

MEDIA RELEASE

THE SOUTH AFRICAN INSURANCE CRIME BUREAU (SAICB)
4 NOVEMBER 2009

SAICB 'YEAR IN REVIEW' BREAKFAST CELEBRATES A SUCCESSFUL AND CHALLENGING FIRST YEAR

The South African Insurance Crime Bureau (SAICB) held its "Year in Review" breakfast at the Johannesburg Country Club – Auckland Park, today. The SAICB was launched on 30 October 2008 and was established to address the ever escalating problem of insurance fraud and crime in the short term industry, and especially organized/syndicated insurance fraud.

The SAICB was the result of many years of investigation, research, debate and fact finding missions by the short-term insurance industry through the South African Insurance Associations' (SAIA) Fraud Committee and Task Team. The SAICB currently has eleven member companies including Santam, Mutual & Federal, Hollard, Zurich, Lion of Africa, Regent, FRSTIA, Absa Insurance, Standard Insurance, Telesure and MiWay.

Mr Servaas du Plessis, Chair of the SAICB Board commented on the very difficult and successful first year of the SAICB. "We anticipated challenges and some teething problems, but our challenges and setbacks were way bigger than what we expected. The true potential and ability of an institution is however revealed in difficult times. We had to go back to the drawing board, revisit our initial strategy and we had to amend our original business plan with the lessons learnt," he said.

"Through sheer determination of the SAICB staff, the support from management and the member companies, we can report today that the SAICB is established, functional and producing results. Although we still have a very long road ahead, the SAICB has made massive strides in indentifying fraudulent activities from opportunists, syndicates and service providers servicing clients in the short term industry," he added.

Mr Ronnie Napier, Chairman of the SAIA Board commented, "We are proud and excited about the first year of the SAICB and the strides they have made in bringing the industry together in this fight, and the successes they have already achieved. I am also particularly proud of the SAIA and SAICB member companies for the commitment they have shown in making this initiative a success, and for their willingness to embrace the concept of sharing their information to achieve the desired outcomes. The SAICB is testimony to the fact that the short term industry will do whatever it takes and is committed to the fight against crime and fraud and that we will be successful."

Dr Graham Wright, Chief Executive Officer of Business Against Crime SA, added, "The SAICB has enabled the short term insurance industry to identify and investigate fraudulent and criminal events

across multiple insurers through the analysis of shared information. This facility has enabled the formulation of joint industry approaches to the management and analysis of information held by the industry members, as well as improving liaison between the industry and government departments and other business sector entities. The capabilities set up by the industry through the SAICB have not only improved the ability of the industry to root out fraudulent activities, but have also strengthened government's hand at dealing with crime within the country."

The consensus in the short term insurance industry, partners, policing authorities, government and business associates is that the SAICB is and continues to be a valuable tool and institution in the fight against insurance fraud and crime, and will only go from strength to strength.

Hugo van Zyl, Chief Operating Officer of the SAICB, reviewed the past year in his presentation, celebrating the successes, explaining the challenges and solutions, and mapping the way forward for the SAICB. He commended the industry for embracing the SAICB and its challenges, and commented, "The success of the first year of the SAICB is directly linked to the level of cooperation received from our member companies, stakeholders and partners, and especially the committed cooperation of the policing and prosecution authorities. The relationships built within the short term industry in particular and the broader financial industry, and other related companies and associations addressing crime and fraud, has further enhanced what we have achieved and will achieve in the future."

"We could not have anticipated this level of cooperation and commitment, of all involved. Our work has just begun and the challenges ahead of us are daunting because of the scale of the crime and fraud problem in the short term industry, but we are unfazed by the task, because we are already seeing the difference that can be achieved, and we know that we cannot fail, especially with the industry behind us 100%."

The SAICB is currently staffed by 10 employees, and is fully operational. Through proactive initiatives, the SAICB has saved the industry approximately R2 million, and is working on cases to the value of approximately R55 million.

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