

Notice No. : MAS 131
Issue Date : 28 September 2018

**NOTICE ON INSURANCE RETURNS (ACCOUNTS AND STATEMENTS) FOR
SPECIAL PURPOSE REINSURANCE VEHICLES**

Introduction

1 This Notice is issued pursuant to sections 36(3), 36(3A) and 64(2) of the Insurance Act (Cap. 142) (“the Act”) and applies to all Special Purpose Reinsurance Vehicles.

Definitions

2 For the purposes of this Notice:

“Accounting Standards” has the same meaning as in section 4(1) of the Companies Act (Cap. 50);

“Annual Report” means a report of an insurer, including any statement of account, for each financial year issued to the members of the insurer;

“auditor” means an auditor appointed with the approval of the Authority under section 36(6)(c) of the Act;

“Aviation Hull” includes the insurer’s insurance business in Singapore relating to:

- (a) airport operator insurance;
- (b) insurance against aerospace risks;
- (c) insurance against risk of physical loss of or damage to an aircraft that is docked, in operation, or under service, repair or construction; and
- (d) insurance against the risk of any liability arising from the ownership or operation of aircraft referred to in sub-paragraph (c);

“Cargo” includes the insurer’s insurance business in Singapore relating to insurance against risks of loss of, or damage to any cargo in transit, and insurance against the risk of any liability arising from loss of or damage to such cargo in transit;

“Credit/Credit-Related” includes the insurer’s insurance business in Singapore relating to trade credit insurance policies, mortgage insurance policies, and financial guarantee insurance policies;

“electronic record” has the same meaning as in section 2 of the Electronic Transactions Act (Cap. 88);

“Employers’ Liability” includes the insurer’s insurance business in Singapore relating to insurance against risk of an employer’s liability to its employee that may arise under the Work Injury Compensation Act (Cap. 354) or common law;

“Engineering” includes the insurer’s insurance business in Singapore relating to boiler and pressure vessel insurance, construction all risk insurance, engineering all risk insurance, erection all risk insurance, machinery all risk insurance, insurance on any other specialised equipment or machinery that are excluded from the standard property insurance, and insurance against construction, erection, or engineering risks, such as the risk of loss or damage involved in a construction project, and installation and erection of ready-built engineering projects;

“financial guarantee insurance policy” has the same meaning as in regulation 2 of the Insurance (Financial Guarantee Insurance) Regulations;

“Health” refers to the insurer’s insurance business in Singapore relating to health policies;

“health policy” has the same meaning as in Notice No: MAS 120 (Disclosure and Advisory Process Requirements For Accident and Health Insurance Products);

“Marine Hull” includes the insurer’s insurance business in Singapore relating to:

- (a) marine terminal operator insurance;
- (b) insurance against risk of physical loss of or damage to a vessel or ship that is docked, in operation, or under service, repair or construction; and
- (c) insurance against the risk of any liability arising from the ownership or operation of a vessel or ship referred to in sub-paragraph (b);

“MASNET” means MAS Network;

“mortgage insurance policy” has the same meaning as in regulation 2 of the Insurance (Valuation and Capital) Regulations 2004;

“Motor” includes the insurer’s insurance business in Singapore relating to insurance against risk of loss of, damage to or liability arising out of or in connection with the use of, motor vehicles;

“non-participating fund” means an insurance fund which comprises wholly of non-participating policies;

“Offshore Insurance Fund” means an insurance fund established and maintained under section 17(1) of the Act for offshore policies;

“Personal Accident” refers to the insurer’s insurance business in Singapore relating to personal accident policies;

“personal accident policy” has the same meaning as in Notice No: MAS 120 (Disclosure and Advisory Process Requirements For Accident and Health Insurance Products);

“policy liabilities”, in relation to an insurance fund, means liabilities in respect of policies for which the insurance fund is established and maintained under section 17 of the Act;

“Product Liability” includes the insurer’s insurance business in Singapore relating to insurance against risk of the insured’s liability to a third party in respect of bodily injury, property damage or any monetary losses resulting from products manufactured, sold, supplied or distributed by the insured;

“Professional Indemnity” includes the insurer’s insurance business in Singapore relating to directors and officers liability insurance, errors and omission insurance, and insurance covering a professional against risk of his liability to his principal, client, principal's client, or any third party arising out of neglect, omission or error in the discharge of his professional duties;

“Property” includes the insurer’s insurance business in Singapore relating to plate glass insurance, insurance against risk of loss of or damage to property (other than property to which business classes “Cargo”, “Marine Hull”, “Aviation Hull”, “Motor” and “Engineering” relate to), and insurance against consequential losses arising from loss of or damage to such property such as business interruption cover;

“Public Liability” includes the insurer’s insurance business in Singapore relating to insurance against risk of the insured’s liability to any third party in respect of bodily injury, property damage or any monetary losses arising out of negligence (other than liability to which business classes “Cargo”, “Marine Hull”, “Aviation Hull” and “Motor” relate to);

“Singapore Insurance Fund” means an insurance fund established and maintained under section 17(1) of the Act for Singapore policies;

“Special Purpose Reinsurance Vehicle” or “SPRV” has the same meaning as in regulation 2 of the Insurance (General Provisions and Exemptions for Special Purpose Reinsurance Vehicles) Regulations 2018;

“Surety” includes the insurer’s insurance business in Singapore relating to maid insurance and bonds but excludes guarantees which fall under the "Credit/ Credit-Related" business class;

“trade credit insurance policy” has the same meaning as in regulation 2 of the Insurance (Valuation and Capital) Regulations 2004.

- 3 The expressions used in this Notice shall, except where expressly defined in this Notice or where the context otherwise requires, have the same respective meanings as in the Act.

Forms

- 4 The forms and annexes mentioned in this Notice are those set out in the Appendix B.

Submission Requirements

- 5 Every SPRV licensed to carry on the class of insurance business referred to in the first column of the table below must lodge all applicable forms and applicable annexes to

such forms and documents, set out in the appendices referred to in the second column of that table, in the form and manner specified in those appendices.

S/No.	<i>First column</i>	<i>Second column</i>
	Class of insurance business	Lodgment requirements
(a)	General business only	Appendix A-1
(b)	Life business only	Appendix A-2
(c)	General business and life business	Appendix A-3

- 6 An SPRV must ensure that any form, annex or document that is required to be lodged by the SPRV under paragraph 5 in hard copy is sent by the SPRV to the Authority in accordance with the submission requirements and signatory requirements as specified in Appendices A-1 to A-3, as the case may be.
- 7 Where a form, annex or document is required to be signed by or on behalf of an SPRV's chief executive in Singapore, the SPRV must ensure that—
- (a) the form, annex or document is approved by its chief executive; and
 - (b) if not signed by the SPRV's chief executive, be signed by one of the SPRV's officers in Singapore who is for the time being notified to the Authority as having authority for the purposes of this Notice to sign in place of the chief executive in Singapore.
- 8 An SPRV must submit electronically via MASNET, any form, annex or document that is required to be lodged by the insurer under paragraph 5 in the form of an electronic record.

Provisions as to Returns Lodged

- 9 An SPRV must ensure that all of the following requirements are complied with in relation to any form, annex or document that the SPRV is required to lodge under this Notice—
- (a) The form, annex or document is in English; and
 - (b) All monetary amounts referred to in the form, annex or document are in Singapore dollars unless otherwise specified in the applicable form or annex.
- 10 In any form, annex or document which an SPRV is required to prepare in accordance with this Notice, the SPRV must ensure that the value or amount given for an asset or a liability of the SPRV is the value or amount of that asset or liability, as the case may be, as determined in accordance with any applicable regulation under the Insurance (Valuation and Capital) Regulations 2004, and any applicable direction issued under the Act.
- 11 In any form, annex or document which an SPRV is required to prepare in accordance with this Notice, the SPRV must ensure that the value or amount given for an income item, an expense item, an equity item or a change in equity item of the SPRV is valued in accordance with—
- (a) the instructions for completion in the forms and annexes; and

- (b) where there are no applicable instructions for completion in the forms and annexes, the Accounting Standards.
- 12 In any form, annex or document which an SPRV is required to prepare under this Notice, the SPRV must recognise any asset, liability, equity, income, expense and change in equity in accordance with—
 - (a) any applicable regulation under the Insurance (Valuation and Capital) Regulations 2004 and any applicable direction issued under the Act; and
 - (b) where sub-paragraph (a) does not apply, the recognition requirements in the Accounting Standards.

Audit Requirements

- 13 For the purposes of section 36(3A)(a) of the Act, an SPRV must ensure that any “Annual Returns” that is required to be lodged by the SPRV under paragraph 5 is audited by an auditor where the column labelled “To be audited” of Appendices A-1 to A-3, as the case may be, is marked “Y”. For avoidance of doubt, “Other Annual Returns” do not need to be audited.

Deadlines for Submission of Returns

- 14 An SPRV must lodge every form, annex or document that is required to be lodged with the Authority under paragraph 5 in accordance with the respective submission deadlines specified in Appendices A-1 to A-3, as the case may be.

Effective Date and Transitional Provisions

- 15 This Notice shall take effect on 1 January 2019.
- 16 For avoidance of doubt, an SPRV shall comply with this Notice in respect of all accounting periods and financial years, as the case may be, beginning on or after 1 January 2019.

SUBMISSION REQUIREMENTS

Form	Annex	Title	Special Purpose Reinsurance Vehicles						To be audited
			General						
			Quarterly Returns	Other Annual Returns	Annual Returns				
			Electronic submission via MASNET	Electronic submission via MASNET	Electronic submission via MASNET	Hard copy submission			
Submission deadline	Submission deadline	Submission deadline	Submission deadline	Submission requirement	Signatory requirement				
			From the last day of the quarter	From the last day of the accounting period	From the last day of the accounting period				
A1		Statement of Financial Position		3 weeks	3 months				Y
	A1-1	Other Investments			3 months				
	A1-5	Policy Liabilities (Gross of Reinsurance) and Reinsurers' Share of Policy Liabilities in respect of General Business		3 weeks	3 months				Y
	A1-7	Financial Liabilities			3 months				
A2		Statement of Profit and Loss		3 weeks	3 months				Y
	A2-3	Net Investment Income/ (Loss)		3 weeks	3 months				
A7		Certificate on the Accounts of the Insurer				4 months	1 original and 1 copy	Chief Executive	
A8		Independent Auditor's Report				4 months	1 original and 1 copy	Auditor	
A9		Independent Auditor's Supplementary Report				4 months	1 original and 1 copy	Auditor	
		"L" means only applicable to Life business							
L2		Statement of Operating Results of Reinsurer in respect of Life Reinsurance Business by Type of Business							
		"G" means only applicable to General business							
G1		Statement of Operating Results by Line of Business		3 weeks	3 months				Y
	Notes				3 months				Y
					From the last day of the financial year				
		Annual Report of Insurer Incorporated in Singapore (Applicable to insurers incorporated in Singapore only)				4 months	2 published copies	Per requirements under the Companies Act	Y

SUBMISSION REQUIREMENTS

Form	Annex	Title	Special Purpose Reinsurance Vehicles						To be audited
			Life						
			Quarterly Returns	Other Annual Returns	Annual Returns				
			Electronic submission via MASNET	Electronic submission via MASNET	Electronic submission via MASNET	Hard copy submission			
Submission deadline	Submission deadline	Submission deadline	Submission deadline	Submission requirement	Signatory requirement				
			From the last day of the quarter	From the last day of the accounting period	From the last day of the accounting period				
A1		Statement of Financial Position		3 weeks	3 months				Y
	A1-1	Other Investments			3 months				
	A1-5	Policy Liabilities (Gross of Reinsurance) and Reinsurers' Share of Policy Liabilities in respect of General Business							
	A1-7	Financial Liabilities			3 months				
A2		Statement of Profit and Loss		3 weeks	3 months				Y
	A2-3	Net Investment Income/ (Loss)		3 weeks	3 months				
A7		Certificate on the Accounts of the Insurer				4 months	1 original and 1 copy	Chief Executive	
A8		Independent Auditor's Report				4 months	1 original and 1 copy	Auditor	
A9		Independent Auditor's Supplementary Report				4 months	1 original and 1 copy	Auditor	
		"L" means only applicable to Life business							
L2		Statement of Operating Results of Reinsurer in respect of Life Reinsurance Business by Type of Business		3 weeks	3 months				
		"G" means only applicable to General business							
G1		Statement of Operating Results by Line of Business							
	Notes								
					From the last day of the financial year				
		Annual Report of Insurer Incorporated in Singapore (Applicable to insurers incorporated in Singapore only)				4 months	2 published copies	Per requirements under the Companies Act	Y

SUBMISSION REQUIREMENTS

Form	Annex	Title	Special Purpose Reinsurance Vehicles						To be audited
			Composite						
			Quarterly Returns	Other Annual Returns	Annual Returns				
			Electronic submission via MASNET	Electronic submission via MASNET	Electronic submission via MASNET	Hard copy submission			
Submission deadline	Submission deadline	Submission deadline	Submission deadline	Submission requirement	Signatory requirement				
			From the last day of the quarter	From the last day of the accounting period	From the last day of the accounting period				
A1		Statement of Financial Position		3 weeks	3 months				Y
	A1-1	Other Investments			3 months				
	A1-5	Policy Liabilities (Gross of Reinsurance) and Reinsurers' Share of Policy Liabilities in respect of General Business		3 weeks	3 months				Y
	A1-7	Financial Liabilities			3 months				
A2		Statement of Profit and Loss		3 weeks	3 months				Y
	A2-3	Net Investment Income/ (Loss)		3 weeks	3 months				
A7		Certificate on the Accounts of the Insurer				4 months	1 original and 1 copy	Chief Executive	
A8		Independent Auditor's Report				4 months	1 original and 1 copy	Auditor	
A9		Independent Auditor's Supplementary Report				4 months	1 original and 1 copy	Auditor	
		"L" means only applicable to Life business							
L2		Statement of Operating Results of Reinsurer in respect of Life Reinsurance Business by Type of Business		3 weeks	3 months				
		"G" means only applicable to General business							
G1		Statement of Operating Results by Line of Business		3 weeks	3 months				Y
	Notes				3 months				Y
						From the last day of the financial year			
		Annual Report of Insurer Incorporated in Singapore (Applicable to insurers incorporated in Singapore only)				4 months	2 published copies	Per requirements under the Companies Act	Y

**LIST OF INSURANCE FORMS FOR SPECIAL PURPOSE REINSURANCE
VEHICLES**

Form	Annex	Title
A1		Statement of Financial Position
	A1-1	Other Investments
	A1-5	Policy Liabilities (Gross of Reinsurance) and Reinsurers' Share of Policy Liabilities in respect of General Business
	A1-7	Financial Liabilities
A2		Statement of Profit and Loss
	A2-3	Net Investment Income/ (Loss)
A7		Certificate on the Accounts of the Insurer
A8		Independent Auditor's Report
A9		Independent Auditor's Supplementary Report
		<u>"L" means only applicable to Life business</u>
L2		Statement of Operating Results of Reinsurer in respect of Life Reinsurance Business by Type of Business
		<u>"G" means only applicable to General business</u>
G1		Statement of Operating Results by Line of Business
	Notes	

ANNEX A1-5

POLICY LIABILITIES (GROSS OF REINSURANCE) AND REINSURERS' SHARE OF POLICY LIABILITIES IN RESPECT OF GENERAL BUSINESS

AS AT _____

Description	Row No.	Insurance Funds Established and Maintained by Insurer under the Act					
		General Business in Singapore					
		Singapore Insurance Fund			Offshore Insurance Fund		
		Policy Liabilities (Gross of Reinsurance) [1]	Reinsurers' Share of Policy Liabilities [2]	Policy Liabilities (Net of Reinsurance) [3] = [1] - [2]	Policy Liabilities (Gross of Reinsurance) [4]	Reinsurers' Share of Policy Liabilities [5]	Policy Liabilities (Net of Reinsurance) [6] = [4] - [5]
PREMIUM LIABILITIES							
Cargo	1						
Marine Hull	2						
Aviation Hull	3						
Property	4						
Motor	5						
Employers' Liability	6						
Personal Accident	7						
Health	8						
Public Liability/ Product Liability	9						
Surety	10						
Engineering	11						
Professional Indemnity	12						
Credit/ Credit-related	13						
Others	14						
Liability and Others	15						
Sub-total (1 to 15)	16						
CLAIM LIABILITIES							
Cargo	17						
Marine Hull	18						
Aviation Hull	19						
Property	20						
Motor	21						
Employers' Liability	22						
Personal Accident	23						
Health	24						
Public Liability/ Product Liability	25						
Surety	26						
Engineering	27						
Professional Indemnity	28						
Credit/ Credit-related	29						
Others	30						
Liability and Others	31						
Sub-total (17 to 31)	32						
Total (16 + 32) = Rows 21 and 28 of Form A1	33						

Instructions for completion of Form A1 and Annexes A1-1, A1-5 and A1-7

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For the columns under “Insurance Funds Established and Maintained by Insurer under the Act”, the insurer shall only be required to complete the fields relating to insurance funds that it had established and maintained under the Act.
3. The columns under “Shareholders Fund” shall only be applicable to insurers incorporated in Singapore. The column “Overseas (Branch) Insurance Operations” refers to all branches of the insurer which are located outside Singapore and carrying on insurance business. The column “Non-Insurance Operations” includes overseas branches that do not carry on insurance business.
4. For insurers incorporated in Singapore, the "Total" column refers to the financial position in respect of global business operations. Balances between the insurance funds and shareholders fund (including overseas branches) shall be offset under the "Total" column.
5. The assets and liabilities shall be valued in accordance with Parts IV and V of the Insurance (Valuation and Capital) Regulations 2004.
6. “Collective investment scheme”, “Equity securities”, “Debt securities” and “Government debt securities” have the same respective meanings as in regulation 2 of the Insurance (Valuation and Capital) Regulations 2004.
7. “Debt securities” includes accrued interest relating to debt securities.
8. “Qualifying debt securities” has the same meaning as in Table 7 of the Sixth Schedule of the Insurance (Valuation and Capital) Regulations 2004.
9. “Other debt securities” includes any listed or unlisted bonds issued by corporations and any bill of exchange.
10. “Loans” shall be reported net of provisions.

11. "Other secured loans" includes any loan guaranteed by a bank licensed under the Banking Act (Cap. 19).

12. "Land and buildings" includes any property acquired through foreclosures and in settlement of debts.

13. "Outstanding premiums" refers to premiums owed by insureds, policy owners, cedants and insurance intermediaries. It shall be reported net of premium refunds, commissions payable to insurance intermediaries, and approved claims and reinsurance commissions payable to cedants on an individual account basis. Where the commissions payable to any particular insurance intermediary exceed the premiums owed by that insurance intermediary, the net amount due to that insurance intermediary shall be reported under "other liabilities". Where the approved claims and reinsurance commissions payable to any particular cedant exceed the premiums owed by that cedant, the net amount due to that cedant shall be reported under "amounts owing to insurers". For life business, it shall not include amounts due from insurance intermediaries in respect of financing schemes provided by the insurer.

14. "Deposits withheld by cedants" refers to amounts withheld by cedants under reinsurance inward contracts.

15. "Reinsurers' share of policy liabilities" refers to reinsurance assets, excluding "reinsurance recoverables on paid claims". For general business, it refers to the sum of reinsurers' share of premium liabilities and reinsurers' share of claim liabilities.

16. "Reinsurance recoverables on paid claims" means any amount that an insurer is entitled to recover, but has yet to recover, from its reinsurance counterparty in respect of claims that have been paid by the insurer and claims that have been approved by the insurer for payment but have not been paid. It shall be offset by any premiums owing to the reinsurer on an individual account basis. Where the premiums owed to any particular reinsurer exceed the reinsurance recoverables on paid claims owed by that reinsurer, the net amount due to that reinsurer shall be reported under "amounts owing to insurers".

17. "Policy liabilities (gross of reinsurance)" refers to the contractual obligations under insurance policies, excluding any recoveries from

reinsurers, “outstanding claims”, “annuities due and unpaid” and “amounts owing to insurers”. For general business, it refers to the sum of premium liabilities (gross of reinsurance) and claim liabilities (gross of reinsurance).

18. “Outstanding claims” refers to claims (gross of reinsurance) which have been approved for payment but have not been paid and includes expenses associated with the settlement of such claims but does not include such claims that are already included in policy liabilities. For life business, the amount also includes claims which have not been approved but the quantum for which is fixed.

19. “Reinsurance deposits” refers to amounts withheld from reinsurers under reinsurance outward contracts.

20. “Amounts owing to insurers” refers to approved claims, profit commissions and reinsurance commissions owing to cedants, and premiums owing to reinsurers. Approved claims, profit commissions and reinsurance commissions owing to the cedant shall be offset by any premiums owed by that cedant on an individual account basis. Where the premiums owed by any particular cedant exceed the approved claims, profit commissions and reinsurance commissions owed to that cedant, the net amount due from that cedant shall be reported under “outstanding premiums”. Premiums owing to the reinsurer shall be offset by any reinsurance recoverables on paid claims owed by that reinsurer on an individual account basis. Where the reinsurance recoverables on paid claims owed by any particular reinsurer exceed the premiums owed to that reinsurer, the net amount due from that reinsurer shall be reported under “reinsurance recoverables on paid claims”.

21. Notwithstanding instructions 13, 16 and 20, “outstanding premiums”, “reinsurance recoverables on paid claims” and “amounts owing to insurers” shall not be offset against one another if there is no legal right to do so.

22. “Debt securities”, “cash and deposits”, “other investments”, “loans”, “outstanding premiums”, “deposits withheld by cedants”, “reinsurers' share of policy liabilities”, “reinsurance recoverables on paid claims”, “policy liabilities (gross of reinsurance)”, “outstanding claims”, “annuities due and unpaid”, “reinsurance deposits”, “amounts owing to insurers”, “bank loans and overdrafts” and “financial liabilities” include those in relation to counterparties which are related corporations.

23. Where an insurer has entered into any reinsurance financing contract (by whatever name) that does not involve significant insurance risk transfer by either a ceding insurer or an assuming insurer and that contract commences during the period, that insurer shall disclose, under the section on additional information for Form A1 lodged for that period, the following information:

- (a) a description of the terms of that reinsurance financing contract;
- (b) a description of the accounting treatment adopted and an explanation for adopting that treatment; and
- (c) a description of how items in Form A1 are affected by that reinsurance financing contract in monetary terms.

24. For Form A1 lodged for each period, an insurer shall disclose under the section on additional information a breakdown of any amounts paid and received during the period for each reinsurance financing contract (by whatever name) that does not involve significant insurance risk transfer by either a ceding insurer or an assuming insurer.

Instructions for completion of Form A2 and Annex A2-3

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For the columns under “Insurance Funds Established and Maintained by Insurer under the Act”, the insurer shall only be required to complete the fields relating to insurance funds that it had established and maintained under the Act.
3. The columns under “Shareholders Fund” shall only be applicable to insurers incorporated in Singapore. The column “Overseas (Branch) Insurance Operations” refers to all branches of the insurer which are located outside Singapore and carrying on insurance business. The column “Non-Insurance Operations” includes overseas branches that do not carry on insurance business.
4. For insurers incorporated in Singapore, the "Total" column refers to the profit and loss in respect of global business operations. Transactions between the insurance funds and shareholders fund (including overseas branches) shall be offset under the "Total" column.
5. “Gross premiums” refers to gross premiums received or receivable including portfolio premiums, after deduction of discounts and return premiums, which have been entered in the books of the insurer during the period. Commissions shall not be deducted from “gross premiums”.
6. “Outward reinsurance premiums” refers to premiums paid or payable on reinsurance ceded during the period and includes portfolio premiums in respect of ceded business.
7. “Gross claims settled” refers to gross claims paid, including portfolio losses, increase/ (decrease) in “outstanding claims” during the period, and medical and legal expenses incurred directly in the settlement of claims paid in the period, net of recoveries from salvages and subrogation, where applicable. “Outstanding claims” refers to such claims as described in instruction 18 of the Instructions for completion of Form A1 and Annexes A1-1, A1-5 and A1-7.

8. “Reinsurance recoveries” refers to reinsurance recoveries received or receivable from reinsurance in respect of claims paid, including portfolio losses, during the period.

9. “Increase/ (decrease) in policy liabilities (gross of reinsurance)” excludes those changes in “policy liabilities (gross of reinsurance)” that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of “policy liabilities (gross of reinsurance)” from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars. In respect of general business, “Increase/ (decrease) in policy liabilities (gross of reinsurance)” refers to the sum of “increase/ (decrease) in premium liabilities (gross of reinsurance)” and “increase/ (decrease) in claim liabilities (gross of reinsurance)”.

10. “Decrease/ (increase) in reinsurers' share of policy liabilities” excludes those changes in “reinsurers' share of policy liabilities” that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of “reinsurers' share of policy liabilities” from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars. In respect of general business, “Decrease/ (increase) in reinsurers' share of policy liabilities” refers to the sum of “decrease/ (increase) in reinsurers' share of premium liabilities” and “decrease/ (increase) in reinsurers' share of claim liabilities”.

11. “Staff costs” includes —

- (a) salaries, bonuses and allowances;
- (b) contribution to the Central Provident Fund, pensions and gratuities;
- (c) staff medical expenses;
- (d) staff training;
- (e) skills development levy; and
- (f) fringe benefits.

12. “Office rent” includes imputed rental expenses on owner-occupied premises used for the insurer’s business. Owner-occupied premises are premises owned by the insurer and which are used for the insurer’s business.

13. "Head office/ related corporation expenses" refers to charges from the head office or other related corporations for services rendered.

14. "Managing agent's fees" refers to fees paid to an agent appointed by an insurer to both underwrite and manage a portfolio of business.

15. "Other management expenses" includes repairs and maintenance, public utilities, printing, stationery, periodicals, postage, telephone and telex charges, computer charges, hire of office equipment, licence and association fees, advertising expenses, subscriptions, entertainment expenses, and travelling expenses.

16. "Distribution expenses" includes all direct costs such as commissions and bonuses, all indirect costs of benefits and services provided by the insurer in the distribution of its products, agency allowances and profit commissions. "Distribution income" includes reinsurance commission income and profit commission income.

17. "Other expenses" includes depreciation on property, plant and equipment and any net loss on disposal of insurance business portfolio.

18. "Other income" includes any net gain on disposal of insurance business portfolio.

19. "Realised gains/ (losses) from last reported value" refers to the amount realised on sale of investments, financial liabilities, and land and buildings after deducting expenses incurred, less the relevant amount reported in Form A1 as at the end of the last reporting period or the purchase price, if such purchase is made during the reporting period. Losses on sale of assets or financial liabilities shall only be netted off within the same category of assets or financial liabilities. It includes gains or losses due to exchange rate fluctuations.

20. "Unrealised changes from last reported value" refers to changes in market value, changes in estimated market value, changes in net realisable value or changes in provisions, where applicable, from the relevant amount reported in Form A1 as at end of the last reporting period, or from the purchase price, if such purchase is made during the reporting period. It includes gains or losses due to exchange rate fluctuations.

21. "Rental income" includes imputed rental on owner-occupied premises used for the insurer's business.

22. "Investment expenses" includes expenses incurred in earning interest, dividend and rents, expenses incurred in the management and sale of the investments, property maintenance costs and property tax.

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(SPECIAL PURPOSE REINSURANCE VEHICLES)

Name of SPRV: _____

FORM A7 — CERTIFICATE ON THE ACCOUNTS OF THE INSURER

FOR THE ACCOUNTING PERIOD ENDED _____

I, the undersigned, hereby certify that in my belief —

- (a) the information provided in Forms _____, including the Notes and Annexes, are complete and accurate, and in accordance with all applicable requirements stipulated under the Insurance Act (Cap. 142) (“the Act”), any regulations made thereunder and any directions and Notices issued by the Authority;
- (b) in the relevant accounting period, no part of the assets and liabilities of the insurance fund(s) established and maintained under the Act has been dealt with in contravention of section 17 or 18 of the Act; and
- (c) during the year, regulations made and directions issued for the purposes of section 19 of the Act have been complied with in relation to those assets,

except

Name and
signature of: _____
Chief Executive

Date: _____

Instructions for completion of Form A7

1. Insurers shall print a hard copy of this Form downloaded from the MAS Network (MASNET) and use that copy for completion. Any amendments made to the contents of this Form shall be clearly marked on that hard copy.
2. An SPRV licensed to carry on general business shall provide certification in respect of Forms A1, A2 and G1.
3. An SPRV licensed to carry on life business shall provide certification in respect of Forms A1, A2 and L2.

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(SPECIAL PURPOSE REINSURANCE VEHICLES)

Name of SPRV: _____

FORM A8 — INDEPENDENT AUDITOR'S REPORT

1. Pursuant to section 36(3A) of the Insurance Act (Cap. 142) ("the Act"), we have audited the attached Statement of Financial Position as at _____, Statement of Profit and Loss and other statutory returns (Forms A1, A2 and G1, including the Notes but excluding the Annexes other than Annex A1-5)/ (Forms A1 and A2, excluding the Annexes)* for the accounting period ended _____. These statements of account and other statements are the responsibility of the SPRV's directors. Our responsibility is to express an opinion on these statements of account and other statements based on our audit.

2. We conducted our audit in accordance with the Singapore Standards on Auditing to the extent that they are relevant to the audit. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements of account are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statements of account. An audit also includes assessing the accounting principles, evaluating the presentation of the overall statements of account and the SPRV's internal control systems used in the preparation of the statements of account and other statements. We believe that our audit provides a reasonable basis for our opinion.

3. In our opinion and to the best of the information, and according to the explanations given to us —

- (a) the Statement of Financial Position, Statement of Profit and Loss and other statutory returns (Forms A1, A2 and G1, including the Notes but excluding the Annexes other than Annex A1-5)/ (Forms A1 and A2, excluding the Annexes)* have been prepared in accordance with the provisions of the Act, any regulations made thereunder and any directions issued by the Authority; and
- (b) the Statement of Financial Position presents a fair reflection of the financial position of the SPRV for which the insurance fund(s) are valued as prescribed under the Insurance (Valuation and Capital) Regulations 2004, except for

Public Accountants and
Chartered Accountants
Singapore

Date: _____

* Delete as applicable.

Instructions for completion of Form A8

1. Insurers shall print a hard copy of this Form downloaded from the MAS Network (MASNET) and use that copy for completion. Any amendments made to the contents of this Form shall be clearly marked on that hard copy.
2. For an SPRV licensed to carry on general business, Forms A1, A2 and G1, including the Notes but excluding the Annexes other than Annex A1-5, shall be audited.
3. For an SPRV licensed to carry on life business, Forms A1 and A2, excluding the Annexes, shall be audited.

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(SPECIAL PURPOSE REINSURANCE VEHICLES)

FORM A9 — INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT

Date: _____

Chief Executive

Name of SPRV: _____

Dear Sir

INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT

1. We have audited the Statement of Financial Position, Statement of Profit and Loss and other statutory returns (Forms A1, A2 and G1, including the Notes but excluding the Annexes other than Annex A1-5)/ (Forms A1 and A2, excluding the Annexes)* and evaluated the internal control systems of _____ as at _____ and for the accounting period ended _____.
2. Our audit was carried out in accordance with section 36(3A) of the Insurance Act (Cap. 142) ("the Act") for the purpose of expressing our opinion on the accounts drawn up in accordance with the provisions of the Act. Our audit was conducted on a test basis and included such samples as we deemed appropriate. In this connection, we have reviewed the accounting system and internal control systems used in the preparation of the statements of account and other statements, in operation in the SPRV.
3. Based on our audit, we have no comments on the following (except for those matters stated in the Appendix):
 - (a) the books of the SPRV have been properly kept and have recorded fairly the affairs and transactions of the SPRV in respect of its carrying on of insurance business;
 - (b) all necessary and proper apportionments have been made in the Statement of Financial Position, Statement of Profit and Loss and other statutory returns, and such apportionments have been made in an equitable manner;
 - (c) no part of the assets and liabilities of the insurance fund(s) established and maintained under the Act has been applied in contravention of section 17 of the Act;
 - (d) the fund solvency requirement and capital adequacy requirement under section 18 of the Act, in our opinion, have been complied with;
 - (e) no documents of title to assets of the insurance fund(s) established and maintained under the Act have been held in contravention of section 20(1) of the Act and the assets of the insurance fund(s) established and maintained under the Act have been invested and held in accordance with regulations prescribed or specified in directions under section 19 of the Act;
 - (f) the accounting and internal control systems used in the preparation of statements of account and other statements;
 - (g) other areas of material weakness in the operations of the SPRV;

- (h) the implementation of directions and recommendations made by the Authority in respect of internal systems used in the preparation of the statements of account and other statements; and
- (i) the implementation of the previous year's audit recommendations.

4. During the course of our audit (except for those matters stated in the Appendix), nothing came to our notice that caused us to believe that —

- (a) known bad debts of a material amount had not been written off or fully provided for;
- (b) adequate provision had not been made for known material doubtful debts and for any material diminution in value of other assets;
- (c) there was any non-compliance with the Act and regulations, licensing conditions and directions issued by the Authority;
- (d) the SPRV has not followed up on any recommendation made by the Authority; and
- (e) there are conflicts of interests involving management or staff in areas such as underwriting, claims settlement and investment resulting or which may result in any person receiving an undue benefit or advantage at the expense of policy owners.

Public Accountants and
Chartered Accountants
Singapore

* Delete as applicable.

Appendix

Independent Auditor's Findings	Independent Auditor's Recommendations	Insurer's Comments

Instructions for completion of Form A9

1. Insurers shall print a hard copy of this Form downloaded from the MAS Network (MASNET) and use that copy for completion. Any amendments made to the contents of this Form shall be clearly marked on that hard copy.
2. For an SPRV licensed to carry on general business, Forms A1, A2 and G1, including the Notes but excluding the Annexes other than Annex A1-5, shall be audited.
3. For an SPRV licensed to carry on life business, Forms A1 and A2, excluding the Annexes, shall be audited.

NAME OF INSURER _____
FORM L2 – STATEMENT OF OPERATING RESULTS OF REINSURER IN RESPECT OF LIFE REINSURANCE BUSINESS BY TYPE OF BUSINESS

FROM _____ TO _____

Co Code	Year	Month

SINGAPORE INSURANCE FUND

Description	Row No.	Life (Risk Premium)	Life (Coinsurance)	Accident and Health	Disability Income	Portfolio Cover	Others	Total
PREMIUMS								
Gross premiums								
Reinsurance business accepted -								
In Singapore	1							
From other countries	2							
Total (1 to 2)	3							
Reinsurance business ceded -								
In Singapore	4							
To other countries	5							
Total (4 to 5)	6							
Net premiums written (3 - 6)	7							
Increase/ (decrease) in premium liabilities (gross of reinsurance)	8							
Decrease/ (increase) in reinsurers' share of premium liabilities	9							
Premiums earned during the period (7 - 8 - 9)	10							
CLAIMS								
Gross claims settled								
Reinsurance business accepted -								
In Singapore	11							
From other countries	12							
Total (11 to 12)	13							
Recoveries from reinsurance business ceded -								
In Singapore	14							
To other countries	15							
Total (14 to 15)	16							
Net claims settled (13 - 16)	17							
Increase/ (decrease) in claim liabilities (gross of reinsurance)	18							
Decrease/ (increase) in reinsurers' share of claim liabilities	19							
Net claims incurred (17 + 18 + 19)	20							
DISTRIBUTION EXPENSES/ (INCOME)								
Commission expenses	21							
Reinsurance commission income	22							
Net commission expenses/ (income) (21 - 22)	23							
Other distribution expenses/ (income)	24							
Total distribution expenses/ (income) (23 + 24)	25							
TECHNICAL RESULTS								
Technical results (10 - 20 - 25)	26							

OFFSHORE INSURANCE FUND

Description	Row No.	Life (Risk Premium)	Life (Coinsurance)	Accident and Health	Disability Income	Portfolio Cover	Others	Total
PREMIUMS								
Gross premiums								
Reinsurance business accepted -								
In Singapore	1							
From other countries	2							
Total (1 to 2)	3							
Reinsurance business ceded -								
In Singapore	4							
To other countries	5							
Total (4 to 5)	6							
Net premiums written (3 - 6)	7							
Increase/ (decrease) in premium liabilities (gross of reinsurance)	8							
Decrease/ (increase) in reinsurers' share of premium liabilities	9							
Premiums earned during the period (7 - 8 - 9)	10							
CLAIMS								
Gross claims settled								
Reinsurance business accepted -								
In Singapore	11							
From other countries	12							
Total (11 to 12)	13							
Recoveries from reinsurance business ceded -								
In Singapore	14							
To other countries	15							
Total (14 to 15)	16							
Net claims settled (13 - 16)	17							
Increase/ (decrease) in claim liabilities (gross of reinsurance)	18							
Decrease/ (increase) in reinsurers' share of claim liabilities	19							
Net claims incurred (17 + 18 + 19)	20							
DISTRIBUTION EXPENSES/ (INCOME)								
Commission expenses	21							
Reinsurance commission income	22							
Net commission expenses/ (income) (21 - 22)	23							
Other distribution expenses/ (income)	24							
Total distribution expenses/ (income) (23 + 24)	25							
TECHNICAL RESULTS								
Technical results (10 - 20 - 25)	26							

Instructions for completion of Form L2

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For bundled reinsurance policies covering several types of risk exposure, the premiums shall be shown under the primary exposure. For example, a bundled reinsurance policy with health reinsurance as the primary exposure shall be classified as health reinsurance even if it includes some elements of term insurance.
3. “Gross premiums” refers to gross premiums received or receivable including portfolio premiums, after deduction of discounts and return premiums, which have been entered into the books of the insurer during the period. Commissions shall not be deducted from “gross premiums”.
4. “Reinsurance business ceded” refers to premiums paid or payable on reinsurance ceded during the period and includes portfolio premiums in respect of ceded business.
5. “Increase/ (decrease) in premium liabilities (gross of reinsurance)” excludes those changes in premium liabilities (gross of reinsurance) that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of premium liabilities (gross of reinsurance) from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.
6. “Decrease/ (increase) in reinsurers' share of premium liabilities” excludes those changes in reinsurers' share of premium liabilities that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of reinsurers' share of premium liabilities from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.
7. “Gross claims settled” refers to gross claims paid, including portfolio losses, decrease/ (increase) in “outstanding claims” during the period, and medical or legal expenses incurred directly in the settlement of claims paid in the period, net of recoveries from salvages and subrogation, where

applicable. “Outstanding claims” refers to such claims as described in instruction 18 of the Instructions for completion of Form A1 and Annexes A1-1, A1-5 and A1-7 .

8. “Recoveries from reinsurance business ceded” refers to reinsurance recoveries received or receivable from reinsurance in respect of claims settled, including portfolio losses, during the period.

9. “Increase/ (decrease) in claim liabilities (gross of reinsurance)” excludes those changes in claim liabilities (gross of reinsurance) that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of claim liabilities (gross of reinsurance) from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.

10. “Decrease/ (increase) in reinsurers' share of claim liabilities” excludes those changes in reinsurers' share of claim liabilities that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of reinsurers' share of claim liabilities from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.

11. “Other distribution expenses/ (income)” includes profit commissions.

Notes to Form G1 (to be shown separately for each fund)

The following shall be stated as Notes to this Form:

Note 1 Items in this Form may be allocated according to a reasonable basis used by the insurer which is acceptable to its external auditor. The bases used shall be stated as a Note to this Form.

Note 2 Amount of gross premiums written for the following lines of business:

- (a) Agriculture;
- (b) Catastrophe excess of loss reinsurance;
- (c) Energy;
- (d) Luxury lines (such as fine art and specie, jewellers block, and yachts);
- (e) Professional indemnity (for Offshore Insurance Fund only);
- (f) Trade credit; and
- (g) Breakdown of Singapore Insurance Fund "Others" and Offshore Insurance Fund "Liability and Others" as follows:
 - (i) Cyber liability;
 - (ii) Environmental liability;
 - (iii) Political risk;
 - (iv) Terrorism;
 - (v) War; and
 - (vi) Others (to specify based on insurer's internal classification).

Instructions for completion of Form G1 and Notes

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For any Note where there are no entries, a “Nil” Note shall be submitted.
3. For the Singapore Insurance Fund, reinsurers shall choose to either —
 - (a) report information relating to “Public Liability/ Product Liability”, “Surety”, “Engineering”, “Professional Indemnity”, “Credit/ Credit-Related” and “Others” lines of business separately; or
 - (b) aggregate information relating to “Public Liability/ Product Liability”, “Surety”, “Engineering”, “Professional Indemnity”, “Credit/ Credit-Related” and “Others” lines of business and report them under “Others” line of business.
4. For the purpose of risk classification, where separate figures for each line of business are not available, as in a combined policy covering several classes of risks, the premiums shall be shown under the predominant class of risk.
5. For annual policies issued in respect of direct risks or facultative reinsurance inward risks, an insurer shall recognise the gross premium income in full when the risks commence. Where the quantum of such gross premium income cannot be ascertained at the policy commencement date, it shall be estimated.
6. “Gross premiums” refers to gross premiums received or receivable including portfolio premiums, after deduction of discounts and return premiums, which have been entered into the books of the insurer during the period. Commissions shall not be deducted from “gross premiums”.
7. “Reinsurance business ceded” refers to premiums paid or payable on reinsurance ceded during the period and includes portfolio premiums in respect of ceded business.
8. “Increase/ (decrease) in premium liabilities (gross of reinsurance)” excludes those changes in premium liabilities (gross of reinsurance) that relate to transfers of insurance business portfolios into or out of any

insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of premium liabilities (gross of reinsurance) from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.

9. “Decrease/ (increase) in reinsurers' share of premium liabilities” excludes those changes in reinsurers' share of premium liabilities that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of reinsurers' share of premium liabilities from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.

10. “Gross claims settled” refers to gross claims paid, including portfolio losses, increase/ (decrease) in “outstanding claims” during the period, and medical or legal expenses incurred directly in the settlement of claims paid in the period, net of recoveries from salvages and subrogation, where applicable. “Outstanding claims” refers to such claims as described in instruction 18 of the Instructions for completion of Form A1 and Annexes A1-1, A1-5 and A1-7 .

11. “Recoveries from reinsurance business ceded” refers to reinsurance recoveries received or receivable from reinsurance in respect of claims settled, including portfolio losses, during the period.

12. “Increase/ (decrease) in claim liabilities (gross of reinsurance)” excludes those changes in claim liabilities (gross of reinsurance) that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of claim liabilities (gross of reinsurance) from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.

13. “Decrease/ (increase) in reinsurers' share of claim liabilities” excludes those changes in reinsurers' share of claim liabilities that relate to transfers of insurance business portfolios into or out of any insurance fund established and maintained under the Act, and any changes in exchange translation reserves resulting from the translation of reinsurers' share of claim liabilities from a non-Singapore dollar denominated functional currency to the presentation currency in Singapore dollars.

14. "Management expenses" has the same meaning as in Form A2.
15. "Other distribution expenses/ (income)" includes agency allowances and profit commissions.
16. "Net investment income" has the same meaning as "Net investment income/ (loss)" in Form A2.