

MEDIA RELEASE

THE SOUTH AFRICAN INSURANCE CRIME BUREAU (SAICB)
23 September 2011

SAP / SAICB COOPERATION LEADS TO SYNDICATE ARRESTS

NINE ARRESTED BEFORE COMMERCIAL COURT FOR FRAUD

After a five month investigation by members from the Port Shepstone DPCI : Organised Crime unit and South African Insurance Crime Bureau (SAICB), nine people, believed to be part of a fraud syndicate, were arrested on 21 September 2011 afternoon and evening, for Fraud. The syndicate comprising of members from the same family, and who were operating in the Escort and Phoenix areas, were exposed as a result of intensive investigation by SAPS, SAICB and the assistance of the National Prosecuting Authority (NPA).

The accused bought vehicles from salvage yards from one of the syndicate family members and then the vehicles were registered in the names of other members of the syndicate in order to "create a record" for the vehicle. Corrupt officials assisted to register the vehicles which were not roadworthy. These vehicles were insured at various insurers (SAICB members) and accidents were staged with the syndicate members which resulted in multiple claims submitted. The industry's loss amounts to approximately R2 million.

On Wednesday 21 September 2011 "Operation Facelift" was launched and DW/OFF Sydney Stahmer from Port Shepstone DPCI arrested the nine accused. Desmond Pillay, Bruce Pillay, Devon Pillay, Leona Pillay, Sarika Pillay, Magana Thulsi, Reshan Mohan, Jemaine Munilall and Sanphharam Jagesur appeared in Durban Commercial Crime court on the morning of 22 September 2011 and were released on bail. The

case was remanded to 13 October 2011 for further investigation. More arrests are expected.

Hugo van Zyl, Chief Operating Officer of SAICB, is pleased with the investigation. He is particular proud of the co-operation between the SAPS, SAICB and the NPA which resulted in the positive results for the short term insurance industry.

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Released jointly by the South African Insurance Crime Bureau and the South African Police, for more information please contact:

For the SAICB:
Hugo van Zyl
Chief Operating Officer
SAICB
Cell: 082 602 2721
Tel: (011) 021 1432/3/4/5
Email: hugovz@saicb.co.za

Or for SAP:

Lt Col Zandra Wild
Corporate Communication
Port Shepstone Cluster
039-6881276 / 0828268981

*The South African Insurance Crime Bureau (SAICB) was officially launched on 31 October 2008 and was formed to address **organised** fraud and crime in the short term insurance industry. The SAICB also investigates repeat offenders and fraudsters that target multiple insurance companies. The SAICB has 11 member companies, namely: Santam, Mutual & Federal, Hollard, Outsurance and Momentum, Lion of Africa, Standard Insurance, Absa Insurance, Regent, Telesure, MiWay and Alexander Forbes. The SAICB also manages the industry Fraudline which has proven to be a valuable tool in identifying fraud and as a direct link between the public and the insurance industry.*