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SHEET REFERENCE NUMBER

J10-99-A

FINAL PRINTOUT DATE

CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

2012/04/01 09:35

STATEMENT J10 REINSURANCE DETAILS REGARDING ENGINEERING of ABC Insurance Company Limited as at the end of financial period 31/01/2012							
1	2	3	4	5	6	7	8

A. EXPOSURE TO THE NET ACCOUNT

	R'000
1 Maximum Unprotected Net Retention Per Risk	0
2 Maximum Protected Net Retention Per Risk	0

B. AUTOMATIC CAPACITY

	R'000
4 Maximum Amount of Non-Proportional Risk Capacity Purchased	0
5 Maximum Amount of Proportional Treaty Capacity Automatically available (incl. Auto Fac)	0
6 Nature of this Proportional Capacity (<i>Surplus, Quota Share or AutoFac</i>)	
7 Minimum EML % without reference to the lead reinsurer	0

C. PEAK EXPOSURES

Five largest risks

	Brief description of the Risk	Total Sum Insured	Estimated Maximum Loss (EML) R'000	Annual Premium charged on the risk R'000	% Facultatively reinsured	Lead Reinsurer	% Participation
8	1	0	0	0	0.0%		0.0%
9	2	0	0	0	0.0%		0.0%
10	3	0	0	0	0.0%		0.0%
11	4	0	0	0	0.0%		0.0%
12	5	0	0	0	0.0%		0.0%

AUDITORS _____

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SHEET REFERENCE NUMBER

J11-09-A

CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

FINAL PRINTOUT DATE

2012/08/04 09:38

STATEMENT J11 REINSURANCE DETAILS REGARDING MISCELLANEOUS of ABC Insurance Company Limited as at the end of financial period 31/01/2012						
1	2	3	4	5	6	7

A. EXPOSURE TO THE NET ACCOUNT		<i>R'000</i>
1	Maximum Unprotected Net Retention Per Risk	0
2	Maximum Protected Net Retention Per Risk	0

B. AUTOMATIC CAPACITY		<i>Own damage (R'000)</i>
4	Maximum Amount of Non-Proportional Risk Capacity Purchased	0
5	Maximum Amount of Proportional Treaty Capacity Automatically available (incl. Auto Fac)	0
6	Nature of this Proportional Capacity (<i>Surplus, Quota Share or AutoFac</i>)	
7	Treaties on losses occurring or claims made basis	

8 If on losses occurring, please comment on your ability to purchase cover in the future and any precautionary measures you have taken:

9

C. CATASTROPHE COVER	
10	Maximum Amount of Catastrophe cover purchased

11 Please comment on the number of reinstatements on this treaty and their sufficiency

12

C. PEAK EXPOSURES						
Five largest risks						
	Brief description of the Risk	Total Sum Insured <i>R'000</i>	Annual Premium charged on the risk <i>R'000</i>	% Facultatively reinsured	Lead Reinsurer	% Participation
13	1	0	0	0.0%		0.0%
14	2	0	0	0.0%		0.0%
15	3	0	0	0.0%		0.0%
16	4	0	0	0.0%		0.0%
17	5	0	0	0.0%		0.0%

AUDITORS _____

SHORT-TERM INSURANCE ANNUAL QUALITATIVE RETURN (ST2012)

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SHORT-TERM INSURANCE ACT (NO. 53 OF 1998)					
SHORT-TERM QUALITATIVE RETURN					
ABC INSURANCE COMPANY LIMITED					
REGISTRAR OF SHORT-TERM INSURANCE REFERENCE NUMBER			10/10/08		
END OF PERIOD UNDER REVIEW			2012/01/31		
FINAL PRINTOUT DATE			8/8/2012 8:49		
INDEX OF STATEMENTS AVAILABLE TO PUBLIC					
Statement	Section	Description	No. of pages	Version	Issue/Amendment date
A	Management Information				
A1	REGISTRATION	INFORMATION	1	2.0	2010-01-01
G	Questionnaires				
G1	GENERAL INFORMATION		2	2.0	2007-01-01
Total number of pages for public statements			3		

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SHORT-TERM INSURANCE ACT (NO. 53 OF 1998)					
SHORT-TERM QUALITATIVE RETURN					
ABC INSURANCE COMPANY LIMITED					
REGISTRAR OF SHORT-TERM INSURANCE REFERENCE NUMBER					10/10/08
END OF PERIOD UNDER REVIEW					2012/01/31
FINAL PRINTOUT DATE					2012/08/08 08:49
INDEX OF STATEMENTS NOT AVAILABLE TO PUBLIC					
Statement	Section	Description	No. of pages	Version	Issue/Amendment date
G2	Questionnaires	RISK REPORT ISSUED BY DIRECTORS			Repealed
G3	Questionnaires	GOVERNANCE AND RISK MANAGEMENT	5	3.0	2012-01-31
G4.1	Cross border	SADC SUBSIDIARY AND BRANCH	2	1.0	2009-01-01
G4.2	Cross border	NON-SADC SUBSIDIARY AND BRANCH	2	1.0	2009-01-01
G4.3	Cross border	SADC OTHER INSURANCE OPERATIONS	3	1.0	2009-01-01
G4.4	Cross border	NON-SADC OTHER INSURANCE OPERATIONS	3	1.0	2009-01-01
G4.5	Cross border	STATEMENT REPEALED			2009-01-01
G4.6	Cross border	STATEMENT REPEALED			2009-01-01
J1	Reinsurance	SHORT-TERM REINSURANCE SUPERVISION QUESTIONNAIRE	3	1.0	2006-01-01
Total number of pages for confidential statements			18		

PUBLIC STATEMENT

FINAL PRINTOUT DATE	STATEMENT A1 REGISTRATION INFORMATION of ABC Insurance Company Limited as at the end of financial period 31/01/2012	2012/08/08 08:40
1	2	3

1. DESCRIPTION

Regulators Ref:

Registrar of Short-term Insurance reference number	10/10/08
End of financial period (dd/mm/yyyy)	2012/01/31
Name of short-term insurer	ABC Insurance Company Limited
Number of months in financial period under review	12

CERTIFICATE OF REGISTRATION AS AN INSURER ISSUED BY THE REGISTRAR

2. TYPES OF POLICIES

- Property
- Transportation
- Motor
- Accident and health
- Guarantee
- Liability
- Engineering
- Miscellaneous

Certificate number		Conditions imposed ¹ (Y/N)	
--------------------	--	---------------------------------------	--

3. NAMES OF CONTACT PERSONS

3.1 PUBLIC OFFICER

Initials and surname of Public Officer		Did person change since previous year (Y/N)	
Initials and surname of contact person regarding the return		Did person change since previous year (Y/N)	

3.2 CHAIRPERSON (CHAIR)

Initials and surname of Chairperson		Did person change since previous year (Y/N)	
-------------------------------------	--	---	--

3.3 CHIEF EXECUTIVE OFFICER

Initials and surname of Chief Executive Officer		Did person change since previous year (Y/N)	
---	--	---	--

3.4 AUDITOR

Name of first firm		Did entity change since previous year (Y/N)	
Initials and surname of Responsible Partner		Did person change since previous year (Y/N)	
Name of second firm		Did entity change since previous year (Y/N)	
Initials and surname of Responsible Partner		Did person change since previous year (Y/N)	

3.5 ACTUARY

Name of Statutory Actuary		Did person change since previous year (Y/N)	
Name of employer/company of Statutory Actuary		Did entity change since previous year (Y/N)	
Name of Alternate Statutory Actuary		Did person change since previous year (Y/N)	
Name of employer/company of Alternate Statutory Actuary		Did entity change since previous year (Y/N)	

4. SHAREHOLDERS

Are all the shareholders holding more than 25% of the issued shares, the same as the previous year? (Y/N)	
---	--

5. TURNOVER

If non-insurance business was conducted furnish the annual turnover of that business (R'000)	
--	--

6. NUMBER OF PEOPLE EMPLOYED

--

AUDITORS _____

Notes:

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

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SHEET REFERENCE NUMBER

G01-99-A

FINAL PRINTOUT DATE

PUBLIC STATEMENT
2012/08/08 08:49

**STATEMENT G1
GENERAL INFORMATION
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

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 refer to Directive 141b(i) (Short-term)

	Number of shares	Shares as a % of the total issued shares of holding company
(1) Total issued shares of holding company	0	
(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 33(1)(e))	0	0.0%
(b) Shares held in share incentive schemes of the insurer and its subsidiaries (Approved under Sec 33(1)(e))	0	0.0%
(c) Shares held by the subsidiaries of insurer including asset holding intermediaries and trusts (Approved under Sec 33(1)(e))	0	0.0%
(3) Shares held by other subsidiaries of the holding company	0	0.0%
(4) Total number of shares held by the subsidiaries of the holding company ((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 31 and 33 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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Page 5 of 23

FINAL PRINTOUT DATE

2012/08/08 08:49

**STATEMENT G1
GENERAL INFORMATION
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

- 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

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

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

AUDIT COMMITTEE

- 18. Has an audit committee been appointed for the insurer?
 * If "NO", attach details.

- 19. 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

- 20. Please provide the liability in respect of cash-based equity share payments (R'000)

CELL CAPTIVE INSURERS

- 21. Do you write any insurance business as part of a structure in terms whereof shares or any similar instrument is issued to clients or persons by the insurer or another group undertaking for purposes of issuing and underwriting specific kinds of policies in such structure?
 * If yes, please complete Statement I

- 22. Have you or any related party issued shares or similar instruments for the purpose stated in the previous question to another locally registered short-term or long-term insurer?
 * If yes, please provide the name of such insurer.

CHAIRMAN _____
 PUBLIC OFFICER _____
 AUDITORS (initial) _____

DIRECTOR _____
 DATE _____

ST2012

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CONFIDENTIAL STATEMENT NOT AVAILABLE TO PUBLIC

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

G03-09-A
 10/10/08
 2012/08/08 08:49

Statement G3
GOVERNANCE AND RISK MANAGEMENT
 of ABC Insurance Company Limited
 as at the end of financial period 31/04/2012

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.
2. Does the insurer have a well-defined and documented organisational structure with clear roles and responsibilities and appropriate segregation of duties?
 * If "NO" provide details on how these areas are monitored.
3. Does the insurer have adequate processes in place to ensure that directors and management are fit and proper?
 * If "NO" provide details on how these areas are monitored.
4. Is there an adequate and effective integrated assurance plan in conformance with King III that lists
 * If "YES" attach details as well as who is providing assurance of the major risk areas.
 * If "NO" explain how these risk areas are managed.
5. Does the insurer have a clearly defined risk appetite approved by the Board that the Board regularly measure?
 * If "YES" provide a brief description.
 * If "NO" provide details on how these areas are monitored.
6. Is there a clearly defined strategy approved by the Board of Directors that is measured, monitored and reported on regularly?
 * If "NO" provide details on how these areas are monitored.
7. Does the Board of Directors have adequate knowledge in the major risk areas of the insurer in particular market, credit and insurance risk?
 * If "NO" provide details on how these areas are monitored.
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" provide details on how these areas are monitored.
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 "YES" provide a brief description.
 * If "NO" explain how these risk areas are managed.
12. Briefly explain how the insurer documents all key risk management strategies, policies and procedures
 * Please provide details.
13. List the insurer's five major risk issues that the insurer currently believes are outside its risk appetite and could have the potential to cause the insurer to move outside its risk appetite

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

G03-99-A
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**Statement G3
 GOVERNANCE AND RISK MANAGEMENT
 of ABC Insurance Company Limited
 as at the end of financial period 31/01/2012**

14. What are the major projects currently underway that could expose the company to major risks if these projects fails?

-
-
-
-

15. Briefly explain any material changes in the risk management system since the date of the last return.

• Please provide details.

16. Briefly explain what new products, if any, are being planned as well as the controls over the new products.

• Please provide details.

17. Briefly explain to what extent the insurer has adequate and effective stress testing measures.

• Please provide details.

CREDIT AND COUNTERPARTY RISKS

18. Does the insurer identify, measure, monitor and report on the credit quality of its counterparties?

• If "YES" provide details of evaluation and review processes of counterparties.
 • If "NO" provide details on how these areas are monitored.

19. Does the insurer monitor its exposure to counterparties for all asset types?

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

MARKET RISKS

20. Does the insurer identify, measure, monitor and report on its material market risk exposures?

• If "YES" provide a brief description.
 • If "NO" provide details on how these areas are monitored.

21. Does the insurer have sufficient knowledge in market risks to adequately and effectively manage market risk exposures?

• If "YES" provide a brief description.
 • If "NO" provide details on how these areas are monitored.

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

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SHEET REFERENCE NUMBER
REGISTRAR OF SHORT-TERM INSURANCE REFERENCE NUMBER
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G03-99-A
10/10/09
2012/08/08 08:49

**Statement G3
GOVERNANCE AND RISK MANAGEMENT
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

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 "YES" provide a brief description.
• If "NO" provide details on how these areas are monitored.

32. Does the Internal Audit function have an appropriate mandate to cover all high risk areas and has this mandate been approved by the Board of Directors?
• If "NO" provide details on how these areas are monitored.

33. Does the Head of internal audit report to the Chief Executive Officer and the Chairperson of the Audit Committee?
• If "NO" explain who the Head of Internal Audit reports to and how independence is managed?

34. Does Internal Audit have the necessary skills in all major risk areas including market, credit and insurance risks?
• If "YES" provide a brief description.
• If "NO" explain how independent assurance is obtained on these risk areas.

35. Does the Internal Audit department get independently audited on a regular basis?
• If "NO" explain.

DERIVATIVES

36. Is the derivative position in conformance with the applicable sections in the ST Insurance Act?
• If "NO", please explain.

37. Are the derivatives used for hedging purposes only?
• If "NO", please explain.

38. 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.

39. If the derivative counterparty is a group entity please provide details on how it was ensured that the transaction was marked at fair value?
• If "NO", please explain.

40. With regard to derivatives:
(a) Has the Board of Directors approved the use of derivative instruments, derivative procedures and derivative limits?
• If "YES", please provide details.
• If "NO", give reasons.

(b) Is the approval to use derivative instruments specific as to the purpose, (e.g. hedging, arbitrage or trading) product type and are there appropriate market and credit risk limits in place?

(c) Does the Board of Directors, senior management, risk management and internal audit have sufficient knowledge in derivative instruments?
• If "NO" provide details on how these areas are monitored.

(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" provide details on how these areas are monitored.

(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.

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

G03-99-A
10/19/08
2012/08/08 08:49

**Statement G3
GOVERNANCE AND RISK MANAGEMENT
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

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

(l) 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

41. 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) 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		

INFORMATION, ACCOUNTING AND ADMINISTRATION

42. 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		

43. Were any significant problems experienced with regard to the information/accounting/administrative systems during the reporting period?
* If "YES", provide particulars.

44. 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.

45. Are underwriting, financial and investment results which can be relied upon for making management decisions, available to management when needed and do they indicate:
• How frequently are these results available?
• Are these results generally available within one month after the reporting period?
* If "NO", provide an explanation.

CAPITAL AND FUNDS

46. Did the issued share-capital change during the reporting period?
* If "YES", provide details.

47. Did the insurer issue preference shares, debentures or mortgages or other debt instruments during the period under review?
* If "YES", complete statement C4.

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

G03-D9-A
10/10/08
2012/08/08 08:49

**Statement G3
GOVERNANCE AND RISK MANAGEMENT
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

48. Is the valuation data checked for adequacy and accuracy?
• If "YES", complete table below.

How often (describe period)	By whom	Date of completion of last
0		
0		
0		

49. Is the issuing of redeemable preference shares to supplement capital, during the following financial period, under consideration?

50. Is the issuing of redeemable preference shares, by subsidiaries, to supplement capital, during the following financial period, under consideration?

51. Is the issuing of debt instruments to supplement capital, during the following financial period, under consideration?

52. Did the insurer issue a securitised insurance instrument (e.g. catastrophe bond) during the financial period under review?
• If "YES", provide details.

53. Is the issuing of guarantees or similar undertakings under consideration in respect of:-
• Subsidiaries/related party(ies)?
• Any other person?
• If "YES", provide particulars and procedures.

54. Are dividends on preference shares, issued by the insurer, in arrears or will such dividends be likely to be in arrears during the following financial period?
• If "YES",
• State the (likely) amount in arrears in R'000.
• Attach particulars of how and when the position will be rectified/addressed.

55. Were preference shares, issued by the insurer, not redeemed on redemption date or will such preference shares be likely not to be redeemed during the following financial period where redemption must take place?
• If "YES",
• State the (likely) amount not redeemed in R'000.
• Attach particulars of how and when the position will be rectified/addressed.

56. Are any payments (interest and capital) on debt instruments, issued by the insurer, in arrears or will any payments on a debt instrument be likely to be in arrears during the following reporting period?
• If "YES",
• State the (likely) amount in arrears in R'000.
• Attach particulars of how and when the position will be rectified/addressed.

57. Do holders of preference shares get voting rights:-
• if preference dividends are in arrears?
• if their shares are not redeemed on due date?
• If "YES", provide details.

58. What is the proportion of preference share voting rights in relation to total issued shares?

ASSETS

59. Did the insurer purchase a securitised insurance instrument (e.g. catastrophe bond) during the period under review?
• If "YES", provide details.

OUTSOURCING

60. Have any business activities been outsourced?
• If "YES", provide a detailed list and describe the nature of any outsourced activities or functions.

61. Describe the salient features of the outsource policy as approved by the Board.

62. Please provide a brief description of the management information (MI) measures in place to monitor and manage outsourced activities and functions and in particular how these MI measures ensure that control and ownership of the risks are monitored.

63. What are the governance structures pertaining to significant outsourced processes (such as underwriting) or infrastructure (such as IT)?

EXTERNAL AUDIT FINDINGS

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

FINANCIAL SOUNDNESS POSITION

65. 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.

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

G03-99-A
10/10/08
2012/08/08 08:49

Statement G3
GOVERNANCE AND RISK MANAGEMENT
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012

66. Has 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

G4.1-99-A

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2012/08/08 08:49

**Statement G4.1
CROSS BORDER OPERATIONS - SADC BRANCH / SUBSIDIARY
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

1.	Description	Branch	Subsidiary
	Does the insurer have an off-shore branch / subsidiary in a SADC jurisdiction ?	N	N
	State the total number of branches / subsidiaries		

Please complete aggregate information in this table. The freefloating columns need to be completed per individual branch or subsidiary

2.	Description	Branch - R'000	Subsidiary - R'000
	Total assets in respect of all branches / subsidiaries		
	Total liabilities in respect of all branches / subsidiaries		
	Total gross premium income in respect of all branches / subsidiaries		
	Total net premium income in respect of all branches / subsidiaries		
	Regulatory capital adequacy requirement (as per home jurisdiction) in respect of all branches / subsidiaries		
2	Regulatory capital adequacy requirement (as per host jurisdiction) in respect of all branches / subsidiaries		

Please complete aggregate information in this table. The freefloating columns need to be completed per individual branch or subsidiary

- 3 Broadly describe the branch's / subsidiary's internal controls, including comprehensive and regular reporting between the branch / subsidiary and its head office and indicate the Board of the insurer's assessment of the overall effectiveness of these control systems.

- 4 Describe the Board of the insurer's assessment of the overall financial position of the branch / subsidiary.

- 5 Has the branch / subsidiary been subject to regulatory inspection or investigation and if, please furnish full details?

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Statement G4.1
CROSS BORDER OPERATIONS - SADC BRANCH / SUBSIDIARY
 of ABC Insurance Company Limited
 as at the end of financial period 31/01/2012

6 State the scope of the activities of the branch / subsidiary and its role within the insurance group.

7 Indicate whether the host jurisdiction requires that the branch / subsidiary be subject to external audit. Please be specific whether or not an audit firm that is different to the audit firm of the insurer undertakes the audit and also provide name of that audit firm.

CHAIRMAN

DIRECTOR

PUBLIC
OFFICER

DATE

AUDITORS (*initial*)

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Statement G4.2
CROSS BORDER OPERATIONS - NON SADC BRANCH / SUBSIDIARY
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012

	Description	Branch	Subsidiary
1.	Does the insurer have an off-shore branch / subsidiary in a NON - SADC jurisdiction ?	N	N
	State the total number of branches / subsidiaries		

Please complete aggregate information in this table. The freefloating columns need to be completed per individual branch or subsidiary

	Description	Branch - R'000	Subsidiary - R'000
2.	Total assets in respect of all branches / subsidiaries		
	Total liabilities in respect of all branches / subsidiaries		
	Total gross premium income in respect of all branches / subsidiaries		
	Total net premium income in respect of all branches / subsidiaries		
	Regulatory capital adequacy requirement (as per home jurisdiction) in respect of all branches / subsidiaries		
	Regulatory capital adequacy requirement (as per host jurisdiction) in respect of all branches / subsidiaries		

Please complete aggregate information in this table. The freefloating columns need to be completed per individual branch or subsidiary

3 Broadly describe the branch's / subsidiary's internal controls, including comprehensive and regular reporting between the branch / subsidiary and its head office and indicate the Board of the insurer's assessment of the overall effectiveness of these control systems.

4 Describe the Board of the insurer's assessment of the overall financial position of the branch / subsidiary.

5 Has the branch / subsidiary been subject to regulatory inspection or investigation and if, please furnish full details?

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Statement G4.2
CROSS BORDER OPERATIONS - NON SADC BRANCH / SUBSIDIARY
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012

6 State the scope of the activities of the branch / subsidiary and its role within the insurance group.

7 Indicate whether the host jurisdiction requires that the branch / subsidiary be subject to external audit. Please be specific whether or not an audit firm that is different to the audit firm of the insurer undertakes the audit and also provide name of that audit firm.

CHAIRMAN _____

DIRECTOR _____

PUBLIC OFFICER _____

DATE _____

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G4.3-99-A

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Statement of
CROSS BORDER OPERATIONS - SADC OTHER OPERATIONS
 of ABC Insurance Company Limited
 as at the end of financial period 31/07/2012

Cross Border Operations other than branch business or business conducted in a subsidiary that is operated in the SADC region

1. Has the insurer provided cross border insurance services to persons other than a SADC branch office or SADC subsidiary in one or more SADC jurisdictions? N
 (if yes, please provide full detail in 2 below)

2. Name of the SADC country where person(s) is/are located	Total liabilities in respect of the business written R'000	Total assets in respect of the business written R'000	Total gross premium income of the business written R'000	Total net premium income of the business written R'000

3. Has the business referred to in 2 above been placed directly with the insurer or was it sourced through independent intermediaries or through the insurer's own marketing force?
 (please give full details)
-

4. Has the insurer provided cross border insurance services other than those provided through a branch office or subsidiary to insurers (i.e. inwards reinsurance business) in another SADC country?
 (if yes, please provide full detail in 5 below)

5. Name of the SADC country where person(s) is/are located	Total liabilities in respect of the business written R'000	Total assets in respect of the business written R'000	Total gross premium income of the business written R'000	Total net premium income of the business written R'000

6. Has the business referred to in 5 above been placed directly with the insurer or was it sourced through independent intermediaries or through the insurer's own marketing force?
 (please give full details)
-

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**Statement G4.3
CROSS BORDER OPERATIONS - SADC OTHER OPERATIONS
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

7. Has your company placed reinsurance business with an insurer in another SADC country
(if yes, please provide full detail in 8 below)

Name of the SADC country where insurer(s) is/are located	Name of the insurer/reinsurer	Type of Reinsurance (Proportional or Non-Proportional)	Premium Amount Ceded R'000	Reinsurer's exposure amount R'000

9. Has your company provided outsourcing services to an insurer in another SADC country ?
(if yes, please provide full detail in 10 below)

Name of the SADC country where insurer(s) is/are located	Give a description of the outsourcing services being provided

11. Has your company made use of outsourcing services provided by an insurer, a person or any other entity located in another SADC country?
(if yes, please provide full detail in 12 below)

Name of the SADC country where insurer(s), person or entity is/are located	Give a description of the outsourcing services that has been acquired

13. Confirm whether or not 25% or more of the shares or any other interest held directly or indirectly in your company, is owned by a foreign person or entity located in another SADC country
(if yes, please provide full detail in 14 below)

Name of person or entity holding 25% or more of the		Name the person or entity holding 25% or more of the		Name of SADC country where the person or entity is
Name	%	Name	%	

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Statement G4.3
CROSS-BORDER OPERATIONS / SADC OTHER OPERATIONS
 of ABC Insurance Company Limited
 as at the end of financial period 31/01/2012

15. Does your company directly or indirectly own more than 25% of the shares or any other interest in a foreign insurer located in another SADC country? _____
 (if yes, please provide full detail in 16 below)

Name of person or entity holding 25% or more of the		Name the person or entity holding 25% or more of the		Name of SADC country where the person or entity is
Name	%	Name	%	

17. Is your company party to a joint venture with an insurer located in another SADC country? _____
 (if yes, please provide full detail in 18 below)

18.

CHAIR _____

DIRECTOR _____

PUBLIC OFFICER _____

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**Statement G4.4
CROSS BORDER OPERATIONS - NON-SADC OTHER OPERATIONS
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012**

9. Has your company provided outsourcing services to an insurer in a country other than a SADC country?
(if yes, please provide full detail in 10 below)

Name of the country where insurer(s), person or entity is/are located	Give a description of the outsourcing services being provided

11. Has your company made use of outsourcing services provided by an insurer, a person or any other entity located in another country that is not a SADC country?
(if yes, please provide full detail in 12 below)

Name of the country where insurer(s), person or entity is/are located	Give a description of the outsourcing services being provided

13. Confirm whether or not 25% or more of the shares or any other interest held directly or indirectly in your company, is owned by a foreign person or entity located in another country that is not a SADC country.
(if yes, please provide full detail in 14 below)

Name of person or entity holding 25% or more of the shares or any interest directly in the insurer		Name the person or entity holding 25% or more of the shares or any interest indirectly in the insurer		Name of country where the person entity is located
Name	%	Name	%	

15. Does your company directly or indirectly own more than 25% of the shares or any other interest in a foreign insurer located in another country that is not a SADC country?
(if yes, please provide full detail in 16 below)

Name of insurer(s) in which your company holds 25% or more of the shares or any other interest directly		Name of the insurer(s) in which your company holds 25% or more of the shares or any other interest indirectly		Name of SADC country where the insurer is located
Name	%	Name	%	

17. Is your company party to a joint venture with an insurer located in a country that is not a SADC country?
(if yes, please provide full detail in 18 below)

CHAIR _____

DIRECTOR _____

PUBLIC OFFICER _____

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STATEMENT J1
SHORT-TERM REINSURANCE SUPERVISION QUESTIONNAIRE
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012

1. Overall reinsurance strategy

Each company must provide a detailed reinsurance strategy document, signed off by the board. The strategy must be a descriptive document containing explanations and details on at least the following:

1. Company's key objective when placing reinsurance (e.g. gain access to capital, protection of statutory solvency etc.)
2. How reinsurers are selected (e.g. capital, ratings, maximum exposure across the program, other approved processes)
3. Factors considered in determining whether reinsurance is required (i.e. how did the company decide on the net retentions, retentions on proportional programmes, automatic capacity, amount of catastrophe cover to purchase etc.)
4. The maximum loss that the board would be willing to accept from any one-loss event and the criteria that were used to determine this amount.

Any further issues that are considered relevant to the company's strategy should also be included in the document.

2. Additional questions

Answers to the following questions need to be provided in addition to the reinsurance strategy document. Where appropriate you may refer to your reinsurance strategy document.

2.1. Reinsurer exposure

1. Do you make use of reinsurance brokers to facilitate placing your reinsurance programme?
 If Yes, please provide their name/(s)

2. Provide details of any caps that might exist on the total exposure that can be ceded to any one reinsurer (e.g. no more than R1bn on your programme as a whole)

3. Please provide details on how you monitor your total exposure per reinsurer

4. Give details on the collateral required on foreign reinsurance arrangements (where foreign reinsurer refers to any reinsurer that is not registered in South Africa)

2.2. Reinsurance systems and controls

1. Currently facultative reinsurance is placed
 - Centrally at head office only
 - Branch level
 - Other
 If Other please provide details of the procedure

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STATEMENT J1
SHORT-TERM REINSURANCE SUPERVISION QUESTIONNAIRE
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012

2. The decision to place facultative insurance is based on

- Insufficient proportional treaty capacity
 The quality of the individual risk
 Other

If Other please provide details of how the decision will be made

.....

3. Provide details of the procedures you have in place to ensure that facultative placements are made when required?

.....

4. Provide details of the procedures that you have in place to ensure that you do not write business that falls outside the scope of your treaties (e.g. treaty exclusions, territorial limits etc.)

.....

5. Do you have a computerised reinsurance system that is fully integrated with your policy administration and financial systems (i.e. it automatically cedes premiums and signal recoveries when appropriate and meet all the reporting requirements for your financials)?

If No, please provide details on the nature of your reinsurance system and how you ensure that all risks are ceded and reinsurance recoveries made where appropriate.

.....

2.3. Catastrophe reinsurance

1. Your decision on the amount of catastrophe cover to purchase on your property, motor and engineering

- Simple rules
 Detailed catastrophe modelling (DFA)
 Reinsurance broker advice
 Reinsurer advice
 Other

Please provide full details of the process

.....

2. The frequency with which you review the adequacy of the amount of catastrophe cover purchased is

- Annually at renewal only
 Half-yearly
 Other

If Other, please provide details

.....

3. Do you have event limits on your proportional programmes?

If Yes, please provide full details of the limits and the reinsurance programmes to which they apply

.....

4. Should the event limit on your proportional programme be exceeded, the excess claims will be

- Covered by your catastrophe programme
 Retained for your net account
 Covered by a reinsurance programme purchased especially for this purpose
 Other

If Other, please provide full details

.....

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STATEMENT J1
SHORT-TERM REINSURANCE SUPERVISION QUESTIONNAIRE
of ABC Insurance Company Limited
as at the end of financial period 31/01/2012

2.4. Reinsurance programme

1. Changes to your reinsurance programme in the last financial year related mainly to

- Retention levels
 Automatic capacity
 Amount of catastrophe cover purchased
 Reinsurer mix
 Other
 No changes have been made

If changes have been made please provide details of the changes and the reasoning behind them

.....

2. To analyse your reinsurance needs and the adequacy of your reinsurance programme you make use of

- Dynamic Financial Analysis (DFA)
 Scenario testing
 Other (e.g. independent consultants)

If Other, please provide details, including the name of the consultant where relevant

.....

3. Do you have any reinsurance contracts that contain any one of the following provisions:

* A limitation on the payment of claims when the primary insurer is in financial difficulty (curatorship or liquidation).

* A unilateral reduction in cover

If Yes, please provide details of your strategy in this regard

.....

4. If you have any business where 100% of the risk is ceded to a third party (i.e. where no risk is retained), please provide details on your strategy with regards to this business and how much of it you wrote in the previous financial year

.....

5. Provide details of any Alternative Risk Transfer (ART) kinds of treaties (contracts) entered into, not indicated in statement G3 (e.g.. securitization, financial reinsurance, committed capital).

.....

6. Provide details of any whole account protections e.g. stop loss or spread loss arrangements

.....

3. Current reinsurance position

Information on your company's current reinsurance position needs to be provided as per the attached statements.

AUDITORS _____

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