

1 April 2022

Circular 518

To Sasria Agents and Intermediaries

Rating for Agricultural Vehicles

Sasria SOC Limited recently engaged various Stakeholders following the rate increase that came into effect on 1st February 2022, specifically relating to Agricultural vehicles, which are currently rated under the M8 vehicle type.

Engagements with our stakeholders and our commitment to ensuring that we price our risks correctly, necessitated an actuarial analysis to be conducted to revalue the risk rate for vehicles in the Agricultural sector.

Sasria hereby advise that we will be introducing a new vehicle type being Agri1(A1), effective 1 August 2022 (subject to provisions herein).

Agricultural vehicle shall mean:

Any self-propelled or towed vehicle primarily used in the conduct of agricultural and farming operations (including the maintenance and upkeep of the land and private or access roads for which the Insured holds themselves responsible) that is, at the time of a claim, not being used contrary to the provisions of the Road Traffic Act or any replacement thereof.

Note: Operating on a public road is not construed to include the presence of such Agricultural vehicle on a public road for the purpose of:

- (a) being driven to the premises of the owner in order for the owner to take delivery thereof.*
- (b) crossing a public road from the premises of the owner to another over a distance of not more than one kilometre; or*

(c) *proceeding to or from a place where repairs and maintenance are to be or have been effected to such motor vehicle.*

The rating for Agricultural vehicles follows:

Annual rate: 0,0060% Minimum premium R60.00

Monthly rate: 0,00060% Minimum premium R6.00

Backdating

In respect of Agricultural vehicles which had the M8 rates applied as at 1 February 2022, Sasria will permit an amendment to the rates backdated to 1 February 2022. The backdating must follow the Sasria backdating approval process which is more fully explained in the regulations.

Notwithstanding the backdating of rates as outlined above, the new rates apply from 1 August 2022 (inclusive) as follows:

- All new business
- Monthly policies renewed prior to 1 February 2022 on their next annual anniversary date
- Annual policies renewed prior to 1 February 2022 on their next renewal date.
- New business/policies issued, or policies renewed, on or after 1 February 2022 – with immediate effect in accordance with the allowance for backdating explained above.

All changes to Sasria Regulations and Coupons relating to the above change will be concluded by July 2022.

Notes:

Stakeholders should continue to provide for:

1. the value of non-motorised equipment including but not limited to centre pivots, farm implements and equipment under the Fire Coupon, and
2. the value of plant under Mobile Plant (M6) or Contract Works Construction Plant (CW) (as applicable).

Kindly distribute copies of this communication as widely as possible in your organisation.

Sasria would like to extend its appreciation to all parties in the value chain that administer Sasria business.

Should you have any queries, kindly contact your Sasria Customer Relationship Manager or email contactus@sasria.co.za.

Regards

Sasria SOC Limited