



# IG eZine October 2017

**Especially distilled for Business Insurance Consumers and Insurance Professionals**

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## GENERAL

### **O what a world we live in!**

Navigating the risk landscape is now a significant focus of businesses and while traditionally accountant firm driven, risk advisory services offered by law firms are gaining traction. [More](#)

### **FinChatBot set to improve customer service and reduce costs for financial services**

Chatbots have arrived in South Africa and are kicking off in financial services. [More](#)

### **Ignore Stakeholders at your peril**

Recent local and international headlines have been explosive in their exposure of the involvement of large organisations in the perpetuation of political instability and increased racial tensions in South Africa, as well as the alleged facilitation of so-called 'state capture'. [More](#)

### **Compliance audit on credit life insurance policies**

Since the publication of the final credit life insurance regulations (the Regulations) that came into effect on 10 August 2017, Moonstone received numerous queries relating to the compliance requirements imposed by the Regulations. [More](#)

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

[FSB Twin Peaks Newsletter 2](#)

[FSB Twin Peaks approach to licencing](#)

[FSB Enforcement under Twin Peaks](#)

[Cost implications of Twin Peaks](#)

[Has the Fais Ombud introduced a mini-appeal option?](#)

[Fais and the impact of remorse on the term of a debarment](#)

[Fit and Proper Requirements: Qualifications and Execution of Sales](#)

[Sticking to the script?](#)

[New financial services Ombud system proposed](#)

[Fais debarment does not entitle dishonest representative to damages](#)

[Market Regulation - Dissimilar Twins](#)

[Finance Minister amends money laundering regulations](#)

## **SHORT-TERM**

### **Insure Group Managers - The Journey Continues**

2017 marks a significant milestone in the journey of Insure Group Managers. 25 years of successful business! While its Services may have evolved over time the Company remains resolute in the values it has nurtured since its inception all those years ago. [More](#)

### **Building or Renovating?**

Aon's top insurance tips to protect you through the build. [More](#)

### **Your spring-clean checklist for business insurance**

Things are constantly changing, especially in the business world, and some of these changes can have a significant impact on your business's insurance needs. Here's Indwe's top tips to clean out the cobwebs from your policy. [More](#)

### **Safety considerations and regulation key to progress of autonomous vessels**

Safety considerations will be key to the development of automation. Challenge for designers to convince users, stakeholders, regulators, insurers that such systems are 100% reliable. [More](#)

### **App makes home assistance services easy for South Africans**

When a home emergency occurs, such as a burst geyser, flooding or an electrical problem, most people reach for their phone to search for the contact number of the nearest emergency provider to help them out quickly. [More](#)

### **Insurers, beware the duty to speak**

The English Court of Appeal recently decided that an insured which did not provide its insurer with reasonably required quantum documents had not breached its claims obligations because the insurer had a duty to tell the insured that the documents were outstanding. [More](#)

### **Santam launches mobile app to augment intermediaries' risk management services**

Santam recently launched its Risk Assessment App (available on Android and iOS mobile devices) to intermediaries in a bid to equip them with relevant tools in a changing risk environment. [More](#)

### **Product innovation extends the reach of commercial insurance, Swiss Re sigma**

The latest sigma study "Commercial insurance: innovation to expand the scope of insurability" is about the innovative risk transfer solutions available to cover the ever-evolving range of exposures that companies face. [More](#)

### **Trends in Motor Insurance**

At the launch of the 2016 Annual Report from the Short-term Ombud, she elected to deviate slightly from the usual statistical analysis to highlight some interesting trends from the report with particular reference to motor insurance. [More](#)

### **Chatbots gone wild? Some ethical and legal considerations**

Legal systems will need to consider how to allocate legal responsibility for loss or damage caused by chatbots. As they proliferate and are allowed to control more sensitive functions, unintended actions can become increasingly harmful. [More](#)

## **Managing Risky Stakeholders**

Stakeholders can pose a real risk to our businesses and projects - at least some of them can - and managers and their teams need to be aware of this so they can take steps to control the risks that arise from risky stakeholders. [More](#)

### **Allianz teams up with Cyence to boost cyber risk modelling and analysis**

Allianz Global Corporate & Specialty SE (AGCS), Allianz Group's specialist carrier for corporate insurance business, has teamed up with Silicon Valley-based cyber risk analytics and modelling firm Cyence to boost its global cyber risk analysis capabilities. [More](#)

## **HEALTHCARE**

### **Laying the groundwork for an equitable healthcare future for SA**

The future of healthcare in South Africa will, to a large extent, depend on the groundwork and consensus being built at present. [More](#)

### **Immense local expertise available to guide a new healthcare dispensation in SA**

A number of stakeholders within the greater South African healthcare sector have garnered considerable experience in the provision of healthcare cover that is both accessible and of high quality over the last number of years. [More](#)

### **CMS Annual Report 2016/17**

The Council for Medical Schemes, regulator of the medical schemes industry has released its Annual Report for 2016-2017, providing a comprehensive report on the status of the private medical schemes industry in South Africa. [More](#)

### **Taking the first steps to a successful new universal healthcare dispensation**

The implementation of universal healthcare, through National Health Insurance (NHI), is one of the most important priorities facing South Africa over the next decade and it is critical that a detailed roadmap is developed to support its successful implementation. [More](#)

### **Government's programmes will violate right to access healthcare**

The Free Market Foundation says Government's National Health Insurance scheme and Demarcation Regulations are unequivocal violations of South Africans' constitutional rights to freedom of association and access to healthcare. Rather than engaging in such repressive behaviour, government should be funding private medical care for the poor. [More](#)

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

### **Syndicate found guilty of fraud against insurers and sentenced**

The Insurance Crime Bureau received information related to a false claim, submitted in the Vereeniging area. It was shown that the same individual was involved in submitting a variety of claims across different insurance companies. [More](#)

### **Fintech disrupter Simply Financial Services innovates in group life insurance**

Businesses looking to provide quick and easy life insurance for their employees can now get it online with insurance technology company, Simply Financial Services. [More](#)

## **Alexander Forbes announces new partnership model with Independent Financial Advisers**

Alexander Forbes Group Holdings Limited (JSE: AFH) is opening its corporate base to Independent Financial Advisers (IFAs) in South Africa, as part of the company's vision to help clients achieve a lifetime of financial well-being and security. [More](#)

## **New steps to curb Churning**

The Retail Distribution Review (RDR) of 2014 contained several comments that expressed concern about the negative effects of "churning" which it described as "inappropriate or unnecessary replacement of policies driven by intermediary incentives". [More](#)

## **The Demise of Churning?**

Will the steps outlined in the article "New steps to curb Churning" by Alan Holton achieve the desired outcomes? The good news is that the Regulator now understands that not all replacements are bad. [More](#)

## **Indie redesigns life insurance for the digital generation**

Indie, a Sanlam-backed innovative financial services business, has announced the launch of its first product – simple to use and transparent life insurance designed specifically for young adults. [More](#)

## **Retirement funds take wait - and- see view of Crowdfunding Investments**

Investing assets in crowdfunding platforms that further economic and social needs may well be the preferred next-generation alternative asset class for retirement funds, but South African regulation is not yet up to speed. [More](#)

## **It was another busy year for Pension Funds Adjudicator**

The 2016/17 financial year was again a busy period for the Office of the Pension Funds Adjudicator (OPFA) with an average of 625 complaints being received each month, according to the pension industry regulator's annual report. [More](#)

## **Retirement industry moves toward a cradle to grave approach**

Following the recent amendments to the Retirement Fund Default Regulations, which came into effect last month, trustee boards will now have to think beyond retirement and consider a 'cradle to grave' investment approach. [More](#)

## **Umbrella Funds - Bases for Comparison**

In the rapid consolidation of smaller standalone retirement funds into multi-employer umbrella arrangements, trustees find comfort in the lower costs and reduced administrative burdens offered by the umbrellas' institutional sponsors. But what causes trustees to select a particular umbrella arrangement over another? [More](#)

## **Asset Management - Future Shock**

The retirement fund industry, and the role of active managers in it, are at a critical juncture. Not only is the growth in passives continuing unabated, but we also ask ourselves whether big data and artificial intelligence should be viewed as opportunities or threats. [More](#)

## **We have a lift-off! Or do we?**

With South Africa having missed out on the positive sentiment towards equities as an asset class in the past three years inter-alia as a result of its domestic malfunctioning, it now faces the prospect of a transition to a deteriorating global backdrop without a solution to the domestic impasse yet on the horizon. [More](#)

## **Don't let geopolitics blind you to the investment opportunities**

The world may appear fraught with geopolitical risk, but such perceptions cloud the vision of many investors who ignore the rich potential thrown up by the seeming disorder. [More](#)

## **Worldwide Country and Sector Risks**

World economic growth may not yet be at its highest (2.9% in 2017 and 2018 estimated), but there can be no denying that there are healthy signs. This quarter, once again, nearly all the revised country and sector risk assessments from Coface show marked improvements. [More](#)

## **Glacier by Sanlam gives you the power to get things done on your own terms**

Glacier recently launched its new *Investment Hub*, a streamlined, paperless way of doing business which will ultimately result in financial intermediaries having more time to service their clients. [More](#)

## **ITC launches Sustainability Map to increase transparency and connectivity in international value chains**

The International Trade Centre (ITC) has unveiled Sustainability Map a new online gateway connecting businesses and producers that will help pave the way towards more sustainable trade. [More](#)

## **Electric shock - finding the winners and losers of the electric revolution**

Every revolution has casualties, and the electrification of the car industry will be no different. There will be much creative destruction of legacy businesses in the process, leading to losses for equity holders and debt providers alike. [More](#)

## **The US bull market & the meteoric rise of financial acronyms**

The S&P500 reached an all-time-high of 2 480 points in August, a new peak for the five-year long equity bull market. The bull market has coincided with the rise of a new financial acronym, "the FANGs". [More](#)

Yours sincerely

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