

INSURER STATISTICS AND EXPLANATORY NOTES

Explanatory Notes

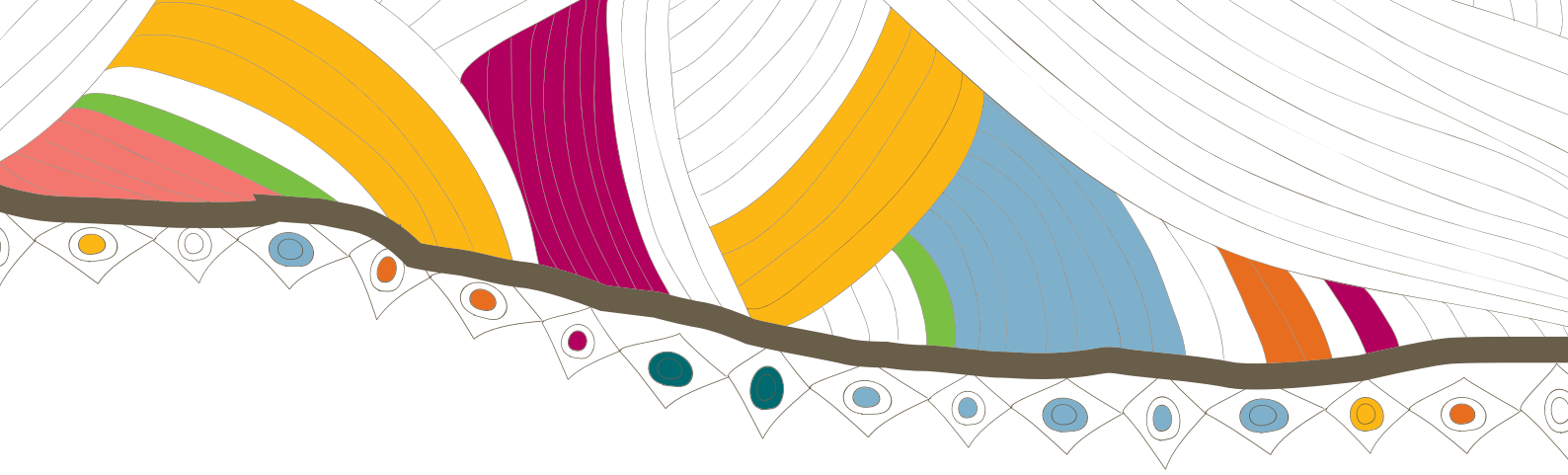
1. The data must be understood in the correct context and it is therefore necessary to record some words of explanation in relation to these statistics.

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 7.0% 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 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 attracts a high number of complaints to this office per thousand claims, this may be an indication that claims were 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 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 2014.



5. Also note that under column 1, certain insurers are shown by the FSB statistics as having received no claims during 2014. 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 31% 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 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.

Ombudsman For Short-Term Insurance (“OSTI”)
Annual Statistics - January 2014 to December 2014
(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*	275 588	9,23%	1 037	10,82%	4/1000	1 091	424	38,86%
Ace Insurance	383	0,01%	13	0,14%	13/1000	13	4	30,77%
AIG South Africa Limited	2 861	0,10%	32	0,33%	11/1000	35	16	45,71%
Alexander Forbes Insurance Co Ltd	52 519	1,76%	179	1,87%	3/1000	168	45	26,79%
Allianz Insurance Company**	0	0,00%	0	0,00%	0/1000	0	0	0,00%
Auto & General Insurance Co Ltd	109 490	3,67%	408	4,26%	4/1000	442	147	33,26%
Bidvest Insurance Ltd	14 528	0,49%	29	0,30%	2/1000	26	3	11,54%
Budget Insurance Co Ltd	65 559	2,20%	362	3,78%	6/1000	376	125	33,24%
Centriq Insurance Company (RF) Ltd	82 918	2,78%	153	1,60%	2/1000	166	62	37,35%
Compass Insurance Co Ltd	3 632	0,12%	31	0,32%	9/1000	41	8	19,51%
Constantia Insurance Co Ltd	30 588	1,02%	72	0,75%	2/1000	83	37	44,58%
Corporate Guarantee	0	0,00%	0	0,00%	0/1000	0	0	0,00%
Dial Direct Insurance Co Ltd	57 991	1,94%	265	2,77%	5/1000	288	107	37,15%
Discovery Insure Ltd	53 015	1,78%	170	1,77%	3/1000	149	34	22,82%
Emerald Insurance \$	0	0,00%	0	0,00%	0/1000	0	0	0,00%
Etana Insurance Company Ltd	0	0,00%	0	0,00%	0/1000	13	3	23,08%
First for Woman Insurance Company Ltd	47 700	1,60%	173	1,81%	4/1000	193	76	39,38%
Generic Insurance	4 785	0,16%	26	0,27%	5/1000	38	6	15,79%
Guardrisk Insurance Co Ltd	159 333	5,34%	497	5,19%	3/1000	452	180	39,82%
Hollard Insurance Co Ltd	331 825	11,12%	632	6,60%	2/1000	607	187	30,81%
Indequity Specialised Insurance Ltd	2 141	0,07%	7	0,07%	3/1000	10	2	20,00%
Infiniti Company Ltd	21 130	0,71%	52	0,54%	2/1000	62	13	20,97%
JDG Micro Insurance Ltd	10 060	0,34%	8	0,08%	1/1000	6	4	66,67%
King Price Insurance	18 744	0,63%	250	2,61%	13/1000	239	39	16,32%
Legal Wise	24 272	0,81%	110	1,15%	5/1000	106	32	30,19%
Lion of Africa Insurance Co Ltd	1 353	0,05%	11	0,11%	8/1000	9	3	33,33%
Lloyd's South Africa	691	0,02%	7	0,07%	10/1000	11	2	18,18%
Lombard Insurance Group	2 894	0,10%	6	0,06%	2/1000	11	3	27,27%
Miway Insurance Co Ltd	84 186	2,82%	569	5,94%	7/1000	558	126	22,58%
Momentum ST Insurance Company Ltd	18 871	0,63%	29	0,30%	2/1000	25	6	24,00%

	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
Monarch Insurance Co Ltd	25 953	0,87%	12	0,13%	0/1000	11	6	54,55%
Mutual & Federal Insurance Co Ltd	155 598	5,21%	599	6,25%	4/1000	602	160	26,58%
Natsure Ltd #	0	0,00%	1	0,01%	0/1000	1	0	0,00%
Nedinsurance Co Ltd	57 337	1,92%	294	3,07%	5/1000	280	90	32,14%
New National Assurance Co Ltd	38 249	1,28%	521	5,44%	14/1000	541	254	46,95%
NMS Insurance	74 021	2,48%	0	0,00%	0/1000	1	1	100,00%
Oakhurst Insurance Company Ltd	17 719	0,59%	164	1,71%	9/1000	163	59	36,20%
Old Mutual Health Insurance Ltd	1 158	0,04%	3	0,03%	3/1000	3	0	0,00%
Outsurance Insurance Co Ltd	290 010	9,72%	493	5,15%	2/1000	499	69	13,83%
R M B Structured Insurance	28 606	0,96%	457	4,77%	16/1000	466	141	30,26%
Regent Insurance	55 743	1,87%	172	1,80%	3/1000	170	39	22,94%
Relyant Insurance Co Ltd	10 711	0,36%	2	0,02%	0/1000	1	1	100,00%
Renasa Insurance Company Ltd	41 656	1,40%	53	0,55%	1/1000	67	22	32,84%
S A Home Loans	23 249	0,78%	94	0,98%	4/1000	95	17	17,89%
SAFIRE Insurance Co Ltd	5 740	0,19%	7	0,07%	1/1000	6	4	66,67%
Santam Ltd	425 617	14,26%	680	7,10%	2/1000	728	213	29,26%
SASRIA	333	0,01%	0	0,00%	0/1000	0	0	0,00%
Saxum Insurance	4 485	0,15%	58	0,61%	13/1000	56	21	37,50%
Shoprite Insurance Company	15 640	0,52%	19	0,20%	1/1000	17	8	47,06%
Standard Insurance Ltd	119 506	4,00%	523	5,46%	4/1000	520	124	23,85%
Sunderland Marine Africa	0	0,00%	0	0,00%	0/1000	0	0	0,00%
Unitrans Insurance Company Ltd	2 554	0,09%	4	0,04%	2/1000	4	1	25,00%
Vodacom	65 073	2,18%	49	0,51%	1/1000	56	20	35,71%
Western National Insurance Company Ltd	12 940	0,43%	83	0,87%	6/1000	80	19	23,75%
Zurich Insurance Co S A Ltd	35 269	1,18%	165	1,72%	5/1000	181	43	23,76%
TOTAL	2 984 224	100,00%	9 581	100%	3/1000	9 766	3 006	30,78%

Please Note:

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

FSB Legend

** Corporate clients only

\$ Run-off

Deregistered