

INSURER STATISTICS AND EXPLANATORY NOTES



Hole in the Wall, Eastern Cape Province

Explanatory Notes

1. The publication of statistics for each individual insurer is an innovation initiated by member companies which has been approved by the FSOS Council. However, 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 represent only about 5.0% 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 than do smaller insurers. Thus, for example, when considering the percentage of complaints received by this office against a large insurer, the large insurer, upon a superficial analysis, appears to attract a relatively low number of complaints. What is a 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 below.

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 the OSTI respectively during 2013.



5. Also note that under column 1, certain insurers are shown by the FSB statistics as having received no claims during 2013. 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 33% 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 three circumstances in determining the Overturn Rate:

- (a) The decision of the insurer is overturned by the Ombudsman.

- (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.
- (c) There has been a Final Ruling in favor of the insured by the Ombudsman.

General

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



Johannesburg CBD, Gauteng Province

ANNUAL STATISTICS - JANUARY 2013 to DECEMBER 2013
(PERSONAL LINES ONLY : COMMERCIAL LINES EXCLUDED)

	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
Absa Insurance Co. Ltd	219,446	7.54%	839	9.43%	4/1000	892	265	29.71%
Ace Insurance Co Ltd	354	0.01%	19	0.21%	19/1000	28	9	32.14%
AIG SA Ltd	5,615	0.19%	41	0.46%	7/1000	47	18	38.30%
Alexander Forbes Insurance Co. Ltd	54,110	1.86%	145	1.63%	3/1000	173	38	21.97%
Allianz Global Corporate & Specialty SA Ltd	0	0.00%	0	0.00%	0/1000	0	0	0.00%
Auto & General Insurance Co. Ltd	107,658	3.70%	475	5.34%	4/1000	642	274	42.68%
Bidvest Insurance Ltd	11,267	0.39%	16	0.18%	1/1000	12	5	41.67%
Budget Insurance Co. Ltd	73,777	2.54%	375	4.21%	5/1000	373	158	42.36%
Centriq Insurance Co Ltd	67,662	2.33%	206	2.31%	3/1000	229	99	43.23%
Compass Insurance Co. Ltd	14,144	0.49%	48	0.54%	3/1000	63	12	19.05%
Constantia Insurance Co. Ltd	21,648	0.74%	68	0.76%	3/1000	78	29	37.18%
Corporate Guarantee SA Ltd***	0	0.00%	0	0.00%	0/1000	0	0	0.00%
Dial Direct Insurance Co. Ltd	71,796	2.47%	294	3.30%	4/1000	370	154	41.62%
Discovery Insure Ltd	26,396	0.91%	63	0.71%	2/1000	48	13	27.08%
Emerald Insurance Co. Ltd	0	0.00%	1	0.01%	0/1000	1	0	0.00%
Etana Insurance Co. Ltd	9,670	0.33%	55	0.62%	6/1000	65	21	32.31%
First for Woman Insurance Co. Ltd	51,895	1.78%	195	2.19%	4/1000	172	92	53.49%
Generic Insurance Co. Ltd	3,605	0.12%	31	0.35%	9/1000	30	6	20.00%
Guardrisk Insurance Co. Ltd	131,095	4.51%	319	3.58%	2/1000	324	136	41.98%
Hollard Insurance Co. Ltd	310,009	10.66%	503	5.65%	2/1000	553	172	31.10%
Indequity Specialised Insurance Ltd	2,154	0.07%	6	0.07%	3/1000	3	0	0.00%
Infiniti Insurance Ltd	18,741	0.64%	56	0.63%	3/1000	61	16	26.23%
JDG Micro Insurance Ltd	36,726	1.26%	2	0.02%	0/1000	3	1	33.33%
King Price Insurance Co. Ltd	7,506	0.26%	133	1.49%	18/1000	90	18	20.00%
Legal Expenses SA Ltd	25,115	0.86%	70	0.79%	3/1000	74	16	21.62%
Lion of Africa Insurance Co. Ltd	2,099	0.07%	22	0.25%	10/1000	31	9	29.03%
Lloyds South Africa Ltd	1,242	0.04%	24	0.27%	19/1000	29	8	27.59%
Lombard Insurance Group**	0	0.00%	17	0.19%		15	10	66.67%
Miway Insurance Co. Ltd	82,983	2.85%	485	5.45%	6/1000	460	76	16.52%
Momentum Insurance Co. Ltd	11,851	0.41%	36	0.40%	3/1000	39	4	10.26%
Monarch Insurance Co. Ltd	26,293	0.90%	5	0.06%	0/1000	7	3	42.86%
Mutual & Federal Insurance Co. Ltd	130,850	4.50%	635	7.13%	5/1000	716	262	36.59%

Name of Insurer	1 Claims received by Insurers (FSB statistics)	2 Share of claims received by the particular insurer (FSB statistics)	3 Complaints received by OSTI	4 Share of the total number of complaints received by OSTI	5 Number of Complaints received by OSTI per thousand Claims received by Insurer	6 Complaints finalised by OSTI	7 Complaints finalised with some benefit to the insured	8 Overturn Rate
Natsure Ltd	0	0.00%	0	0.00%	0/1000	0	0	0.00%
Nedgroup Insurance Co. Ltd	94,815	3.26%	255	2.87%	3/1000	289	78	26.99%
New National Assurance Co. Ltd	61,791	2.12%	396	4.45%	6/1000	408	179	43.87%
NMS Insurance Services SA Ltd	100,864	3.47%	1	0.01%	0/1000	0	0	0.00%
Oakhurst Insurance C. Ltd	13,647	0.47%	170	1.91%	12/1000	199	71	35.68%
Old Mutual Health Insurance Ltd	812	0.03%	1	0.01%	1/1000	1	1	100.00%
Oursurance Insurance Co. Ltd	295,462	10.16%	624	7.01%	2/1000	755	106	14.04%
R M B Structured Insurance Ltd	23,159	0.80%	362	4.07%	16/1000	385	148	38.44%
Regent Insurance	66,082	2.27%	194	2.18%	3/1000	219	89	40.64%
Relyant Insurance Co. Ltd	17,299	0.59%	3	0.03%	0/1000	3	2	66.67%
Renasa Insurance Co. Ltd	33,419	1.15%	70	0.79%	2/1000	73	23	31.51%
SAHL Insurance Co. Ltd	24,103	0.83%	72	0.81%	3/1000	73	17	23.29%
SAFIRE Insurance Co. Ltd	4,967	0.17%	6	0.07%	1/1000	12	5	41.67%
Santam Ltd	399,658	13.74%	744	8.36%	2/1000	843	248	29.42%
SASRIA SOC Ltd	162	0.01%	0	0.00%	0/1000	0	0	0.00%
Saxum Insurance Co. Ltd	2,201	0.08%	37	0.42%	17/1000	54	23	42.59%
Shoprite Insurance Co. Ltd	17,776	0.61%	9	0.10%	1/1000	11	6	54.55%
Standard Insurance Ltd	116,370	4.00%	502	5.64%	4/1000	540	202	37.41%
Sunderland Marine Africa Ltd ***	0	0.00%	0	0.00%	0/1000	0	0	0.00%
Unitrans Insurance Co. Ltd	2,567	0.09%	11	0.12%	4/1000	9	4	44.44%
Vodacom	67,503	2.32%	43	0.48%	1/1000	26	13	50.00%
Western National Insurance C. Ltd	3,310	0.11%	49	0.55%	15/1000	49	7	14.29%
Zurich Insurance SA Co. Ltd	37,294	1.28%	167	1.88%	4/1000	150	55	36.67%
TOTAL	2,908,968	100.00%	8900	100%	3/1000	9,727	3201	32.91%

Please Note:

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

** RE: Lombard Insurance: the nil return submitted to the FSB related to personal lines. However, Lombard business is all commercial lines.

*** New member during the period