



## IG eZine May 2018

Especially distilled for Business Insurance Consumers and Insurance Professionals

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### GENERAL

#### **Around the world, legislators focus on managing the risks of data privacy and the digital economy**

If 2017 was largely about coming to terms with the impact of a world undergoing a digital transformation, for all businesses and organisations, the focus in 2018 is around preparedness, action and managing digital risk. [More](#)

#### **Utmost good faith: A degree of comparison that won't die**

In 1985 the Appellate Division of the Supreme Court, at the time the highest court in the land, killed off the concept of insurance contracts as being contracts of the **utmost good faith**. It is not clear then why the hyperbolic superlative "utmost" still resurfaces from time to time when good faith and contracts of insurance are spoken about. [More](#)

#### **Another CPD option from Moonstone**

Advisers will be obliged to perform CPD activities during a "CPD cycle". This is a period of 12 months commencing on 1 June of every year and ending 31 May of the following year, starting on 1 June 2018. [More](#)

#### **Compliance Update**

[Click here](#) for a link from where you can download the latest Associated Compliance newsletter. A must read for busy executives who wish to keep their finger on the compliance pulse.

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

Important [Inseta Study Material](#) Warning  
Fais [Continuous Professional Development](#) Refresher  
From back office to board room: How [SA's compliance industry](#) has evolved in 15 years  
[FAIS Ombud](#) - New incumbent well qualified for challenges  
[Prescribed rate of interest](#) is 10% from 1 May 2018  
[Fees](#) over and above risk premium  
[Governing cyber risk](#): a guide for company boards  
Fais [Fit and Proper Timeline](#): 1 May requirements  
Proposed amendments to [premium collection](#)  
[Long-term Ombud](#) gets it right  
[Ombudsman for Long Term Insurance](#) recovers more than R190 million for complainants  
[FSCA](#): Same old, same old?

## SHORT-TERM

### Resolving the Once and For All Conundrum

Because of the Once and For All rule in our law a claimant has only one bite at the cherry in claiming all damages flowing from the negligent damage causing conduct. [More](#)

### Exposed! Woman awarded \$6.4m for explicit revenge photos including copyright breach

Four years after a Californian woman sued her ex-boyfriend for posting sexually explicit photographs and videos of her online, she was awarded USD \$6.4 million in one the largest judgments of its kind. What remedies are available in South Africa? [More](#)

### Is there a cycle in SA engineering insurance?

Traditionally, the engineering line of business has been profitable for the longest time in South Africa (SA) and that has attracted new entrants into the market in their effort to diversify their book of business and have a share of the profits. [More](#)

### Aon and DLA Piper review insurability of GDPR fines across Europe

Aon and DLA Piper have launched a guide 'The price of data security', ahead of the General Data Protection Regulation (GDPR), effective from 25 May 2018. The guide reviews the insurability of GDPR fines across Europe, which can reach up to €20 million or, if higher, up to 4% of a group's annual global turnover. [More](#)

### Lessons never learned

The recent judgment of the Pretoria High Court in Venter and The MEC for Health, Gauteng would be unexceptional but for the two important lessons tucked away in the banality of the findings. [More](#)

### Insurance Claims due to Violent Protests and Riots up by almost 31%

Aon South Africa says it is crucial for business owners and individuals to review their assets insurance policies and ensure that they have Sasria cover included for special risks. [More](#)

### No substitute for 'walking the floor' to correctly insure against risks facing SA's manufacturers

Does your Broker "walk the floor" with your Underwriters? Here's why it is so important. [More](#)

### Here's a quick checklist by Indwe Risk Services to get your home winter-ready

With the changing season it's a good idea to assess your property and make sure your home is prepared for the new, chillier season. [More](#)

### SAIA Update from the Desk of the Chief Executive May 2018

The Nedlac Financial Sector Transformation Workshop took place on the 5th and 6th of April, 2018. It was well-attended by our senior executives including CEOs from our member companies. [More](#)

### SAIA Vehicle Salvage Database

SAIA has established a new system (and database) to effectively monitor motor vehicles salvaged by insurers, to address certain aspects within motor vehicle crime. [More](#)

### The 45th Annual Insurance Conference line up is out of this world

The conference as a whole has a lot in store, it promises to bring out of the box thinking in order to tap into new frontiers within the industry. [More](#)

## **Rethinking commercial insurance for 10 years**

Niche commercial insurer Western National is celebrating 10 years of providing total insurance solutions to the commercial and business market in both South Africa and Namibia. [More](#)

## **Insurtech is transforming a staid South African insurance industry**

One of the hottest trends in South African fintech in 2018 is insurtech. [More](#)

## **Allianz Risk Barometer: Engineering, construction and real estate industries' risks**

The Allianz Risk Barometer 2018 reveals that risks of storms, earthquakes and floods are a top concern for businesses operating in the engineering, construction and real estate industries. [More](#). See also: [Food and beverage industry](#)

## **PI: The depreciating investment vs the “hopeless” investment: Which one is covered?**

The inclusion of the “*Depreciation*” clause in a professional liability policy for brokers and financial advisors has become all but standard. [More](#)

# **HEALTHCARE**

## **1 in 3 South Africans live with ‘silent killer’ hypertension**

Hypertension is known as the ‘silent killer’ because, despite there being no signs or symptoms, it can lead to serious cardiovascular disease. [More](#)

## **Natmed What If? Series**

Natmed Medical Defence announces its launch of an exclusive series of helpful and informative publications which is made available to our clients. [More](#)

## **Legal causation: Liability for medical negligence as a new intervening act**

In the recent unreported judgment of *Maphosa v MEC for Health Limpopo*, the Gauteng High Court held the defendant 100% liable for the damages suffered by the plaintiff following a serious injury sustained by the plaintiff as a result of assault by members of the SAPS. [More](#)

## **When sorry is the hardest word**

Appropriate communication with a patient and their relatives when there is an unanticipated outcome of medical care, to put it bluntly when something has gone wrong, is a skill perfected over time. [More](#)

## **Health insurance disappearing for South Africans, says FMF**

The FMF is concerned that too few people are aware of and / or understand the implications of the demarcation regulations in the healthcare insurance market that came into effect from 1 April 2017. [More](#)

# **LIFE, RETIREMENT (incl. Employee Benefits) and INVESTMENT**

## **The importance of professional purpose as an expert witness**

The medico-legal expert witness space appears to have started to become rather crowded in recent years, with an increasing number of health professionals believing this to be a desired area of practice, some virtually immediately post-graduation. [More](#)

## **BrightRock announces entry into new risk market**

Needs-matched life insurance player BrightRock is ready to bring further change to the life insurance industry with the introduction of a group risk product that can provide schemes with up to 40% more cover for the same premium. [More](#)

## **Customer Satisfaction in the SA Life Insurance Market**

This year will certainly be the year to watch Life Insurance providers as they race to differentiate themselves to gain the leadership position in customer satisfaction. Being on par with the industry standard doesn't set market leaders apart. [More](#)

## **Life Insurance Industry Needs a Market Leader in Customer Satisfaction – SacsI**

The latest South African Customer Satisfaction Index (SACSI) for Life Insurance Companies in 2017, conducted by Consulta, reveals that Metropolitan's customers are still the most satisfied with their service. [More](#)

## **Sanlam paid out 99% of death claims in 2017**

In its 99<sup>th</sup> year of existence, Sanlam paid out more than 99% of all death claims received in 2017. [More](#)

## **Conspiracy to deceive?**

The contortions to grant Brian Molefe a R30,1m payout from the Eskom Pension & Provident Fund have been laid bare by the North Gauteng High Court. Its judgment reflects poorly not only on Molefe but also on the then Eskom chair and board, the then Minister of Public Enterprises and on the EPPF itself. [More](#)

## **ASISA finalises standardised cost disclosure for umbrella funds**

Employers will find it much easier to select the most cost effective umbrella retirement fund solutions for their employees from March next year when the new ASISA Retirement Savings Cost (RSC) Disclosure Standard comes into effect. [More](#)

## **Managing retirement income if your client has not saved enough**

A common challenge for financial intermediaries is that the average client does not save enough. This is never quite as evident as when such a client reaches retirement and expects their retirement savings to provide the same level of income as they were earning before retirement. [More](#)

## **Personal Liability of Pension Fund Trustees**

Trusteeship, like old age, isn't for sissies. Four erstwhile trustees of the IF pension and provident funds have found out the hard way. For their sakes, may it not become even harder should a judgment and costs be awarded against them. [More](#)

## **The triple dilemma facing women when saving for a comfortable retirement**

Women face three significant dilemmas that impact negatively on their ability to accumulate enough savings to enable them to maintain the same living standards in retirement as men. [More](#)

## **In investments, nobody wants stale numbers**

Alternative asset classes such as private equity, infrastructure, real estate and unlisted credit have become increasingly popular amongst institutional investors and seem to be gaining ever more traction globally. [More](#)

## **Tax-free investment plans: ticking many good investment boxes**

Your clients have enough reasons to deposit a percentage of their income into a savings plan that yields good returns. [More](#)

## **Making the most of tax-free investments**

Introduced in March 2015, tax-free investments have now been available to investors for three years. While this remains a relatively short history in terms of investment horizon, we are now able to see more clearly how investors are benefiting from the tax savings they offer. [More](#)

## **European Commission study on the distribution systems of retail investment products**

On 24 April 2018, the European Commission published a **study** that has been produced for it which provides facts and figures on the current features and functioning of European markets for retail investment products. [More](#)

## **What is your relationship with risk?**

What does risk mean and how does it influence what happens to your money? [More](#)

## **Does your investment manager have soul in the game?**

'Soul in the game' may sound far too ethereal to base an investment process on, but what better partner in growing your wealth than someone with a clear mission, a purpose. [More](#)

## **The risk in not taking risk**

An overreliance on client risk profiling can result in sub-optimal advice. [More](#)

Yours sincerely

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