreement or by the making of a ruling or by such other means as may seem expedient, subject to these terms of reference.

3.2 The Ombudsman should advise the public on the procedure for making a complaint to the Ombudsman's office and should take such steps as are reasonably possible conducive to client and industry education and training. The Ombudsman shall in his annual report referred to in clause 3.9 below provide details of steps taken in this regard.

3.3 On receipt of a complaint in the prescribed format, the Ombudsman will notify the Insurer of the complaint by providing the details of the complaint to the Insurer, and the Insurer shall then be obliged to give all relevant information and assistance required (including documentation requested by the Ombudsman) to enable the Ombudsman to assess fully the merits of the complaint.

3.4 During any period in which the Ombudsman is unable to exercise his duties owing to absence, incapacity or death or in a situation where a conflict of interest may arise, the Board may appoint a deputy or acting Ombudsman to act in place of the Ombudsman.

3.5 The Ombudsman shall have the overall responsibility for the conduct of the day to day administration and business of the Ombudsman's office. The Ombudsman may appoint an Administrator to be responsible to him for day to day matters of administration of the Ombudsman's office.

3.6 The Ombudsman shall have the power on behalf of the Ombudsman's office to appoint and dismiss employees, consultants, legal experts, independent contractors and agents and to determine their salaries, fees, terms of employment or engagement.

3.7 The Ombudsman shall have the power to incur expenditure on behalf of the Ombudsman's office in accordance with the current financial budget approved by the Board.

3.8 The Ombudsman shall give the Board any information and assistance which it reasonably requires, including the making of recommendations to the Board on any issues which the Ombudsman believes requires the Board's attention.

3.9 The Ombudsman shall publish an annual report on the activities of the office, which shall be published by 30 May of each year. Such report will be available to the public.

4. The Jurisdiction of the Ombudsman

4.1 The Ombudsman shall only consider a complaint made to him if he is satisfied that:

4.1.1 the complaint is not the subject of existing litigation;

4.1.2 the complaint is not the subject of an instruction to an attorney in contemplation of litigation against the relevant Insurer except where the attorney has simply assisted the Policy Holder in bringing the application to the Ombudsman;

4.1.3 the complaint does not involve a monetary claim in excess of the amount determined by the Board from time to time and that in respect of Commercial Lines Policies the annual turnover of the Complainant does not exceed the amount determined by the Board from time to time. *

***The limits are currently as follows namely, (a) R4 million for house owner's claims; (b) R2 million for all other claims provided that (c) in respect of Commercial lines policies, the turnover of the insured entity must not exceed R25 million per annum**

4.1.4 the complaint is made by a Policy Holder or a duly authorised representative of the Policy Holder to whom or for whom the insurance services in question were provided;

4.1.5 the complaint relates to any dispute in regard to a Policy and/or any Claim or Claims thereunder or any dispute in regard to insurance premiums, or any dispute on the legal construction of the Policy wording relating to a particular complaint complying with the requirements of this clause 4.1;

4.1.6 the complaint is being pursued reasonably by the Complainant and not in a frivolous, vexatious, offensive, threatening or abusive manner, as the Ombudsman may decide in his or her sole discretion;

4.1.7 the complaint has not become prescribed in terms of the Prescription Act, 1969 or any enforceable time bar provisions contained in the Policy, provided that in relation to any enforceable time-bar provisions in the policy

4.1.7.1 the Ombudsman shall have the power to condone non-compliance therewith upon good cause shown, and

4.1.7.2 the provisions of any enactment which provides for the extension of any period contained in such time-bar provision shall be given effect to.

4.2 Should a complaint be lodged with the Ombudsman's office and thereafter the Complainant refers such dispute to an attorney for the further conduct of the dispute and/or direct correspondence with the Insurer, or for litigation, then the Ombudsman will immediately withdraw from the matter.

4.3 With the written consent of an Insurer and at his discretion the Ombudsman may investigate a complaint which exceeds his jurisdiction and make a recommendation or a Ruling in relation thereto.

4.4 A Complainant may at any time terminate the Ombudsman's adjudication of the complaint and resort to litigation.

5. Limits on the Jurisdiction of the Ombudsman

Subject to these terms of reference, the Ombudsman shall have the power to consider a complaint made to him and make a recommendation or Ruling in regard thereto except:

5.1 Where the Ombudsman determines that it is more appropriate that the complaint be dealt with by a court of law or through any other dispute resolution process;

5.2 Where the matter is already under the consideration by the person appointed to adjudicate disputes in terms of the Financial Advisory and Intermediary Services Act.

6. Time Barring Provisions

6.1 Any enforceable time bar clauses in terms of a Policy shall not run against a Complainant and shall be interrupted during the period that the complaint is under consideration before the Ombudsman. In particular, the Insurer waives and abandons all or any rights to rely in subsequent litigation on any time barring provisions in the Policy applying to the commencement of litigation after rejection of a claim, or after the happening forming the subject of the claim or after notification of the claim. In the event of the complaint being finalised in the office of the Ombudsman the Complainant shall have 30 (thirty) days or the remaining period of the time bar provision of the relevant policy, whichever is the longer, within which to institute proceedings against the relevant Insurer, provided however, that the Claim had not already become time barred in terms of the Policy when the complaint was received by the Ombudsman and the Ombudsman has not condoned the late receipt of the complaint as is envisaged in clause 4.1.7

6.2 For the purposes of clause 6.1, the time during which a matter is before the Ombudsman shall (provided that the complaint is accepted for adjudication) commence on the day that it is lodged with the Ombudsman's office to the time that the Ombudsman dismisses the complaint or makes a Ruling.

6.3 Save as may be otherwise provided in the Financial Services Ombud Schemes Act 37 of 2004 as amended or in any other legislation relating to or governing the Ombudsman, the lodging of any complaint with the Ombudsman shall in no way affect the running of prescription in terms of the Prescription Act, 1969 in respect of such complaint.

7. Rulings

7.1 When all the material facts are agreed or the facts have been established to the Ombudsman's satisfaction on a balance of probabilities, the Ombudsman may make a Ruling.

7.2 Rulings shall be based on the law and equity.

7.3 Where a material fact cannot be established or cannot be resolved on a clear balance of probabilities the Ombudsman may not make a Ruling. In such cases the Ombudsman shall advise the Complainant that the complaint is not one on which he or she can assist and that alternative recourse may be sought through the courts.

7.4 Any Ruling made by the Ombudsman shall be binding on the Insurer concerned save where an appeal against such Ruling is noted as is provided in Clause 8 below.

8. Right of Appeal against Rulings or Findings of the Ombudsman

8.1 Any party affected by any formal ruling or finding on the part of the Ombudsman may appeal against the ruling or finding of the Ombudsman, either in part or in whole. In this context a "Ruling" shall mean, in relation to a complaint received, "a written directive issued by the Ombudsman which is binding on the insurer and which is based either in law or equity and fairness or a combination of law and equity". "Finding" shall mean, with respect to a complaint, "a written directive issued by the Ombudsman in relation to the complaint received in terms of which the Ombudsman has dismissed the complaint or declined to intervene in a dispute between the complainant and insurer".

8.2 No appeal against the ruling or finding of the Ombudsman shall be considered by any Appeal Tribunal, unless the Ombudsman shall have granted the applicant leave to appeal against such ruling or finding.

8.3 The Ombudsman shall only grant leave to appeal to any appellant where he is of the opinion that:

8.3.1 There is a reasonable prospect that the appeal, either in whole or in part, if prosecuted, will succeed; and

8.3.2 The matter is one of complexity or difficulty; or

8.3.3 The ruling or finding in question involves issues or considerations which are of substantial public or industry interest or importance or It is in the interest of justice or public policy that the ruling or decision be considered by an Appeal Tribunal; or

8.3.4 The ruling or decision involves principles of law where the law may be considered to be uncertain or unsettled; or

8.3.5 The matter in dispute involves the jurisdiction of the Ombudsman to entertain the dispute; or

8.3.6 The issues are of such a nature that the judgment or order sought by the appellant will not be of academic relevance only and will have a practical effect or result.

8.4 The power to grant leave to appeal as contemplated in this section shall not be limited by reason only of the value of the matter in dispute, or the amount claimed or awarded by the Ombudsman, or by reason only of the fact that the matter in dispute is incapable of being valued in money.

8.5 Notice of any intention to appeal against any ruling or finding of the Ombudsman shall be filed with the Ombudsman within a period of 30 calendar days of the handing down of any ruling or finding and shall state whether the appellant appeals against the whole or part of the ruling or finding of the Ombudsman, the findings of fact and/or ruling of law appealed against and the grounds upon which the appeal is founded. The notice of intention to appeal shall be accompanied by an application for leave to appeal.

8.6 A Notice of Cross-Appeal shall be delivered within 15 calendar days after delivery of the Notice of Appeal, or within such other period of time as may, upon good cause shown, be permitted by the Ombudsman. The provisions of these rules with regard to appeals shall equally apply to cross-appeals. A "cross-appeal" shall mean a process by which the respondent in any appeal

proceedings, having been advised by the Ombudsman of receipt of a notice of intention to appeal, wishes in turn to appeal against the terms of the ruling or finding made by the Ombudsman in relation to the complaint submitted to the Ombudsman.

8.7 Where an appeal has been noted, or an application for leave to appeal has been made, the operation and execution of the ruling or finding of the Ombudsman shall be suspended, pending the decision of the Appeal Tribunal on the matter, unless the Ombudsman, on the application of a party and on good cause shown, otherwise directs.

8.8 Upon receipt of a Notice of Appeal the Ombudsman shall within a period of 5 business days thereafter notify every other party to the dispute that a Notice of Appeal has been received.

8.9 All documentation in connection with any appeal proceedings including the notice of intention to appeal and the application for leave to appeal, shall be served upon the office of the Ombudsman by hand or alternatively by way of registered post or by e-mail save where the Ombudsman shall have expressly consented to any other method of service. Documentation served upon the Ombudsman shall be in A4 format and shall be clearly legible and capable of being photocopied. Wherever possible, original documents should form the subject of any appeal proceedings but copies of documents shall be acceptable subject to the provisions of these terms of reference.

Applications for Leave to Appeal

8.10 Any party who desires to appeal against any ruling or finding of the Ombudsman shall, within 30 calendar days of the handing down by the Ombudsman of any final ruling or finding, serve upon the Ombudsman as provided for herein, a Notice of intention to Appeal, together with an Application for Leave to Appeal which shall set out the basis for the proposed appeal as contemplated in Clause 8.5 above, together with reasons why Leave to Appeal against such ruling or finding should be granted by the Ombudsman. The granting of leave to appeal shall be a pre-requisite for the prosecution of any appeal.

8.11 Failing receipt by the Ombudsman of any Notice of Appeal within the time period referred to in paragraph 8 above, the final ruling or finding by the Ombudsman shall become final and binding upon the parties and shall be carried into effect without further delay.

8.12 Any late filing of a Notice of Appeal or an Application for Leave to Appeal shall be null and void save where accompanied by an application for condonation for the late filing of the appeal. Any application for condonation must set out in full the reasons why condonation should be granted, the reasons for any non-compliance and that the matter is one worthy of consideration.

8.13 The Ombudsman, after considering any application for condonation, may grant or refuse such application in his discretion.

8.14 Where leave to appeal against any ruling or finding of the Ombudsman is refused by the Ombudsman, the unsuccessful party may, within 15 business days of notification of such refusal, petition the Chairman of the Appeal Tribunal, to review the decision of the Ombudsman not to grant leave for appeal. The same provision shall apply mutatls mutandis to any application for condonation for the late filing of an appeal.

8.15 Any such request shall be addressed to the Chairman of the Appeal Tribunal via the Ombudsman who shall convey such request to the Chairman of the Appeal Tribunal. The Chairman of the Appeal Tribunal shall within a reasonable period of time but in any event not later than a period of 15 calendar days of the receipt of any such petition, either confirm or amend the decision of the Ombudsman not to grant leave to appeal or refusal to condone any application for the late filing of an appeal. The Ombudsman shall thereafter within a period of 5 business days, inform the parties accordingly.

Appeals

8.16 An appeal against the ruling or finding of the Ombudsman shall be heard by an Appeal Tribunal who shall consider the matter as if it were the Ombudsman and shall include the consideration of procedural as well as substantive matters pertaining to the objection raised by such party to the decision of the Ombudsman.

8.17 The Appeal Tribunal may, where it considers it necessary or in the interests of justice, permit the leading of evidence or new evidence on any matter, even if the Ombudsman himself did not hold a hearing, or receive evidence on any matter prior to making a finding on any complaint referred to him.

8.18 Where the Appeal Tribunal decides to permit, or calls for the leading of evidence, or evidence is led on material that was never considered by the Ombudsman, the tribunal may decide, in its sole discretion to invite the Ombudsman to consider the matter in the light of such evidence and to canvass the views of the Ombudsman on the matter. The Ombudsman should be invited to comment on the new material in the manner and on such terms as it may regard to be fair to both parties.

8.19 Save where the Appeal Tribunal permits or calls for the leading of evidence, no evidence shall be led and the matter shall be decided by the Appeal Tribunal on

the basis of the record of appeal furnished to it by the Ombudsman, including the documentation filed by the parties in connection with the appeal.

8.20 The record of appeal shall, save where in the opinion of the Ombudsman additional documentation is required, consist of the following:-

8.20.1 The complainant's Application for Assistance form and supporting documentation;

8.20.2 The insurer's response to the complaint;

8.20.3 The complainant's reply to the insurer's response to the complaint;

8.20.4 The Ombudsman's finding in relation to the complaint and any reasons furnished by the Ombudsman for any ruling or finding; and

8.20.5 The submissions or representations made by the parties to the Appeal Tribunal in connection with the appeal.

8.21 The Ombudsman may, in his discretion, when submitting the documentation to the Appeal Tribunal in connection with any appeal, make representations to the Appeal Tribunal by way of explanation or elaboration of his earlier determination and shall be entitled in such representations to deal with such matters as policy, industry practices and the approach followed by him in regard to equity. In addition the Ombudsman may furnish the Appeal Tribunal with such other information as he may consider to be of assistance or guidance to the Appeal Tribunal, save that the parties shall be afforded an opportunity to respond to any such additional material thus placed before the Appeal Tribunal.

8.22 Save as aforesaid, the Ombudsman shall not participate in the appeal process save where he should be asked to do so by the Appeal Tribunal itself on such terms and in such manner as may be determined by the Tribunal.

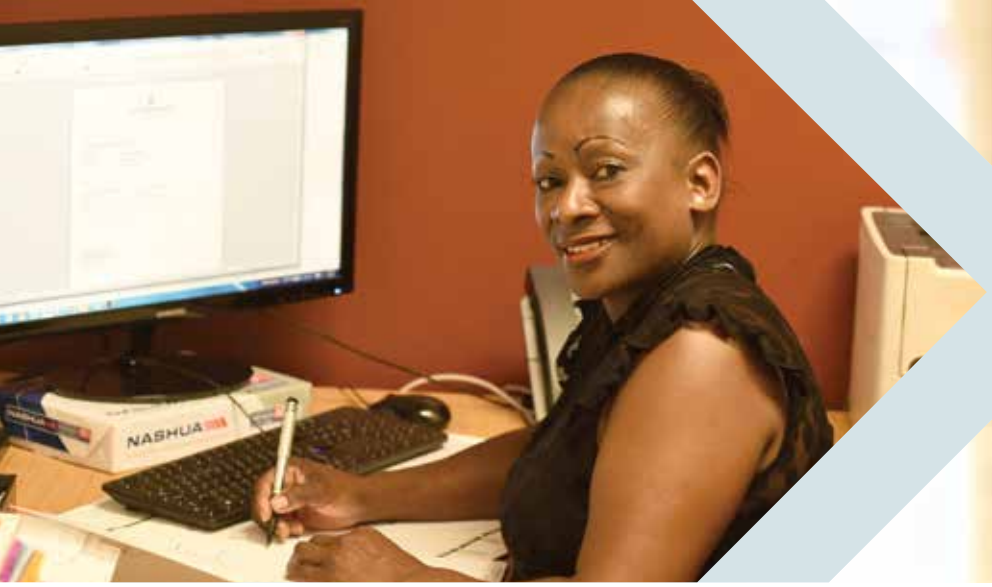
Composition of the Appeal Tribunal

8.23 The Chairman of the Board, in consultation with the Vice-Chairman, must appoint the members of the Appeal Tribunal from the persons nominated by the Ombudsman.

8.24 The Appeal Tribunal must consist of a Chairperson and at least two members appointed for a minimum period of two years.

8.25 The Chairman of the Board must appoint the Chairperson of the Appeal Tribunal and such Chairperson must either be a retired Judge or a practicing Attorney or Advocate, or a person who formally practiced as an Attorney or Advocate, with at least ten years' experience and with appropriate experience in Insurance Law.

8.26 The Chairperson of the Appeal Tribunal is responsible for assigning matters for adjudication, taking into consideration the nature and complexity of the dispute or any special circumstance, to a panel of two or more members of the Appeal Tribunal who are suitably qualified to decide on a particular matter.



8.27 The Chairman of the panel must be the Chairperson of the Appeal Tribunal.

8.28 The person's nominated by the Ombudsman must be:

8.28.1 Practicing Attorneys or Advocates or persons who formerly practiced as an Attorney or Advocate, with at least ten years' experience and with appropriate experience in Insurance Law, and may include retired Judges; or

8.28.2 Persons with extensive experience in relation to the insurance industry and who by virtue of their knowledge, training and experience are able to perform the functions of a member of the Appeal Tribunal; or

8.28.3 Academics with the particular knowledge of specific areas of the law or persons of specific knowledge, skill or training whose expertise as an expert in any particular field may be appropriate.

8.29 The Chairman of the Appeal Tribunal may, in consultation with the Chairman of the Board and the Ombudsman, appoint a person who is not a member of the Appeal Tribunal to serve on the panel if in the opinion of the Chairperson of the Appeal Tribunal such appointment is merited or deemed desirable.

The Hearing of Appeals

8.30 The Ombudsman shall be in charge of all practical or administrative matters preceding and relating to the hearing of an appeal and shall be responsible for the preparation of the record, the giving of notices and the making of arrangements for the hearing of an appeal, the recording of evidence, if any, and all such other matters incidental to the hearing or disposal of the appeal.

8.31 The Appeal Tribunal shall determine its own procedure both prior to and during the course of the hearing, including the hearing of oral evidence.

8.32 Appeals shall be heard at such place and time and in such manner as the Appeal Tribunal shall determine from time to time.

8.33 Not later than 10 business days before the hearing of an appeal, the appellant shall deliver to the Ombudsman a concise and succinct statement of the main points which he intends to argue on appeal, as well as the list of legal authorities (if any) to be tendered in support of each point to be raised. Not later than 5 business days before the hearing of an appeal, the respondent shall deliver a similar statement.

8.34 The Chairman of the Appeal Tribunal may, after consultation with the Ombudsman, direct that a contemplated appeal be dealt with as an urgent matter and that the appeal be prosecuted at such time and in such manner as the Chairman of the Appeal Tribunal deems appropriate.

8.35 The Appeal Tribunal should approach the matter on appeal put forward as if it were the Ombudsman determining the complaint. The Appeal Tribunal shall take into account the balance of probabilities and its finding shall be based on the criteria of law, equity and fairness.

8.36 The Appeal Tribunal shall deliver its judgment on the matter in writing to the Ombudsman within one calendar month of the conclusion of the hearing. The Ombudsman shall in turn deliver a copy thereof to the parties within a period of 10 business days.

Representation

8.37 Any party to any appeal shall have the right to be represented at the hearing but, wherever possible, the parties should confine their submissions in regard to matters before the Appeal Tribunal to written submissions contained in a statement of case including, where appropriate, heads of argument.

8.38 Any party who employs a representative to represent their interest before the Appeal Tribunal shall be personally responsible for any fees and expenses associated with such representation.

The Effect of the Decision and Order of the Appeal Tribunal

8.39 Where a complainant appeals against the ruling or finding of the Ombudsman, such person shall abide by the decision of the Appeal Tribunal and the order of the Appeal Tribunal shall be final and binding in relation to the proceedings before the office of the Ombudsman. The complainant shall however be entitled, if so desired, to thereafter pursue the matter further in any court of law.

8.40 An unsuccessful appellant insurer shall have no further right of recourse or action and shall be bound by the terms of the order of the Appeal Tribunal save that nothing contained herein shall in any way affect the right of an insurer to review any ruling made by the Ombudsman or the Appeal Tribunal in a court of law.

Precedent

8.41 In recognition of the requirement that rulings made by the Ombudsman shall not establish any precedent in the Ombudsman's office, the decisions of the Appeal Tribunal shall not be accorded any formal status or regarded as creating binding precedents, but may serve as guidelines for future cases. Such findings or orders may however, serve as strong persuasive value for the Ombudsman and any other Appeal Tribunal in which the same dispute may be raised so as to ensure consistency in the decisions of the office of the Ombudsman.

Cost to the Parties to Appeals

8.42 Where an insurer notes an appeal against any final ruling of the Ombudsman and is not, in the opinion of the Chairman of the Appeal Tribunal, successful with such appeal, it shall defray the cost of such appeal incurred by the Ombudsman in connection with the appeal proceedings.

8.43 Where the insurer is the appellant in any proceedings, save where the Chairman of the Appeal Tribunal may direct otherwise, the cost to be paid by the insurer in relation to any appeal proceedings may be determined by the Board of the Ombudsman for Short-term Insurance, from time to time.

8.44 Where the complainant is the appellant in any appeal proceedings the Ombudsman may, in his discretion and taking into account, inter alia, the amount of the claim, the complexity of the issues and the complainant's personal circumstances, call upon such party to pay a deposit in an amount determined by the Ombudsman which deposit shall be refunded to the appellant should the appellant be successful in the appeal. In the event that the appeal fails, the deposit shall be forfeited to the office of the Ombudsman and shall constitute the only liability on the part of the complainant for the costs of the appeal proceedings. If the appeal is, in the view of the Appeal Tribunal, successful, the amount paid by the appellant shall be refunded to the appellant.

8.45 In no case shall the Appeal Tribunal award costs in favour of a successful party and in no case shall a losing party to an appeal be ordered by the Appeal Tribunal to pay costs to the other party, save where the Chairman of the Appeal Tribunal considers that, having regard to the presence of exceptional circumstances, a punitive order as to costs against any party is merited.

9. Policyholder/Complainant's Rights

The Policy Holder/Complainant's rights to institute proceedings in any competent court of law against the Insurer shall not be affected by any of the provisions of these terms of reference provided that, if the Policy Holder/Complainant institutes proceedings while the complaint is under investigation by the Ombudsman, the provisions of clause 4.2 shall apply.

10. Precedents

Rulings shall not establish any precedent in the Ombudsman's office.

11. Confidentiality

11.1 The Ombudsman shall as far as possible, maintain confidentiality unless the parties concerned expressly exempt him or her from that duty and the duty shall continue after the termination of his or her services. The duty of confidentiality shall however, not prevent the Ombudsman from:

11.1.1 Publishing details of rulings made by him or her.

11.1.2 Reporting on details of rulings or furnishing statistical information in connection with the workings of the office to the South African Insurance Association (SAIA), the Financial Services Board (FSB), the National Treasury or any other body or organisation which may be entitled to receive such information

from the Ombudsman in connection with his/her activities and/or which may have a legitimate interest in such information, having regard to its statutory mandate, role as an industry association or otherwise.

11.1.3 Publishing statistics and related information in the Annual Report of the Association concerning complaints received by the Ombudsman against members of the Association as approved by the Board of the Ombudsman for Short-term Insurance from time to time.

11.1.4 Filing, either on behalf of the Company, or any complainant from whom a complaint is received, a complaint with SAIA in connection with any Code of Conduct applicable to or adopted by that organisation and which may be applicable to any member of the Company.

11.2 The Insurer and the Complainant shall not be entitled to make use of any information which comes to their knowledge as a result of the intervention of the Ombudsman during the course of any investigation by him or her.

11.3 A complaint will be regarded as confidential as between the Policy Holder, the Insurer and the Ombudsman and it is for the Ombudsman to decide what should be disclosed to the Insurer and/or the Policy Holder.

11.4 Documents brought into being as a result of any approach to the Ombudsman shall not be liable to disclosure or be the subject of a discovery order or subpoena in the event of any legal proceedings between the Complainant and the Insurer.

11.5 The Ombudsman or any member of his staff will not be liable to be subpoenaed to give evidence on the subject of a complaint in any proceedings.

12. Complaints not settled in defined period

The Ombudsman shall report to the Board all complaints, which have not been completed in one or way or another within a time, laid down by the Board. This time period shall initially be set at 6 (six) months calculated from the date that a complaint became an accepted complaint.

MEMBERS OF THE OMBUDSMAN SCHEME

- Abacus Insurance Limited
- Absa Insurance Company Limited
- AIG Insurance Company
- Alexander Forbes Insurance Company
- Allianz Global Corporate
- Auto & General Insurance Company
- Bidvest Insurance Limited
- Bryte Insurance Company Limited
- Budget Insurance Company Limited
- Centriq Insurance
- Chubb Insurance South Africa Limited
- Compass Insurance Company Limited
- Constantia Insurance Company Limited
- Corporate Guarantee
- Dial Direct Insurance Limited
- Discovery Insure
- Emerald Insurance
- First for Women Insurance Company Limited
- GENRIC Insurance Company Limited
- Guardrisk Insurance Company Limited
- Hollard Insurance Company
- Indequity Specialised Insurance Limited
- Infiniti Insurance
- King Price Insurance
- Legal Expenses Southern Africa Limited
- Lion of Africa
- Lloyd's South Africa
- Lombard Insurance Limited
- MiWay Insurance Limited
- Momentum ST Insurance Company Limited
- Monarch Insurance Company Limited
- Nedgroup Insurance Company
- New National Assurance Company Limited
- NMS Insurance Services (SA) Limited
- Oakhurst Insurance Company Limited
- Old Mutual Health Insurance Limited
- Old Mutual Insure
- OUTsurance Insurance Company Limited
- Professional Provident Society Short-term Insurance Company Limited
- Regent Insurance
- Relyant Insurance Company Limited
- Renasa Insurance Company Limited
- SAFIRE Insurance Company Limited
- SAHL Insurance Company Limited
- Santam Limited
- Santam Structured Insurance Limited
- SASRIA SOC LIMITED
- Shoprite Insurance Company Limited
- Standard Insurance Limited
- Sunderland Marine (Africa) Limited
- Unitrans Insurance Company Limited
- Vodacom Insurance Company Limited
- Western National Insurance Limited
- Workerslife Insurance Limited

USEFUL INFORMATION
ABOUT OTHER OFFICES

1. Ombudsman for Long-Term Insurance

Private Bag X45, Claremont 7735
Telephone: 021 657 5000
Sharecall: 086 010 3236
Fax: 021 674 0951
E-mail: info@ombud.co.za
Website: www.ombud.co.za

2. Financial Advisory and Intermediary Services Ombud

P O Box 74571, Lynnwoodridge, 0040
Sharecall: 0860 324 766
Telephone: 012 470 9080
Fax: 012 348 3447
E-mail: info@faisombud.co.za
Website: www.faisombud.co.za

3. The Ombudsman for Banking Services

P O Box 87056, Houghton, 2041
Sharecall: 0860 800 900
Telephone: 011 712 1800
Fax: 011 483 3212
E-mail: info@obssa.co.za
Website: www.obssa.co.za

4. Credit Ombud

P O Box 805, Pinegowrie, 2123
Call Centre: 0861 662 837
Tel: 011 781 6431
Fax: 011 388 8250
E-mail: ombud@creditombud.org.za
Website: www.creditombud.org.za

5. Motor Industry Ombudsman of South Africa

Suite 156, Private Bag X025,
Lynnwood Ridge, 0040
Telephone: 010 590 8378
Call Centre: 086 116 4672
Fax: 086 6 306 145
E-mail: info@miosa.co.za
Website: www.miosa.co.za

6. Consumer Goods and Services Ombud

Association House, Bond Office Park,
Cnr Bond and Kent, Randburg
Telephone: 011 781 2607
Call Centre: 0860 000 272
Fax: 086 206 1999
E-mail: info@cgso.org.za
Website: www.cgso.org.za

7. Public Protector

Private Bag X677, Pretoria, 0001
Telephone: 012 366 7000
Fax: 012 362 3473
Toll free number: 0800 11 20 40
E-mail: registration2@pprotect.org
Website: www.pprotect.org

8. Pension Funds Adjudicator

P O Box 580, Menlyn, 0063
Telephone: 012 346 1738
Fax: 086 693 7472
E-mail: enquiries@pfa.org.za
Website: www.pfa.org.za

9. National Credit Regulator

127, 15th Road, Randjespark, Midrand
Call Centre: 0860 627 627
E-mail: complaints@ncr.org.za
Telephone: 011 554 2600
Fax: 087 234 7822
Website: www.ncr.org.za

10. City of Johannesburg Ombudsman

Wildsview II,
Isle of Houghton
36 Boundary Road
Houghton Estate
Call Centre: 010 288 2800
Website: info@joburgombudsman.org

11. Financial Services Board

P O Box 35655, Menlo Park, 0102
Toll-free: 0800 203 722
Telephone: 012 428 8000
Fax: 012 346 6941
E-mail: info@fsb.co.za
Website: www.fsb.co.za

12. National Consumer Commission

Private Bag X84, Pretoria, 0001
Tel: 012 761 3200
Fax: 086 758 4990
E-mail: complaints@thencc.org.za
Website: www.nccsa.org.za

13. S.A. Military Ombudsman

Private Bag X163, Pretoria 0046
Telephone: 012 676 3800
Toll free: 080 726 6283
E-mail: intake@miliombud.org

14. National Consumer Tribunal

Telephone: 012 683 8140 / 012 742 9900
Fax: 012 663 5693
E-mail: Registry@thenct.org.za
Postal address: Private Bag X110,
Centurion, 0046

15. Office of the Tax Ombud

Menlyn Corner, 2nd Floor,
87 Frikkie De Beer Street,
Menlyn, Pretoria, 0181
Telephone: 012 431 9105
Call Centre: 0800 662 837
Fax: 012 452 5013
E-mail: complaints@taxombud.gov.za

Ombudsman Central Helpline

Share call: 0860OMBUDS/0860 662837

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32 Princess of Wales Terrace,

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Ombudsman Central Helpline

Share call: 0860OMBUDS/0860 662837

THE OMBUDSMAN

For Short-Term Insurance