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| **Section.** | **Services** | **Description** |
| **1.** | **Administration** | The Service Provider will provide administrative support services to SARS to manage the SARS short-term insurance portfolio, in particular the Service Provider must: |
| **1.1** | **Obtain Insurance Cover** | * + 1. Advise and consult with SARS on its short-term insurance portfolio renewal strategy, from time to time;     2. Obtain required short-term insurance cover for SARS from the insurance industry based on the needs of SARS, the prevailing market conditions at the relevant time and the insurance products that are available to mitigate or partly mitigate the risks as identified;     3. Continuously negotiate beneficial policy conditions for SARS with an insurer; and     4. Arrange for the issuing of the necessary policy contracts by the insurer, on behalf of SARS, as and when required. |
| **1.2** | **Administer Claims** | 1. Assist in the claims management process from submission to finalisation and reporting stage; 2. The Service Provider will be responsible for management of claims and, for the sake of clarity, claims management needs include but is not limited to:   Ongoing management of all outstanding claims;  Receiving claims from SARS and submitting these to the insurer on a timely basis;  Following up with the insurer regarding the progress of claims;  Informing SARS of outstanding documents on claims, if applicable;  Informing SARS when payments are made by insurers;  Ensuring correct calculation and payment of benefits by an insurer; and  Interacting with an insurer where claims are repudiated;   1. Ensure that claims are submitted to the insurer correctly and on time; 2. Ensure that all claims lodged with the insurers are supported by all the relevant documentation to ensure efficient settlement; and 3. Ensure that SARS’s contractual rights, in terms of the insurance policy, are enforced. |
| **1.3** | **Claims logging and tracking** | 1. Provide a fully functional online system to SARS, which has capturing fields required by SARS, wherein a SARS Insurance Administrator may log and submit claims, and track the status of such claims. |
| **1.4** | **Facilitate the relationship with appointed insurers and prospective underwriters** | 1. Act in SARS’s best interest in all dealings with the appointed insurers and prospective underwriters; 2. Ensure that the Service Provider’s Personnel appointed to work on the SARS account fully understand the Service Provider’s obligations under this Agreement; 3. Ensure that any third party service provider appointed by an insurer to render a service following the occurrence of an insured event is compliant with the taxation laws of the Republic of South Africa; and 4. In particular, ensure that third party service providers who render services following the occurrence of an insured event invoice the Service Provider for the services rendered. The Service Provider shall in turn: 5. invoice SARS for the services rendered by such service providers; and 6. attach to the Service Provider’s invoice the invoice of the third party service provider. |
| **2.** | **Reporting** | The Service Provider shall render the following to SARS: |
| **2.1** | **Monthly reporting** | 1. Monthly reconciliation of all claims data and contributions paid pertaining to the risk schemes; 2. Monthly monitoring of data movements in respect of the activities on the short-term insurance portfolio and claims register; and 3. A monthly Performance Report recording any failures to achieve service levels, the nature and date thereof the causes of the failures and a summary of steps taken to resolve the failures and avoid them in the future. |
| **2.2** | **Quarterly reporting** | 1. Update SARS on the current state of the insurance market in terms of general economic realities, solvencies, capacity, profitability, rates and market activity (such as mergers, amalgamations, take-overs and joint ventures) and the possible impact of such matters on the SARS’s renewal strategy and insurance portfolio; 2. Update SARS on legal developments within the short-term insurance industry and inform SARS on insurance product developments and the risk mitigation developments in the South African market; 3. Ongoing evaluation of uninsured risks and possible options for addressing them; 4. Ongoing analysis of loss statistics to identify trends to assist SARS in future loss prevention and more effective management of risk; and 5. Advise SARS regarding any reserve accounts with the insurer(s). |
| **3.** | **Meetings** | 1. The Service Provider will be required to review the SARS short-term insurance portfolio with SARS Procurement and SARS Finance in a formalised pre-set meeting on a quarterly basis; and 2. The Service Provider will be required to report on the overall progress of the Services and to discuss service execution issues i.e. problems, risks, administrative issues etc. at a Service Relationship Review on an annual basis. |
| **4.** | **Advice to SARS** | The Service Provider must:   1. provide financial advice on the short-term insurance portfolio, in the event SARS requests such advice; and 2. assist SARS with the interpretation of insurance policy documents and matters incidental thereto, including the interpretation of insurance rules and regulations,   as prescribed in terms of Applicable Law. |
| **5.** | **Transition** | 1. The Service Provider must implement the final detailed transition plan approved by SARS when taking on the Services; and 2. The transition plan must set out all tasks that will be undertaken to set-up the service delivery capability, in order to deliver the Services. |
| **6.** | **Handover** | The Service Provider must assist with the handover of SARS’s short-term portfolio to a new service provider at the expiration or earlier termination of the Agreement. |