

**MARGINS**

6. Define and quantify all explicit discretionary margins used in the statutory valuation method and give the reason(s) why they have been added. Define all implicit discretionary margins.


7. Quantify, separately for each prescribed margin, the prescribed margins used in the statutory valuation.


**BONUSES**

8. Was the bonus rate(s) last declared assumed for all future years? If not, please elaborate.


**REPORT**

9. When did/will the statutory actuary present his/her report to the Board of Directors and Management to the Board of Directors?


**GENERAL**

10. Please give detail of your attendance of Board meetings and attendance of subcommittee(s) of the Board.


11. What, in the opinion of the statutory actuary, are the major risks facing the insurer?


12. Were there any instances where the advice of the statutory actuary was not followed?


STATUTORY ACTUARY \_\_\_\_\_

DATE \_\_\_\_\_

AUDITORS (initial) \_\_\_\_\_

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SHEET REFERENCE NUMBER

REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER

FINAL PRINTOUT DATE

G04-99-A

10/10/2008

3/7/2011 1:54

**Statement G4**  
**DECLARATION BY THE STATUTORY ACTUARY**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

**REPORT BY THE STATUTORY ACTUARY TO THE REGISTRAR OF LONG-TERM INSURANCE**

**PART I**

I declare that-

- With regard to the financial soundness method of calculation of the value of assets and liabilities in Schedule 3 to the Act, Statements C1, C2, C3, C4, C5, C6 and E11 and supporting documents-
  - Have been prepared in accordance with the provisions of the said Schedule 3 and the guidelines issued by the Actuarial Society of South Africa in concurrence with the Registrar of Long-term Insurance.
  - Have been properly drawn up and fairly present and adequately provide for the matters dealt with therein.
  - Are to the best of my knowledge and belief correct.
- Statements B2, B3, B4, B5, B6, B7, B8, B9, C2.1 (Item 1), C7, C8, C9, C10.1, C10.2, G3, G7 and G9 including any supporting documents thereto-
  - Have been properly drawn up and fairly present the matters dealt with therein.
  - Are to the best of my knowledge and belief correct.
- The provisions of section 29 of the Act have been observed.
- I have noted the requirement of section 20(5) of the Act.
- I have noted the requirement of section 20(8) of the Act.

**PART II**

I hereby state that for purposes of Schedule 3 to the Act-

- I have compared the actual mortality experience of the insurer with the expected mortality experiences which would have occurred had the insured lives been subject to the rates of mortality incorporated in the mortality tables used for calculating the liabilities.
- I have compared the actual morbidity experience of the insurer with the expected morbidity experiences which would have occurred had the insured lives been subject to the rates of sickness and disability incorporated in the sickness and disability tables used for calculating the liabilities.
- I have compared the actual yield on investments which the insurer earned in the past i.r.o. all the assets in Statement C1 with the rate of interest used in calculating the liabilities.
- I have compared the actual persistency of the policy book with the persistency assumed in calculating the liabilities.
- I have compared the actual expenses of conducting the business of the insurer (including commission payments and other expenses incurred in management, marketing, administration and the collection of premiums) with the allowance for expenses made in calculating the liabilities.
- I have set out in the attached Annexure, which I have initialed for identification purposes, the periods i.r.o. which such comparisons were made, a short description of the methods used to make such comparisons and the results of such comparisons.
- I am, except where indicated otherwise on the Annexure, satisfied with the results of my investigations set out above.

**PART III**

I hereby state that for purposes of Regulation 5 to the Act-

- I am satisfied that the insurer complies with the Regulation

**PART IV**

- ☐ I have set out in the attached Annexure, which I have initialed for identification purposes, the qualifications that I have.
- ☐ I do not have any qualifications.

**PART V**

- I attach a valid practicing certificate issued by the Actuarial Society of South Africa.

STATUTORY ACTUARY \_\_\_\_\_

DATE \_\_\_\_\_

DATE \_\_\_\_\_

AUDITORS (initial) \_\_\_\_\_

SHEET REFERENCE NUMBER  
REGISTRAR OF LONG-TERM INSURANCE REFERENCE NUMBER  
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G05-09-A  
10/10/10008  
3/7/2011 8:58

**Statement G5**  
**DECLARATION BY AUDITOR(S)**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

**INDEPENDENT AUDITOR'S REPORT TO THE REGISTRAR OF LONG-TERM INSURANCE**

We have audited the following:

- \$ Statement B1 (totals of Items 1, 2, 3 and 4 of column 3 only).
- \$ Statement C1 (total assets as per column 11 only)
- \$ Statement C2 (totals of Items 1 and 2 as set out in column 11).
- \$ Statement C2.1 (column 3 Items 1.1 to 1.6 only)
- \$ Statement C9 (column 11 only, excluding the split between approved and non-approved reinsurance premiums paid and outstanding)
- \$ Statement D1 (column 3 only, excluding the detailed information provided under premiums and expenses in Item 1)
- \$ Statement D3
- \$ Statement D4 (column 2 only).
- \$ Statement E1 to E11.1
- \$ Statement F1
- \$ Statement H1 to H2.1

Our opinion on the Return extends only to that information and those statements in the Return as indicated above. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the Registrar of Long-term Insurance, for our work, for this report, or for our opinion expressed.

**Director's Responsibility for the Return**

The directors are responsible for the preparation of the Return derived from information contained in the accounting records of the insurer. This responsibility includes: ensuring that the Return is prepared in terms of the Act, related Regulations and Board Notices; in terms of the guidance manual for the completion of the Return; as well as applicable Directives issued by the Financial Services Board.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Return based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain sufficient appropriate audit evidence that the amounts and disclosures in the statements of the Return listed in the first paragraph of this report are in compliance with the provisions of the Act, related Regulations and Board Notices; the guidance manual for the completion of the Return; as well as the applicable Directives issued by the Financial Services Board.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Return. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Return, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the Return in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the Return.

For the purposes of clarity we confirm that our audit included the following procedures and such other procedures as we considered necessary in the circumstances:

- Agreed the information contained in the statements of the Return listed in the first paragraph of this report to the books and records of the

Determined, through inspection of appropriate documentation and enquiry of the management of the insurer, whether the information contained in the statements of the Return listed in the first paragraph of this report was prepared in accordance with the provisions of sections 30, 31, 32, 33, 34 and Schedules 1 and 3 and Regulations 2 to the Act.

We believe that the audit evidence we have obtained as part of our audit of the annual financial statements for the year ended [insert date], together with additional evidence obtained as part of our audit of the Return is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the above information and Schedules included in the Return of [insert name of long-term insurer] has been properly prepared, in all material respects, in accordance with the provisions of the Act, related Regulations and Board Notices; the guidance manual for the completion of the Return; as well as the applicable Directives issued by the Financial Services Board.

**Regulatory Matters**

We have complied with the provisions of section 19(5) of the Act.\*

**Restriction on Distribution or Use of the Auditor's Report**

Our report is presented solely for the purposes set out in the first paragraph of the report and for the information of the Registrar of Long Term Insurance, and is not to be used for any other purpose, nor to be distributed to any other parties without our prior written permission. Our report relates only to the information and statements included in the Return specified above, and does not extend to the annual financial statements of the insurer, taken as a whole.

[Name of registered audit firm]	_____	[Name of registered audit firm]	_____
[Individual Registered Auditor's name and signature]	_____	[Individual Registered Auditor's name and signature]	_____
Registered Auditor	_____	Registered Auditor	_____
[Date of the registered auditor's report]	_____	[Date of the registered auditor's report]	_____
[Registered Auditor's address]	_____	[Registered Auditor's address]	_____
	_____		_____
	_____		_____

\* Section 19(5) of the Act refers to a material irregularity as defined in the Public Accountants and Auditors Act, 1991, Act 80 of 1991. This Act has been repealed by the Auditing Profession Act, 2005, Act 26 of 2005, which replaces Section 20(5) of the Public Accountants and Auditors Act with a new Section 45 dealing with Reportable Irregularities. Guidance on reporting a Reportable Irregularity can be found in the Independent Regulatory Board for Auditors Guide, *Reportable Irregularities: A guide for Registered Auditors*, issued on 30 June 2006.

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CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

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

G06-09-A  
 10/10/1000/8  
 3/7/2011 8:54

**Statement G6**  
**GOVERNANCE AND RISK MANAGEMENT**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

**SYSTEM OF GOVERNANCE**

1. Does the insurer have a robust system of governance, risk management and controls in place which the Board of Directors are responsible for?  
 \* If "NO" provide details on how these areas are monitored and who is responsible for these areas. [ ]
2. Does the insurer have a well-defined and documented organisational structure with clear roles and responsibilities and appropriate segregation of duties?  
 \* If "NO" please explain. [ ]
3. Does the insurer have adequate processes in place to ensure that directors and management are fit and proper?  
 \* If "NO" please explain. [ ]
4. Is there an adequate and effective integrated assurance plan that lists major risk areas?  
 \* If "NO" please explain. [ ]
5. Does the insurer have a clearly defined risk appetite approved by the Board that the Board regularly measures?  
 \* If "NO" please explain. [ ]
6. Is there a clearly defined strategy approved by the Board of Directors that is measured, monitored and reported on regularly?  
 \* If "NO" please explain. [ ]
7. Does the Board of Directors have adequate knowledge and experience in the major risk areas of market, credit and insurance risk?  
 \* If "NO" please explain. [ ]
8. Briefly explain any material changes in the system of governance since the date of the last return.  
 \* Please provide details.

**RISK MANAGEMENT**

9. Are there adequate and effective risk management processes in place that are proportional to the scale and complexity of the business of the insurer?  
 \* If "NO" please explain. [ ]
10. Please rank the relative importance of the various risk categories from 1 - 7 (1=highest and 7=lowest)
 

• Credit risk	1
• Market risk	2
• Liquidity risk	3
• Insurance risk	4
• Operational risk	5
• Legal & Regulatory risk	6
• Strategic risk	7
11. Does the insurer have sufficient skills and resources to adequately and effectively identify, measure, manage and report the risk areas listed in the previous question?  
 \* If "NO" please explain. [ ]
12. List the five major risk issues that the insurer currently believes are outside its risk appetite or could have the potential to cause the insurer to move outside its risk appetite
 

• [ ]
• [ ]
• [ ]
• [ ]
• [ ]
13. What are the major projects currently underway that could expose the company to major risks if these projects fail?
 

Project	Timeframe	Responsibility	Estimated costs
• [ ]			
• [ ]			
• [ ]			
• [ ]			
14. Briefly explain any material changes in the risk management system since the date of the last return.  
 \* Please provide details.
15. Briefly explain what new products, if any, are being planned as well as the controls over the new products.
 

Name of product	Features	Target market	Distribution channel
• [ ]			
• [ ]			
• [ ]			
• [ ]			

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

CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

G06-89-A  
 10/10/0008  
 3/7/2011 8:54

**Statement G6  
 GOVERNANCE AND RISK MANAGEMENT  
 of ABC Life Insurance Limited  
 as at the end of the financial period 31/12/2011**

16. Briefly explain if there are additional stress testing measures in place, additional to the prescribed measures?  
 \* Please provide details.

17. Does the internal audit function audit the risk management function?  
 \* If "NO" please explain.

**CREDIT AND COUNTERPARTY RISKS**

18. Does the insurer identify, measure, monitor and report on the credit quality of its counterparties?  
 \* If "NO" please explain.
19. Does the insurer monitor its exposure to counterparties for all asset types?  
 \* If "NO" please explain.

**MARKET RISKS**

20. Does the insurer identify, measure, monitor and report on its material market risk exposures?  
 \* If "NO" please explain.
21. Does the insurer have sufficient knowledge in market risks to adequately and effectively manage market risk exposures?  
 \* If "NO" please explain.
22. Briefly explain the governance process in regard to market risk, investment risk and/or asset liability matching.  
 \* Please provide details.

**INTERNAL CONTROL**

23. Is there an adequate and effective system of internal controls that is adequately documented and tested on a regular basis?  
 \* If "NO" please explain.
24. In all material respects, are such controls and systems based on established written policies and procedures and implemented by trained, skilled personnel, whose duties have been segregated appropriately?  
 \* If "NO" please explain.
25. Is the Board of Directors responsible for the systems of internal control and does the board periodically receive a report on the effectiveness of internal controls?  
 \* If "NO" please explain.
26. Has anything come to the attention of the directors to indicate that any material malfunction in the functioning of the aforementioned controls, procedures and systems has occurred during the period under review?  
 \* If "YES", provide particulars.
27. Are the insurer's internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the published financial statements?  
 \* If "NO" please explain.
28. Is there an independent compliance function in place?  
 \* If "NO" please explain.

29. Is the system subject to:-  
 \* internal reviews?  
 \* external reviews?

Y/N	Frequency of reviews
	months
	months

30. Were any material weaknesses reported?  
 \* If "YES", provide particulars.

**INTERNAL AUDIT**

31. Does the insurer have an independent Internal Audit function or similar outsourced function?  
 \* If "NO" please explain.
32. Does the Internal Audit function have an appropriate mandate to cover all material risk areas and has this mandate been approved by the Board of Directors?  
 \* If "NO" please explain.
33. To whom does the Head of internal audit report, to the Chief Executive Officer or the the Chairperson of the Audit Committee or both?
34. Does Internal Audit have the necessary skills in the audit of all major risk areas including market, credit and insurance risks?  
 \* If "NO" please explain.
35. Does the Internal Audit department get independently audited on a regular basis?  
 \* If "NO" explain.

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CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

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 10/10/2006  
 3/7/2011 8:54

**Statement G6**  
**GOVERNANCE AND RISK MANAGEMENT**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

**ANTI-MONEY LAUNDERING MEASURES***Internal controls, policies and procedures*

36. Do you have clear policies, procedures and controls to deter money laundering? In particular there should be:

- a) Written procedures covering the prevention of money laundering.
- b) Designated person(s) responsible for developing, maintaining and promulgating anti-money
- c) Clear reporting lines for dealing with any suspected money laundering activities.
- \* If "NO", provide particulars.

  
  


37. Do you have a designated person for communicating with law-enforcement agencies regarding any suspected money laundering ("Money laundering control officer")?

- \* If "NO", provide particulars.

38. Do your written procedures cover the following requirements:

- a) To be aware of the potential risk of money laundering?
- b) To report all suspicious transactions internally?
- c) To investigate all reported suspicious transactions?
- d) To report all transactions ultimately considered suspicious to the Financial Intelligence Centre?

- \* If "NO", provide particulars.

  
  
  


39. Does the money laundering control officer have the necessary access to systems and records to fulfill the responsibilities outlined in 37 and 38?

- \* If "NO", provide particulars.

40. Do you verify, on a regular basis, compliance with policies, procedures and controls relating to money laundering activities (for example as part of internal audits)?

- \* If "NO", provide particulars.

*Identification procedures*

41. Do you have know-your-customer requirements in place and are they applied?

- \* If "NO", provide particulars.

42. Do you seek satisfactory evidence of the identity of a prospective customer at the time of entering into a business relationship?

- \* If "NO", provide particulars.

43. Do your procedures recognise the possibility of linked once-off transactions?

- \* If "NO", provide particulars.

*Record Keeping*

44. Do you retain records of customer identification and transactions?

- \* If "NO", provide particulars.

45. Are records kept for a period of at least five years after the relationship with the customer has ended?

- \* If "NO", provide particulars.

*Recognition and reporting of suspicious transactions*

46. Do your procedures ensure that identification of any suspicious transactions prompt further investigation?

- \* If "NO", provide particulars.

47. Have you taken steps to ensure:

- a) Each relevant employee knows to which person suspicions should be reported?
- b) Is there a clear reporting chain through which those suspicions will be passed without delay to the "money laundering control officer"?

- \* If "NO", provide particulars.

  


48. Is the person appointed as "money laundering control officer" considered to be sufficiently senior to command the necessary authority?

- \* If "NO", provide particulars.

49. Has the money laundering control officer established contact with the relevant authorities and is he/she familiar with reporting procedures and requirements of the FIC Act?

- \* If "NO", provide particulars.



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3/7/2011 8:54

**Statement G6**  
**GOVERNANCE AND RISK MANAGEMENT**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

50. Do your procedures ensure that any suspicions reported to the money laundering control officer are properly investigated?

• If "NO", provide particulars.

**Education and training**

51. Have you taken appropriate measures to make employees aware of:

- a) Policies and procedures put in place to prevent money laundering, including those for identification, record keeping and internal reporting?  
b) The legal requirements, and in particular, employees' own responsibilities?

• If "NO", provide particulars.

52. Have you provided relevant employees with training in the recognition and handling of suspicious transactions?

• If "NO", provide particulars.

53. Does your education and training programme take account of the following:

- a) All new employees should be provided with a general background to money laundering, the legal requirements and the need to report any suspicious transactions to the "money laundering control officer".  
b) Training should be provided on factors that may give rise to suspicions and on the procedures to be adopted when a transaction is deemed to be suspicious.  
c) Staff should be trained in identity verification procedures.  
d) A higher level of instruction covering all aspects of money laundering procedures and legislation should be provided to supervisors and managers.  
e) "Money laundering control officers" should receive training on all aspects of the legislation, regulations and internal policies. They also require training in investigation and validation procedures and on reporting and communication arrangements with the Financial Intelligence

• If "NO", provide particulars.

54. Do you provide refresher training at appropriate intervals?

• If "NO", provide particulars.

**DERIVATIVES**

55. Are the derivative positions in conformance with the applicable sections in the LT Insurance Act?

• If "NO", please explain.

56. Are the derivatives used for hedging purposes and efficient portfolio management only?

• If "NO", please explain.

57. Please provide full details on all derivatives currently in place and transacted since the date of the last return.

The details should include the following:

- (a) Reason for the derivative transaction  
(b) How long the derivatives are going to be in place?  
(c) Quantification of whether the derivatives provide a perfect hedge or whether there is residual risk or basis risk remaining.

58. If the derivative counterparty is a group entity please provide details on how it was ensured that the transaction was marked at fair value and whether independent valuations were obtained?

• If "NO", please explain.

59. With regard to derivatives:

(a) Has the Board of Directors approved the use of derivative instruments, derivative procedures and derivative limits?

• If "NO", give reasons.

(b) Are there appropriate market and credit risk limits in place?

• If "NO" please explain.

(c) Does the Board of Directors, senior management, risk management and internal audit have sufficient knowledge in derivative instruments?

• If "NO" please explain.

(d) Are the front office (execution), middle office (risk management) and back office (accounting) adequate and effective and is there adequate segregation of duties between these functions?

• If "NO" please explain.

(e) Are appropriate systems in place to enable the frequent and effective monitoring of positions and are these systems adequate to cope with the volumes and volatility of derivative transactions?

• If "NO" provide details on how these areas are monitored.

(f) Has the insurer established appropriate and independent performance measures to analyse and monitor risks of all transactions undertaken individually and in aggregate for its derivative activities?

• If "NO" provide details on how these areas are monitored.

(g) Is the insurer satisfied that sufficient control procedures have been put in place, including independent confirmation and reconciliation of positions, independent checking of prices, agreements of trading profits to accounting profit, appropriate authorisation where dealing limits have been exceeded, etc?

• If "NO", provide details.

(h) How often does internal audit reviews of derivative activities take place?

(i) How frequently are derivative positions marked to fair or market value?

(j) Are adequate controls in place such that market data used to value derivatives is relevant, accurate and obtained on a timely basis from a reliable source?

• If "NO", provide details.

(k) Are valuation models which are used for derivative instruments tested and approved and amendments to the programmes controlled

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 10/10/2008  
 3/7/2011 8:54

**Statement G6**  
**GOVERNANCE AND RISK MANAGEMENT**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

and do models include appropriate tests for robustness of the portfolio to stress changing investment conditions?

\* If "NO", provide details.

**Over the counter derivatives (OTC)**

(i) Does the Insurer make use of OTC (over-the-counter) derivative instruments?

\* If "YES", please provide details to the following questions:

- (i) A description of OTC valuation methods used and procedures for evaluation of the counterparties.  
 (ii) List the 5 largest OTC counterparties.

**Credit Derivatives**

(m) Does the Insurer invest in credit derivative instruments?

\* If "YES", quantify as a % of total liabilities

(n) What is the purpose of your company's involvement in Credit Risk Transfer activities?

\* Provide details.

(o) What are your company's credit risk management systems / procedures?

\* Provide details.

(p) Does your company have staff with appropriate skill levels dealing with Credit Risk Transfer activities?

\* If "NO", provide details.

(q) Are the controls adequate over the legal documentation in respect of credit derivative contracts?

\* If "NO", provide details.

(r) Are the controls over credit derivatives the same as the governance, risk management and control environment over derivatives in general?

\* If "NO", provide details.

**HEDGE FUNDS**

60. Does the insurer invest in hedge funds that employ leverage

(gross market exposure in excess of capital)?

\* If "YES", please indicate whether these investments are made in internal or external hedge fund structures

(a) Where investments are made in an internal hedge fund structure please confirm whether these internal hedge funds are in compliance with the Long-term Insurance Act, as set out in Directive 143.A.i, issued 25 February 2004.

\* If "NO", provide details.

(b) Please provide details on the instruments through which the insurer invest in a hedge fund

Name of Hedge Fund	Operational	Description of Instruments	Hedge Fund Strategy
	In- / Outside RSA - R'000		

(c) Please provide the following information on the investments in hedge funds in respect of the liabilities these investments are backing:

Type of policyholder fund	Linked		Non-Linked	
	Inside RSA - R'000	Outside RSA - R'000	Inside RSA - R'000	Outside RSA - R'000
Individual				
Retirement Funds				
Other Institutions				
Shareholders Funds				

**INFORMATION, ACCOUNTING AND ADMINISTRATION**

61. Were there any changes to accounting policies?

\* If "YES", indicate the effect in rands and provide particulars of changes.

Item	Period under review R'000	Previous period (restated figures for comparative purposes) R'000
Balance sheet		
Income statement		

62. Were any significant problems experienced with regard to the information/accounting/administrative systems during the reporting period?

\* If "YES", provide particulars.

63. Is a business continuance plan in place?

\* If "YES",

- Is the plan in writing.
- When was it last fully tested.

\* If "NO", provide an explanation.





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Statement G6  
GOVERNANCE AND RISK MANAGEMENT  
of ABC Life Insurance Limited  
as at the end of the financial period 31/12/2011

## OUTSOURCING

79. Have any business activities been outsourced?  
• If "YES", provide full details and attach outsourcing agreements/arrangements.

## EXTERNAL AUDIT FINDINGS

80. Briefly list significant finding that emanated from the external audit conducted on the insurer.  
• Please provide details.

## FINANCIAL SOUNDNESS POSITION

81. Is there any reason to believe that the insurer will not be a going concern in the year ahead?  
• If "YES", disclose and explain reasons.
82. Have there been any developments after year-end which may have a material impact on the financial soundness of the insurer?  
• If "YES", provide particulars.

CHAIRMAN \_\_\_\_\_

DIRECTOR \_\_\_\_\_

PUBLIC OFFICER \_\_\_\_\_

DATE \_\_\_\_\_

AUDITORS (initial) \_\_\_\_\_

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SHEET REFERENCE NUMBER  
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 FINAL PRINTOUT DATE

CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

G7-95-A  
 10/10/1000/8  
 3/7/2011 8:54

**Statement G7**  
**REINSURANCE ARRANGEMENTS**  
**of ABC Life Insurance Limited**  
**as at the end of the financial period 31/12/2011**

**1. Catastrophe Cover – Individual life**1.1 Do you have catastrophe cover protection for your Individual Life and Disability portfolios? ☐

1.2 If yes, what is the threshold number of lives needed to define a catastrophe, and what is the maximum aggregate cover provided?

Number of lives ...

Maximum aggregate cover provided...

1.3 State the name of the reinsurer providing the cover.

1.4 List the exclusions (if any) in the catastrophe cover purchased.

**2. Catastrophe Cover – Group life**2.1 Do you have catastrophe cover protection for your Group Life and Disability portfolios? ☐

2.2 If yes, what is the threshold number of lives needed to define a catastrophe, and what is the maximum aggregate cover provided?

Number of lives ...

Maximum aggregate cover provided...

2.3 State the name of the reinsurer providing the cover.

2.4 List the exclusions (if any) in the catastrophe cover purchased.

**3. Surplus Reinsurance**

3.1 What is the maximum sum assured per life retained by your company for both Life and Disability cover, individual and group?

Individual Life Cover

Group Life Cover

Individual Disability Cover

Group Disability Cover

3.2 Do you have systems in place to track multiple policies on the same life so as to ensure that the maximum

sum assured per life is not inadvertently exceeded?

If "NO", provide an explanation.

3.3 Name the treaty reinsurers with whom cover beyond the retained maximum is reinsured for Life and Disability cover, individual and group.

Individual Life Cover

Group Life Cover

Individual Disability Cover

Group Disability Cover