Indwe Risk Services
Short term Insurance and RTMS
AGENDA

• History of Insurance
• Cost of Insurance
• Saving on Insurance costs
• Avoiding Repudiations
• RTMS and Insurance
History of Insurance

- First used in 1700 BC in the form of mutual aids, granaries and redistribution of risk
- First stand alone marine insurance policy in 1400 AD
- Great fire of London in 1666 devastated 13,000 homes creating a demand for property insurance
- Edward Lloyds Coffee Shop was a meeting place for shippers in 1680 that later became Lloyds of London. Some of the losses covered by Lloyds include- San Francisco Earthquake, Titanic, Hindenberg, Piper Alfa, Exxon Valdez, 911.
# Cost of Insurance

## Related cost of Insurance
- Premium
- Excess
- Security requirements

## Cost of Premium
- Claims 100
- Broker fees 15
- Admin costs 10
- Profit 15
- Total Premium 140
Saving on Insurance Costs

- Minimize frequency and average cost of claims – Loss ratios
- Increase self insurance levels – Excesses
- Get recognition for good Risk Management – Discounted premium
- Ask for rewards for good claims experience – Profit share
- Investigate alternative Insurance arrangements
  - Deposit premiums
  - Funds
  - Aggregate Excesses
  - Cell Captives
- Get alternative quotes on renewal – Passenger Liability!!!!!!
- Review vehicle values
Avoid Repudiations

- Know and adhere to the terms and conditions of your policy
  - Premium payment
    - Premiums are payable in advance
  - Complete and accurate completion of the proposal
    - Non disclosure of material facts
  - Maintenance
    - COF
    - Brakes and Tyres
  - Security requirements
    - Operational devices
  - Valid licences
    - Foreign drivers, PDP
  - Overloading
RTMS and Insurance

• How does RTMS Certification impact on your Insurance
  ▪ Premium discounts
  ▪ Improved loss ratio
  ▪ Avoiding repudiation

• Common threads of RTMS and Insurance (Risk management)
  ▪ Maintenance
  ▪ Driver behaviour
  ▪ Driver Wellness
  ▪ Overloading
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