

Source: CITY PRESS

Date: 18-Jun-2006

Topic: 08

Ref No: 10542



1

ID: 03362127-01 Source Page: 11

Are you adequately covered?

*Sasria protects you
against the unexpected*

MARGARET BOTHA

THE birth of Sasria is firmly established in the origins of the South African nation and according to Mpho Pule, managing director: "It is the violence of the 1970s, which fuelled the fires that sparked our formation, and brought us into being. We celebrate the spirit of freedom, and the enormous undertaking of our leaders that brought into existence our democracy.

"This month we commemorate our youth, who on June 16, 1976 played their part in the events that breathed life into our extraordinary nation," Pule said.

Sasria, previously known as South African Special Risk Insurance Association, was established in 1979 and registered in terms of Section 21 of the Companies Act. In 1988 the Conversion of Sasria Act converted the organisation to a Limited Company with the South African government as the sole shareholder.

An actuarial assessment was done and a total of R10,5 billion in assets were declared as a special dividend. These funds were used to offset government debt as required by the Convention of Sasria Act.

Although Sasria is not compulsory on a short-term insurance policy, Pule strongly recommends it to all South Africans.

Sasria covers damages to movable and non-movable assets within South Africa's borders. Clients can claim damages in the following instances:

- Public disorder, including industrial action;
- Civil commotion;
- Strike and lockout; and
- Riots or any act of violence.

Although government does not fund the organisation, Sasria reduced premiums year-on-year until 1999. Between 1999 and 2003,

premiums were at a fixed rate.

Currently, individuals pay an amount of R18 per annum for Sasria cover. This amount will increase as the risk of the client increases, for example, bigger corporations will pay more than the average man in the street.

Pule said: "Between five and 9 million South Africans have Sasria cover and between 70 percent and 90 percent of all insurance clients have Sasria cover. This is the main reason why premiums are kept low.

"There are a lot of clients that might not even realise they are paying for Sasria. Clients should talk to their broker or insurance company to find out if they are covered, it is usually displayed towards the back of your insurance policy," Pule added.

Cyril Ramaphosa, chairperson of Sasria, said Sasria is committed to improving the existing product offering. "This will ensure there are as few gaps as possible between the extraordinary covers provided by Sasria and that of the conventional short term insurance," he said.

Pule added: "After the September 11 (2001) attacks in New York, an enormous amount of money had to be paid as compensation by the US government. Countries like Australia and Canada used Sasria as a model to establish similar organisations in their countries." It is therefore important that South Africans have Sasria cover especially in events like the 2010 Soccer World Cup, he said.

Foreigners visiting SA can obtain Sasria for the period of their visit. Pule said: "It does not matter what lifestyle you have, Sasria has innovative products to suit your lifestyle. No one can predict the future, so ensure that you have adequate cover."