

06 February 2023

Circular 522

To all Sasria Agents and Intermediaries

Clarification regarding the Implementation of Sasria's New Fee Structure effective from 1 May 2023

Following Circular 521 issued in December 2022 regarding the reduction of Outsource fees as well as the Intermediary fees, Sasria has received a number of queries from its stakeholders and therefore would like to clarify the following:

Table below shows the current and the new fee structure effective 1 May 2023, based on Gross Written Premium due to Sasria from Agent Companies.

	Current		Total	New	From 1 May 2023	Total
	Outsource Fee	Intermediary Fee		Outsource Fee	Intermediary Fee	
Non-Motor	12,5%	15%	27,5%	10,5%	12%	22,5%
Motor	12,5%	12,5%	25%	10,5%	11,5%	22%

Annexure 1 return will be updated accordingly in due course and distributed to all Insurance Companies.

Implementation will be as follows:

- The revised fee structure will apply to all new business written (Monthly & Annual payable) starting on **1 May 2023**.

Monthly payable policies

- As of **1 May 2023**, the new fee structure will apply to all (Existing) policies payable monthly. This is regardless of whether the anniversary of these monthly payable policies is on an annual basis. It is the frequency of premium payment as it is directly linked to commission and outsource fee payment to brokers and insurers on a monthly basis.

Annually payable policies

- As these policies go through renewals, existing annually payable policies will be subject to the new fee structure with effect **1st May 2023**. However, all annually payable policies issued any time prior to 1st May 2023 will enjoy full (current commission until the next renewal), this applies to endorsement treatment too, however, all renewals w.e.f 1st May 2023 will be on the new commission and outsource fee structure.

An example

A policy that was renewed **1st January 2023**, the policy fee structure that will apply is the current one until the 1st of January 2024, wherein the new fee structure will apply.

The reduction in outsource and intermediary fees applies to all new business, renewals, and endorsements for all coupons effective 1st of May 2023 as highlighted above, for the following classes of business:

- Material damage
- Business Interruption
- Money
- Goods in Transit
- Contract Works
- Marine
- Motor

Kindly also distribute copies of this communication to your relevant business partners and as widely as possible within your organization.

Sasria would like to extend its appreciation for your support during these difficult times and the role you play in the value chain to sell and administer SASRIA's business.

[Muzi Dladla \(muzid@sasria.co.za\)](mailto:muzid@sasria.co.za) and I, [Mpumi Tyikwe \(mpumit@sasria.co.za\)](mailto:mpumit@sasria.co.za) are available to deal with any queries you might have in respect of this announcement or Circular 521.

I would like to also take this opportunity of wishing you a successful year ahead.

Mpumi Tyikwe

Chief Executive Officer

Sasria SOC Ltd