



Advertising Standards Authority of South Africa

(Established and registered under Section 21)

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Willowview Burnside Island Office Park (entrance off Athole) 410 Jan Smuts Avenue Craighall Park PO Box 41555 Craighall 2024  
Company Registration Number 1995/00784/08 Non-profit Registration Number 043-694-NPO

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**To:** Mr David Le Page

Ms Ntshirile Bapela  
Compliance Officer  
1 Life Insurance Ltd

**Email:** [ntshirileb@telesure.co.za](mailto:ntshirileb@telesure.co.za)

**From:** Mr Mokgosi Rampa

**Email:** [mokgosi@asasa.org.za](mailto:mokgosi@asasa.org.za)

**Date:** 24 February 2016

**Reference:** 1 LIFE INSURANCE / D LE PAGE / 2016-3018F

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Dear Sir / Madams

We refer to the above matter and enclose herewith a copy of the ASA Directorate Ruling.

Yours sincerely

**THE ADVERTISING STANDARDS AUTHORITY OF SOUTH AFRICA**

**MOKGOSI RAMPA**  
**CONSULTANT: APPEALS AND COMPLIANCE**  
**RM**

**Encl ASA ruling (4 pages)**



## The Advertising Standards Authority of South Africa

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### RULING OF THE ASA DIRECTORATE

In the matter between:

**MR DAVID LE PAGE**

**COMPLAINANT**

and

**1 LIFE INSURANCE LTD**

**RESPONDENT**

24 February 2016

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**1LIFE INSURANCE / D LE PAGE / 2016-3018F**

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Mr Le Page lodged a consumer complaint against the respondent's SMS advertising received during January 2016.

The SMS reads as follows:

***"Get R10m life cover from as little as R120pm WITHOUT medical exam. Reply YES for Quote (Free reply). NO to STOP. Risk profile dependent (FSP245769)".***

### COMPLAINT

The complainant submitted that he was quoted more than R1000 for only R2million in cover. While he accepts that the advertising alludes to the fact that cover is "Risk profile dependent", the substantial difference between his quotation and the advertised price leads him to believe that the advertised price is either blatantly false, or at the very least, applies only to an extremely small minority of people.

## RELEVANT CLAUSE OF THE CODE OF ADVERTISING PRACTICE

In light of the complaint Clause 4.5 of Section II (“Up to ...” and “from ...” claims) was considered relevant.

## RESPONSE

The respondent submitted, *inter alia*, that the intention of the SMS is not intended to mislead consumers and provides factual information as it states the maximum amount of life cover that can be provided.

It further clearly states the conditions under which it may provide is “Risk profile dependent”.

The SMS is neither an offer nor a quote and the initial sentence is followed by an invitation to “Reply YES for Quote”. Interested customers would understand that there is no guarantee that they would automatically qualify for the full extent of cover advertised (which is provided subject to an actuarial calculation, based on risk assessment criteria).

## ASA DIRECTORATE RULING

The ASA Directorate considered the relevant documentation submitted by the respective parties.

Clause 4.5 of Section II deals with instances where advertisers use claims such as “up to ...” or “from ...” It specifies, *inter alia*, that “Such claims should not be used ...” in instances where “... the price or other advantage claimed bears no relation to the prevailing level of prices or benefits, and in particular where it does not apply to the goods or services actually advertised or to more than an insignificant proportion of them”.

The complainant does not appear to labour under an impression that all interested customers would be able to obtain R10million cover as a result of receiving this SMS. His concern appears to pertain to the fact that the advertising creates an impression that one could get R10million worth of life cover from as little as R120 a month. The complainant specifically acknowledges having noticed the “Risk profile dependent”

statement, but explains that despite this qualification, he does not believe that the respondent offers this extent of cover at such low premiums, or if it does, such offer is only available to a very small minority of people, thus invalidating the claim. He explained that he was quoted R1000 for only R3million worth of cover.

At the outset, it must be accepted that a reasonable person would understand that his/her premium would not necessarily be exactly the same as that quoted in the advertisement. Insurance requires a careful consideration of a host of variable factors, all of which have a bearing on the individual's risk profile. The complainant appears to accept this as well.

However, the complaint specifically questions whether or not the respondent actually provides life cover to the tune of R10million at the price of R120 to any customers or at least to more than "... and extremely small minority of people".

The respondent did not deal with this, did not deny the allegation that the advertised premiums are either invalid or only represent a small minority of customers, and provided no evidence to show that it does, in fact, offer R10million cover to "... more than an insignificant proportion of ..." the respondent's client base.

In the absence of anything to invalidate the complaint, the Directorate has no option but to rule that the claim to provide "... R10m life cover from as little as R120pm ..." does not appear to apply to prevailing cover, or to more than an insignificant proportion of the respondent's customers.

**The SMS advertisement is therefore in contravention of Clause 4.5 of Section II of the Code.**

As a result, the respondent is instructed to:

- Withdraw the SMS advertisement at issue,
- Immediately start to give effect to this instruction upon receipt of this ruling
- Ensure that the withdrawal process is completed within the deadlines stipulated in Clause 15.3 of the Procedural Guide, and

- Refrain from claiming to offer "...R10m life cover from as little as R120pm ..."  
unless this reasonably and appropriately reflects prevailing prices, and / or  
applies to more than an insignificant proportion of its customer base.

**The complaint is upheld and the respondent's attention is drawn to the provisions of Clause 15.5 of the Procedural Guide.**



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**ON BEHALF OF THE ASA DIRECTORATE**