10 July 2026

Communique 124

Clarification on the Motor Policy Wording Amendments and Revised Implementation Date

Dear Industry Partners,

Sasria wishes to provide clarification regarding the amendments to the Motor Policy Wording, originally communicated to take effect on 1 August 2026.

Following further engagement with industry stakeholders, Sasria confirms that the wording amendment intends to clarify and align the Sasria motor definitions with the underlying insurer's risk classification principles. The amendment is not intended to introduce a fundamental change to the treatment of Personal Lines motor risks, nor is it intended to create a new M2 class within Personal Lines, recognising that such a change would require significant system enhancements across the industry.

Accordingly, agent companies should continue to apply their existing underwriting and risk classification principles when determining whether a vehicle falls within Personal or Commercial Lines.

Where an underlying insurer classifies a vehicle as a Personal Lines vehicle and, within its underwriting appetite, permits limited professional use without changing the vehicle's classification to commercial use, Sasria will continue to recognise such vehicles as M1 for Sasria rating and classification purposes.

This approach recognises that limited business/professional use, where accepted under a Personal Lines policy by the underlying insurer, does not in itself require the vehicle to be reclassified into an alternative Sasria motor category, namely M2.

Furthermore, Sasria has amended the requirement that Personal Lines vehicles must be registered in the name of a natural person. It is recognised that certain vehicles owned by juristic persons may still be used primarily for private purposes, for example by directors or employees. Accordingly, classification will be determined based on the primary use of the vehicle rather than its ownership.

These clarifications should not require insurers to undertake widespread reclassification of Personal Lines risks, redesign products, amend rating structures or implement significant system changes.

Revised Implementation Date

To allow sufficient time for insurers, UMAs and intermediaries to communicate these clarifications and make any necessary operational adjustments, Sasria has approved a two-month implementation extension only for the motor policy wording.

The effective date for the amended Motor Policy Wording has therefore been moved from 1 August 2026 to 1 October 2026.

During this period, industry participants are encouraged to update internal processes, customer communications and any supporting documentation as required. The Sasria Rating Calculator will also be updated to reflect the correct application of the revised wording.

The amended Motor Policy Wording will be circulated to all industry partners shortly, together with any supporting guidance required to facilitate a smooth implementation.

Sasria appreciates the constructive engagement received from the industry and remains committed to working collaboratively to ensure the consistent application of the revised wording.

Kind regards,

Themba Sibiya: Executive Manager Strategy and Underwriting

Sasria SOC Limited