



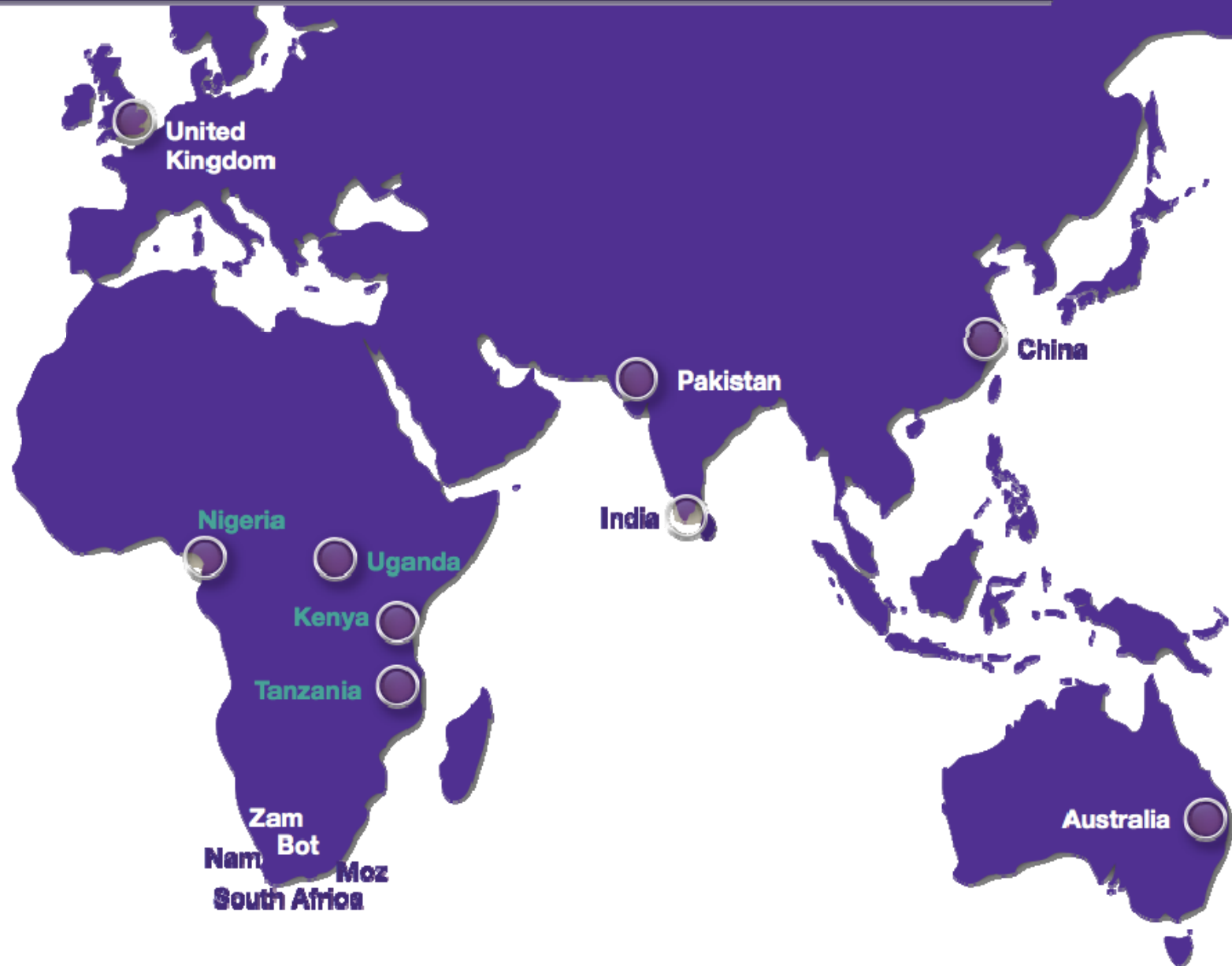
Promoting Successful Regulatory and Supervisory Approaches
for Increased Access to Insurance, 6-8 July 2010

Presentation at **Financial Stability Institute** By Jeremy Leach – Hollard Insurance Group

Who are we?

- Hollard Insurance is the largest independent insurance group in South Africa – operating in over 14 countries.
- Hollard has made 29 years of underwriting profits
- Hollard's business model is highly diversified through insurance partnerships
- Hollard Insurance South Africa has an AA-rating for claims paying ability
- Hollard has obtained 'A' scores under government black economic empowerment charters
- Hollard is one of the leading micro-insurance players, generating upwards of US\$150m p.a. in this segment in SA alone.

International



Microinsurance Business Model

Partnership

- Cornerstone and core to our business philosophy
- Partnerships create our competitive advantage and provide opportunity in achieving scale
- Drives innovation (Product, Distribution, Collection and Technology)
- And now partnered with the Micro-Insurance Innovation Facility!



Microinsurance Business Model

Partnership

Micro-insurance value chain	Hollard	Affinity/Retail /Mobile Partners	Retail/ Mobile outlets
Product design and origination	✓	✗	✗
Back office	✓	✓	✗
Risk management	✓	✗	✗
Distribution	✗	✓	✓

- ✓ Well-suited to deliver value
- ✗ Ill-suited to deliver value



PARTNERS

Retailer based



Bill Payments / Airtime



Cell phone



Affinity Group



Database / Utility



Other



Growing the SA non-life market

- Less than 17% have non-life insurance (9% for black population)

Partnered with Jet Stores to launch:

- Basic household insurance cover for \$12 pm –
-R50k (US\$6k) buildings
- R50k (US\$6k) contents

ABSA (Barclauys) SMME pilot in process

Includes equipment & inventory

Home Protect Insurance
you can trust
for only **99⁰⁰** per month

Just one of the amazing benefits of being a Jet account holder

Apply Today! Just dial
0860 555 538
or sms JHP to 42933
and we will call you back

Hollard Financial Services

Some lessons learnt



- Scalable Partnerships or models required
- Strong brand – partner with recognized and trusted brand
- Partnerships – align incentives and partner with a long term view
- Traditional actuarial models often irrelevant – what does this mean for Solvency II?
- Needs to be designed around the consumer and channel
- Awareness and education key –but costly!

2 days to
go to the

Soccer World Cup Final



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