

15 August 2023

Circular 530

TO ALL SASRIA AGENTS AND INTERMEDIARIES

Re: Notice of required changes to policyholder data specifications

The purpose of this communication is to communicate an impending data requirement change that has been determined after extensive consultation with the industry partners through the South African Insurance Association.

Effective from 15th August 2023, we are request the provision of granular policyholder data, as detailed in the attached data specification “Annexure 1”. This change is anticipated to be fully implemented within four months from the date of this notice. We assure you that this change is being made after thoughtful and comprehensive discussions, always bearing in mind the implementation period for our stakeholders.

The change is necessitated by the following reasons:

- To enable Sasria access to granular policyholder data to conduct adequate risk analysis, thereby ensuring a more sound and reliable modelling of data;
- To comply with the regulator's requirements in terms of the Conduct of Business Return; and
- To bolster Sasria's capability to profile its risk and reinsurance placement, enhancing its risk analysis to strengthen the ability to safeguard the interests of the policyholders.

Applicability of requirements

It is imperative to note that this requirement is applicable to both Personal Lines and Commercial Lines insurance business. The Corporate insurance business is excluded from this Circular, a separate Circular that deals with this line of business will be circulated separately, pending finalisation of engagement with industry. To facilitate understanding, the definitions of these lines of insurance are covered under the 'definitions' section of the attached document.

We understand the implications that this change may have on your operations. Our Stakeholder Management Division is committed to supporting you throughout this transition period. We believe that the implementation of this change is a step forward in building a more resilient and reliable insurance industry, contributing to the protection of our policyholders.

During the engagement process, we became aware of challenges related to additional non-risk data, such as banking details and extension data, that may not be maintained within the agent company and/or their binder holder system. Sasria does not intend to impose data requirements for information that our partners do not possess. As such, we only require the data that is received and kept by you, for the reasons provided.

Data Submission requirement

With reference to **Circular No. (529)** which focuses on the change in submission deadlines for premium annexure. The deadline is reduced from 60 days to 45 days following the conclusion of the month in which the premium has been collected. This alteration is necessitated by various reasons, one of which is to ensure compliance with Vat regulations, wherein Sasria is obligated to submit vat return within 21 days subsequent to the month-end of premium collection.

In line with this obligation, Sasria is implementing this change for the granular data submission to be in to be no later than the 15th day of the succeeding month after the premium collection.

To be specific, the granular data requirement will be applicable to annexure 1 returns being submitted from January 2024 for cover initiated in December 2023 (i.e., December 2023 annexures must be submitted by the 15th of January 2024 instead of the 31st of January 2024). The granular data requirement will be in support of the annexure returns from the months highlighted above.

Definitions

For the purposes of this communication, the following definitions (non-conventional definitions) will be given to the following lines of business based on system functionality, rather than the industry and/or legal definitions:

Personal line: Insurance business written on the personal capacity of the policyholder. This business is written on an insurer's insurance system; therefore, the data is extracted from such system, normally written on a named peril basis.

Commercial line: Insurance business written on the capacity of a juristic person as a policyholder. This business is written on an insurer's insurance system; therefore, the data is extracted from such system, normally written on a named peril basis.

Corporate line: Large insurance business written on the capacity of a juristic person as a policyholder. This business is customarily so large that it is not written on a single insurance policy but on an all-risk basis. i.e., Property All Risk, Contractors All risk. This line of business is excluded from this circular, pending further engagement with corporate insurers.

The data transmission process is attached as annexure 2.

Should you have any queries or need any further clarification on this matter, please feel free to contact our Stakeholder Management Division, and we would be more than willing to assist you.

Thank you for your understanding and cooperation in this important matter. We highly appreciate your continuous support and partnership.

Yours sincerely,

Tumelo Stoffel (tumelos@sasria.co.za), Kwenzile Mbambo (kwenzilem@sasria.co.za), and Ntsoane Selela (ntsoanes@sasria.co.za) will be available to deal with any queries you might have in respect of this Circular.

Your Sincerely

Muzi Dladla
Executive manager