INSURANCE INSTITUTE OF NORTHERN GAUTENG

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IING Welcomes New President

Wynand Louw is the newly elected President of IING, taking over from Andrew Geyer

Wynand Louw, IING President

It is an honour to be elected as the new president of the IING. I have my work cut out for me and huge shoes to fill over the next period. I want to thank all the people who contributed over the years to make a success of the IING. When the Institute went through troubled times, a handfull of people decided that they will not give up. Because of them we are able to be here today. Thank you to you all, I salute you for you heroic efforts.

Andrew, I thank you for your valued contribution as the now past President of the IING. You are now joining a long line of successful past Presidents of this great Institution. James, I am sorry to lose you as the Treasurer and that you have decided to step down. A great thank you and appreciation from all of us on the council. I hope we can still press on your button whenever we might need help. To the council members who decided to retire, thank you and good luck with your future endeavors. I trust that you will continue to support us.

Thank you to the new council members for your willingness to serve on the council for the next period. I am looking forward to what we can accomplish in the year ahead. To all our members and friends of the association, great appreciation for you valued inputs, support, contributions and sponsorship. I trust that the new council could continue to rely on your loyal support.

We will strive to continue to build on the successes and foundations that were laid over the past years. We will keep you posted via Facebook, Twitter, the IING Communicator, and our mailing list of all future events and training. We have a great number of events and training sessions planned for the rest of the year. May your plans for the year ahead succeed and be blessed. ***Wynand Louw***

I cannot believe that my term of two years has come to an end! The last year of my two year term was certainly the highlight of my career as President of the IING; we had so many good things happening to us at the IING and that because of YOU (Our members and Business Partners).

At the IING we are focusing more on providing training to our members especially Regulatory Exams preparation and also to give our members the chance to earn CDP points by facilitating sessions recognized by the FSB. We made huge progress in all facets of our business and will keep on doing that for our members.

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Andrew Geyer, former President

And lastly my thanks to my council, the secret of my success as President is the fact that I had a team of great people supporting me on my council. I would like to make special mention of a few that should be recognized for their outstanding performance. They are: James Young; Hendriehet Young; Trudie Brummer; Wynand Louw; Mike Pierce.

Your passion and support to re-build our Institute to the one that is now made the difference! I wish the new President just as good luck and support as I had!

Once Again thank you and God Bless!

Andrew Geyer

Second RE1/RE5 Workshop

Information and preparation session

Due to the high demand from numerous companies, we presented a successful second RE 1 & RE 5 information and preparation session at the Santam offices in Pretoria on 26 April 2013. We had great feedback on both the workshop and the facilitation.

Participants came as far as Sasolburg to attend the session and enjoyed the workshop immensely. We hope that after the knowledge and skills gained from the session that everybody can benefit with their preparations for the examinations. We would like to extend our appreciation and gratitude to Fatima Maharaj from Etana Academy for a very professional and well-orchestrated session, her time and facilitation.

A Special thanks to James Young for welcoming the participants on behalf of the Insurance Institute Northern Gauteng and for Hendriehet Young for her contribution with the arrangement of the food, drinks and eats with the coffee/tea breaks.

All of the best for everyone who still needs to write the examinations!

Fellows Lunch

On the 17th May 2013 the annual Fellows lunch was held for the fellows of the IING.

It was an honour for all of us who attended. The venue and food was excellent, and we surely enjoyed the company and banter about the OLD DAYS. There was a suggestion that if it was not for one or two so called younger Fellows, who attended, the average age may have been well over 70 years.

It was such a pleasure to see the Fellows who attended and to know that they are all still involved in the industry. On the other hand it was sad to experience that fewer people attended than the previous lunch about a year ago. During our discussions the Fellows expressed their concerns that few, if any new Fellows are qualifying and joining the Local Society of Fellows. This is a cause for concern and the number of Fellows that are still active in the industry are becoming less and less.

One of the reasons why younger members are not qualifying to become Fellows may be contributed to the fact that the prestige and respect that the qualification carried in the past are unknown factors in the current time and age we are living in. In the past both Insurance Companies and Brokers encouraged their staff members to obtain the ACII and FCII, as it was regarded as an indication that such a person had an excellent academic qualification that concentrated on insurance, and they were sought after for senior positions in the industry. The importance of the qualification was confirmed by substantial bonuses that were paid to persons that obtained the qualifications. In England we find just the opposite as to what we are experiencing here. A Fellow of the Insurance Institute of London is regarded as a highly qualified and respected person. They are sought after and head hunted for senior positions in the industry and they reap the benefits of their studies.

The Fellows and what they represent, are very close to our hearts and we hope and pray that the day will arrive when in South Africa the Insurance Industry will again be strengthened and proud of the title of FCII and that it will not die out as the current members pass on to hopefully greener pastures.

Jan Venter, FCII

Are You Ready For RIMS Los Angeles?

Frank van der Meer, Programme Coordinator, Centre for Business Management at Unisa's Programmes in Insurance, discusses points of interest noted at the recent RIMS13 conference in Los Angeles, California, USA.

Landing at LAX (Los Angeles International airport) in bright sunshine on a glorious early-spring Saturday afternoon, two days after departing from OR Tambo and some 20-odd hours in the air, with a stopover in a damp and drizzling Amsterdam (maxtemp of 9°C), you realize why people often refer to California as the "Sunshine State".

I went to Los Angeles to attend RIMS13, the annual RIMS (Risk Insurance Management Society) conference, which was held there in 2013 (it moves to a different city each year). The conference was attended by some 9 000 delegates and exhibitors, representing risk managers and insurance people from all over Northern America, as well as more than 400 international delegates.

The conference lasted from Sunday 21 to Wednesday 25 April. There were a number of plenary sessions, over 200 discussion groups and presentations, 20 lectures/education sessions and nearly 400 exhibition stands. This is, most probably, the largest gathering of risk management and insurance people in the world, annually.

Cecile de Swardt and Frank van der Meer from UNISA at RIMS13

We gathered in Los Angeles less than a week after the Boston bombing and the morning after the capture of one of the bombers and the death of the other. Increased security and a more police were noticeable. Television news covered the horrific event and its aftermath, in gory detail, virtually continuously for the next few days. During the opening ceremony of RIMS13 the assembly paid their respects to those killed and injured with a poignant minute of silence.

RIMS13 was, of course, also held against the backdrop of a number of natural disasters that occurred during the recent past, not least being super storm Sandy, the floods in Thailand and the Japanese earthquake and tsunami, the year before. In addition, while the conference was underway, flooding was occurring in the Midwest and one night I watched a report regarding a rise of 40 feet (13 m) in the level of the Mississippi in Illinois during the previous three days.

If anything, what I took away from the presentations and discussions at RIMS13, more than during the past few years, was the preparedness and the readiness of the industry to handle natural disasters and their consequences. I recall some of the early RIMS conferences that I attended in 2008 and 2009 when all the talk was about...
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financial disasters, the aftermath of the collapse of the banking industry, the bailout afforded to AIG and on the risk management front everybody was talking about enterprise risk management and reputational risk. Supply chain risk management was hardly touched on until the world and particularly the North American market was shocked into realizing its vulnerability when the 2010 eruption of Eyjafjallajökull and the resultant ash cloud caused enormous disruption to air travel and a severe impact on the supply chain of businesses that have become largely dependent on the "just in time" supply of critical components.

In 2011 we saw the most frightening and costliest (both in monetary terms and loss of life - of some $235 billion and over 13,000 lives) disaster with the earthquake and tsunami in Japan on 11 March 2011. In addition to direct losses in Japan, there was a tremendous knock-on effect around the world, resultant from the sudden absence of parts, components and manufactured goods. For example, it is said that Toyota lost $1.2 billion in product revenue from the Japanese quake due to parts shortages that caused 150,000 fewer cars to be manufactured in the United States alone and a 70% reduction in production in India and a 50% reduction in China.

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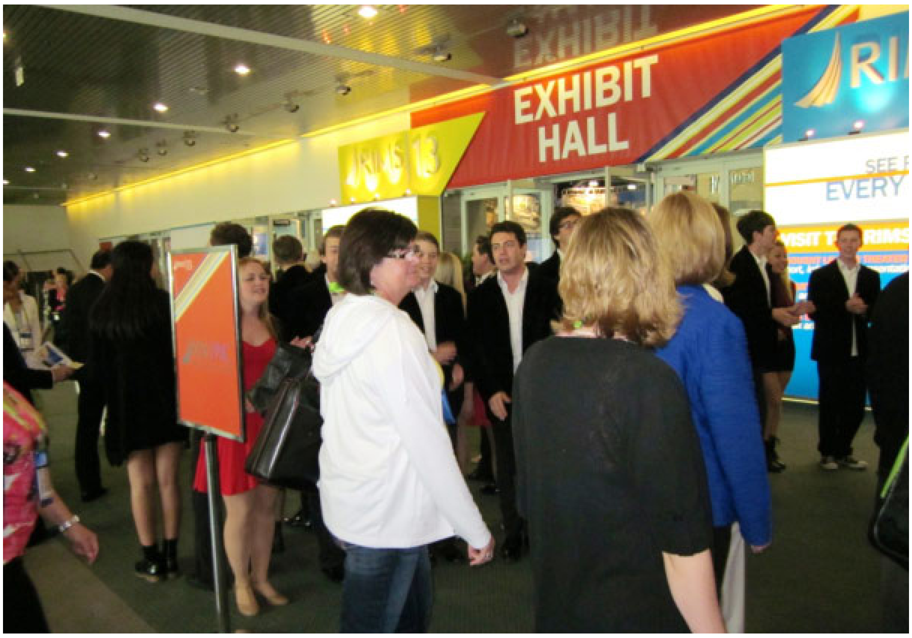

During the 2011 monsoon season, severe flooding was experienced in Thailand and in October the floodwaters reached the mouth of the Chao Phraya and inundated parts of the capital city of Bangkok. Flooding persisted in some areas until mid January 2012 and resulted in 815 deaths and 13.6 million people affected. 65 of Thailand's 77 provinces with declared flood disaster zones and over 20,000 km² of farmland was damaged.

The World Bank has estimated 1 425 billion baht (>R3.6bn) in direct economic damages and losses, while, again, the knock-on effect was severe and Hewlett-Packard (so their risk manager told us at RIMS 2013), for example, could not shift some of their stock for an eight-month period.

Late-October 2012 saw the passing of hurricane Sandy, the deadliest and most destructive hurricane of the 2012 Atlantic hurricane season, as well as the second-costliest hurricane in United States history. It passed across Kingston, Jamaica,Cuba, the Bahamas, then curved north-northwest and moved ashore near Brigantine, New Jersey. At its peak, wind speeds of 185 km/hr. were experienced, damage was in excess of $75 billion, with 147 direct and 138 indirect fatalities. A total of 24 US states were in some way affected by Sandy and as of 31 October, over 6 million customers were reported to be still without electricity in 15 states, for example. It was, without doubt, the aftermath of the above disasters that have reinforced the need for adequate and proper insurance cover in the North American market.

Particularly the need for adequate and appropriate business (and supply chain) interruption insurance has now been recognized. It was frightening to listen to some of the presentations and to see the figures quoted. It was only then that I realized that the days of total self-sufficiency of the USA are a thing of the past and the US is nowadays very much part of the global village. Even those items "manufactured" in the US, more often than not, are comprised of high percentages of imported or foreign-manufactured components. Whereas super storm Sandy caused extensive damage to the East board areas of the US, large parts of these were idle rural areas, or residential, while the Japanese quake and Thailand floods impacted directly on...
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... industrial and manufacturing areas. Often, this meant the loss of manufactured items or critical components for US concerns. Due to time and space constraints I cannot provide more information regarding some of the discussions and presentations at RIMS13, but will try to do so in a future article.

What came to mind both during and subsequent to RIMS13 was that although the North American and European risk managers and insurance brokers are now rapidly revising and amending their insurance programs to attempt to avoid repetitions of the financial impact of such supply chain interruptions, I am mindful of the need of the local, South African, market to also review its preparations. We are as much, if not more, dependent on imported goods and items and components as our international trading partners.

One of the products that has seen a dramatic increase in usage and premium income must be contingent business interruption insurance. It is also one of the products that is very restrictive in its basic format,especially where the manufacturing site is at a different location, or another country, but extensive experience has been gained over the past few years. It is, however, not a product that many people in the South African market are familiar with. The need for sound knowledge and understanding, with solid support and guidance from the insurance companies of the insurance brokers is of utmost importance.

If we consider the extensive and uninsured losses during the violent strikes, both in the mining industry and in particular in the agricultural sector in the Western Cape during the past year, I can only hope that our local market will be ready in case the major natural disaster hits one of our current major trading partners.

James Young

INTERESSANT OM TE WEET

by James Young

Die Menslike Brein is iets wat my nog altyd erg geboei het. Dit is nie verniet dat die aanname gemaak word dat die funksionering van die menslike brein meer ingewikkeld is as al die telefoonsentrales in die wêreld saam nie.

Die brein bestaan uit drie "breine" naamlik die Reptielbrein, die Soogdierbrein en die Korteks. Soogdiere soos die hond, die kat en die perd deel die Soogdierbrein met die mens. Die Soogdierbrein is sterk op oorlewing ingestel. Dit het ook heelwat te doen met 'n mens se verhoudings met ander bv.: kommunikasie, om lief te hê, te versorg, te haat, ensovoorts. In die Soogdierbrein bêre en ervaar jy emosies soos liefde, vrees, onsekerheid en frustrasie.

In die Soogdierbrein of limbiese stelsel is ook die bewussyn van die "self" geleë – die wete dat ons apart van ander bestaan, maar da tons ook in verhoudings met ander staan. Ek kan slegs bewus wees van myself as ek myself kan waarneem as deel van ander of in opposisie met ander. Die Soogdierbrein beheer en reguleer ook nie-verbale kommunikasie of lyftaal. Daar is geen vermoë tot spraak in die limbiese stelsel nie en die Soogdierbrein dink, soos in die geval van diere, sonder woorde. Die dier reageer op jou stemtoon eerder as op spesifieke woorde.

Die Soogdierbrein is gelaai met emosie, dikwels teenstrydig of in opposisie met die denkende brein (die korteks). Jou hart sê vir jou een ding maar jou verstand sê iets anders.

Die limbiese stelsel is al beskryf as die deurwagter van ons denke. Hierdie deurwagter, wat nie altyd so harmonieus saamwerk met die...

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denkende brein (die korteks) nie, kan 'n moeilike en selfs oneffektiewe deurwagter wees indien dit foutief geprogrammeer is. Daar is soms 'n gebrek aan beheer, omdat die samewerking van die korteks nie genoegsaam verkry word nie.

Jy kan jou limbiese stelsel so orkestreer dat dit vir jou werk en nie tot jou nadeel is nie. 'n Mens kan nie jou limbiese stelsel deur logika bereik nie want dit bevat geen spraak of redeneervermoë nie. 'n Mens kan egter met jou limbiese stelsel kommunikeer deur te ontspan en gebruik te maak van visualisering, verbeelding, simboliek en musiek.

Die Reptielbrein verwys na die oudste deel van die brein wat skaars deur evolusie aangeraak is. Daar word aanvaar dat hierdie deel van die brein 500 miljoen jaar gelede tot in sy huidige staat ontwikkel het. Hierdie ou brein word in sootgelyke vorm in reptiele soos krokodille, skilpaaie en akkedisse aangetref. Dit maak die binneste en onderste deel van die brein uit en hou ons aan die lewe en "op en wakker". Iets waarmee die reptielbrein hom baie besig hou, is persoonlike ruimte en territoriale sake – "dit is myne", "moenie op my gebied oortree nie", "dit is my grond, my area", "moenie my dinge kom deurmekaar krap nie".

Die Korteks omvou die Soogdierbrein. Hierdie denkende, redenerende deel van die brein reguleer meer

doelbewuste bewegings en hanteer meer komplekse situasies in die omgewing. In die korteks beplan, dink, argumenteer en praat ons met onsself, neem besluite, doen berekleninge en dink strategieë uit. Dit is die mees gesofistikeerde deel van die brein.

Die korteks bestaan uit twee lobbe – die linker en die regter hemisphere. Daar is al baie geskryf oor die twee breinhelftes of hemisphere en die verskille tussen die funksies daarvan word dikwels aangebied asof die twee "breine" heeltemal verskillende funksies het wat duidelik van mekaar onderskei word. Daar is egter 'n komplekse verweefdheid tussen die twee breinhemisfere waaraan meesal nie voldoende aandag gegee word nie.Voeg nou verskillende persoonlikhede en persoonlikheidstrekke by bogenoemde en dan verstaan 'n mens dalk so ietsie meer van die kompleksiteit van die mens.