

2 May 2019

Circular 495

To All Sasria Agents and Intermediaries

Sasria SOC Limited Notification of a Rate Review

Sasria SOC Limited (Sasria) conducts an annual actuarial analysis of premium rates structure in relation to the risk exposure. Over the past five years the risk exposure has increased drastically. The past financial year has seen Sasria receive in excess of 5443 new claims registered amounting to over R1.7b in losses.

Sasria remains committed to ensuring the company remains well capitalised and sustainable. The increased frequency and accompanying severity in losses over the last 5 years, has necessitated an actuarial analyses to be conducted at the end of the 2018/2019 financial year. The analysis confirmed that in order to cater for this increased risk exposure Sasria rates should be reviewed. However, it is important to note that Sasria is a catastrophic loss insurer. It has therefore become necessary to review the rate for the poor performing classes.

From 1st October 2019 rates for the following classes of business will be increased as per below rating table:

- Fire commercial (F2)
- Contract works
- Goods in transit
- Mobile plant (M6)
- Minimum premium on - Fire commercial, Contract works, Goods in transit & mobile plant will increase

New rating structure effective 1st October 2019

Class of business	Current rate (Annual)	New rate (Annual)	New rate (Monthly)
Fire commercial (F2)	0,014500%	0,017400%	0,001740%
GIT (With RSCC)			
Marine cargo & goods in transit	0,000726%	0,000871%	0,000087%
Estimated gross annual turnover	0,000605%	0,000726%	0,000073%
Haulage fees or earning	0,007260%	0,008712%	0,000871%
Fixed & non adjustable	0,617000%	0,740400%	0,074040%
Pleasure craft	0,005350%	0,006420%	0,000642%
Commercial vessels	0,007260%	0,008712%	0,000871%
Builders risk	0,006160%	0,007392%	0,000739%
Single bouy moorings	0,007260%	0,008712%	0,000871%
GIT (Without RSCC)			
Marine cargo & goods in transit	0,001450%	0,001740%	0,000174%
Storage at final warehouse or depot	0,014500%	0,017400%	0,001740%
Estimated gross annual turnover	0,001210%	0,001452%	0,000145%
Stock & storage limits	0,014500%	0,017400%	0,001740%
Haulage fees or earning	0,014500%	0,017400%	0,001740%
Fixed & non adjustable	1,230000%	1,476000%	0,147600%
Deliberate storage	0,001450%	0,001740%	0,000174%
Pleasure craft	0,010900%	0,013080%	0,001308%
Commercial vessels	0,014500%	0,017400%	0,001740%
Builders risk	0,012300%	0,014760%	0,001476%
Single bouy moorings	0,014500%	0,017400%	0,001740%
Mobile plant (M6)	0,036300%	0,043560%	0,004356%
Contract works	0,007260%	0,008712%	0,000871%
Construction plant on value	0,003630%	0,004356%	0,000436%
Construction plant on fees	0,123000%	0,147600%	0,014760%
Minimum premiums on all the above classes of business will increase to R500			

The changes above will be effective as of 1st October 2019 on all policies as follows:

- All new business
- Monthly policies on their renewal or anniversary date*
- Annual policies on their renewal or anniversary date*
- Endorsements (monthly and annual).

(*Please note that this rate change include renewal and anniversaries as of 1st October 2019)

The Sasria Regulations will be updated accordingly with these changes by 30th Septemebr 2019.

Kindly distribute copies of this communication to all relevant stakeholders within your organisation.

For any queries, kindly contact Mokgadi Malebye at mokgadim@sasria.co.za or your Sasria Customer Relationship Manager.

Mokgadi Malebye

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