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INSURANCE SECTOR EDUCATION
AND TRAINING AUTHORITY

Learner Name	
ID Number	
Organisation	

FORMATIVE ASSESSMENT: LEARNER WORK FILE VERSION 1

Unit Standard Title: **Describe Standard Insurance Cover in terms of SASRIA**

Unit Standard No: **117117**

Unit Standard Credits: **4**

NQF Level: **4**

Mark information:

Specific Outcome/Section	1	2	3	4	5	Total	%	C / NYC
Maximum marks	11	10	6	12	18	57	100	

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Formative Assessment

Section 1

(11)

Activity 1

Briefly discuss the historical basis for the formation of SASRIA with reference to the 1976 Soweto riots and the role and the effect it had on insurance and government at the time. (5)

Activity 2

List countries covered by SASRIA when looking at the SADC countries map. (2)

Activity 3

Explain the effect of legislation on SASRIA with reference to the formation of SASRIA Ltd. (4)

Section 2

(10)

Activity 4

What does SASRIA stand for?

(1)

Activity 5

What does NASRIA stand for?

(1)

Activity 6

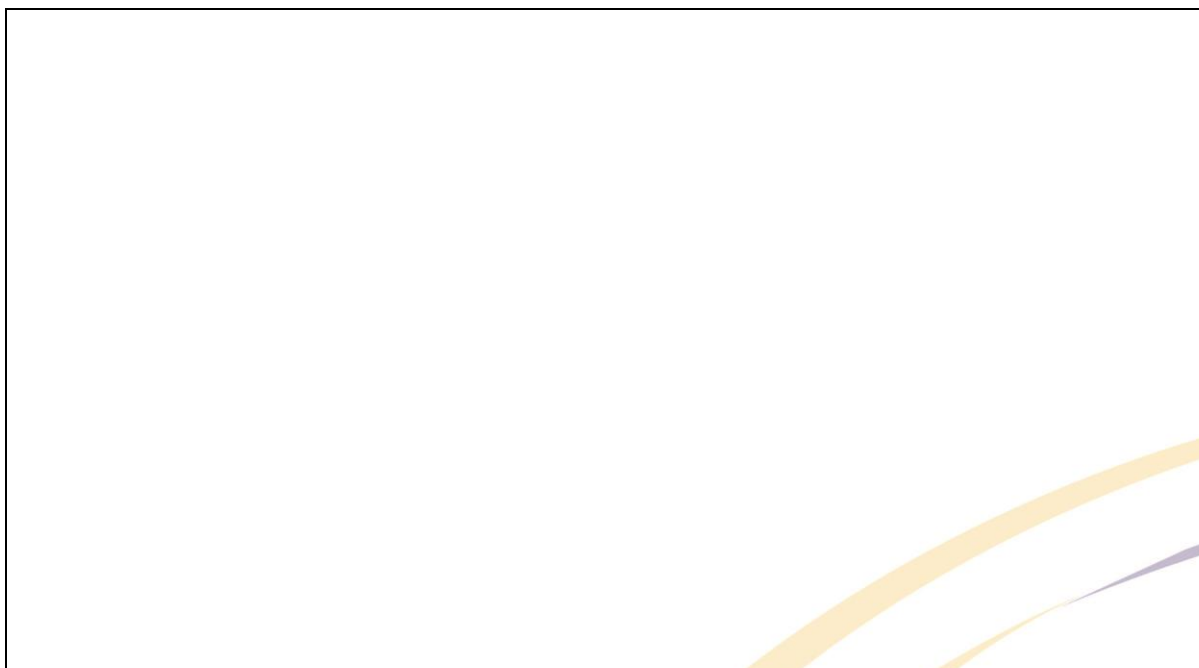
Discuss the event that took place September 11, 2001 that changed the insurance industry in the political environment.

(4)

Activity 7

Analyse two general exceptions that are excluded in the standard South African insurance Association (SAIA) general exceptions.

(4)



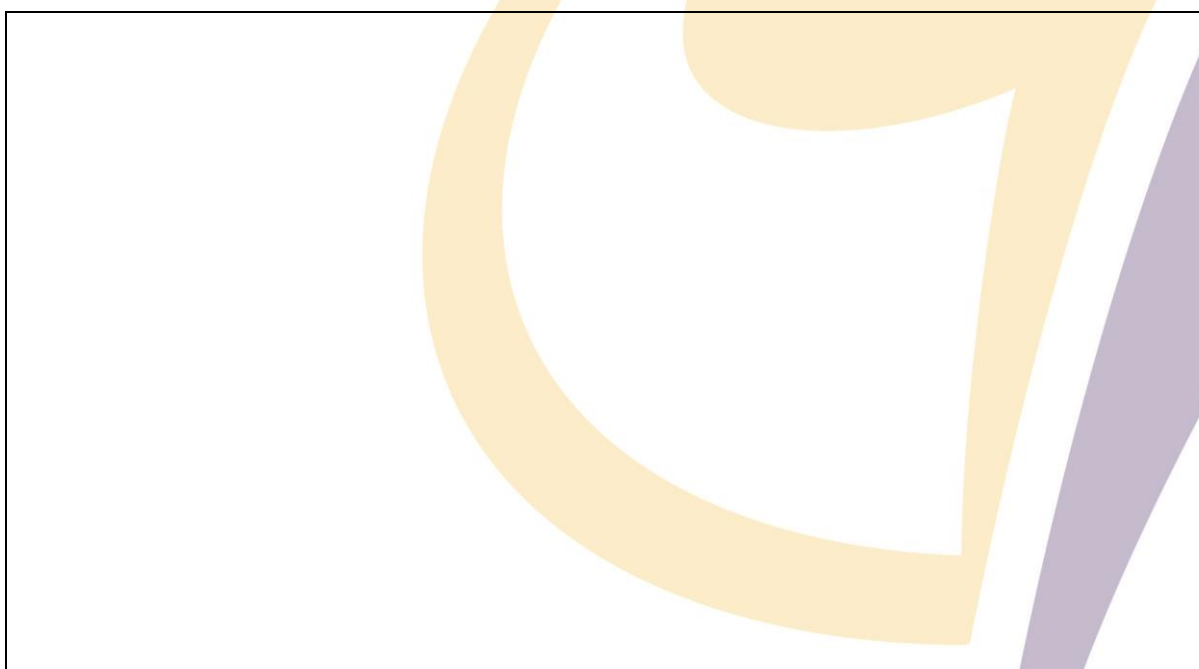
Section 3

(6)

Activity 8

Compare the concept of Malicious Damage to property in terms of SASRIA to non SASRIA Malicious Damage to property cover.

(4)



Activity 9

Explain the difference between SASRIA coupon and SASRIA policy. (2)



Section 4

(12)

Activity 10

List and briefly explain three important changes to SASRIA cover since 1979. (6)



Activity 11

Explain what is meant by Reciprocal Agreement with reference to SASRIA and NASRIA.

(3)



Activity 12

Explain the loss limit on any one insured entity with an example.

(3)



Section 5

(18)

Activity 13

List the documents that are needed for an insured standing charges claim to be validated.

(3)



Activity 14

Under which conditions/circumstances may SASRIA refund premiums? (4)

Activity 15

Explain the SASRIA construction site loss limit with an example. (3)

Activity 16

Give two reasons as to why cover that includes Marine Institute Clauses is charged at a lower rate for SASRIA cover with reference to a claim. (2)

Activity 17

Making use of a SASRIA rating table, give two examples to determine a rate on a personal lines policy. (6)



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**SOUTH AFRICAN QUALIFICATIONS AUTHORITY
REGISTERED UNIT STANDARD:**

Describe standard insurance cover in terms of SASRIA

SAQA US ID	UNIT STANDARD TITLE	
117117	Describe standard insurance cover in terms of SASRIA	
ORIGINATOR		ORIGINATING PROVIDER
SGB Insurance and Investment		
QUALITY ASSURING BODY		
-		
FIELD		SUBFIELD
Field 03 - Business, Commerce and		Finance, Economics and

Management Studies			Accounting	
ABET BAND	UNIT STANDARD TYPE	OLD NQF LEVEL	NEW NQF LEVEL	CREDITS
Undefined	Regular	Level 4	NQF Level 04	4
REGISTRATION STATUS		REGISTRATION START DATE	REGISTRATION END DATE	SAQA DECISION NUMBER
Reregistered		2009-07-01	2012-06-30	SAQA 0480/09
LAST DATE FOR ENROLMENT		LAST DATE FOR ACHIEVEMENT		
2013-06-30		2016-06-30		

In all of the tables in this document, both the old and the new NQF Levels are shown. In the text (purpose statements, qualification rules, etc), any reference to NQF Levels are to the old levels unless specifically stated otherwise.

This unit standard replaces:

US ID	Unit Standard Title	Old NQF Level	New NQF Level	Credits	Replacement Status
10364	Describe insurance cover against damage caused by riots and acts of terrorism and violence against public authorities in South Africa	Level 4	NQF Level 04	3	Complete

PURPOSE OF THE UNIT STANDARD

This unit standard will be useful for learners in short term insurance, intermediaries, insurers, reinsurers, underwriters and underwriting agents, claims assessors, attorneys and learners in the Ministry of Finance who give advice, arrange insurance, analyse risk exposure and settle claims. It deals with optional insurance cover that can be added to short term insurance policies to cover riots, labour disturbances, lockouts, public disorder and acts of terrorism or violence.

The qualifying learner is capable of:

- Explaining the origin of SASRIA insurance.
- Analysing the cover provided by SASRIA against the general exceptions in short term insurance policies.
- Identifying SASRIA's territorial limits.
- Describing the terms and conditions of the SASRIA coupons/policies.
- Applying SASRIA rates to short term insurance policies.

LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING

There is open access to this unit standard. Learners should be competent in Communication, Mathematical and Financial Literacy at Level 3.

UNIT STANDARD RANGE

The typical scope of this unit standard is:

- SASRIA cover includes cover against riots, strikes, labour disturbances, lockouts, public disorder and acts of terrorism or violence in protest against any State or Government.
- The effect of Marine Institute Clauses on premium is analysed for cargo, sea, air and hull.
- Non-political riot includes, but is not limited to, strike, labour disturbances, lockouts and public disorder.
- Examples of malicious damage to property should include SASRIA and non SASRIA examples.

Specific Outcomes and Assessment Criteria:

SPECIFIC OUTCOME 1

Explain the origin of SASRIA insurance.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The historical basis for SASRIA is explained with reference to the 1976 SOWETO riots and the role of insurance and government at the time.

ASSESSMENT CRITERION 2

The changes to SASRIA cover since 1979 are explained with reference standing charges or working expenses and non-political riot.

ASSESSMENT CRITERION 3

The effect of legislation on SASRIA is explained with reference to the formation of SASRIA Ltd.

ASSESSMENT CRITERION 4

An international application of the SASRIA model of insurance is researched and an indication is given of the establishment of terrorism insurance in another country.

SPECIFIC OUTCOME 2

Analyse the cover provided by SASRIA against the general exceptions in short term insurance policies.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The standard South African insurance Association (SAIA) general exceptions in a short term policy are analysed in terms of excluded events.

ASSESSMENT CRITERION 2

The concept of malicious damage to property in terms of SASRIA is compared to conventional non-SASRIA malicious damage to property.

ASSESSMENT CRITERION 3

Five different SASRIA coupons/policies are analysed to ascertain the cover and exclusions.

ASSESSMENT CRITERION 4

The difference between a SASRIA Ltd. coupon and a SASRIA Ltd. policy is explained with reference to terms and conditions.

SPECIFIC OUTCOME 3

Identify SASRIA territorial limits.

ASSESSMENT CRITERIA**ASSESSMENT CRITERION 1**

The area covered by SASRIA as described in the Reinsurance of Material Damage and Losses Act 56 of 1989, as amended, is identified on a map of Southern Africa.

ASSESSMENT CRITERION 2

The territorial limits on SASRIA in the SADC and other countries is explained and an indication is given of how SASRIA is applied in Namibia.

ASSESSMENT CRITERION 3

The application of territorial limits is explained in terms of reciprocal arrangements.

SPECIFIC OUTCOME 4

Describe the terms and conditions of the SASRIA coupons and policies.

ASSESSMENT CRITERIA**ASSESSMENT CRITERION 1**

The loss limit on any one insured entity is explained with examples.

ASSESSMENT CRITERION 2

The relationship between the SASRIA loss limit and the Companies Act, 1973, as

amended, is explained graphically for three case studies.

ASSESSMENT CRITERION 3

The SASRIA construction site loss limit is explained with examples.

ASSESSMENT CRITERION 4

The effect of the Marine Institute Clauses on premium in transportation insurance is analysed for three examples.

ASSESSMENT CRITERION 5

Reasons why cover that includes Marine Institute Clauses is charged at a lower rate for SASRIA cover are explained with reference to a claim.

ASSESSMENT CRITERION 6

The relationship between a material damage policy, SASRIA coupon and SASRIA consequential loss policy is explained graphically.

SPECIFIC OUTCOME 5

Apply SASRIA rates to short term insurance policies.

ASSESSMENT CRITERIA

ASSESSMENT CRITERION 1

The SASRIA rating table is used to determine the rate on a personal lines policy for two examples.

ASSESSMENT CRITERION 2

The SASRIA rating table is used to determine the rate on a motor insurance policy for two examples.

ASSESSMENT CRITERION 3

The SASRIA rating table is used to determine the rate on a commercial and industrial insurance policy for two examples.

ASSESSMENT CRITERION 4

The SASRIA rating table is used to determine the rate on a transportation insurance policy for two examples.

ASSESSMENT CRITERION 5

The application of discounts on SASRIA premiums is explained with examples.

ASSESSMENT CRITERION 6

Annual adjustments to the premium that are required are explained with examples.

UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS

This Unit Standard will be internally assessed by the provider and moderated by a moderator registered by a relevant accredited ETQA or an ETQA that has a Memorandum of Understanding with the relevant accredited ETQA.

UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE

N/A

UNIT STANDARD DEVELOPMENTAL OUTCOME

N/A

UNIT STANDARD LINKAGES

N/A

Critical Cross-field Outcomes (CCFO):

UNIT STANDARD CCFO COLLECTING

The learner is able to collect, organise and critically evaluate information in explaining the historical basis for SASRIA and an international application of the SASRIA model.

UNIT STANDARD CCFO COMMUNICATING

The learner is able to communicate effectively in analysing short term and SASRIA policies and illustrating the relationship between a material damage policy, a SASRIA coupon, and a SASRIA consequential loss policy.

UNIT STANDARD CCFO DEMONSTRATING

The learner is able to demonstrate an understanding of the world as a set of related systems by explaining the links between SASRIA and other international terrorism insurance.

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