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CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

SHEET REFERENCE NUMBER
REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER
FNA PRINTOUT DATE

10245 A
10/01/2008
20211131

ECONOMIC SCENARIO STRESS TEST			
	Statutory Valuation Basis	Post Stress Test & Before Management Action	Post Stress Test & Post Management Action
	R000	R000	R000
	2	3	4

1 ECONOMIC SCENARIO STRESS TEST

Assets			
Cash & Balances & Deposits	0	0	0
Securities & Loans	0	0	0
Debt securities, Loan stocks & Other securities	0	0	0
Debtors	0	0	0
Shares, Depository receipts & Collective Investment Schemes	0	0	0
Immovable property	0	0	0
Mortgages & participation bonds	0	0	0
Fixed Assets	0	0	0
Other	0	0	0
Total Assets	0	0	0
Liabilities			
Policyholder liabilities: Linked (excluding liabilities specified below)	0	0	0
Policyholder liabilities: Non-linked (excluding liabilities specified below)	0	0	0
Bonus Stabilisation Reserve	0	0	0
Non-vested bonuses	0	0	0
Embedded Investment Derivatives Reserve	0	0	0
Discretionary Margins	0	0	0
Other liabilities	0	0	0
Total Liabilities	0	0	0
Total Excess Assets	0	0	0
GAR			
TCAR	0	0	0
LCAR	0	0	0
CCAR	0	0	0
ICGAR	0	0	0
Factor	0%	0%	0%
Capital Adequacy Requirement (GAR)	0	0	0
GAR COVER	0.00	0.00	0.00

ACTUARY (Initial)

AUDITORS (Initial)

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SWIFT REFERENCE NUMBER
 REPORTED UP (100) TEST REFERENCE NUMBER
 SWIFT REFERENCE NUMBER

CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

IS-004

10/01/2004

3/12/2011

SINGLE FACTOR STRESS TEST: OBSERVATORY SURPLUS at All Class Insurance Entities as at the end of the reporting period 3/12/2011			
	Statutory Valuation Rate	Post Stress Test & Before Management Action	Post Stress Test & Post Management Action
	R100	R100	R100
	2	3	4

1 SINGLE FACTOR TESTS

1.1 MORTALITY AND MORBIDITY SHOCK 20% INCREASE IN EXPECTED RISK RATES (DECREASE FOR ANNUITIES IN PAYMENT)

Assets			
Cash & Balances & Deposits	0	0	0
Securities & Loans	0	0	0
Derivatives, Loan stocks & Other securities	0	0	0
Debtors	0	0	0
Shares, Depository receipts & Collective Investment Schemes	0	0	0
Intangible property	0	0	0
Mortgages & participation bonds	0	0	0
Fixed Assets	0	0	0
Other	0	0	0
Total Assets	0	0	0
Liabilities			
Policyholder liabilities: Linked (excluding liabilities specified below)	0	0	0
Policyholder liabilities: Non-linked (excluding liabilities specified below)	0	0	0
Bonus Stabilisation Reserve	0	0	0
Non-vested bonuses	0	0	0
Embedded Investment Derivatives Reserve	0	0	0
Discretionary Margins	0	0	0
Other liabilities	0	0	0
Total Liabilities	0	0	0
Total Excess Assets	0	0	0
CAR			
TCAR	0	0	0
MCAR	0	0	0
OCAR	0	0	0
ICCAR	0	0	0
Factor	0%	0%	0%
Capital Adequacy Requirement (ICAR)	0	0	0
CAR COVER	0	0	0

1.2 EXPENSE PER POLICY SHOCK 10% INCREASE IN MAINTENANCE EXPENSE WITH 20% INCREASE IN EXPENSE INFLATION

Assets			
Cash & Balances & Deposits	0	0	0
Securities & Loans	0	0	0
Derivatives, Loan stocks & Other securities	0	0	0
Debtors	0	0	0
Shares, Depository receipts & Collective Investment Schemes	0	0	0
Intangible property	0	0	0
Mortgages & participation bonds	0	0	0
Fixed Assets	0	0	0
Other	0	0	0
Total Assets	0	0	0
Liabilities			
Policyholder liabilities: Linked (excluding liabilities specified below)	0	0	0
Policyholder liabilities: Non-linked (excluding liabilities specified below)	0	0	0
Bonus Stabilisation Reserve	0	0	0
Non-vested bonuses	0	0	0
Embedded Investment Derivatives Reserve	0	0	0
Discretionary Margins	0	0	0
Other liabilities	0	0	0
Total Liabilities	0	0	0
Total Excess Assets	0	0	0
CAR			
TCAR	0	0	0
MCAR	0	0	0
OCAR	0	0	0
ICCAR	0	0	0
Factor	0%	0%	0%
Capital Adequacy Requirement (ICAR)	0	0	0
CAR COVER	0	0	0

1.3 WITHDRAWALS 40% INCREASE IN ASSUMPTION

Assets			
Cash & Balances & Deposits	0	0	0
Securities & Loans	0	0	0
Derivatives, Loan stocks & Other securities	0	0	0
Debtors	0	0	0
Shares, Depository receipts & Collective Investment Schemes	0	0	0
Intangible property	0	0	0
Mortgages & participation bonds	0	0	0
Fixed Assets	0	0	0
Other	0	0	0
Total Assets	0	0	0
Liabilities			
Policyholder liabilities: Linked (excluding liabilities specified below)	0	0	0
Policyholder liabilities: Non-linked (excluding liabilities specified below)	0	0	0
Bonus Stabilisation Reserve	0	0	0
Non-vested bonuses	0	0	0
Embedded Investment Derivatives Reserve	0	0	0
Discretionary Margins	0	0	0
Other liabilities	0	0	0
Total Liabilities	0	0	0
Total Excess Assets	0	0	0
CAR			
TCAR	0	0	0
MCAR	0	0	0
OCAR	0	0	0
ICCAR	0	0	0
Factor	0%	0%	0%
Capital Adequacy Requirement (ICAR)	0	0	0
CAR COVER	0	0	0

ACTUARY (only)

AUDITORS (only)

ANNEXURE B

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LONG-TERM INSURANCE ACT (NO. 52 OF 1998)			
LONG-TERM QUALITATIVE RETURN			
ABC LIFE INSURANCE LIMITED			
REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER			10/10/1/000/8
END OF PERIOD UNDER REVIEW			12/31/2011
FINAL PRINTOUT DATE			3/7/2011 8:54
INDEX OF STATEMENTS AVAILABLE TO PUBLIC			
Statement no.	Description	No. of pages	Issue date
A	Management Information		
A1	Registration information	1	2003
G	Questionnaires & Reports		
G1	General information	3	2011
G2	Declaration by directors	1	2011
G4	Declaration by statutory actuary	1	2011
G5	Declaration by auditor(s)	1	2008

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LONG-TERM INSURANCE ACT (NO. 52 OF 1998)
LONG-TERM QUALITATIVE RETURN
ABC LIFE INSURANCE LIMITED

REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER
 END OF PERIOD UNDER REVIEW
 FINAL PRINTOUT DATE

10/10/1/000/8
 12/31/2011
 3/7/2011 8:54

INDEX OF STATEMENTS NOT AVAILABLE TO PUBLIC

Statement no.	Description	No. of pages	Issue/Amendment date
G	Questionnaires & Reports		
G3	Report by the Statutory Actuary	2	2011
G6	Governance and Risk Management	7	2011
G7	Reinsurance arrangements	4	2011
G8	Annual certificate of compliance by the public officer in terms of the conditional approval granted by the registrar to substitute certain compulsory annuity policies	1	2003
G9	Discretionary participation products report issued by the directors	3	2009
G10.1	Cross border operations - SADC branches / subsidiaries	1	2009
G10.2	Cross border operations - Non-SADC branches / subsidiaries	1	2009
G10.3	Cross border operations - SADC other operations	2	2009
G10.4	Cross border operations - Non-SADC other operations	2	2009

FINAL PRINTOUT DATE

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Statement A1 REGISTRATION INFORMATION of ABC Life Insurance Limited as at the end of the financial period 31/12/2011			
1	2	3	4

1. DESCRIPTION

Regulators Ref:

#REF!

Registrar of Long-term Insurance reference number
 End of financial period (yyyy/mm/dd)
 Name of long-term insurer

10/10/1000/8
 12/31/2011
 ABC Life Insurance Limited

Number of months in financial period under review

12

2. TYPES OF POLICIES

CERTIFICATE OF REGISTRATION AS AN INSURER ISSUED BY THE REGISTRAR

- ☐ Assistance
☐ Disability
☐ Fund
☐ Health
☐ Life
☐ Sinking Fund

Certificate number

Conditions imposed¹ (Y/N)

3. NAMES OF CONTACT PERSONS

3.1 PUBLIC OFFICER

Initials and surname of Public Officer
 Initials and surname of contact person regarding the return

Did person change since previous year (Y/N)
 Did person change since previous year (Y/N)

3.2 AUDITOR

Name of first firm
 Initials and surname of Responsible Partner

Did person change since previous year (Y/N)
 Did person change since previous year (Y/N)

Name of second firm
 Initials and surname of Responsible Partner

Did person change since previous year (Y/N)
 Did person change since previous year (Y/N)

3.3 ACTUARY

Name of Statutory Actuary
 Name of employer/company of Statutory Actuary

Did person change since previous year (Y/N)
 Did person change since previous year (Y/N)

Name of Alternate Statutory Actuary
 Name of employer/company of Alternate Statutory Actuary

Did person change since previous year (Y/N)
 Did person change since previous year (Y/N)

AUDITORS (initial)

Notes:

1 Conditions imposed on an insurer are available from the Registrar on request.

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 REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER
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Statement G1
GENERAL INFORMATION,
by ABC Life Insurance Limited
as at the end of the financial period 31/12/2011

1. Has any change been made during the year under review to the Memorandum and Articles of Association or equivalent document by which the insurer is constituted and in accordance with which it conducts its insurance business?

• If "YES", attach a certified copy of the document as amended
 Or indicate if it has already been submitted.

SHARE CAPITAL

2. Please attach a diagram of the entire group structure, showing percentages of shareholding and names of ultimate shareholders as at the end of the period under review. Include percentages at the end of the previous period in brackets.

3. Furnish the name of the body or person who controls the insurer.
 Is this the same body or person as at the end of the previous year?

• If "NO" attach details.

4. Is the body or person who controls the insurer incorporated or resident in the RSA?

• If "NO", attach details.

5. Does the insurer hold, directly or indirectly, 25% or more of the issued share capital of another company, incorporated in or outside the RSA carrying on insurance or banking business in or outside the RSA?

• If "YES", state the name(s) of the insurer(s) or bank(s) and particulars of share holding.
 Attach a copy of the latest audited accounts and balance sheet if the institution is not registered to carry on insurance or banking business in the RSA.

6. Does the insurer have shares in the holding company?

• If "YES", please provide the following:

	Number of shares	Shares as a % of the total issued shares of holding company stated
(1) Total issued shares of holding company		
(2) Total shares held by insurer and group undertakings: (Sum of (a) to (d) below)	0	0.0%
(a) Shares held in shareholders' fund (Approved under Sec 34(1)(e))		0.0%
(b) Shares held in share incentive schemes of the insurer and its subsidiaries (Approved under Sec 34(1)(e))		0.0%
(c) Shares held by the subsidiaries of insurer including asset holding intermediaries and trusts (Approved under Sec 34(1)(e))		0.0%
(d) Shares held in policyholders' funds (Approved in terms of section 32(2))		0.0%
(3) Shares held by other subsidiaries of the holding company		0.0%
(4) Total number of shares held by the subsidiaries of the holding ((2) + (3))	0	0.0%

ASSETS AND LIABILITIES

7. Has there been any direct or indirect borrowing of assets?

• If "YES", attach details.

8. Has any guarantee or suretyship, otherwise than by means of an insurance guarantee policy, been given as described in sections 32 and 34 of the Act?

• If "YES", attach details.

9. Do the liabilities include all contingent liabilities, guarantees and commitments?

• If "NO", attach details.

10. Are all the assets or title thereto held by the insurer?

• If "NO", attach details.

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 REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER
 FINAL PRINTOUT DATE

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Statement G1
GENERAL INFORMATION,
by ABC Life Insurance Limited
as at the end of the financial period 31/12/2011

11. Are all the assets or title thereto held in the RSA or in a manner approved by the Registrar?
 • If "NO", attach details.

12. Have you satisfied yourselves that all the requirements in Directive 126 pertaining to the approval granted to enter into agreement with the attached nominee companies have been met?
 • Attach a list of nominee companies and provide full details

13. Have any assets been encumbered?
 • If "YES", attach details.

14. Has any script been lent out by the insurer i.t.o. script lending transactions?
 • If "YES", attach details.

EXCHANGE RATE

15. Have ruling year-end rates of exchange been applied in converting foreign assets and liabilities?
 • Attach details.

16. Are foreign denominated liabilities substantially covered by appropriate foreign denominated assets?
 • If "NO", state the amount of the mismatch in R'000.

AUDIT COMMITTEE

17. Has an audit committee been appointed for the insurer?
 • If "NO", attach details.

18. Did the audit committee convene during the financial period?
 • If "YES" how many times.
 • If "NO" provide full reasons why no meetings were held.

SHARE-BASED PAYMENTS

19. Please provide the liability in respect of cash-based equity share payments

DESCRIPTION OF PRODUCTS MARKETED AND SOLD

20. In respect of each product being marketed and sold, provide the product name and a short description in a separate sheet, of the character of the product as well as the premium income as a percentage of the total premium income, as follows:

- Product name
- Class of business: *specifying*

Assistance business
 Disability business
 Fund business
 Health business
 Life business
 Sinking Fund business

- Type of business: *specifying*

With-profit business
 With-profit annuities
 Without-profit annuities
 Linked
 Market related
 Other
 Structured products/hybrids

- Type of policy: *specifying*

Individual
 Grouped Individual
 Group

- Paid-up value or surrender value indicator

Yes
 No

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Statement G1
GENERAL INFORMATION
by ABC Life Insurance Limited
as at the end of the financial period 31/12/2011

- Premium Income (as a % of total premiums received and outstanding)
- Description of benefits payable
- Other information of relevance (e.g. reclassified, closed product, etc.): *Specify*

21. Please indicate whether significant changes in the product mix or the marketing policy of your company are anticipated.

CHAIRMAN _____

DIRECTOR _____

PUBLIC OFFICER _____

DATE _____

AUDITORS (initial) _____

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SHEET REFERENCE NUMBER

REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER

FINAL PRINTOUT DATE

G02-99-A

10/10/1000/8

3/7/2011 8:54

Statement G2
DECLARATION BY DIRECTORS
of ABC Life Insurance Limited
as at the end of the financial period 31/12/2011

REPORT BY THE CHAIRMAN, DIRECTOR AND PUBLIC OFFICER TO THE REGISTRAR OF LONG-TERM INSURANCE

PART I

We declare that-

- Statements C1, C1.1, C2, C2.1, C3, C3.1, C4, C4.1, C5, C6, C7, C7.1, C8, C9, D1, D3, D4, E1, E1.1, E2, E2.1, E3, E3.1, E4, E4.1, E5, E5.1, E6, E6.1, E7, E7.1, E8, E9, E9.1, E10, E11, E11.1, E12 and E13 have been completed in terms of the provisions of the Act so as to exhibit truly and fairly the trading results or, as the case may be, the financial position of the insurer according to its books and records.
- The particulars in Statements A1, A2, A3, B1, B2, B3, B4, B5, B6, B7, B8, B9, B10, C10.1, C10.2, F1, F1.1, G1, G3, G6, G7, G8, G9 and G10.1 to G10.4 and supporting documents thereto, have been furnished in terms of the provisions of the Act and sub-ordinate legislation made thereunder and are to the best of our knowledge and belief correct and in agreement with the books and records of the insurer.

PART II: DIVIDENDS

We declare that-

- i.r.o. the financial period under review, dividends were paid / will be paid
- Dividends in Statement D1 were/will be paid i.r.o. the financial period under review, and-
 - Such amount does not exceed the maximum amount from which a dividend may be declared as calculated in Statement C8, and
- The declaration of dividends did/will not take place during the existence of a deficiency in assets or did/will not cause a deficiency in such assets, in terms of section 29 of the Act.

PART III

We declare that-

- The provisions of section 18 of the Act have been complied with regarding any terminations.
- The provisions section 29(3) of the Act have been complied with in so far as it may be applicable.
- The provisions of sections 29(4) and (5) of the Act have been observed.
- The conditions, subject to which the insurer is registered, have been adhered to.

CHAIRMAN _____

DIRECTOR _____

PUBLIC OFFICER _____

DATE _____

AUDITORS (initial) _____

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SHEET REFERENCE NUMBER
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CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

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Statement G3
REPORT by STATUTORY ACTUARY
of ABC Life Insurance Limited
as at the end of the financial period 31/12/2011

VALUATION RESULT

1. Please attach a copy of the latest PGN 103 report.

NEW BUSINESS

2. Did the statutory actuary satisfy himself/herself that new business undertaken during the period was entered into on conditions and premium rates that will not endanger the financial soundness of the insurer, bearing in mind, amongst other things, the following:

- * The expected experience of the insurer as regards the mortality and morbidity rates;
- * Actual and expected costs;
- * Lapses and surrenders;
- * All guarantees and options provided for in such business;
- * The expected net investment return on future investments;
- * The standards applied in the underwriting of risks, including the effect of possible;
- * Anti-selection;
- * The arrangements made as regards reinsurance;
- * The reasonable benefit expectations of policyholders;
- * The expected return on the capital invested in new business in the form of new business strain;
- * The expected volume of new business to be sold;

If "NO", the statutory actuary must provide the steps that will be taken to rectify this position.

INVESTMENTS

3. What did the statutory actuary do to satisfy himself/herself of the suitability of the assets of the insurer in relation to the nature of the liabilities?

In answering the question, please mention specifically the matching of the annuity book (if annuity business are written) and the matching of any embedded derivatives. If the answer refer to any report, please attached a copy of the said report.

STATUTORY VALUATION METHOD**CAR**

4. Give a description of all management actions envisaged in calculating the Capital Adequacy Requirement, with an indication of the magnitude of further management actions that can be utilised. Furthermore, separately quantify the effect of each of the management actions used to reduce the Capital Adequacy Requirement (from the figures shown in statement C5 to the figures shown in statement C6).

5. State whether the Board of Directors has been made aware of the management actions envisaged and the conditions under which the management actions would be required.
