



SWAZILAND GOVERNMENT GAZETTE EXTRAORDINARY

VOL. XLVI]

MBABANE, Friday, MAY 2nd 2008

[No. 36

CONTENTS

No.	Page
PART C - LEGAL NOTICE	
53. The Insurance Directives, 2008	S1
54. The Insurance Regulations, 2008	S41

PUBLISHED BY AUTHORITY

PART C

SI

LEGAL NOTICE NO. 53 OF 2008

THE INSURANCE ACT, 2005
(Act No.7 of 2005)

THE INSURANCE DIRECTIVES, 2008
(Under Section 118)

In exercise of the powers conferred by Section 118 of the Insurance Act, the Registrar of Insurance hereby issues the following Directives -

Citation and Commencement

1. These Directives may be cited as the Insurance Directives, 2008, and shall come into force on the 1st day of May, 2008.

Short Title and Interpretation

2. In these Directives, unless the context otherwise requires -

"Act" means the Insurance Act, 2005;

"Regulations" means the Regulations issued by the Minister in terms of section 118 (1) of the Act;

"Levy year" means the period from the 1st April to the 31st March in each year; and

"Person" includes a juristic person.

Application for Registration as an insurance broker

3. (1) An application for registration as an Insurance Broker shall be made using form RDI 1.

(2) The classes of business that anyone wishing to market as a broker -

(a) in the case of short-term insurance business from among those listed in terms of Schedule 1 of the Regulations; and,

(b) in the case of long-term insurance business from among those listed in terms of Schedule 2 of the Regulations.

(3) If the Registrar is satisfied in his sole discretion that all the requirements of these regulations have been satisfied, and the broker satisfies the requirement for registration as imposed by the Act or any other condition he shall register the broker and issue him with a certificate using form RDI 2.

(4) A license issued in terms of this regulation will be valid for a period of 12 months from the date of issue.

(5) An application for renewal of a licence issued in terms of this directive shall be made at least three (3) months before the expiry date using form RDI 1.

Professional Indemnity and Fidelity Guarantee for brokers

4. (1) Every broker shall furnish the Registrar with a guarantee protecting the premiums that the broker collects on behalf of an insurer using form RDI 3 of schedule 5.

(2) If the guarantee is in the form of an insurance policy, it shall be ceded to the Registrar as the sole beneficiary.

(3) If the Registrar is satisfied that the guarantee is suitable the Registrar shall issue a certificate using form RDI 4 of schedule 5.

(4) If the Registrar is aware that in respect of any insurance policy that has been ceded to the Registrar as a guarantee, the cessionary is not performing or is negligent in performing his obligations under that policy which may result in the policy being void, the Registrar shall act against the cessionary in terms of section 114 and may require him to submit guarantees in the form of securities.

(5) The amount of professional indemnity insurance in terms of section 61 of the Act shall not be less than E2-000,000 and shall be sufficient to cover for projected premiums and if a broker is covered for the minimum amount, then the Registrar shall not permit the broker to collect premiums in excess of the amount of E2-000,000. The Minister may, on recommendation by the Registrar, from time to time revise this amount in terms of prudent standards.

Application for registration as an insurance agent

5. (1) A person wishing to carry on business as an insurance agent shall have suitable qualifications and experience in the insurance business of the class or classes of business which that person wishes to transact on behalf of an insurer or broker.

(2) An insurer or broker wishing to grant an agency to any person shall apply to the Registrar in writing and the application shall be accompanied by the following documents and information in respect of that person -

- (a) the name and address;
- (b) a certified copy of the birth certificate;
- (c) the educational qualification;
- (d) a certified copy of the identity document;
- (e) the name address and telephone number of the person's previous two employers;
- (f) a copy of the agreement between the insurer or broker and the person; and,
- (g) a statement of character of the person including the person's credibility;
- (h) police clearance.

(3) Where the application is in respect of a juristic person -

- (a) the applicant shall submit the information required in sub paragraph 5 (2) above in respect of every director, chairperson, principal representative, as the case may be, and every employee who has a direct involvement in the business of the agent; and,

(b) the Registrar may require the following additional information in respect of that person -

- (i) the physical address of the agent;
- (ii) a certified copy of the document by which the person is constituted as a juristic person;

(4) An insurer or broker must notify the Registrar when an agent ceases to represent or transact on behalf of the broker or insurer within 30 days from the date of cessation.

(5) If the Registrar is satisfied that the granting of that agency is not against the public interest, the Registrar shall enter the person's details in a register and approve the agency agreement in writing and issue a license using Form RDI 5.

Actuarial Valuation of liabilities of Long Term Insurance Business

6. (1) The valuation of the liabilities in respect of long term insurance shall be according to form RDI 6.

(2) The Registrar may from time to time amend form RDI 6 in line with prudential standards.

(3) In addition to the requirements set out in paragraphs (1) and (2), a valuation shall be in accordance the standards as set by the Actuarial Society of South Africa.

Actuarial Valuation of Liabilities of Short Term Insurance Business

7. (1) The valuation of the liabilities of a short term insurance shall be according to form RDI 7.

(2) The Registrar may from time to time amend these guidelines in line with prudential standards.

(3) In addition to the requirements set out in paragraphs (1) and (2), a valuation shall be in accordance the standards as set by the Actuarial Society of South Africa.

Quarterly returns for Brokers

8. Every broker shall, within 30 days of the expiry of each calendar quarter submit to the Registrar an unaudited quarterly return of his business using form RDI 8.

Audited Annual Returns for brokers

9. (1) Every broker shall, within 3 months of the expiry of its financial year submit to the Registrar audited financial statements of its business using form RDI 8A together with a certificate of compliance using form RDI 9.

(2) The financial statements shall be prepared in accordance with International Financial Reporting Standards (IFRS).

Guidelines for quoting estimated maturity values in respect of long term insurance business

10. (1) An insurer wishing to carry on long term insurance business in Swaziland shall adhere to the following requirements set out in RDI 10.

(2) The insurer shall ensure that all rate books, promotional material, quotations, application forms, advertisements and verbal messages shall comply with this requirement. The insurer shall ensure that any intermediary acting on his behalf shall comply with this guideline.

Commission payable by insurers to Intermediaries

11. The commission payable by an insurer to an intermediary in respect of long or short term insurance business shall not exceed the scale set out in RDI 11, except with the written approval of the Registrar.

Fees

12. There shall be payable to the office of the Registrar such fees as are set out in RDI 10.

Prohibited persons

13. (1) A person whose name is listed in RDI 12 shall not carry on insurance business.

(2) A person who carries on insurance business in contravention of RDI 13 commits an offence and shall be liable on conviction to the general penalty set out in section 114 of the Act.

Code of conduct for insurance brokers

14. A broker shall adhere to the code of conduct set out in RDI 14.

Levies

15. An insurer, broker and investment manager shall, not later than 3 months after the end of each financial year, remit to the Registrar an amount equivalent to such amount prescribed by the Registrar in RDI 15 in respect of the levy year. The amounts remitted by insurers and brokers shall include the levies in respect of the agents whom they have appointed.

Valuation of assets

16. (1) The value of the assets of an insurer shall be determined on the basis as set out in RDI 16.

(2) An insurer who can substantiate that the method given in RDI 16 is unsuitable may apply to the Registrar in writing to use an alternative method, and the Registrar may, in the sole discretion of the Registrar, approve or refuse any such request.

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

REGISTRAR'S DIRECTIVES

- RDI 1 Application for registration as an insurance broker
- RDI 2 Certificate of registration of insurance broker
- RDI 3 Guarantee by broker in respect of insurance premiums
- RDI 4 Approval of guarantee in respect of insurance premiums

- RDI 5 Certificate of Approval of Agent
- RDI 6 Valuation of liabilities for Long Term Insurance business
- RDI 7 Calculation of liabilities and reserves for short term insurance business
- RDI 8 Quarterly Returns for Brokers
- RDI 8A Annual Returns
- RDI 9 Certificate of compliance by Broker
- RDI 10 Registrar's guidelines for quoting estimated maturity values in respect of long term insurance business
- RDI 11 Commission scales
- RDI 12 Table of fees
- RDI 13 Persons prohibited from carrying on insurance business
- RDI 14 Code of conduct for insurance brokers
- RDI 15 Levies payable by insurers and retirement funds
- RDI 16 Valuation of the Assets of an insurer

Form RDI 1

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

**APPLICATION FOR REGISTRATION/RENEWAL OF REGISTRATION (delete
whichever is not applicable) AS AN INSURANCE BROKER**

The Registrar of Insurance,
Swaziland

1. I, the undersigned, being the Chairman of hereby apply
for the registration of the said company as an insurance broker to provide brokerage
services on the following classes of insurance business in Swaziland:
 - (a)
 - (b)
 - (c)
 - (d)
2. Enclosed with this application are the following documents in duplicate and signed by me.
 - (a) Certified copies of the company's Certificate of Incorporation, memorandum of
association and articles of association.

- (b) a statement of the address of the company's office in Swaziland including the physical address;
- (c) a statement of the name, address, nationality and professional and/or business interest of the company's chairman, other directors and principal representative;
- (d) Copies of the principal representative and directors' Swazi work permit and physical address of residence in Swaziland
- (e) The company's financial statements
- (f) Details of Trust Account
- (g) Risk Management Strategy
- (h) Corporate Governance Strategy
- (i) Marketing Strategy
- (j) Proof of fidelity guarantee.
- (l) Proof of professional indemnity insurance

3. I hereby apply for approval of the use of the name as an abbreviation which is accompanied by a statement from the Registrar General's Office confirming the exclusivity of the proposed name.

4. Form RDI 3 is herewith submitted in duplicate together with proof of the guarantees required in terms of section 61.

5. A list of countries in which the applicant carries on business as a broker and a certificate signed by the insurance supervisory authority from each country indicating whether the applicant has consistently complied and is complying with the law relating to insurance in each country.

6. The registration fee of as per form RDI 10 is enclosed with this application.

7. I hereby declare that the company has not entered into any agreement with an insurer giving the insurer preference in the placing of insurance business and shall not in future enter into such an agreement.

8. I hereby enclose a declaration from each member of the board stating that they are unaware of any reason that might lead to the Registrar refusing to approve registrations in terms of section 16 of the Insurance Act, 2005.

9. A detailed curriculum vitae of each director setting out his educational qualification and his experience in the insurance industry is enclosed.

10. I enclose a list of the persons who have an interest in the company and their percentage interest.

11. Notes

.....
Principal Representative

Address:

.....

Date:

Notes (1) The registration form must be completed in full. Any omissions must be explained in paragraph 11.

(2) In case of a renewal application, enclose updated information.

(3) proof of the registration of the abbreviation with the Registrar Generals office.

(4) The Registrar may require further information from an applicant.

Form RDI 2

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CERTIFICATE OF REGISTRATION OF INSURANCE BROKER

I hereby certify that in terms of section 15 of The Insurance Act, 2005, that registration number has been registered as an Insurance Broker in the Kingdom of Swaziland and is authorised to carry on the following classes of insurance business:

.....

.....

.....

.....

.....

This approval is effective from to subject to the conditions attached hereto.

.....
Date

.....
Registrar of Insurance

Form RDI 3

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

GUARANTEE BY BROKER IN RESPECT OF
INSURANCE PREMIUM

1. This guarantee shall provide for the protection of premiums collected by brokers and their

agents in respect of insurance business on behalf of an insurer.

2. Every broker shall provide the guarantee contemplated in paragraph 1 before he commences to collect any premium on behalf of an insurer.
3. The guarantee shall be in the form of -
 - (a) a domestic insurance policy issued by an insurer licensed to carry on guarantee business;
 - (b) securities issued by the Government of Swaziland;
 - (c) a guarantee issued by an institution licensed under the Financial Institutions Act, 2005; or
 - (d) a deposit in the guarantee account.
4. An insurance policy issued by an insurer in terms of paragraph 3 shall be ceded to the Registrar and any securities offered as a guarantee shall be lodged with the Registrar.
5. The amount of the guarantee shall be at least 20% of the premium that the broker expects to collect on behalf of the insurer in his next financial year and shall not be less than E50 000. If a broker provides the Registrar with the minimum guarantee sum of E50 000, the broker shall not be allowed to collect premiums in excess E250 000.
6. Any guarantee deposited in terms of paragraph 4 may only be withdrawn after giving 4 months notice in writing to the Registrar.

7. DECLARATION BY BROKER IN RESPECT OF GUARANTEE ISSUED BY MEANS OF INSURANCE

I, being the chairman (MD or CEO) of
 registration
 number hereby cede on behalf of the company
 to the Registrar of Insurance, policy no. in respect of the
 guarantee contemplated in paragraph 1 of this form.

I hereby undertake -

- (a) To ensure that all premiums due shall be paid and shall perform all obligations required by the guarantor to keep the policy in force.
- (b) I shall review the adequacy of the policy at the commencement of every new financial year.
- (c) I shall not without advising the Registrar alter or attempt to alter the policy.

I hereby authorise the guarantor to divulge any information pertaining to the policy referred to above to the Registrar of Insurance.

.....
 Date

.....
 Company Chairman, MD or CEO

8. DECLARATION BY BROKER IN RESPECT OF GUARANTEE ISSUED BY MEANS OF SECURITIES

I, being the chairperson (MD or CEO) of
 registration number hereby cede on behalf of
 the following securities to the Registrar of Insurance in respect of the guarantee contemplated
 in paragraph 1.

	Value
(a)
(b)
(c)
(d)

An Authentic letter from the Financial Institution with which the above security (ies) are held
 confirming the guarantee is attached to this declaration.

.....
 Date Company Chairperson (MD or CEO)

9. DECLARATION BY BROKER IN RESPECT OF AMOUNT OF INSURANCE PREMIUM

I, the chairperson (MD or CEO) of
 registration
 Number hereby declare that the information in respect of premiums
 collected as stated below is correct.

(a) Previous Financial Year

Period Premiums collected
 (details per insurer)*

(b) New Financial Year Estimated premiums

Period
 (details per insurer)

* NOTE: If business is written for the first time for an insurer then please indicate.

.....
 Date Company Chairperson (MD or CEO)

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPROVAL OF GUARANTEE FOR PREMIUMS COLLECTED BY
INSURANCE BROKER

I hereby declare that registration number has
provided the guarantees required in terms of section 61 of the Insurance Act, 2005.

to protect premiums to the value of E in respect of the period to
..... 20 .

.....
Date

.....
Registrar of Insurance

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPROVAL OF APPOINTMENT AS AN AGENT

Certificate No.

I hereby certify that in terms of section 19 of the Insurance Act, 2005,

..... has been registered as an insurance agent to transact insurance business

on behalf of

(name of insurer/broker)

Address of Agent

..... registration number

.....
Date

.....
Registrar of Insurance

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

REQUIREMENTS IN RESPECT OF ACTUARIAL VALUATIONS FOR LONG
TERM INSURANCE**PART A****1. Introduction**

- 1.1 The valuator appointed to an insurer shall perform an actuarial valuation of the insurer at the end of the financial year of the insurer, and at such dates as may be required by the Registrar.
- 1.2 The method of valuation shall be the gross premium method of valuation.
- 1.3 A gross premium valuation is intended to give as realistic a picture as possible of the overall financial position of the insurer, allowing, explicitly for actual premiums that will be received and future experience that may reasonably be expected in respect of interest rates, expenses, mortality, morbidity and other relevant factors.
- 1.4 A degree of prudence should be introduced by the use of explicit contingency reserves rather than by the use of conservative assumptions.

2. General Principles

- 2.1 The valuation should be based on realistic assumptions, guided by past experience, and modified by any knowledge or expectations that are held with regard to the future.
- 2.2 Assets and liabilities should be valued on bases that are mutually consistent.
- 2.3 Where future amounts are discounted the gross interest rate used should be realistic in terms of actual past yields modified by any knowledge or specific expectations with regard to the future.
- 2.4 The interest rate used for discounting in respect of taxed business should be net of tax, using the actuary's expectation of the tax basis that will apply to life insurers in the future. Expenses allowed for should be net of the anticipated tax relief on expenses.
- 2.5 The premiums to be valued should be those payable or expected to be paid in terms of the contract.
- 2.6 Due allowance should be made for expected allocations of profit for shareholders, where there is a specified relationship between profits attributable to shareholders and the bonus rates declared for policyholders.
- 2.7 Allowance should be made for expenses at a realistic level, making allowance for escalation of future expenses at an inflation rate that is consistent with the rate of interest that is to be used.
- 2.8 Mortality and morbidity should be allowed for at a level that is consistent with past experience modified by expected future trends.

- 2.9 The benefits to be valued should take into account the reasonable expectations of policyholders.
- 2.10 Actuaries, should take cognisance of the sensitivity of valuation results to change in the various parameters, and may need to undertake valuations on more than one basis to test the sensitivity of results and set assumptions.

3. Reasonable expectations of policyholders

- 3.1 The reasonable expectations of policyholders cannot be defined in watertight terms. They will depend upon the type of product, the office practice, the manner in which the benefits are quoted and presented to policy holders and expectations created by marketing material.

An overriding principle is that the expectations that need to be taken into account are those that in the actuary's opinion may influence that insurer when deciding on future distributions of surplus. In effect, the actuary is required to set up reserves for what he considers the insurer will probably do, or might have to do in future, if the investment yield assumptions used in the valuation are realised, in the light of any expectations that he considers have been created.

- 3.2 There are, however, some guidelines that can be given to encourage consistent interpretation of policyholder expectations. The following guidelines are provided:

- (a) Policyholders expect all contractual benefits to be paid and obligations to be met.
- (b) Holders of market-related policies expect to participate directly in the investment performance of the underlying asset portfolio. For this purpose market-related policies are defined as those where the end benefits are held out as being directly linked to the value of an asset portfolio, either explicitly or implicitly.
- (c) With-profit policyholders expect to receive a reasonable share of the investment performance and other profits that are generated by the assurer over time and also to share in losses.
- (d) Other factors sometimes create additional policyholder expectations. These may include the manner in which the insurer's products or bonus policy are presented to the insuring public. On the other hand the assurer may have made specific and clear announcements or taken action to change previously created expectations.

The actuary will need to consider what expectations have been created and therefore need to be taken account of in the valuation.

The following are some of the specific ways in which expectations are frequently created:

- (i) Where there is a history of maintaining bonus rates or strong smoothing of bonus rates over a sustained period, policyholders probably expect that the same approach will apply in the future, given a continuation of current circumstances.
- (ii) The quotation of future values assuming the maintenance of bonus rates creates an expectation that those rates will be maintained, given a continuation of current circumstances.
- (e) The current Benefit Illustration Agreement allows for benefits in respect of policies to be projected at two standards rates and for standard expenses to be used. The

principle behind the Agreement is that policyholders are given two alternative figures which are merely illustrations of benefits that may possibly accrue, and do not represent any estimate of actual benefits. These illustrative values do not in themselves create a benefit expectation.

However, other actions, in particular how benefit illustrations are presented, may well create expectations -see above.

4. Further guidance in respect of prospective valuations

- 4.1 Prospective valuations are normally used in the case of non-profit policies and reversionary bonus policies.
- 4.2 In case of reversionary bonus policies, it is not reasonable to discount future benefits at high interest rates without allowing for the corresponding bonuses one would expect to declare under such conditions (refer 3.2(c) above).

If the actuary considers that policyholder expectations have been created in respect of projected values or bonus rate maintenance, to the extent that the assurer would need to take cognisance thereof in future surplus distributions, the full maintenance of the implied bonus rate should be assumed.

If the actuary considers that no such expectations have been created, the full maintenance of the level of bonus rates that the company expects to be declared, or that may reasonably be expected under conditions compatible with the interest rate assumptions being made, should be assumed.

- 4.3 The full value of non-vested bonuses that have already accumulated or would be paid out on death, should always be valued. In addition, depending upon circumstances, future additions to such bonuses may need to be assumed (for example where the amount of bonus depends on a scale that is related to duration).
- 4.4 The actuary should examine the interaction of the assumed bonus rates and the valuation interest rate, to ensure that the year-by-year liability for a single policy builds up smoothly and reasonably to the ultimate benefit that is assumed to be payable.
- 4.5 Where a policy of smoothing bonuses has been followed, it would normally be appropriate to set up a bonus stabilisation reserve to deal with policyholders' expectations regarding smoothing of future bonus rates.

5. Valuation of unbundled contracts

- 5.1 Unbundled contracts include any business where a designated portion of the premium is allocated or deemed to be allocated to an accumulation fund. This may include the following categories of business: market-related, smoothed bonus, universal life and deposit administration.
- 5.2 For this business, the total reserve would consist of two parts, i.e. a "fund reserve" and a "lilangeni".
- 5.3 The liability arising from the fund reserve should be taken to be not less than the value of the accumulation fund, including, where applicable, any non-vested bonuses. The value of the fund may take into account the discounted value of cash flows of management fees or other charges on the fund.

5.4 The lilangeni should in principle be derived from a discounted cash flow calculation that allows for -

expected future expense deductions, risk benefit premiums to be charged, and management fees recovered to the extent not included in 5.3 above;

expected future mortality and morbidity experience; and

expected future commissions, expenses and expense inflation.

In addition it may be necessary to set up rand reserves for -

any guarantees that have been given under the contract;

the reasonable expectations of policyholders; and

bonus stabilisation provision.

5.5 The complexity and detail of the calculations will depend on the level of guarantees provided. For example, for a linked contract that guaranteed the level of future allocation amounts, it may be necessary to calculate lilangeni reserves policy by policy and year by year in order to ensure that future cash flows are covered without recourse to additional finance. For business with less onerous guarantees, alternative approaches may be appropriated, subject to testing that demonstrates the adequacy of the liabilities.

5.6 An appropriate mismatching reserve will be required in aggregate for category of business where the deemed accumulation fund is not matched by appropriate investment assets. (promised investments versus actual investment)

6. Valuation of assets

The value of the assets of an insurer shall be determined on the basis as set out in RD116.

7. Additional reserves and contingency reserves

The use of realistic valuation assumptions without margins necessitates the setting up of specific additional reserves to bring a measure of prudence into the valuation.

7.1 Discontinuance Reserves

Since the realistic assumptions in the valuation may result in negative liability values for certain policies, mainly at early durations, it is suggested that the amount required to ensure that no policy has a negative liability be set as a lapse reserve.

Simply, it is suggested that the amount required to ensure that no policy's liability is less than its surrender value be set aside as a reserve.

7.2 Contingency reserve

The purpose of contingency reserves is to increase the ability of the insurer to withstand both temporary fluctuations in experience and the possibility of more permanently adverse experience. The levels of contingency reserves will depend upon the nature of the insurer's business, which determines the sensitivity of the valuation result to adverse changes in the assumptions.

The basic principle of the contingency reserves is to allow for a variation in future experience from the normal valuation assumptions up to a level which the actuary feels is sufficiently prudent.

It is envisaged that specific contingency reserves should be set out for possible adverse experience in the following:

- (i) Mortality and morbidity
- (ii) Investment returns
- (iii) Inflation
- (iv) Mismatching

In order to determine the appropriate levels of contingency reserves, the actuary should investigate the sensitivity of the valuation result to adverse changes in the assumptions. This could be done by performing the valuation on a range of assumptions, say once every three years. Alternatively a model approach could be used.

In calculating the sensitivities, allowance should be made for any offsetting factors, e.g. on with-profits business, bonus rates may be reduced if adverse experience occurs, and on some types of unbundled policies, mortality or morbidity charges could be increased. The actuary should allow such off-setting factors to the extent that the insurer is likely to take such actions in the event of adverse experience.

More significant changes to the above items should be considered.

It is expected that the actuary would have made some allowance for AIDS in deciding on the valuation's basic mortality assumptions. It will be necessary to consider a further contingency reserve for AIDS in view of the uncertainty as to its ultimate effect on the insurer. This can be done by allowing for a greater change in mortality rates in calculating the mortality contingency reserve, or by means of a separate contingency reserve.

In practice there may be some compensating effect between items (ii) and (iii) (investment returns and inflation), and the actuary may make an adjustment to the contingency reserves to allow for this.

- 7.3 If there are any other factors influencing the insurer which could place it at risk, the actuary should consider setting up appropriate additional reserves.

Form RDI 6
(continued)

PART B

REQUIRED CONTENT OF AN ACTUARY'S REPORT

1. Description of valuation basis, notes and comments

1.1 Assets

The actuary should give a brief description of the bases and methods according to which different categories of assets were valued.

1.2 Liabilities

The actuary should give a brief description of the assumptions and methods according to which different broad categories of liabilities were valued. Gross premium method should be used.

1.3 Material changes in valuation bases since previous report.

The actuary should briefly describe these changes and their financial effect.

1.4 Comments, notes and qualifications

Included here should be matters such as the extent to which the valuation bases of assets and liabilities may be inconsistent, and other comments and qualifications that the actuary considers pertinent.

2. Mortality study

(The valuator must answer all questions completely)

- 2.1 The valuator must compare the expected mortality to the actual mortality over the 12 months preceding the financial year end and state his results.
- 2.2 The valuator must investigate the mortality over the 36 months preceding the financial year end and state his results.
- 2.3 In the valuator's opinion are the results of the mortality studies over 12 months and 36 months satisfactory.
- 2.4 If not, have the causes been established.
- 2.5 In the valuator's opinion, are any steps necessary to correct the situation, taking into account expected future mortality.
- 2.6 What steps does he intend to recommend to the insurer to correct the situation.
- 2.7 Has he recommended any corrective measures in the past and if so, has the insurer implemented them. Please provide details.

3. Interest Rate Assumptions

(The valuator must answer each question as completely as possible and supply any other relevant information that would aid an independent actuary in examining his explanation).

- 3.1 What was the net rate of return earned by the insurer over the valuation period after allowance for all expenses of management, taxes, levies etc. and
 - i) have all contingent liabilities been allowed for?
 - ii) what investment reserve was allowed?
 - iii) is the method of calculating the return consistent with the method used for the previous period?
- 3.2 What rate was earned by the insurer in the previous period?
- 3.3 What was the rate used for the valuation of the company's business in this period.

- 3.4 What was the rate used for the valuation of the company's business in the previous period?
- 3.5 How does the rate of interest used relate to the interest earned i.e. explain the reasons for any differences between the actual and expected rates of interest earned.
- 3.6 Quantify the increase in liabilities that has been incurred or the surplus that has emerged as a result of the change in interest rates for valuation purposes.
- 3.7 Is the emerging surplus or any part of it
- i) to be used to offset any losses already incurred
 - ii) to improve bonuses
 - iii) to be appropriated for shareholders benefit
 - iv) to increase non distributable reserves
 - v) to increase distributable reserves

Details must be given of any appropriation of the emerging surplus.

4. Bonus Policy

- 4.1 Have future bonuses (vesting and non vesting) been allowed for at the same rates as in the past. If not what liability has been released if the bonuses have been reduced.
- 4.2 Have declared bonuses (both vesting and non vesting) been reduced. If bonuses have been reduced, please give details and reasons.
- 4.3 Have all policyholders been notified of any reduction of bonuses. If so please enclose a sample document.

5. Valuation basis

- 5.1 The valuation report shall give at least the following information regarding the basis applied to the various classes of insurance business. The information shall be supplied in respect of business covering at least 95% of the liabilities.
- (i) Class of business
 - (ii) Interest rate
 - (iii) Mortality table
 - (iv) Mortality Adjustment
 - (v) Expenses allowance
 - (vi) Method of determining liability
 - (vii) Other relevant factors

6. Mortality rates to be used for calculating liabilities

6.1 With effect from the commencement of this Act and subject to the provisions of subparagraph 6.2 the recommended mortality rates to be used by the valuator for calculations of liabilities is:

- (i) a (90) table for annuities
- (ii) SA56\62 table of assured lives for any other business.

6.2 However if the valuator is of the opinion that the table (s) in subparagraph 6.1 is not appropriate for the insurer's class of business he may use a table that he considers suitable, in which case the report shall include an explanation of the suitability of such table.

Form RDI 7

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CALCULATION OF LIABILITIES AND RESERVES FOR SHORT TERM INSURANCE

1. The actual liability for accounting purposes for unearned premiums referred to in section 85. (b) shall be calculated as follows:

$$X = (A - B) \times (1 C/D)$$

X = liability for unearned premium.

A = Total premium due in respect of a policy for the valuation period net of reinsurance, refunds, advance payments and overpayments.

B = The total amount paid to intermediaries net of any amount due to the insurer as reinsurance commission.

C = The number of days for which the policy has been in force calculated from the date of commencement of the policy to the date of calculation.

D = The term of the policy calculated in days.

2. Contingency reserve for short term insurance business referred to in section 85 (d) (iv) shall be established as follows

2.1 At the expiration of 5 years after the insurer commences writing insurance business he shall maintain a contingency reserve of 10% of his annual premiums net of reassurances in respect of his short term business.

2.2 The annual premium net of reinsurance for purposes of paragraph 2.1 shall be the period of 1 year immediately preceding the expiration of the 5 year period in paragraph 2.1.

2.3 The reserve required to be maintained in terms of paragraph 2.1 may be established prior to the expiration of the period of 5 years and the insurer shall set aside an amount of at least 20% in each year of the reserve estimated by the insurer.

- 2.4 The reserve shall be appropriated only with the written permission of the Registrar and the Registrar shall satisfy himself that the withdrawal is consistent with the purpose of the reserve.
 - 2.5 After any appropriation of the contingency reserve, the insurer shall submit to the Registrar a scheme to have the reserve restored to its statutory limit in terms of paragraph 2.1.
 - 2.6 The Registrar may direct the insurer to amend any proposals or may prescribe a plan to restore the reserve.
 - 2.7 The Registrar may act against any insurer in terms of section 65 or section 66 if he fails to comply with any plan referred to in paragraph 2.5 or paragraph 2.6.
3. The minimum amount referred to in subsection 85.1 (i) (b) shall be an amount equal to 7% of the total premiums payable to the insurer under short term policies entered into in the 12 months preceding the date on which the amount is calculated reduced by the total amount payable by the short term insurer as reinsurance premium under those policies.
4. **Calculation of additional amounts of assets**
- 4.1 The additional amount of assets referred to in section 82.(1)(b) shall be an amount equal to the greater of:
 - i) E500-000; or
 - ii) 15% of the greater of premium income of the insurer in respect of his short term insurance business after deduction of reinsurance premiums payable by the insurer in respect of that business:
 - a) in the previous financial year; or
 - b) in the twelve months preceding the date on which the amount is calculated.

CALCULATION OF LIABILITIES AND RESERVES FOR SHORT TERM INSURERS.

Technical reserves may be established separately for gross reserves and for reinsurance recoveries or as net reserves. Where separate gross and reinsurance recovery reserves are shown, the methods and principles used for setting both reserves should be consistent.

The reserving report must comment on the extent to which the expected basis used in establishing reserves the estimates of reserves compares with the actual experience.

Technical reserves may be discounted to allow for investment income expected to be earned prior to payment.

Appropriate allowance must be made for the impact of inflation on both the claim amount and expenses.

1. TECHNICAL RESERVES OUTSTANDING CLAIMS RESERVES

This is the reserve held in respect of payments due and claim expenses in respect of claims that have been already been incurred but have still not been settled either because they are in the

reporting or settlement pipeline, or they may have been previously settled but have since been re-opened. The Outstanding Claims reserves will consist of four components namely:

- The Reported Outstanding Claims Reserve
- The Incurred But Not Reported Claims Reserve (IBNR)
- The Re-opened Claims Reserve
- The Reserve for Future Claim handling Expenses

Where these reserves cannot be shown separately, the reserving report must outline how the combined reserves were set and comment on the adequacy of the allowance made for each of the four components of the Outstanding Claims Reserve.

a) Reported Outstanding Claims Reserves (ROCR)

This is the reserve held to offset payments due in respect of claims that have been reported to the insurer but have still not been settled. The reserve can be calculated using:

- I. A case-by-case method based on the opinion of a claims expert
- II. A mixture of statistical methods and case-by-case methods based on the opinion of a claims expert
- III. Statistical Methods

Alternative methods may be used but the assumptions, methodology and results must be properly justified.

Approximations may be used where it can be demonstrated that they result in a higher reserve for Reported Outstanding Claims Reserve or the ROCR is not financially significant.

b) Incurred but not Reported Reserves (IBNR)

The reserve for IBNR represents the loss events which have happened but have not yet been notified to the insurer. The reserve for IBNR can be calculated using -

- I. Statistical methods
- II. Methods based on multiplying the earned premium with an appropriate claims ratio and offsetting claims already paid and Reported Outstanding Claims Reserve.

Alternative methods may be used but the assumptions, methodology and results must be properly justified.

Approximations may be used where it can be demonstrated that they result in a higher reserve for Incurred but not Reported Reserve or the IBNR is not financially significant.

(c) Re-opened Claims Reserve

This is the reserve held to offset payments due in respect of claims that have been previously settled but have now been reopened. The reserve can be calculated using:

- I. A case-by-case method based on the opinion of a claims expert
- II. Based on a mixture of Statistical Methods and case-by-case methods based on the opinion of a claims expert
- III. Statistical Methods

Alternative methods may be used but the assumptions, methodology and results must be properly justified.

Approximations may be used where it can be demonstrated that they result in a higher reserve for Reported Outstanding Claims Reserve or the Reopened Claims Reserve is not financially significant.

EXPENSES

Adequate provision must be made for the costs of settling claims. The costs of settling claims may be implicitly allowed for in the estimates of the outstanding claims reserves or it can be explicitly derived from the experience of the class of business. Allowance must be made for expense inflation.

UNEXPIRED RISK RESERVES

Unexpired Risk Reserves (URR) are that part of the technical reserves held in respect of cover to be granted after the valuation date, where that cover is in respect of policies inception and premiums received prior to the valuation date.

The Unexpired Risk Reserve is made up of:

- The Unearned Premium Reserve (UPR)
- The Additional Reserve for Unexpired Risks (AURR)

Where these reserves cannot be shown separately, the reserving report must outline how the combined reserves were set and comment on the adequacy of the allowance made for each of the two components.

a) Unearned premium Reserve

The unearned premium reserve may be a reserve net of an allowance for deferred acquisition costs or it may be gross with these deferred acquisition costs shown as an asset.

The calculation of unearned premium reserves should consider and comment on the following:

- (i) The incidence of risk over the policy duration
- (ii) The Grouping of base dates e.g. daily, monthly, quarterly or half yearly.
- (iii) The treatment of non-annual premiums

(iv) The choice of base dates e.g. debit of premium, inception of policy

The Unearned Premium Reserve is that part of the premium received prior to the accounting date in respect of cover after the accounting date. The unearned premium should be calculated based on the following -

b) Additional Reserve for Unexpired Risk (AURR)

The Additional Unexpired Risk Reserve (AURR) is the difference between the amounts necessary to cover future outgo arising from exposure to risk after the accounting date in respect of policies incepted and premiums paid prior to the accounting date and the Unearned Premium Reserve i.e. mathematically:

Unexpired Risk Reserve (URR) = Unearned Premium Reserve (UPR) + Additional Reserve for Unexpired Risks (AURR).

The total Unexpired Risk Reserve may be considered as a product of the unearned premium and an appropriate claims ratio. The claim ratio must allow for claims handling expenses.

The Additional Unexpired Risk Reserve is the excess, if any, of the Unexpired Risk Reserve over the Unearned Premium Reserve (net of deferred acquisition costs).

Alternative methods may be used but the assumptions, methodology and results must be properly justified.

Approximations may be used where it can be demonstrated that they

result in a higher reserve for Incurred but not Reported Reserve or the IBNR is not financially significant. Alternative methods may be used but the assumptions, methodology and results must be properly justified.

Approximations may be used where it can be demonstrated that they result in a higher reserve for Incurred but not Reported Reserve or the IBNR is not financially significant.

Form RDI 8

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

QUARTELY RETURNS FOR INSURANCE BROKERS

Name of Broker:

Registration Number:

Type of Business Marketed:

INSURANCE BROKER BUSINESS UNAUDITED QUARTERLY RETURN FOR
THE PERIOD: TO:

REVENUE STATEMENT	Current Quarter	Previous Quarter
	E	E
INCOME		
Commission received		
Commission outstanding		
Interest received		
Fees received		
Other income received		
Less: Directly related interest expenses		
Total Income		
EXPENSES		
Administration Expenses		
Tax paid and outstanding		
Insurance related expenses: specify		
Commission paid and outstanding -agents		
Other Expenses		
Total Expenses		
Profit for the period		

ASSETS & LIABILITIES STATEMENT	Current Quarter	Previous Quarter
	E	E
ASSETS:		
FIXED ASSETS		
Motor vehicles		
Land and buildings		
Computer Equipment		
Office Equipment		

CURRENT ASSETS		
Debtors		
Financial assets of insurance facilities		
Reinsurance assets of insurance facilities		
Insurance related receivables: specify		
Commissions and fees due by insurers		
Other assets		
Cash		
Bank Balances		
Foreign assets		
Total Assets		
EQUITY & LIABILITIES:		
EQUITY		
Share Capital and premium		
Retained earnings		
Other reserves		
Minority interest		
LIABILITIES		
Liabilities of insurance facilities		
Borrowings		
Provisions		
Deferred income		
Insurance related payables		
Creditors		
Provision for deferred tax		
Taxation payable		
Bank Overdraft		

Contingent liabilities		
Other liabilities (specify)		
Current Liabilities		
Total Equity and Liabilities		

CLASSES OF BUSINESS			
	Premiums	Claims	Commission and Expenses
Life Insurance			
Assistance			
Disability:			
Fund			
Death			
Life			
Health			
Sinking Fund			
General Insurance			
Liability			
Motor			
Property			
Transportation			
Guarantee			
Miscellaneous			
Accident and Health			
Engineering			
Workmen's Compensation			

MOVEMENT STATISTICS - ALL		E'000
	Number of Policies and schemes	Policy liabilities
Opening balance of quarter		
New policies issued		
Policies lapsed		
Policies matured		
Policies terminated		
Expiring A Policies		
Disabilities and deaths		
New funds issued		
Funds terminated		
Closing balance of quarter		

PREPARED BY: TITLE:

PRINCIPAL REPRESENTATIVE: DATE:
SIGNATURE

Form RDI 8A

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

INSURANCE BROKERS ANNUAL RETURN

Name of Broker:

Registration Number:

Type of Business Marketed:

**INSURANCE BROKER BUSINESS AUDITED ANNUAL RETURNS
FOR THE PERIOD ENDING:**

INCOME STATEMENT	Current Year	Previous Year
	E	E
Income		
Commission received		
Commission outstanding		
Interest received		
Fees received		
Investment Income		
- Dividends interest		
- Rent		
- Profit sale of assets		
- Fair value gains		
Other income -		
Total Income		
Expenses		
Administration Expenses		
Other Expenses		
Commission paid and outstanding - agents		
Other insurance related expenses		
Tax paid and outstanding		
Total Expenses		
Profit before tax		
Taxation		
Dividends		
Net profit for the -year		

Form RDI 6A continued

BALANCE SHEET	Current Year	Previous Year
	E	E
Assets:		
<i>Fixed assets:</i>		
Motor vehicles		
Land and buildings		
Computer Equipment		
Office Equipment		
Financial assets of insurance facilities		
Reinsurance assets of insurance facilities		
Foreign assets		
Other fixed assets		
Establishment expenses, goodwill, etc. (to be specified):		
<i>Current assets:</i>		
Cash and bank balances		
Interest, dividends and rents outstanding and accrued		
Commissions and fees due by insurers		
Other insurance related receivable		
Debtors		
Other current assets: specify,		
<i>Total Assets</i>		
EQUITY & LIABILITIES:		
Equity		
Share Capital		
Retained earnings		
Other reserves		
Minority interest		

Liabilities		
<u>Current Liabilities</u>		
Deposits held on behalf of insurers		
Bank Overdraft		
Provisions		
Borrowings		
Other insurance related payables		
Creditors and other liabilities		
Contingent liabilities		
Taxation payable		
<u>Non-current liabilities</u>		
Deferred income		
Liabilities of insurance facilities		
Other non-current liabilities		
Total Equity and Liabilities		

PREPARED BY: TITLE:

PRINCIPAL REPRESENTATIVE: DATE:
SIGNATURE

Form RDI 9

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

INSURANCE BROKERS ANNUAL RETURN - CERTIFICATE OF COMPLIANCE

Principal Representative

Insurance broker

Full business address

.....

.....

Hereby certifies -

- 1) that in the period covered by the return, the company has complied with:
 - a) the Insurance Act, 2005, and the Insurance Regulations, 2008;
 - b) all applicable conduct of business rules and codes issued under law
 - c) any condition imposed upon the company's license
- 2) that the accounts have been prepared and deposited in accordance with the law
- 3) that the information included in the return is a full and fair reflection of the business carried on by the company during the period covered by the annual return.

Signed

Position

Date

To be included in the return -

1. A list of the names, addresses or principal places of business, and the places of incorporation of all insurers for which the company has, at any time during the period of return, acted on a continuing basis, whether as an insurance broker or by providing any insurance advice or consultancy services or any administrative services.
2. An authenticated copy of the signed audited accounts of the company
3. A copy of the Auditor's management letter or confirmation that no auditor's management letter is required to be issued.
4. Confirmation of renewal of Professional Indemnity Cover (on expiring terms or otherwise), including exclusion and geographical limitations.
5. Confirmation that all material changes to personnel within the company have been notified to the Registrar.
6. A statement indicating total premiums written, premium paid and premium outstanding to insurers in the period covered by the return. The report must clearly indicate the insurers on whose behalf the business was written.
7. The attached form should be utilised for individual returns per insurer.

REGISTRATION NUMBER

BROKER'S NAME

INSURER'S NAME

INSURER'S REGISTRATION

NUMBER

REPORTING PERIOD

SCALE FACTOR

**Thousands
of
Emalangen**

Class	PR-Bus collected	PR-Bus obtained	Total Premium Bus
House owners/householders			
Commercial motor vehicle			
Domestic motor vehicle			
Travel			
Fire			
Marine			
Aviation			
Mortgage			
Consumer credit			
Accident			
Life			
Property			
Employers' liability:			
Public and product liability			
Other (specify)			

Note: form to be filled in respect of each insurer

Form RDI 10

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

**REGISTRAR'S GUIDELINES FOR QUOTING ESTIMATED MATURITY VALUES
IN RESPECT OF LONG TERM INSURANCE BUSINESS**

- Any person wishing to carry on insurance business in Swaziland shall adhere to the following guidelines. The person shall ensure that all rate books, promotional material, quotations, application forms, advertisements and verbal messages shall comply with this guideline. The insurer shall ensure that any intermediary acting on his behalf shall comply with this guideline.

2. This guideline shall apply to quotations for the purpose of obtaining new business only.

3. Calculation of Projections

- 1) With effect from the commencement of this Act, each insurer shall issue two quotations as follows:

- (a) The first quotation shall use a net rate of return of 12% after tax, management charges and other deductions.
- (b) The second quotation shall use a net rate of return of 9% after tax, management expenses and other deductions.
- (c) For reversionary bonus policies the effective rate of return used to calculate projected values must not be greater than the rate in subparagraph (a).
- (d) Allowance for mortality and morbidity shall be the same rates used in the premium rates for that class of business.
- (e) The allowance for expenses shall be.

1. for recurring premium business

- (i) E80 per annum; plus.
- (ii) 7.5% for 5 year terms reducing by 0.5% for each year to 5% for term of 10 years or more of gross annual premium less expense allowance in subparagraph e (i)(i).
- (iii) plus 25% of the cost of mortality.

2. for single premium policies

- (i) E80 per annum
plus
- (ii) 5% for 1 year term reducing by 1 % for each year to 1 % for terms of 5 years and more of gross single premium less the allowance in e (2)(i) above plus.
- (iii) 25% of the cost of mortality.

4. Guaranteed maturity values

All agreements must state whether the insurer guarantees minimum maturity values and the amount of such guarantee. The rate to be used for guaranteed maturity values must not exceed 4%.

5. Premium escalation must be disclosed

All agreements must state whether the quotation assumes level premiums and if not what the rate of assumed escalation is.

6. Suspected contravention

(1) Any suspected contravention should be brought to the registrar's attention in writing and all details should be given of the suspected contravention.

(2) The registrar will then proceed to investigate the suspected contravention and act in terms of the Insurance Act 2005.

.....
Date

.....
Registrar of Insurance

Form RDI 11

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

COMMISSION SCALES

The following maximum commission scales shall apply. Commissions shall only be payable when the premium is received by the insurer.

LONG TERM INSURANCE BUSINESS

1. Individual life insurance policies

1.1 All recurring premium business

a) First year's commission of:

$3/100 \times n \times p$ subject to a maximum of 75% of p

n = term of policy

p = monthly premium

b) Renewal commission of:

30% of the first year's commission, payable for second year.

1.2 Single premium business.

a) Purchase of annuity

(i) No commission is payable in respect of annuities purchased from a retirement fund if the single premium to be used for such purchase arose from that fund.

(ii) 1 1/2 % of the single premium for all other purchases of annuities.

(b) Term Assurance

(i) 7 1/2 % of the single premium

(c) All other single premium policies

- (i) 2 1/2 % of the single premium

2. Group Life Business

- 2.1 The commission for group life schemes in anyone scheme year shall be the sum calculated using the following table.

Annualised Premium	Percentage commission
First to E90-000	7.5%
Next E70-000	5%
Next E160-000	3%
Next E660-000	2%
balance greater than E1-000-000	1 %

3. Any other Life Business

- 3.1 12.5% of the annual premiums

SHORT TERM INSURANCE BUSINESS

4. Maximum commission payable in respect of short term insurance business

- 4.1 The commission payable in respect of short term insurance business shall not exceed:

- i) 12.5% of the premium payable in respect of a motor policy.
- ii) 5% of the premium payable in respect of Workman's Compensation Business.
- iii) 20% of the premium payable in respect of any other short term policy.

GENERAL

5. Reversal of short term commission.

- 5.1 If all or part of a premium is refunded by an insurer in respect of short term insurance business, then the commission paid in respect of that premium or part of that premium refunded, shall be paid back to the insurer by the person to whom the commission is paid.
- 5.2 The repayment of commission contemplated in subparagraph 5.1 shall be made within 60 days of the insurer having informed the person to whom the commission was paid.

6. Commission applicable to combination of short term policies

- 6.1 The commission payable in the case of a policy which is a combination of short term policies shall be the sum of the commission payable in respect of each kind of policy and if the premium for each kind of policy making up the combination is not separately determinable, then the lowest commission scale that would have applied if each kind of policy had been entered into separately shall apply.

7. Reversal of commission for long term insurance

7.1 If a premium due under a long term insurance policy is not paid and if the insurer has terminated all his obligations under the policy then the maximum commission that the insurer shall be liable for shall be according to subparagraph 7.4 below.

7.2 The provision of subparagraph 7.1 shall not apply in the event where the premium has ceased to be payable due to a health event, death event or disability event which was defined as a risk in the policy.

7.3 Any commission that is in excess of the amount for which the insurer is liable in terms of subparagraph 7.1 and which has been paid shall be refunded to the insurer by the person to whom the commission was paid.

The percentage commission contemplated in subparagraph 7.1 that an insurer shall be liable for is as follows:

Equivalent monthly premium received	Maximum percentage of primary commission payable	Maximum percentage of secondary commission payable
0 -6 months	Nil	N/A
7.00	8.3	N/A
8.00	16.7	N/A
9.00	25.0	N/A
10.00	33.3	N/A
11.00	41.7	N/A
12.00	50.0	N/A
13.00	58.3	8.3
14.00	66.7	16.7
15.00	75.0	25.0
16.00	83.3	33.3
17.00	91.7	41.7
18.00	100.0	50.0
19.00	100.0	58.3
20.00	100.0	66.7
21.00	100.0	75.0
22.00	100.0	83.3
23.00	100.0	91.7
24.00	100.0	100.0

.....
DATE

.....
REGISTRAR OF INSURANCE

Form RDI 12

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE TABLE OF FEES

1. Fees specified in this directive are payable to the Registrar for the purposes specified therein.
2. Fees are payable by cheque, postal order or money order drawn in favour of the Registrar of Insurance.

3. The fees are payable as follows:

- (a) Application fees are payable on the lodgement of the application.
- (b) Document fees are payable on the lodgement of the document and
- (c) Annual licence fees are payable on or before the 15th March of each year following the year in which an application was approved.

Item	Fees
a) Application fee (insurer)	E 2-000
b) Registration fee (insurer)	E10-000
Application fee (additional class of insurance)	E 2-000
Registration fee (amended license -insurer)	E 1-000
c) Application fee (broker)	E 1-000
d) Registration fee (broker)	E 2-000
e) Renewal fee (broker)	E 1-000
f) Registration fee (agent)	E 500
g) Renewal fee (Agent)	E 200
h) Registration fee (auditor)	E 500
i) Renewal fee (auditor)	E 200
j) Registration fee (valuator)	E 500
k) Renewal fee (valuator)	E 200
l) Application for change of name of an insurer	E 300
m) Reissue of lost document	E 200
n) Issue of a photostat of a public document	E 20 per page
o) Application for removal from circular RDI 10	E 500
p) Application fee(Investment manager)	E 1-000
q) Registration fee (Investment manager)	E 2-000
r) Renewal fee (Investment manager)	E 1-000
s) Complaints handling fee (Adjudicator)	E 1-000
t) Complaints handling fee (Registrar)	E 1-000
u) Complaints handling fee (Insurance Board)	E 1-000

.....
DATE

.....
REGISTRAR OF INSURANCE

Form RDI 13

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE
PERSONS PROHIBITED FROM CARRYING ON INSURANCE BUSINESS

The practices of the following persons were investigated by the Office of the Registrar and, having deemed their action to be harmful to the public interest and to the good name of the insurance industry, I have obtained an injunction from the High Court to prohibit such persons from carrying on insurance business and publish below their names for public information.

Natural persons

Name

Identity number

Juristic persons

Name

Date

Registrar of Insurance

Form RDI 14

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF FINANCE
CODE OF CONDUCT FOR INSURANCE BROKERS

This Directive sets out the Code of Conduct for insurance brokers offering insurance services and advice to the members of the public in the Kingdom of Swaziland.

The members of the public seeking financial advice not only rely on a financial advisors expertise but also expect a high standard of professionalism and integrity from an advisor. In order to support these standards, advisors must uphold the following Code of Conduct in all their relationships with members of the public, other advisors, employees as well as insurers and any other parties supplying a service to the public.

1. Knowledge and Skills

1. A broker is obliged to maintain a high level of professional knowledge and skill in order to advise clients in accordance with all relevant laws as well as appropriate technical and professional practice and standards.
2. A broker will only provide advice in those areas/subject in respect of which he/she is technically and professionally qualified unless advice and assistance is obtained from a competent practitioner in those areas.

2. Conduct

1. In all dealings with the public, a broker will act with integrity, professionalism and good faith.
2. An advisor will apply his/her knowledge and skills to provide a client with those products and services which will best fulfil that clients particular needs, with specific reference to:
 - (a) the client's personal financial circumstances and
 - (b) existing provision, and
 - (c) the client's ability to afford the product or service concerned.

The client's needs must be determined by means of a thorough analysis of the client's applicable affairs.

3. In order to retain the integrity of the broker the clients should be made aware of the broker's financial interest in what he is advising him to do. All fees and commissions are to be fully disclosed to clients.
4. A broker should be free of any conflict of interest which might detract from objectivity. Where a potential conflict of interest may occur this must be disclosed at the earliest opportunity to the client.
5. A broker will keep a written record of all recommendations in respect of products and/or services and the facts on which those recommendations are based. Such records must be available to the client on demand.
6. A broker will at all times treat information given to him as confidential, and under no circumstances disclose information unless given authority to do so or unless there is a legal duty to do so, nor shall information be used for personal or a third party's financial gain.
7. A broker will not pass unfair or unjust criticism of any product which currently forms part of the client's portfolio and will not pass any unfair or unjust criticism of or make unfair comparisons with the product and/or service offered by other persons or institutions.
8. Should any product or service be marketed to a client, the advantages as well as limitations of the relevant product, or service which is marketed, must be explained to the client so that the client can make an informed decision regarding the product or service.
9. Should a broker receive any money and/or funds from any client, whether in the form of cash, cheque, postal order, etc., on behalf of another party, adequate records will be kept of the receipt of such funds and within 30 days the funds must be paid over to the party for which they are intended.
10. A broker shall refrain from conduct resulting in the inclusion of his name on Circular RDI 11.
11. A broker's conduct should be of such a nature as to promote the benefits of the client.
12. Should an advisor's conduct be in contravention of this Code, he shall be guilty of an offence and the registrar may also act against the broker in terms of section 18 and or section 114 of the Act.
13. A broker shall ensure that he is familiar with the provisions of the Insurance Act and shall not wilfully act in contravention of the Act.

3. Procedure for obtaining client information

1. In order to maintain and protect the confidentiality of client information, formal process will be followed by the broker when obtaining quotations and benefit payments.
2. When approaching any person for client information, the broker must ensure that he has a valid letter of authority from the client he claims to represent. No information may be requested without such authorisation.

 Date

 Registrar of Insurance

Form RDI 15

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF INSURANCE
LEVIES PAYABLE BY INSURERS AND INTERMEDIARIES

(1) In terms of Regulation 12, the following levies shall be payable to the Registrar of Insurance in each year-

Short-term levy	:	1.25 % Gross Premium less gross commission
Long-term levy	:	0.07 % of Assets
Brokers levy	:	1.25 % of Commission
Agents	:	1.25 % of Commission
Investment Managers	:	1.25 % of fee income

(2) The fees are based on the following:

- Short term insurance business -levy is based on current year gross written premium less commission.
- Long term insurance business -levy is based on total assets per balance sheet.
- Brokers and agents -levy based on commission
- Investment managers -levy based on the investment fee income for the management of investments of insurers

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF INSURANCE
VALUATION OF THE ASSETS OF AN INSURER

For the purpose of the Act the value of an insurer's assets shall be determined in accordance with International Financial Reporting Standards (IFRS).

DATE

REGISTRAR OF INSURANCE

SANDILE C. DLAMINI
REGISTRAR OF INSURANCE AND RETIREMENT FUNDS

30 April, 2008

LEGAL NOTICE NO. 54 OF 2008

THE INSURANCE ACT, 2005
(Act No.7 of 2005)

THE INSURANCE REGULATIONS, 2008
(Under Section 118)

In exercise of the powers conferred by section 118 of the Insurance Act, the Minister hereby makes the following Regulations -

Citation and Commencement

1. These Regulations may be cited as the Insurance Regulations, 2008, and shall come into force on the 1st day of May, 2008.

Short Title and Interpretation

2. In these regulations, unless the context otherwise requires -

"Act" means the Insurance Act, 2005;

"Assets" means the total approved assets kept by an insurer and invested in terms of prescribed investment guidelines including total assets as per the balance sheet;

"Capital adequacy requirements" means requirements in terms of the amounts and suitable forms of capital that should enable an insurer to absorb significant unforeseen losses as determined by the Registrar in terms of these Regulations;

"Calendar quarter" means the three months ending March, June, September and December;

"Circular" means a notification issued by the Registrar instructing or advising the industry on matters related to the industry and any changes to such notices previously issued by the Registrar in terms of the Act;

"Directive" means an instruction issued and published in the Gazette by the Registrar to the industry stipulating and regulating the conduct of the industry;

"Financial statements" means audited accounting records of an insurer compiled on an annual basis;

"Investment manager" means a person or institution that provides investment management services and includes an asset manager;

"Liabilities" means total liabilities of an insurer consisting of general liabilities and policy liabilities;

"Market conduct standards" means governing standards relating to the business and general conduct of an insurer, a broker or another participant in the market;

"Market Value" means the value of an insurer's assets as determined in terms of these Regulations;

"Principal Representative" means a person appointed pursuant to section 8 of the Act;

"Prudential Standards" means sound and judicious requirements relating to the financial ability of an insurer to meet its obligations under any unforeseeable circumstance;

"*Quarterly Returns*" means un-audited accounting records of an insurer compiled at the end of each calendar quarter;

"*Scheme*" includes any plan, programme of action, scheme of arrangement, merger, transfer or amalgamation of insurance business; and

"*Undesirable business practice*" means any practice of an insurer, a broker or an agent, which may be considered by the Registrar to be harmful to the good name of the insurance industry.

Application for registration/renewal of registration as an insurer

3. (1) The principal representative of a public company wishing to carry on insurance business in Swaziland shall apply for registration using form SIAI of schedule 5 which shall be accompanied by -

- (a) a letter of the appointment of the principal representative as such; and,
- (b) the particulars referred to in form SIA 1A.

(2) The principal representative of a registered insurer wishing to carry on a class of business not currently authorised by the insurer's license shall apply using form SIA 1B of schedule 5 which shall be accompanied by -

- (a) a detailed statement of assets and liabilities of the insurer; and,
- (b) such proposals as to the manner in which the applicant proposes to carry on the business, and such financial forecast and other documents and information as the registrar may require.

(3) An application for renewal of an insurance licence in Swaziland shall be made using form SAI IC of schedule 5.

(4) Where the public company wishing to carry on insurance business in Swaziland is a subsidiary of a foreign insurer, the applicant shall, in addition to the requirements of paragraph (1) be accompanied by -

- (a) the audited financial statements in respect of the foreign insurer's last preceding financial year as submitted to the appropriate supervisory authority in accordance with the law relating to insurance in the country in which the foreign insurer's head office is situated;
- (b) a copy of a report of an actuary on the last investigation into the foreign insurer's financial position in which a valuation of its liabilities was made as submitted to the supervisory authority in accordance with the law in which the foreign insurer's head office is situate;
- (c) a certificate signed by the supervisory authority responsible for the enforcement of the law relating to insurance companies in the country in which the foreign insurer's head office is situated, indicating whether the applicant has consistently and is complying with that law; and,
- (d) a scheme for the transfer of any insurance business written in Swaziland by the foreign insurer to the applicant.

(5) The Registrar may in his discretion require the information referred to in paragraph (2) to be provided by the applicant in respect of any foreign insurer which has a financial interest in the applicant.

(6) The classes of business that anyone wishing to carry on insurance business may apply for are:

- (a) in case of short-term insurance business, as listed in terms of schedule 1; or,
- (b) in case of long-term insurance business, as listed in terms of schedule 2

(7) Subject to section 7(2) and (3) of the Act anyone applying for registration as an insurer shall have capital that meets the requirements of the prudential standards as set out in the directives and circulars issued by the Registrar from time to time.

(8) If the Registrar is satisfied that all the requirements of the Act and these regulations have been complied with he shall issue a certificate using form SIA 2 of schedule 5.

(9) A licence issued in terms of this Regulation shall be renewable annually.

(10) An insurer who fails to renew a licence shall pay, in addition to any renewal fee imposed under these Regulations, a penalty of E5-000 for each day during which the insurer continued to operate without a licence.

Application for approval of auditor

4. (1) An application for approval of an auditor shall be made using form SIA 3 of schedule 5.

(2) If the Registrar is satisfied that the appointment of the auditor is not against the policyholders' interest he shall issue a certificate approving the appointment of the auditor using form SIA 4 of schedule 5

Application for approval of and investigations by a valuator

5. (1) An application for approval of a valuator shall be made using form SIA 5 of schedule 5.

(2) If the Registrar is satisfied that the appointment of the valuator is justified and is not against the policyholders interest he shall issue a certificate approving the appointment of the valuator using form SIA 6 of schedule 5.

(3) Every long term insurer shall, at least once a year, cause its financial condition to be investigated and reported upon by a valuator, and shall deposit a copy of such a report with the registrar.

(4) The report of the valuator referred to in sub-regulation (3) shall be in accordance with the standards as set by the Actuarial Society of South Africa.

(5) Such investigation shall be made in respect of the position as at the expiry of each financial year, and such report shall be deposited with the registrar within twelve months from the close of that year.

Professional Indemnity and Fidelity Guarantee for Investment/Asset Managers

6. (1) A person who has no professional indemnity insurance and fidelity guarantee cover is prohibited from managing and investing assets on behalf of an insurer.

(2) An application for the approval of an investment or asset manager shall be made using form SIA 7 of schedule 5.

(3) If the Registrar is satisfied that the requirements on form SIA 7 and of the Act and these regulations have been complied with, the Registrar shall approve, register and issue the investment or asset manager with a certificate using form SIA 8 of schedule 5.

(4) Every investment or asset manager shall furnish the Registrar with a guarantee protecting the assets that it manages or invests on behalf of an insurer.

(5) The amount of the fidelity guarantee shall be not less than E 6,000,000, and if the guarantee is in the form of an insurance policy, it shall be ceded to the Registrar as a sole beneficiary.

(6) The amount of professional indemnity insurance shall not be less than E6,000,000 and shall be determined by, and be sufficient to cover for, the amount of the assets managed and invested by the investment or asset manager on behalf of an insurer.

(7) If the Registrar is aware that, in respect of any policy that has been ceded to the Registrar as a fidelity guarantee, the investment or asset manager is not performing or is negligent in performing its obligations under the policy which may result in the policy being void, the Registrar shall act against the investment or fund manager in order to ensure compliance and may require him to submit guarantees in the form of securities.

(8) The Minister may, on recommendation by the Registrar, from time to time revise this amount in terms of the prudent standards.

Prohibition against Insurer's share holding in a broker or agent

7. An insurer, any subsidiary of an insurer or any director of an insurer, shall not, directly or indirectly hold shares in the affairs of a broker or insurance agent.

Application for change of name

8. (1) An application for change of name shall be made using form SIA 9 of schedule 5.

(2) If the Registrar is satisfied that the change of the name applied for is not against the policyholders' interest he shall issue a certificate of change of name using form SIA 10 of schedule 5.

Application for amalgamation/scheme of arrangement /merger/take over/transfer of insurance business

9. (1) An application to amalgamate, merge, take over, scheme of arrangement, transfer one or more insurers, or otherwise to transfer insurance business from one insurer to another shall be made using form SIA 11 of schedule 5.

(2) Where an insurer that is a party to the amalgamation is a life insurer, or the business to be transferred includes life insurance business, each insurer concerned shall send each of its life policy holders -

- (a) a statement of the nature of the amalgamation or transfer indicating the benefits to the policy holder;
- (b) a summary of the material facts in the agreement for the amalgamation or transfer;
- (c) an abstract of each actuary's reports lodged with the Registrar; and,
- (d) an address at which copies of the documents lodged with the Registrar may be inspected.

(3) Where an insurer to be amalgamated conducts general insurance business, or where general insurance business is to be transferred, the insurers concerned shall send to the holders of policies other than life policies -

- (a) a written statement lodged with the Registrar, of the nature of the proposed amalgamation; and
- (b) written notices of an address at which a copy of the documents lodged with the Registrar may be inspected.

(4) If the Registrar is satisfied that policy holders or the insurance industry will not be disadvantaged by the amalgamation or transfer, he shall issue a certificate approving the amalgamation or transfer using form SIA 12 of schedule 5.

(5) After an insurer has complied with the scheme of amalgamation, the provisions of the Companies Act and any other provisions of the law as may be applicable, the scheme shall be lodged with the Registrar together with any other documentation required by him for the approval of the scheme.

(6) On receipt of the requisite evidence, the Registrar shall carry out an onsite inspection to ensure compliance with the provisions of these Regulations and the Act and as the case may be -

- (a) revoke the licence of a dissolved insurer, suspend or deregister the Insurer; or
- (b) issue a licence to an amalgamated company as an insurer from the date of the amalgamation and approve any necessary licence amendments so as to authorize the transferee of any insurance business to engage in the appropriate classes of insurance business.

(7) If an amalgamation, take over, merger or transfer has taken place in terms of this regulation and the Act, the owner of a policy shall no longer have any claim against the transferor or dissolved insurer, as the case may be.

Submission of financial statements and returns

10. (1) Every insurer shall, within 3 months of the expiry of his financial year, submit to the Registrar -

- (a) a detailed income statement of his business using-
 - (i) form SIA 13 of schedule 5 for long term insurers; or
 - (ii) form SIA 13A of schedule 5 for short term insurers;
- (b) a detailed balance sheet of his business using -

- (i) form SIA 14 of schedule 5 for long term insurers; or
- (ii) form SIA 14 A of schedule 5 for short term insurers; and
- (c) financial statements prepared in accordance with International Financial Reporting Standards and audited in accordance with International Standards on Auditing.

(2) An insurer who contravenes sub regulation (1) shall be liable to a minimum administrative penalty to be imposed by the Registrar of thirty thousand Emalangeni (E30,000) plus an additional fine of fifteen thousand (E15-000) in respect of each day in which the offence continues.

Quarterly Returns

11. Every insurer shall within 30 days of the end of each calendar quarter submit to the Registrar a detailed unaudited quarterly return of his business using form SIA 15 of schedule 5 for long term insurance business and form SIA 15A of schedule 5 for short term insurance business.

Guidelines for the investment of insurer's assets

12. (1) Every insurer shall ensure that its assets are invested in a manner that complies with the criteria in Schedules 3 and 3A.

(2) Every insurer shall ensure that all assets acquired in Swaziland are deposited or invested through a locally registered institution or entity operating and administering assets in Swaziland and elsewhere in terms of Schedule 4.

(3) After the expiry of a period of 12 months after the commencement of this Act, every insurer shall ensure that a part of its assets as prescribed by the Minister in Schedules 3 and 3A is invested in the Kingdom of Swaziland.

(4) The Registrar shall, in his discretion, determine whether the assets kept by an insurer to comply with the provision of subparagraph (2) are acceptable and the Registrar may order an insurer to dispose of any of those assets if he does not consider suitable.

(5) Assets invested in a manner, which amounts to a scheme or arrangement or in the Registrar's opinion amounts to a scheme or arrangements for circumventing the provision of paragraph (2) shall not be considered acceptable assets.

(6) The assets of an insurer shall only be invested and managed by an institution in or originating in one or more of the countries listed in Schedule 4 which may be revised by the Registrar from time to time.

(7) Any institution which falls outside the authorisation contained in sub-paragraph (6) may apply to the Registrar for a special dispensation allowing it to invest and manage insurance assets.

(8) Any institution which manages or invests an insurer's assets, and is not authorised to do so, commits an offence and shall on conviction be liable in terms of the general penalties section 114 of the Act.

(9) An insurer shall satisfy itself that an institution is authorised in terms of subparagraph (9) before transferring any assets to that institution.

(10) Any person who acts contrary to the provision of paragraph (8) commits an offence and shall, on conviction, be liable to the general penalty in section 114 of the Act.

(11) The Registrar, in consultation with the Board, may amend these guidelines from time to time in line with prudential standards.

Inspections

13. The Registrar may, in the exercise of his functions, from time to time, conduct onsite inspections of the operations and affairs of any institution licensed under the Act.

Registrar's directives

14. (1) The Registrar in consultation with the Insurance Board may issue any directive in terms of section 118(2) of the Act, which shall be enforceable in a court of law.

(2) A person who acts in contravention of the Registrar's directives commits an offence and shall on conviction be liable to a penalty as contemplated in section 114 of the Act.

(3) The Registrar is hereby empowered by the Minister to issue directives prescribing the -

- (a) Registrar's guidelines for soliciting insurance business;
- (b) commission payable by insurers to Intermediaries;
- (c) statutory fees payable to the Office of the Registrar;
- (d) persons prohibited from carrying on insurance business;
- (e) code of conduct for insurance brokers;
- (f) levies payable by insurers and pension funds and Brokers;
- (g) undesirable business practices;
- (h) valuation of an insurer's assets;
- (i) code of conduct for insurers;
- (j) registration requirements (insurers, brokers and agents);
- (k) prudential standards and requirements;
- (l) market conduct standards and requirements; or
- (m) good corporate governance standards and practices.

Prohibition of reinsurance outside Swaziland

15. An insurer may not reinsure with any other insurer who is not registered in terms of the Act unless -

- (a) all possible reinsurance options in Swaziland have been exhausted; and,
- (b) the insurer has satisfied the registrar in writing that all possible reinsurance options or part thereof have been exhausted; and,

if the Registrar is satisfied that the insurer has met the requirements of this regulation, he shall, in writing grant the insurer, permission to reinsure outside Swaziland in the countries listed in schedule 4 and shall forthwith notify the registrar in writing within 30 days.

Prohibition on financial statements and returns in respect of reinsurance

16. The Registrar may prohibit an insurer from recognizing in its financial statements or returns any asset or any reduction of liabilities, or require that the amounts thereof be varied, in respect of reinsurance, any arrangement having the effect of reinsurance, or any other arrangement with another insurance company if, in the opinion of the Registrar -

- (a) there is a significant possibility that the insurer's counterparty or counterparties under such reinsurance or other arrangement may default on their obligations there under; or
- (b) the default of the insurer's counterparty or counterparties under such reinsurance or other arrangement would significantly increase the risk that the insurer is or is likely to be unable to meet its liabilities.

Complaints handling procedure

17. (1) A person wishing to lodge a complaint in terms of the Act against any person or persons in the industry, including the Registrar, relating to a power conferred or a duty imposed on the Registrar by or under the Act, shall submit such complaint in writing to the person or persons against whom the complaint is being made and shall send a copy thereof to the Registrar.

(2) A complaint shall be properly considered by the person against whom it has been lodged and replied to in writing within (30) days after the receipt thereof.

(3) If the complainant is not satisfied with the reply contemplated in paragraph (2) or if there is no response within 30 days after the lodging of the complaint the complainant may lodge a formal complaint with the Registrar, Insurance Board or the Adjudicator as the case may be.

(4) A formal complaint shall be attested to by the complainant under oath and shall specify the nature of the complaint using Form 1 of Schedule 6.

(5) A formal complaint shall be accompanied by supporting documents and be as near as may be in accordance with Form 1 of Schedule 6.

General Penalties

18. (1) A person who -

- (a) alters a certificate issued in terms of the Act or displays any such certificate that has expired, commits an offence and shall on conviction be liable to a fine not exceeding E2-000 or a term of imprisonment not exceeding 1 year;
- (b) fails to renew broker's license commits an offence and shall on conviction be liable to a fine not exceeding E 1 00-000;
- (c) fails to display license commits an offence and shall on conviction be liable to a fine not exceeding E15-000;

- (d) fails to comply with a corrective instruction issued by the Registrar commits an offence and shall on conviction be liable -
 - (i) in the case of an insurer to a fine not exceeding E50-000; or -
 - (ii) in the case of a broker or agent to a fine not exceeding E20-000.
 - (e) fails to comply with a directive issued by the Registrar commits offence and shall on conviction be liable -
 - (i) in the case an insurer to a fine not exceeding E 100-000; or
 - (ii) in the case of a broker or agent to a fine not exceeding E50-000; or,
 - (f) fails to file any return as provided for in the Act, these Regulations or the Directives, shall be liable to a minimum penalty, if not specifically provided for elsewhere, ten thousand emalangeni (E10-000) plus an additional fine of five thousand (E5-000) in respect of each day in which the offence continues.
- (2) The Registrar may recover cost related to investigations and litigation against an insurer or broker who is convicted of an offence under this Act or these Regulations.

Schedule 1

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CLASSES OF BUSINESS OF SHORT-TERM INSURANCE BUSINESS

1. Liability insurance business which means a contract in terms of which a person, in return for a premium, undertakes to provide policy benefits if an event contemplated in the contract as a risk relating to the incurring of a liability occurs in case of -

- (a) Marine -liability for ships for damages arising from or in connection with the use of vessels at sea or on inland waters, including third party risks and carriers liability, and against the risk of pecuniary loss to the person insured in case of incurring of legal costs (including costs of litigation);
- (b) Aviation -liability for aircraft for damages arising from or in connection with the use of aircraft, including third party risks and carriers liability and aerodrome liability, and against the risk of pecuniary loss to the person insured in case of incurring of legal costs (including costs of litigation);
- (c) Commercial Lines -liability for motor vehicles for damages arising from or in connection with the use of vehicle, excluding railway rolling stock, but including third party risks, carriers liability and risk of pecuniary loss to person insured due to incurring legal (including litigation costs);
- (d) Miscellaneous -general liability against risks other then risks covered aviation, marine and commercial lines and personal lines of a person insured incurring liability to third parties;
- (e) Personal Lines -insurance contracts primarily designed to cover the interests of any natural person against -

- (i) liability for motor vehicles for risks arising from the use and possession of such vehicle, third party risks, passengers liability and the risk of pecuniary loss to the person insured in case of the incurring of legal costs (including litigation costs); or,
- (ii) other risks, not being risks associated with motor vehicle risks, of the person insured incurring liability to third parties

2. Motor insurance business -means the business whereby an insurer undertakes in return for a premium to provide policy benefits if an event contemplated in the contract as a risk relating to the use, possession or ownership of a motor vehicle occurs in case of:

- (a) Commercial Lines -Land vehicles -insurance contracts against loss of or damage to vehicles used on land, including motor vehicles, but excluding railway rolling stock
- (b) Personal Lines -insurance contracts primarily designed to cover the interests of any natural person against loss of or damage to any motor vehicle used on land

3. Property insurance business -means a business in terms of which a person, in return for a premium undertakes to provide policy benefits if an event, contemplated in the contract as a risk and related to the use, ownership, loss or damage to movable or immovable property occurs in case of:

- (a) Fire -Fire and natural forces -insurance contracts against loss of or damage to property other than aircraft, marine, goods in transit and property covered under Personal Lines as a result of fire and natural forces
- (b) Aviation -Aircraft -insurance contracts to cover aircraft or the machinery, tackle, furniture or equipment of the aircraft
- (c) Marine -Ships insurance contracts to cover upon vessels used at sea or on inland waters or upon the machinery, tackle, furniture, equipment
- (d) Miscellaneous -
 - (i) Damage to property -insurance contracts against loss of or damage to property other than property covered under fire, aviation, marine and personal lines as a result of any event.
 - (ii) Expropriation and confiscation of property -insurance contract against loss of or damage to property or risks of loss as a result of expropriation or confiscation.
 - (iii) Personal Lines -insurance contracts primarily designed to cover the interests of any natural person against loss or damage to immovable and movable property as well as specified property as a result of fire, explosion, storm, water and certain natural forces, excluding the risks riot, strike, war and nuclear energy, accidental incident or any other unforeseeable event;

4. Transportation insurance business -means a business in terms of which a person, in return for a premium, undertakes to provide policy benefits if an event contemplated in the contract as a risk relating to the possession, use or ownership of a vessel, aircraft or other craft for the conveyance of goods by air, land or water, or to the storage, treatment or holding of goods so conveyed or to be so conveyed occurs in case of:

Schedule 1 continued

- (a) Goods in transit -insurance contract against loss of or damage to merchandise, baggage or any other goods in transit by any means of conveyance;
 - (b) Railway rolling stock -insurance contracts against loss of or damage to railway rolling stock; and,
 - (c) Marine -Ships insurance contracts to cover cargo transported by vessels.
5. Accident and Health insurance business -means a business in terms of which, in return for a premium, a person undertakes to provide policy benefits in case of a disability event, health event or death event:
- (a) Miscellaneous
 - (b) Personal Accident -Insurance contracts providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both) against risks of the person insured -
 - (i) sustaining injury as a result of any accident or an accident of a specific class;
 - (ii) dying as a result of any accident or an accident of a specific class;
 - (iii) becoming incapacitated as a result of any disease or a disease of a specific class, including industrial injury and occupational disease.
 - (c) Sickness -insurance contracts providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both) against risks related to sickness or infirmity
 - (d) Personal Lines -insurance contracts primarily designed to cover the interests of any natural person against risks of the person insured -
 - (i) sustaining injury as a result of any accident or an accident of a specific class;
 - (ii) dying as a result of any accident or an accident of a specific class; or,
 - (iii) becoming incapacitated as a result of any accident or disease and providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both).
6. Engineering insurance business -means a business whereby an insurer in return for a premium promises to pay a policy benefit on the occurrence of an event specified as a risk in relation to:
- (a) the possession, use or ownership of machinery or other equipment other than a motor vehicle in the carrying on of a business;
 - (b) the construction of any structure or other works;
 - (c) the installation of machinery or equipment; or,
 - (d) and shall include a reinsurance policy in respect of such a policy;

Schedule 1 continued

7. Guarantee insurance business -means the business whereby an insurer undertakes, in return for a premium to assume responsibility for payment of the debts of any person or to make good any obligations of that person in the event of the failure of that person to pay his debts or make good his obligations in case of:

- (a) Contracts against risks of loss to the person insured in case of such person entering guarantee contracts;
- (b) Contracts of fidelity bonds, performance bonds, administration bonds, bail bonds or custom bonds or similar contracts of guarantee; or,
- (c) Credit -contract against risks of loss to the person insured in case of insolvency of any debtor of such person or from the failure (other than through solvency) of any such debtor to pay his or her debt when due and payable.

8. Miscellaneous insurance business -means a business in terms of which a person, in return for a premium, undertakes to provide policy benefits if an event contemplated in the contract as a risk relating to any matter not otherwise defined in this Act occurs in case of:

- (a) Fire -Miscellaneous financial loss insurance contracts against any of the following risks:
 - (i) risks of loss to the person insured in case of business interruptions and reduction of scope of business;
 - (ii) risks of loss to person insured in case unforeseen expenses;
 - (iii) risks not covered in subsections (b) (i) or (ii) as well as those that will result in the insurer to register another class of business
- (b) Legal expenses -insurance contracts against risks of loss to the person insured in case of incurring of legal costs (including litigation costs)
- (c) Co-insurance -insurance contracts in respect of one or more of the other classes of short-term insurance business specified in this schedule.; and,
- (d) Any other desirable class of insurance business approved by the Registrar from time to time.

9. Workman's Compensation insurance business -means the business of providing compensation where compensation is as defined in the Workman's Compensation Act, 1983.

10. Funeral insurance business -means the business of providing or undertaking to provide funeral benefits as a supplementary benefit under another class of policies.

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CLASSES OF BUSINESS OF LONG - TERM INSURANCE BUSINESS

1. Fund insurance business -means the business of providing or undertaking to provide policy benefits under fund policies.
2. Life insurance business -means the business of providing or undertaking to provide policy benefits under life policies.
3. Funeral insurance business -means the business of providing or undertaking to provide policy benefits under funeral policies.
4. Sinking fund policies -means a contract other than a life in terms of which a person in return of a premium, undertakes to provide one or more sums of money on a fixed or determinable future date as policy benefits and includes reinsurance policy in respect of such a contract.
5. Accident and Health insurance business -means a business in terms of which, in return for a premium, a person undertakes to provide policy benefits in case of a disability event, health event or death event -
 - (a) Personal Accident -Insurance contracts providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both) against risks of the person insured -
 - (i) sustaining injury as a result of any accident or an accident of a specific class;
 - (ii) dying as a result of any accident or an accident of a specific class; or,
 - (iii) becoming incapacitated as a result of any disease or a disease of a specific class, including industrial injury and occupational disease, but excluding contracts referred to in subsection;
 - (b) Sickness -insurance contracts providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both) against risks related to sickness or infirmity
 - (c) Personal Lines -insurance contracts primarily designed to cover the interests of any natural person against risks of the person insured -.
 - (i) sustaining injury as a result of any accident or an accident of a specific class;
 - (ii) dying as a result of any accident or an accident of a specific class; or,
 - (iii) becoming incapacitated as a result of any accident or disease and providing fixed pecuniary benefits or benefits in the nature of indemnity (or a combination of both).
6. Miscellaneous -means a business in terms of which a person, in return for a premium, undertakes to provide policy benefits if an event contemplated in the contract as a risk relating to

Schedule 2 continued

exempt policies and to any matter not otherwise defined in this Act occurs.

7. Assistance Policy -means a life policy including funeral policy whereby the insurer undertakes in return for a premium to provide a lump sum payment not exceeding in total an amount prescribed not exceeding E50-000, by the Minister by regulation in respect of all policies of that class in the name of the insured, underwritten by the insurer on the death of the insured person.

8. Exempt Policy -means any long-term insurance policy contracted to prior to the Act and any long-term insurance policy for which an exemption certificate has been issued in terms of the Act.

Schedule 3

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

LOCAL INVESTMENT CRITERIA FOR LONG TERM INSURANCE
BUSINESS

Every long-term insurer shall ensure that at least 30% of its assets at market value are invested over a period of 3 years in increments of 10% in respect of the first year, 20% in respect of the second year and 30% in respect of the third year, in the Kingdom of Swaziland as follows -

10% with effect from 1st November, 2007;

20% with effect from 1st November, 2008; and

30%. with effect from 1st November 2009.

Every insurer shall ensure that the assets of the company shall be invested in a manner which is in accordance with the following guidelines -

Item	Categories or kinds of assets	Maximum percentage of aggregate market value of total assets of insurer
1.	Deposits and balances with a registered deposit-taking institution including negotiable deposits, and money market instruments in terms of which such an institution is liable, paid-up shares of a mutual building society	50%
	(i) Per bank	10%
	(ii) Per mutual building society	30%
2.	Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by -	100%
	(i) a local authority authorised by laws to levy rates upon immovable property -Per local authority	5%

Item	Categories or kinds of assets	Maximum percentage of aggregate market value of total assets of insurer
	(ii) Swaziland Water Services Corporation	30%
	(iii) Swaziland Electricity Company	30%
	(iv) Swaziland Posts and Telecommunications Corporation	30%
	(v) Any parastatal in which the government has a major shareholding	10%
	(vi) Government Bonds	100%
	(vii) Central Bank -treasury bills (long-term)	40%
4.	Immovable Property secured by mortgage bonds	15%
5.	Units in unit trust schemes in property shares and shares in, loans to and debentures, both convertible and non-convertible, of property companies:	30%
6.	Investment in a single property or property development project	20%
7.	Preference and ordinary shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsorily convertible and units in equity unit trust schemes whose objective is to invest their assets mainly in shares. These investments are subject to the following limitations:	75%
	(i) Unlisted shares, unlisted convertible debentures and shares and convertible debentures listed in the Development Capital Sector	5%
	(ii) Shares and convertible debentures in a single listed company other than the Development Capital Sector:	
	(a) With a market capitalisation of E150 million or less	10%
	(b) With a market capitalisation of more than E150 million	15%
8.	Listed and unlisted debentures, units in a unit trust scheme with the objective to invest in income generating securities:	25%
9.	Any other assets not referred to in this Schedule excluding money in hand approved by the Registrar	2%

Schedule 3

LOCAL INVESTMENT CRITERIA FOR SHORT TERM INSURANCE BUSINESS

Every short-term insurer shall ensure that at least 30% of its assets at market value are invested over a period of 3 years in increments of 10% in respect of the first year, 20% in respect of the second year and 30% in respect of the third year, in the Kingdom of Swaziland as follows -

10% with effect from 1st November, 2007;

20% with effect from 1st November, 2008; and

30% with effect from 1st November 2009.

The insurer shall ensure that the assets of the company are invested in a manner, which is in accordance with the following guidelines.

Item	Categories or kinds of assets	Maximum percentage of aggregate market value of total assets of insurer
1.	Deposits and balances with a registered deposit-taking institution including negotiable deposits, and money market instruments in terms of which such an institution is liable, paid-up shares of a mutual building society	100%
	(i) Per bank	20%
	(ii) Per mutual building society	20%
2.	Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by -	100%
	(i) local authorities authorised by laws to levy rates upon immovable property -per local authority	5%
	(ii) Swaziland Water Services Corporation	30%
	(iii) Swaziland Electricity Company	30%
	(iv) Swaziland Posts and Telecommunication Corporation	30%

Schedule 3
(continued)

Item	Categories or kinds of assets	Maximum percentage of aggregate market value of total assets of insurer
	(v) Any parastatal in which the government has a major shareholding	10%
3.	Immovable property secured by mortgage bonds	10%
4.	Units in unit trust schemes in property shares and shares in, loans to and debentures, both convertible and non-convertible, of property companies:	35%
5.	Investment in a single property or property development project	20%
6.	Preference shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsorily convertible and units in equity unit trust schemes whose objective is to invest their assets mainly in shares. These investments are subject to the following limitations:	40%
	(i) Unlisted shares, unlisted convertible debentures and shares and convertible debentures listed in the Development Capital Sector	5%
	(ii) Shares and convertible debentures in a single listed company other than the Development Capital Sector:	
	(a) With a market capitalisation of E150 million or less	5%
	(b) With a market capitalisation of more than E150 million	10%
7.	Ordinary shares in companies excluding shares in property companies.	20%
8.	Listed and unlisted debentures, units in a unit trust scheme with the objective to invest in income generating securities:	25%
	(i) Claim against any single company	5%
9.	Any other assets not referred to in this Annexure, excluding money in hand approved by the Registrar	2%

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

FOREIGN INVESTMENT CRITERIA FOR LONG TERM INSURANCE BUSINESS

Every long-term insurer shall ensure that the assets of the company which may be invested outside Swaziland in terms of the Act and the Regulations shall be invested in a manner which is in accordance with the following guidelines -

Item	Categories or kinds of assets	Maximum percentage of aggregate market value of total assets of insurer
1.	Deposits and balances with a licensed/registered deposit-taking institution including negotiable deposits, and money market instruments in terms of which such an institution is liable, and paid-up shares of a building society	50%
	(i) Per bank	10%
	(ii) Per building society	30%
2.	Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by -	100%
	(i) a local authority authorised by law to levy rates upon immovable property-	
	Per local authority	5%
	(ii) Any parastatal in which the government has a major shareholding	10%
	(iii) Central Government Bonds	100%
	(iv) Government treasury bills (long-term)	40%
	(v) Central Bank debt instruments	40%
3.	Units in collective investment schemes in property shares and shares in, loans to and debentures, both convertible and non-convertible, of property companies:	30%
4.	Preference and ordinary shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsorily convertible and units in equity unit trust schemes whose objective is to invest their assets mainly in shares. These investments are subject to the following limitations:	75%

Schedule 3A continued

	(i) Unlisted shares, unlisted convertible debentures and shares and convertible debentures listed in the alternate Board.	5%
	(ii) Shares and convertible debentures in a single listed company other than the alternate Board:	
	(a) With a market capitalisation of E250 million or less	10%
	(b) With a market capitalisation of more than E250 million	15%
5.	Listed and unlisted debentures, units in a collective investment scheme with the objective to invest in income generating securities:	25%
6.	Any other assets not referred to in this Schedule excluding money in hand approved by the Registrar	2%

**FOREIGN INVESTMENT CRITERIA FOR SHORT TERM
INSURANCE BUSINESS**

Every short-term insurer shall ensure that the assets of the company are invested in a manner, which is in accordance with the following guidelines -

Item	Categories or kinds of assets	Maximum percentage of aggregate market value of total assets of insurer
1.	Deposits and balances with a licensed/registered deposit-taking institution including negotiable deposits, and money market instruments in terms of which such an institution is liable, paid-up shares of a building society	100%
	(i) Per bank	20%
	(ii) Per building society	20%
2.	Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by -	100%
	(i) local authorities authorised by laws to levy rates upon immovable property -per local authority	5%
	(ii) Any parastatal in which the government has a major shareholding	10%
	(iii) Government treasury bills	40%
	(iv) Central Bank debt instruments	40%

Schedule 3A continued

3.	Units in collective investment schemes in property shares and shares in, loans to and debentures, both convertible and non- convertible, of property companies:	35%
4.	Preference shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsorily convertible and units in equity unit trust schemes whose objective is to invest their assets mainly in shares. These investments are subject to the following limitations:	40%
	(i) Unlisted shares, unlisted convertible debentures and convertible debentures listed in the alternate Board	5%
	(ii) Shares and convertible debentures in a single listed company other than the alternate Board:	
	(a) With a market capitalisation of E150 million or less	5%
	(b) With a market capitalisation of more than E150 million	10%
5.	Ordinary shares in companies excluding shares in property companies.	20%
6.	Listed and unlisted debentures, units in a collective investment scheme with the objective to invest in income generating securities:	25%
	(i) Claim against any single company	5%
7.	Any other assets not referred to in this Annexure, excluding money in hand approved by the Registrar	2%

Schedule 4

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPROVED COUNTRIES

For purpose of regulation 10, the following countries have been approved:

Country

Angola

Australia

Austria

Belgium

Botswana

Brazil

Canada

China

Denmark

France

Germany

Greece

India

Ireland

Italy

Japan

Lesotho

Mauritius

Mozambique

Namibia

The Netherlands

New Zealand

Norway

Portugal

Spain

South Africa

Swaziland

Sweden

Switzerland

Taiwan

United Kingdom

United States of America

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF INSURANCE
FORMS

SIA 1	Application for registration as an insurer
SIA 1A	Particulars of Principal Representative/ Director
SIA 1B	Application for Approval to Provide and Additional Class of Insurance
SIA 1 C	Application for Renewal of an insurer
SIA 2	Certificate of registration as an insurer
SIA 3	Application for approval of auditor
SIA 4	Confirmation of approval of auditor
SIA 5	Application for approval of valuator
SIA 6	Confirmation of approval of valuator
SIA 7	Application for approval of Investment or Asset Manager
SIA 8	Approval or Confirmation of Investment or Asset Manager
SIA 9	Application for change of name
SIA 10	Certificate of change of name
SIA 11	Application for amalgamation/transfer
SIA 12	Certificate of Approval of amalgamation/transfer
SIA 13	Long Term Insurance Income Statements
SIA 13	A Short Term Insurance Income Statements
SIA 14	Long Term Insurance Business Balance sheet
SIA 14A	Short Term Insurance Business Balance sheet
SIA 15	Long Term Insurance Business Quarterly Returns
SIA 15A	Short Term Insurance Business Quarterly Returns

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPLICATION FOR REGISTRATION AS AN INSURER

The Registrar of Insurance,
Swaziland

1. I, the undersigned, being the Principal Representative of hereby apply for the registration of the said company as an insurer in terms of section 4 or 6 of the Act (delete whichever is not applicable) to carry on the following classes of insurance business in Swaziland:

- (a)
- (b)
- (c)
- (d)

2. Enclosed with this application are the following documents in duplicate and signed by me.

- (a) certified copies of the Certificate of Incorporation, Memorandum and Articles of Association;
- (b) a statement of the address of the company's principal office in Swaziland;
- (c) a statement of the name, address and nationality of the company's chairperson and of every director and of its public officer in the Swaziland;
- (d) a statement showing -
 - (i) the proposed underwriting policy of the company/society;
 - (ii) particulars of proposed reinsurance arrangements;
 - (iii) the basis of premium rates;
 - (iv) the company's investment strategy and business plan;
 - (v) the amount of paid-up share capital and other available funds;
 - (vi) the company's corporate governance strategy;
 - (vii) the company's risk management strategy; and,
 - (viii) the company's audited financial statements.
- (e) a certificate by an actuary certifying the financial soundness of the company's intended business plan.

Form SIA 1 continued

3. I hereby apply for approval of the use of the name as an abbreviation.
(proof of the registration of the abbreviation with the Registrar General's office.)

4. Form SIA 3 is submitted herewith in duplicate.

5. Form SIA 5 is submitted herewith in duplicate.

6. The registration fee of as per RDI 10 is enclosed with this application

7. I enclose a list of the persons who are shareholders, Principal Representative and Directors of the company showing each persons interest in the company as per SIA 1A enclosed.

8. Notes

.....
Principal Representative

Address:

.....

.....

Date:

Note: (1) The Registrar may require further information from an applicant (2) The registration form must be completed in full. (3) Any omissions must be explained in paragraph 8.
(3). Proof of the registration of the abbreviation with the Registrar Generals office.

SIA 1A

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CONFIDENTIAL

PARTICULARS OF PRINCIPAL REPRESENTATIVE AND DIRECTORS

1. General

Name of Company:		Date Appointed:
Name of Principal Representative / Director:		Gender M/F:
Residential Address		
Business Address		
Citizenship:		Date & Place Of Birth

% Shareholding in the Company	
Designation & Description of Duties/Responsibilities	

2. Qualifications, Experience and Achievements

(a) Academic Qualifications:

Name of Institute	Country	Qualification	Year of Graduation

(b) Professional Qualifications: (State whether admitted by examination or experience)

Name of Professional Institute	Qualification	Class of Membership

(c) Working Experience: (Please enclose a separate attachment if necessary)

Name of Employer	Nature of Business	Designation & Description of Duties	Period	
			From	To

(d) Achievements and special positions held presently or previously (please state date of achievement and period of special positions held).

3. Shareholdings and Directorships/Positions held in other companies

(a) Do you have equity interest of 5% or more in any other companies? If so, please provide the following details:

Name of company & principal activity	Country of incorporation	Percentage held in the company

Form SIA 1A continued

- (b) Are you also a director, partner, proprietor or employee in any other companies? If so, please provide the following details:

Name of company & principal activity	Country of incorporation	Position held in the company

(Please attach annexure(s), where appropriate, giving all relevant particulars if any of the answers to Questions 4-6 is yes.)

4. Have you ever been -

- (a) involved in any litigation over the past 5 years?
- (b) convicted of any offence in Singapore or elsewhere or are there any proceedings now pending which may lead to such a conviction?
- (c) adjudicated insolvent during the last ten years?

5. Have you ever been-

- (a) dismissed from office or employment, subject to disciplinary proceedings by your employer or been refused entry to any profession or occupation?;
- (b) disqualified from acting as director or in the management of any company or organisation?;
- (c) refused or have revoked a licence or authorisation to carry on any regulated financial business?; or
- (d) subject to any censure or disciplinary action initiated by any governmental, regulatory or professional body?

6. Have you been associated with any company -

- (a) as a director, officer, manager or shareholder, which was investigated by any governmental, regulatory or professional body?; or
- (b) which was compulsorily wound up during the last 10 years?

CERTIFICATION

I hereby certify, to the best of my knowledge and belief, that the information given in this form is complete, true and correct.

Date: Signature:

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF INSURANCE
APPLICATION FOR APPROVAL TO PROVIDE AN ADDITIONAL CLASS OF
INSURANCE

The Registrar of Insurance,
Swaziland

1. I, the undersigned, being the Principal Representative of
registered in terms of Section 6 of the Insurance Act, hereby apply for approval of the said
company, to provide the following additional class(es) of insurance business in Swaziland:
 - (i)
 - (ii)
 - (iii)
 - (iv)
 - (v)
2. Enclosed with this application are the following documents which are signed by me.
 - (a) Revised Business plan and financial projections for the next three years (inclusive of the
proposed new product of insurance).
 - (b) Provide a complete structure of the proposed product including premium rates and
policy conditions.
 - (c) Copy of current reinsurance agreement must be submitted.

I hereby declare that all information given in this application (including annexes and
appendices attached) is, to the best of my knowledge and belief, true and complete.

.....
Principal Representative

Address:

Telephone:

Fax:

Email:

Date:

**Note: the application form must be filled in full. Any omissions must be explained in
suitable annexures.**

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE
APPLICATION FOR RENEWAL OF REGISTRATION AS AN INSURERAPPLICATION IS HEREBY MADE FOR THE RENEWAL OF REGISTRATION
AS AN INSURER

1. Particulars of licence -

(a) Applicant's name:

(b) Licence No:

(c) Expiry date of licence:

2. Complete the following and answer "yes" or "no" in the space provided. If "yes", attach
annexure(s) giving all relevant particulars.

(a) Since the last application has -

(i) there been a change in the shareholders of the applicant?

(ii) there been a change in the Applicant's director's, secretary, senior management personnel
or external auditor?(iii) the Applicant or any of its directors or its secretary been suspended from membership
of any insurance institute or otherwise disciplined by an insurance institute?(iv) any of the Applicant's directors been a director of any company other than those
referred to in the last application?

(v) the Applicant taken any disciplinary action against any of its representatives?

(vi) the Applicant received any complaint against any of its representatives?

(vii) the Applicant undertaken to conduct any material new business activity? If so, state
the nature of the activity.

.....

.....

.....

(b) Furnish details of any other event which has occurred which is likely to have a significant
effect on the Applicant's business during the currency of the licence if granted, including
any legal claim against the Applicant.

.....

.....

.....

Form SIA 1C continued

3. Attach a copy of the applicant's audited financial statements for each of the last 3 years.
4. I declare that to the best of our knowledge and belief all information given in this application and in the attached annexure(s) is true and correct.
5. The annual fee of E is attached herewith.

Dated this day of 20

Signature:

.....
(Principal Representative)

Form SIA 2

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CERTIFICATE OF REGISTRATION OF INSURER

CERTIFICATE NO:

I hereby certify that in terms of sections 4 / 6 of The Insurance Act of 2005 that.....

..... registration number

has been registered as an Insurer in the Kingdom of Swaziland and is authorised to carry on the following classes of insurance business:

.....

subject to the following condition(s) -

Approval is given for the use of the name as an abbreviation.

.....
Date

.....
Registrar of Insurance

Form SIA 3

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPLICATION FOR APPROVAL OF AUDITOR

1. I, the undersigned, being the Principal Representative of
registration no. hereby advise that

.....
(name of Auditor)

.....
(address of Auditor)

was provisionally appointed as auditor to the company as from

2. I hereby apply for your approval of this appointment in terms of section 47 of the Insurance Act, 2005.

.....
Principal Representative

.....
Date

Note: (1) A detailed curriculum vitae of the auditor must accompany this application and a copy of a Certificate of Registration as an auditor in terms of the Accountants Act, 1985. (2) The Registrar may require further information from an applicant.

Form SIA 4

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPROVAL OF AUDITOR

I hereby give my approval for the appointment of

Name of Auditor

Address of Auditor

as auditor to

..... registration number
Name of Insurer

.....
Date

.....
Registrar of Insurance

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF INSURANCE
APPLICATION FOR APPROVAL OF VALUATOR

1. I, the undersigned, being the principal representative of
(name of insurer)

registration number hereby advise that

.....
(name of valuator)

.....
(address of valuator)

was provisionally appointed as valuator of the company as from 20

2. I hereby apply for your approval of this appointment in terms of section 48 of the Insurance Act, 2005.

.....
Principal Representative

.....
Date

Note: (1) A detailed curriculum vitae highlighting the qualifications and experience of the valuator must accompany this application. (2) The Registrar may require further information from an applicant.

KINGDOM OF SWAZILAND
OFFICE OF THE REGISTRAR OF INSURANCE
APPROVAL OF VALUATOR

I hereby give my approval for the appointment of:

Name of valuator

Address of valuator

.....

as Valuator to

..... registration number
Name of Insurer

.....
Date

.....
Registrar of Insurance

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPLICATION FOR REGISTRATION OF AN INVESTMENT / ASSET MANAGER

1. I, being the Principal Representative of
registration number hereby make an application
 for the registration of:

.....
 as an investment or asset manager;

.....
 [address of investment/asset manager]
 (delete whichever is inapplicable)

2. Enclosed with this application are the following documents:

- (a) the resolution of the Board of Directors;
- (b) Proof of registration of the company;
- (c) Curriculum Vitae of the Principal Representative;
- (d) Statement of good standing;
- (e) Written confirmation -money laundering;
- (f) Police clearance;
- (g) List of countries in which the applicant carries on business;
- (h) Proof of Fidelity Insurance Cover;
- (i) Proof of Professional Indemnity Cover;
- (j) Audited financial statements;
- (k) Financial projections;
- (l) Application fee;
- (m) Abbreviation

Form SIA 7 continued

.....
DATE.....
Chairperson/authorised representative

NOTE: A detailed *curriculum vitae* or profile of the fund manager must accompany this application.

Form SIA 8

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CERTIFICATE OF REGISTRATION OF INVESTMENT / ASSET MANAGER

I hereby give my approval for the registration of

[name]

[address]

as an investment / asset manager

registration number with effect from

..... to

[date]

.....
DATE.....
REGISTRAR OF INSURANCE

Form SIA 9

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPLICATION FOR CHANGE OF NAME

I, the undersigned, being the principal representative of

..... registration number
Name of Insurer

hereby apply for approval to change the name of the Insurer to

New name of Insurer

Approval is sought for the use of the name

as an abbreviation.

Form SIA 9 continued

.....
DATE.....
PRINCIPAL REPRESENTATIVE

NOTE: (1) the application must be accompanied by a certificate of change of name issued by the Registrar of Companies. (2) proof of the registration of the new abbreviation with the Registrar General's office.

Form SIA 10

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

CERTIFICATE OF CHANGE OF NAME

I hereby certify that in terms of section 10 of the Insurance Act, 2005

.....
registration number

has changed its name to

Approval is also granted for the use of the name as an abbreviation.

.....
Date.....
Registrar of Insurance

Form SIA 11

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

APPLICATION FOR AMALGAMATION/TRANSFER/ MERGER/TAKE
OVER OF INSURANCE BUSINESS

The Registrar of Insurance

1. I, the Principal Representative of

..... hereby apply for approval of

..... (amalgamation/transfer)

between and

2. The prescribed application fee of is enclosed.

3. The place at which the applicant will carry on business is.....

Form SIA 11 continued

4. The classes of insurance business of the applicant are

Signed at on thisday of

.....20.....

.....

Principal Representative

Witnesses:

1.

2.

ANNEXURE 1 TO FORM SIA 11

Information required for amalgamation or transfer of insurance organizations

1. Administrative information

- (a) The postal, physical and electronic mail addresses of the proposed amalgamating entities / transferee head office at which it will receive all documents for the purpose of this application.
- (b) The telephone and facsimile numbers of the amalgamating entities / transferee and the principal representatives of each party.
- (c) A list that reflects the full names, addresses and telephone numbers of persons, if any, who alone or with associates will exercise control over the amalgamated entity / transferee as at the date of this application.
- (d) A list of the amalgamating entities, which reflects the names, physical and postal addresses, telephone and facsimile numbers of the -
 - (i) bankers;
 - (ii) auditors;
 - (iii) attorneys,
 - (iv) actuary and
 - (v) investment managers

The auditors and attorneys of the amalgamating or transferring entities must not withdraw their services during the process of amalgamation or transfer.

- (e) Resolutions and minutes of the amalgamating amalgamated entity / transferee, whether or not a regulated activity;

ANNEXURE 1 TO FORM

2. Details of -

- (a) the expected constitution, structure and ownership of the proposed amalgamated entity / transferee, including its memorandum and articles of association and certificate of incorporation and any agreement between the amalgamated entity / transferee, its owners or other persons relating to its constitution or governance;
- (b) all business to be conducted by the amalgamated entity/ transferee, whether or not a regulated entity;
- (c) any persons providing professional support assistance and/or corporate finance advice or similar services (such as reporting accountants) to the amalgamated entity / transferee;
- (d) any relevant functions in relation to regulated business to be outsourced or delegated, with copies of relevant agreements;
- (e) information technology systems and or arrangements for their supply, management, maintenance, upgrading, and security;
- (f) the business continuity plans and disaster recovery plans in the event of disruption to the business of the amalgamated entity / transferee;
- (g) internal controls, risk management principles and procedures and reinsurance cover;
- (h) internal arrangements to safeguard confidential or privileged information and for handling conflicts of interest; expected changes for monitoring and enforcing compliance with its rules;
- (i) arrangements for detecting and preventing financial crime and market abuse, including arrangements for complying with money laundering legislation; and
- (k) Cancellation of any brokers and/or agents of the amalgamating or transferring parties.

ANNEXURE 2 TO FORM SIA 11

Documentation, statements and undertakings to be provided, if applicable, in support of the information supplied in Annexure 1 -

- 1. A curriculum vitae in respect of each member of the board of directors of the amalgamated entity / transferee indicating his or her relevant experience and training.
 - 2. A statement signed by each member of the board of directors to the effect that he or she knows of no reason why he or she should not fulfil his or her term of office as a member of the board of directors.
3. Adequacy of management and human resources

SIA 11 continued

- (a) An explanation of the management structure of the amalgamated entity including the names of the individuals responsible for the major functional areas and the number of personnel employed in each functional area.
 - (b) A curriculum vitae in respect of each member of the management of the amalgamated entity who is responsible for a major functional area, which indicates his or her relevant experience and training.
 - (c) A Detailed business plan for the first three years of the operations as an amalgamated entity / transferee
4. A copy of -
- (a) Audited annual financial statements of the amalgamating parties / transferor and transferee at the point of commencement of the scheme and/or passing of the resolutions for the passing of the scheme.
 - (b) the budgeted income statement, balance sheet and cash flow statement of the amalgamated entity / transferee for a three year period from the date of the latest annual financial statements.

ANNEXURE 2 TO FORM

- 5. A statement signed by the principal representative of the amalgamated entity / transferee specifying the critical assumptions made in the preparation of the amalgamated entity's / transferee's budgets and, in particular, the sources where the amalgamated entity / transferee will derive any further funding as outlined in terms of its business plan.
- 6. Where arrangements have been made for the funding of any temporary shortfall in available cash resources, the principal representative must provide a statement setting out the extent and terms of the commitment.
- 7. Copies of the quarterly management accounts for the current financial year of the amalgamating parties / transferor and transferee.
- 8. Insurance quarterly returns of amalgamating entities
- 9. Corporate Governance and risk strategies of the amalgamated entity / transferee.

Form SIA 12**KINGDOM OF SWAZILAND****OFFICE OF THE REGISTRAR OF INSURANCE****CERTIFICATE OF APPROVAL OF AMALGAMATION/TRANSFER OF
INSURANCE BUSINESS**

I hereby certify that in terms of section 55 of The Insurance Act, 2005,

.....(name of insurer) has been granted authority to

amalgamate / transfer its business to(name of new insurer) by me with effect from This approval is subject to being made an Order of Court.

Date Registrar of

Insurance

Form SIA 13

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

**LONG TERM INSURANCE BUSINESS - INCOME STATEMENTS
FOR THE YEAR ENDED**

Name of Insurer:

Registration number:

	NOTES	CURRENT YEAR	PREVIOUS YEAR
Premiums Received		E	E
Insurance premiums revenue	1.		
Less: Insurance premiums ceded to reinsurers			
Net insurance premiums revenue			
Fee Income	2		
- Insurance contracts			
- Investment contracts			
Investment Income	3		
Net Realised gains on financial assets	4		
Net fair value gains on Financial Assets at fair value through income			
Other operating Income	5		
NET INCOME (A)			
Insurance benefits	6		
Insurance claims and loss adjustment expenses	6		

Insurance claims and loss adjustment expenses recovered from reinsurers	6		
Net Insurance benefits and claims			
Investment contracts benefits			
Expenses for the acquisition of insurance and investment contracts (commissions paid)	7,8		
Expenses for marketing and administration	7,8		
Other operating expenses	8		
TOTAL EXPENSES (B)			
RESULTS OF OPERATING ACTIVITIES (A-B)			
Less: Finance costs	9		
Share of profit/ (loss) of associates	10		
Profit before tax			
Taxation	11		
PROFIT FOR THE YEAR			

NOTES TO THE LONG TERM - INCOME STATEMENT

1. INSURANCE PREMIUMS with fixed and guaranteed terms

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Retirement fund annuity		
Linked business		
Group life premiums		

Individual life premium		
Endowment		
Other premiums (specify)		
Total premium income		

2. FEE INCOME

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Policy administration and asset management services:		
- Insurance contracts		
- Investment contracts (unit linked) without DPF		
- Investment contracts with DPF		
Surrender charges:		
- Insurance contracts		
- Investment contracts (unit linked) without DPF		
- Investment contracts with DPF		
Death benefits charges on long term insurance contracts -		
- without fixed terms (unit linked)		
- with DPF		
Total fee income		

3. INVESTMENT INCOME

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Available for sale:		
- Dividend income		
- Interest income		
- Fair value gains of exchange trade currency fixtures		

- Fair value adjustments to available -for-sale debt
securities attributable to currency risk
- Other (specify)
Held-to-maturity interest income
Cash and cash equivalents interest income
Total investment income

4. NET REALISED GAINS ON FINANCIAL ASSETS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Realised gains on financial assets -available for sale:		
- Equity securities		
-Debt securities		
Realised losses on financial assets -available for sale:		
- Equity securities		
- Debt securities		
Impairment of financial assets		
TOTAL		

5. NET FAIR VALUE GAINS ON ASSETS AT FAIR VALUE THROUGH INCOME

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Net fair value gains on financial assets at fair value through Profit and Loss		
Fair value gains on investment property		
TOTAL		

6. INSURANCE BENEFITS AND CLAIMS

a) Insurance benefits

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Long term insurance contracts with fixed and guaranteed terms:		
- Death, maturity and surrender benefits		
- Increase in liabilities		
Long term insurance contracts without fixed and guaranteed terms (unit-linked):		
- Death benefits		
- Change in unit prices		
Long term insurance contracts with DPF (universal life)		
- Death benefits,		
- Interest credited		
Total cost of policyholder benefits		

6. INSURANCE BENEFITS AND CLAIMS (Continued)

b) Claims and loss adjustment expenses

	CURRENT YEAR			PREVIOUS YEAR		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
Current year claims and loss adjustment expenses						
Additional cost for prior year claims and loss adjustment expenses						
Increase in the expected cost of claims for unexpired risks						
Total claims and loss adjustment expenses						

7. OTHER EXPENSES BY DESTINATION*a) Expenses for the acquisition of insurance and investment contracts (commission)*

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Amortisation of intangible assets		
Costs incurred for the acquisition of insurance contracts expensed in the year		
Costs incurred for the acquisition of investment contracts expensed in the year		
Total expenses for the acquisition of insurance and investment contracts		
<i>b) Marketing and administrative expenses</i>		
Marketing and administrative expenses		
Depreciation		
Costs relating to investment properties not let		
Total marketing and administrative expenses		

8. EXPENSES BY NATURE

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Depreciation, amortization and impairment charges		
Employee benefit expense		
Purchase of goods and services		
Operating lease rentals		
Software costs		
Other expenses (specify)		
Total expenses		

9. FINANCE COSTS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Interest expense:		
- Bank borrowings		
- Dividend on redeemable preference shares		
- Convertible bond		
Net foreign exchange transaction (gains) / losses		
Fair value gains on derivatives associated with borrowing		
- Interest rate swaps, cash flow hedges, transfer from equity		
Other (specify)		
Total		

10. TAXATION

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Current tax		
Deferred tax (refer to relevant note) -		

Form SIA 13A

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

SHORT TERM INSURANCE BUSINESS -INCOME STATEMENTS
FOR THE YEAR ENDED

Name of Insurer:

Registration number:

	NOTES	CURRENT YEAR	PREVIOUS YEAR
Premiums Received		E	E
Insurance premiums revenue	11		
Less: Change in unearned premium provision			
Insurance premiums revenue			
Less: Insurance premiums ceded to reinsurers			
Net insurance premiums revenue			
Fee Income	12		
- Insurance contracts			
- Investment contracts			
Investment Income	13		
Net Realised gains on financial assets	14		
Net fair value gains on Financial Assets at fair value through income	15		
Other operating Income			
NET INCOME (A)			
Insurance benefits	16		
Insurance claims and loss adjustment expenses	16		
Insurance claims and loss adjustment expenses recovered from reinsurers	16		
Net Insurance benefits and claims			
Investment contracts benefits			
Expenses for the acquisition of insurance and investment contracts (commissions paid)	17,18		
Expenses for marketing and administration	17,18		
Other operating expenses	18		

TOTAL EXPENSES (B)			
RESULTS OF OPERATING ACTIVITIES (A-B)			
Less: Finance costs	19		
Share of profit / (loss) of associates			
Profit before tax			
Taxation	20		
PROFIT FOR THE YEAR			

NOTES TO THE SHORT TERM -INCOME STATEMENT**11. INSURANCE PREMIUMS REVENUE**

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Short term insurance contracts:		
-Premiums receivable		
- Change in unearned premium provision		
Premium revenue arising from insurance contracts issued		
Short term reinsurance contracts:		
- Premiums payable		
- Change in unearned premium provision		
Premium revenue ceded to reinsurers on insurance contracts issued		
Net insurance premium revenue		

12. FEE INCOME

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Policy administration and asset management services:		
- Insurance contracts		
- Investment contracts (unit linked) without DPF		
- Investment contracts with DPF		
- Other (specify)		
Total fee income		

13. INVESTMENT INCOME

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Available for sale:		
- Dividend income		
- Interest income		
- fair value gains of exchange trade currency fixtures		
- Fair value adjustments to available -for-sale debt		
securities attributable to currency risk		
- Other (specify)		
Held-to-maturity interest income		
Cash and cash equivalents interest income		
Total investment income		

14. NET REALISED GAINS ON FINANCIAL ASSETS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Realised gains on financial assets -available for sale:		
- Equity securities		
- Debt securities		
Realised losses on financial assets -available for sale:		
- Equity securities		
- Debt securities		
Impairment of financial assets		
TOTAL		

15. NET FAIR VALUE GAINS ON ASSETS AT FAIR VALUE THROUGH INCOME

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Net fair value gains on financial assets at fair value through Profit and Loss		
Fair value gains on investment property		
TOTAL		

16. INSURANCE BENEFITS AND CLAIMS*a) Insurance benefits*

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Short term insurance contracts -life		

b) Claims and loss adjustment expenses

	CURRENT YEAR			PREVIOUS YEAR		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
Current year claims and loss adjustment expenses						
Additional cost for prior year claims and loss adjustment expenses						
Increase in the expected cost of claims for unexpired risks						
Total claims and loss adjustment expenses						

17. OTHER EXPENSES BY DESTINATION*a) Expenses for the acquisition of insurance and investment contracts (commission)*

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Amortisation of intangible assets		
Costs incurred for the acquisition of insurance contracts expensed in the year		
Costs incurred for the acquisition of investment contracts expensed in the year		
Total expenses for the acquisition of insurance and investment contracts		

<i>b) Marketing and administrative expenses</i>		
Marketing and administrative expenses		
Depreciation		
Costs relating to investment properties not let		
Total marketing and administrative expenses		

18. EXPENSES BY NATURE

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Depreciation, amortization and impairment charges		
Employee benefit expense		
Purchase of goods and services		
Operating lease rentals (refer to relevant note)		
Software costs		
Other expenses (specify)		
Total expenses		

19. FINANCE COSTS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Interest expense:		
- Bank borrowings		
- Dividend on redeemable preference shares		
- Convertible bond		
Net foreign exchange transaction (gains) / losses		
Fair value gains on derivatives associated with borrowing		
- Interest rate swaps, cash flow hedges, transfer from equity		
Other (specify)		
Total		

20. TAXATION

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Current tax		
Deferred tax (refer to relevant note)		

Form SIA 14**KINGDOM OF SWAZILAND****OFFICE OF THE REGISTRAR OF INSURANCE****LONG TERM INSURANCE BUSINESS - BALANCE SHEET**

AS AT

Name of Insurer: Registration number:

	NOTES	CURRENT YEAR	PREVIOUS YEAR
ASSETS		E	E
Property, plant and equipment	21		
Investment property	22		
Intangible assets including intangible insurance assets	23		
Investments in associates	24		
Financial assets:			
Equity securities:			
- Available for sale	25,26		
- At fair value through income	25, 26		
Debt securities:			
- Held to maturity	25,26		
- Available for sale	25,26		
- At fair value through income	25, 26		
Loans and receivables including insurance receivables	27		

Derivative financial instruments	28		
Deferred income tax			
Reinsurance contracts	29		
Cash and cash equivalents	30		
TOTAL ASSETS			
EQUITY			
Capital & reserves attributable to the Company's equity holders			
Ordinary shares	31		
Share premium	31		
Retained earnings	32		
Other reserves	32		
LIABILITIES			
Insurance contracts	33		
Financial liabilities	34		
Borrowings	35		
Derivative Financial instruments			
Provisions for liabilities and charges	36		
Trade and other payables			
Deferred Income tax			
Retirement Fund obligations	37		
Current Income tax liability			
TOTAL LIABILITIES			
TOTAL EQUITY AND LIABILITIES			

LONG TERM NOTES TO THE BALANCE SHEET**21. PROPERTY, PLANT AND EQUIPMENT (NET BOOK VALUES)**

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Land and buildings		
Vehicles		
Furniture & fittings		
Office equipment		
Computer equipment		

22. INVESTMENT PROPERTY

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Opening net book amount		
Additions and capital improvements		
Fair value gains		
Foreign currency translation effects		
Closing net book amount		

23. INTANGIBLE ASSETS (NET BOOK VALUES)

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Goodwill		
Value of business acquired (Insurance contracts only)		
Deferred acquisition costs (Insurance and Investment)		
Contracts with DPF (discretionary participation features)		
Contractual customer relationships		

Other (specify)		
Total		

24. INVESTMENTS IN ASSOCIATES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
At beginning of the year		
Acquisition of subsidiary		
Share of (loss)/profit		
Other equity movements		
At end of year		

25. FINANCIAL ASSETS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Held to maturity		
Available for sale		
Fair value through income		
Loans and receivables (including insurance receivables)		
Total financial assets		
Held to maturity financial assets at amortised cost		
Debt securities -fixed income rate:		
- Listed		
- Unlisted		
Provision for impairment:		
- Listed		
- Unlisted		
Total held to maturity financial assets		

Available for sale financial assets		
Equity securities:		
- Listed		
- Unlisted		
Debt securities:		
-Listed		
-Unlisted		
Total available for sale financial assets		
Financial assets at fair value through Profit or loss		
Equity securities:		
-Listed		
-Unlisted		
Debt securities:		
-Listed		
-Unlisted		
Total financial assets at fair value through profit & loss		

26. COMPLIANCE TO INVESTMENT CRITERIA - 30% LOCAL INVESTMENT

	CURRENT YEAR	PREVIOUS YEAR
	% of aggregate market value of total assets (financial assets)	% of aggregate market value of total assets (financial assets)
1. Deposits and balances with registered deposit taking institutions including negotiable deposits and money market instruments in terms of which such an institution is liable and paid-upshares of a mutual building society (refer to note 30)		

2. Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by:		
i) a local authority authorized by laws to levy rates upon immovable property		
ii) Swaziland Water Services Corporation		
iii) Swaziland Electricity Company		
iv) Swaziland Posts and Telecommunications		
v) Any parastatal in which government has a major shareholding (specify parastatal)		
a)		
b)		
c)		
d)		
vi) Government bonds		
vii) Central Bank -Treasury Bills (long term)		
3. Immovable Property secured by mortgage bonds		
4. Units in unit trust schemes in property shares and shares in, loans to and debentures, both convertible and non-convertible, of property companies.		
5. Investment in a single property or property development project.		
6. Preference and ordinary shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsory convertible and units in equity unit trust schemes whose objective is to invest their assets mainly in shares.		
i) Unlisted shares, unlisted convertible debentures and shares and convertible debentures listed in the Development Capital Sector.		
ii) Shares and convertible debentures in a single listed company other than the Development Capital Sector.		
a) With a market capitalization of E150 million or less		
b) With market capitalization of more than E150 million		
7. Listed and unlisted debentures, units in a unit trust scheme with the objective to invest in income generating securities.		

8. Any other assets not referred to in this Schedule excluding money in hand approved by the Registrar.		
---	--	--

27. LOANS AND RECEIVABLES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Due from contract holders		
- Less provision for impairment of receivables from contract holders		
Due from agents, brokers and intermediaries		
- Less provision for impairment of receivables due from agents, brokers and intermediaries		
Due from reinsurers		
- Less provision for impairment of receivable due from reinsurers		
Other loans and receivables:		
- Prepayments		
- Accrued rent		
- Receivables from related parties		
- Loans to related parties		
- Less provision for impairment of other loans & receivables		
Total loans and receivable		

28. DERIVATIVE FINANCIAL INSTRUMENTS

a) Cash flow hedges

	CURRENT YEAR			PREVIOUS YEAR		
	Contract/ notional amount	Fair value asset	Fair value liability	Contract/ notional amount	Fair value asset	Fair value liability
OTC forward contracts:						
- Fixed and guaranteed portfolio						
Interest rate contracts:						
OTC Swaps						
Total						

b) Fair value hedges

	CURRENT YEAR			PREVIOUS YEAR		
	Contract / notional amount	Fair value asset	Fair value liability	Contract/ notional amount	Fair value asset	Fair value liability
Foreign exchange contracts						
- Exchange traded futures						
Total						

c) Other Financial instruments (specify)

29. REINSURANCE CONTRACTS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Recoverable from reinsurers (specify reinsurers):		
a)		
b)		

c)		
d)		
e)		
Less: Impairment provision		
Total assets arising from reinsurance contracts		

30. CASH AND CASH EQUIVALENTS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
First National Bank		
Standard Bank		
Nedbank		
Swazi Bank		
African Alliance money market fund		
STANLIB money market		
Swaziland Building Society		
Total cash and cash equivalents		

31. SHARE CAPITAL

	No. of shares	Ordinary shares	Share premium	Treasury shares	Total
Prior year opening balances:					
Employee share option schemes:					
- Value of service provided					
- Proceeds from shares issued					

Prior year closing balance:					
Employee share option schemes:					
- Value of service provided					
- Proceeds from shares issued					
Acquisition of subsidiary					
Treasury shares purchased					
Current year closing balance:					

32. OTHER RESERVES AND EQUITY COMPONENT OF DPF

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Land and Buildings reserves		
Hedging reserve		
Reserve for revaluation of available for-for-sale investments		
Reserve for insurance liabilities and liabilities for investment contracts with DPF (net of DAC and VOBA)		
Translation reserve		
Convertible bond		
Total other reserves at end of the year		
Equity component of DPF at end of the year		
Retained earnings at end of the year		

33. INSURANCE LIABILITIES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Long term insurance contracts:		
- With fixed and guaranteed terms		
- With DPF		
- Without fixed terms		
Total insurance liabilities		

34. FINANCIAL LIABILITIES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Guaranteed element		
DPF component		
Total investment contracts with DPF		
Investment contracts at amortised cost (guaranteed investment bonds)		
Investment contracts at fair value through income (unit-linked)		
Total financial liabilities arising from investment contracts		

35. BORROWINGS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Bank loans		
Convertible bonds		

Debentures and other loans		
Redeemable preference shares		
Collateralised borrowings		
Bank overdrafts		
Total borrowings		

36. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Regulatory levies	Provision 2	Provision 3	Total
At beginning of the year				
Charged to Income Statement:				
- Additional provision				
- Unused provisions reversed				
Less: Used during the year				
Balance at end of the year				

37. RETIREMENT FUND OBLIGATIONS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Balance sheet obligations for:		
- Pension / provident obligations		
- Post-employment medical benefits		
Income statement charge for:		
- Pension / provident obligations		
- Post-employment medical benefits		

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

SHORT TERM INSURANCE BUSINESS - BALANCE SHEET

AS AT

Name of Insurer: Registration number:

	NOTES	CURRENT YEAR	PREVIOUS YEAR
ASSETS		E	E
Property, plant and equipment	38		
Investment property	39		
Intangible assets including intangible insurance assets	40		
Investments in associates	41		
Financial assets:			
Equity securities:			
- Available for sale	42,43		
- At fair value through income	42, 43		
Debt securities:			
- Held to maturity	42, 43		
- Available for sale	42, 43		
- At fair value through income	42, 43		
Loans and receivables including insurance receivables	44		
Derivative financial instruments	45		
Deferred income tax			
Reinsurance contracts	46		
Cash and cash equivalents	47		
TOTAL ASSETS			

EQUITY			
Capital & reserves attributable to the Company's equity holders			
Ordinary shares	48		
Share premium	48		
Retained earnings	49		
Other reserves	49		
LIABILITIES			
Insurance contracts	50		
Financial liabilities	51		
Borrowings	52		
Derivative Financial instruments			
Provisions for liabilities and charges	53		
Trade and other payables			
Deferred Income tax			
Retirement Fund obligations	54		
Current Income tax liability			
TOTAL LIABILITIES			
TOTAL EQUITY AND LIABILITIES			

SHORT TERM - NOTES TO THE BALANCE SHEET

38. PROPERTY PLANT AND EQUIPMENT (NET BOOK VALUES)

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Land and buildings		
Vehicles		
Furniture & fittings		
Office equipment		
Computer equipment		

39. INVESTMENT PROPERTY

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Opening net book amount		
Additions and capital improvements		
Fair value gains		
Foreign currency translation effects		
Closing net book amount		

40. INTANGIBLE ASSETS (NET BOOK VALUES)

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Goodwill		
Value of business acquired (Insurance contracts only)		
Deferred acquisition costs (Insurance and Investment)		
Contracts with DPF (discretionary participation features)		
Contractual customer relationships		
Other (specify)		
Total		

41. INVESTMENTS IN ASSOCIATES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
At beginning of the year		
Acquisition of subsidiary		

Share of (loss)/profit		
Other equity movements		
At end of year		

42. FINANCIAL ASSETS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Held to maturity		
Available for sale		
Fair value through income		
Loans and receivables (including insurance receivables)		
Total financial assets		
Held to maturity financial assets at amortised cost		
Debt securities -fixed income rate:		
- Listed		
- Unlisted		
Provision for impairment:		
- Listed		
- Unlisted		
Total held to maturity financial assets		
Available for sale financial assets		
Equity securities:		
- Listed		
- Unlisted		

Debt securities:		
- Listed		
- Unlisted		
Total available for sale financial assets		
Financial assets at fair value through Profit or loss		
Equity securities:		
- Listed		
- Unlisted		
Debt securities:		
- Listed		
- Unlisted		
Total financial assets at fair value through profit & loss		

43. COMPLIANCE TO INVESTMENT CRITERIA - 30% LOCAL INVESTMENT

	CURRENT YEAR	PREVIOUS YEAR
	% of aggregate market value of total assets (financial assets)	% of aggregate market value of total assets (financial assets)
1. Deposits and balances with registered deposit taking institutions including negotiable deposits and money market instruments in terms of which such an institution is liable and paid-up shares of a mutual building society (refer to note 30)		
2. Bills, bonds and securities issued or guaranteed by and loans to or guaranteed by:		
i) a local authority authorized by laws to levy rates upon immovable property.		
ii) Swaziland Water Services Corporation		
iii) Swaziland Electricity Company		

iv) Swaziland Posts and Telecommunications		
v) Any parastatal in which government has a major shareholding (specify parastatal)		
a)		
b)		
c)		
d)		
vi) Government bonds		
vii) Central Bank -Treasury Bills (long term)		
3. Immovable Property secured by mortgage bonds		
4. Units in unit trust schemes in property shares and shares in, loans to and debentures, both convertible and non-convertible, of property companies.		
5. Investment in a single property or property development project.		
6. Preference and ordinary shares in companies excluding shares in property companies. Convertible debentures, whether voluntarily or compulsory convertible and units in equity unit trust schemes whose objective is to invest their assets mainly in shares.		
i) Unlisted shares, unlisted convertible debentures and shares and convertible debentures listed in the Development Capital Sector.		
ii) Shares and convertible debentures in a single listed company other than the Development Capital Sector.		
a) With a market capitalization of E150 million or less		
b) With market capitalization of more than E150 million		
7. Listed and unlisted debentures, units in a unit trust scheme with the objective to invest in income generating securities.		
8. Any other assets not referred to in this Schedule excluding money in hand approved by the Registrar.		

44. LOANS AND RECEIVABLES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Due from contract holders		
- Less provision for impairment of receivables from contract holders		
Due from agents, brokers and intermediaries		
- Less provision for impairment of receivables due from agents, brokers and intermediaries		
Due from reinsurers		
- Less provision for impairment of receivable due from reinsurers		
Other loans and receivables:		
- Prepayments		
- Accrued rent		
- Receivables from related parties		
- Loans to related parties		
- Less provision for impairment of other loans & receivables		
Total loans and receivable		

45. DERIVATIVE FINANCIAL INSTRUMENTS*a) Cash flow hedges*

	CURRENT YEAR			PREVIOUS YEAR		
	Contract/ notional amount	Fair value asset	Fair value liability	Contract/ notional amount	Fair value asset	Fair value liability
OTC forward contracts:						
- Short term insurance portfolio						
Interest rate contracts:						
OTC Swaps						
Total						

b) *Fair value hedges*

	CURRENT YEAR			PREVIOUS YEAR		
	Contract/ notional amount	Fair value asset	Fair value liability	Contract/ notional amount	Fair value asset	Fair value liability
Foreign exchange contracts						
- Exchange traded futures						
Total						

c) *Other Financial instruments (specify)*

46. REINSURANCE CONTRACTS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Recoverable from reinsurers (specify reinsurers):		
a)		
b)		
c)		
d)		
e)		
Less: Impairment provision		
Total assets arising from reinsurance contracts		

47. CASH AND CASH EQUIVALENTS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
First National Bank		
Standard Bank		
Nedbank		

Swazi Bank		
African Alliance money market fund		
STANLIB money market		
Swaziland Building Society		
Total cash and cash equivalents		

48. SHARE CAPITAL

	No. of shares	Ordinary shares	Share premium	Treasury shares	Total
Prior year opening balances:					
Employee share option schemes:					
- Value of service provided					
- Proceeds from shares issued					
Prior year closing balance:					
Employee share option schemes:					
- Value of service provided					
- Proceeds from shares issued					
Acquisition of subsidiary					
Treasury shares purchased					
Current year closing balance:					

49. OTHER RESERVES AND EQUITY COMPONENT OF DPF

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Land and Buildings reserves		
Hedging reserve		
Reserve for revaluation of available for-for-sale investments		

Reserve for insurance liabilities and liabilities for investment contracts		
with DPF (net of DAC and VOBA)		
Translation reserve		
Convertible bond		
Total other reserves at end of the year		
Equity component of DPF at end of the year		
Retained earnings at end of the year		

50. INSURANCE LIABILITIES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Short term insurance contracts -Property and casualty:		
- Claims reported and loss adjustment expenses		
- Claims incurred but not reported (IBNR)		
- Unearned premiums		
- Unexpired risk provision		
- Short term Insurance contracts -life		
Total insurance liabilities, gross		
Recoverable from reinsurers		
Short term insurance contracts:		
- Claims reported and loss adjustment expenses		
- Claims incurred but not reported		
- Unearned premiums		
- Unexpired risk provision		
Total reinsurers' share of insurance liabilities		

Net		
Short term insurance contracts:		
- Claims reported and loss adjustment expenses		
- Claims incurred but not reported		
- Unearned premiums		
- Unexpired risk provision		
Total insurance liabilities, net		

51. FINANCIAL LIABILITIES

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Guaranteed element		
DPF component		
Total investment contracts with DPF		
Investment contracts at amortised cost (guaranteed investment bonds)		
Investment contracts at fair value through income (unit-linked)		
Total financial liabilities arising from investment contracts		

52. BORROWINGS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Bank loans		
Convertible bonds		

Debentures and other loans		
Redeemable preference shares		
Collateralised borrowings		
Bank overdrafts		
Total borrowings		

53. PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Regulatory levies	Provision 2	Provision 3	Total
At beginning of the year				
Charged to Income Statement:				
- Additional provision				
- Unused provisions reversed				
Less: Used during the year				
Balance at end of the year				

54. RETIREMENT FUND OBLIGATIONS

	CURRENT YEAR	PREVIOUS YEAR
	E	E
Balance sheet obligations for:		
- Pension / provident obligations		
- Post-employment medical benefits		
Income statement charge for:		
- Pension / provident obligations		
- Post-employment medical benefits		

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

LONG TERM INSURANCE BUSINESS - UNAUDITED QUARTERLY RETURNS

FOR THE PERIOD: TO:

REVENUE STATEMENT	Individual business	Group Business	Total
	E'000	E'000	E'000
Inflows:			
Premium Income received and outstanding			
Investment Income realised and unrealised			
Other Income (specify)			
Total Income			
Outflows:			
Claims paid			
Claims outstanding			
Annuities			
Surrenders			
Commission			
General Expenses			
Other (specify)			
Taxation			
Total Expenses			
Excess of income over expenses			
Less: Transfer to (from) shareholder fund			
Increase/(Decrease) in Long-term Fund			

ASSETS & LIABILITIES STATEMENT

	Current Quarter (E'000)	Previous quarter (E'000)
ASSETS:		
Cash		
Bank Balances		
Gilts/Bonds		
Mortgage Bonds		
Policy loans		
Claims/Debtors		
Listed Shares		
Unlisted Shares		
Debentures		
Fixed Assets		
Foreign assets		
Total Assets		
LIABILITIES:		
Policy Liabilities		
Current Liabilities		
CAR (Capital Adequacy Requirements)		
Total Liabilities		
Excess of Assets over Liabilities		

<u>CRITICAL ASSESSMENTS</u>	
	Percentage (%)
Capital Adequacy Requirements (CAR) cover	
Funding level (before CAR)	
Funding level (after CAR)	
Management expenses: Premium income	
Commission -premium income	
Claims ratio	
Retention	

<u>NEW BUSINESS AND LAPSES</u>	Number of policies	Amount 'E'
NEW BUSINESS:		
<i>(Individual recurring and single premiums)</i>		
Ordinary Business		
Retirement Annuities		
Individual Single Premium		
Total New Premium		
LAPSES:		
Lapses within First Year		
Others		
Total Lapses		

<u>MOVEMENT STATISTICS - ALL</u> <i>(Fund, Group Business, Individual & Grouped Individual business)</i>	Number of Policies and schemes	Policy liabilities E'000
Beginning balance of quarter		
New policies issued		
Policies terminated		
Policies matured		
Policies lapsed		
Expiring Policies		
Disabilities and deaths		
New funds issued		
Funds terminated		
Ending balance of quarter		

<u>CLASSES OF BUSINESS</u>			
	Net Premiums	Net Claims	Net Commission and Expenses
Assistance			
Disability			
Fund			
Funeral			
Life			
Health			
Sinking Fund			
Miscellaneous			
Exempt			

ASSET SPREAD REQUIREMENTS I. T.O ACT	
	E'000
Total domestic non-linked assets	
Total domestic non-linked liabilities and minimum CAR	
Total admitted assets	
Aggregate excess	
Surplus of overall admitted assets over total domestic liabilities	

PREPARED BY: TITLE:

PRINCIPAL REPRESENTATIVE: DATE:
SIGNATURE

Form SIA 15 A

KINGDOM OF SWAZILAND

OFFICE OF THE REGISTRAR OF INSURANCE

SHORT-TERM INSURANCE BUSINESS UNAUDITED QUARTERLY RETURNS
FOR THE PERIOD: TO:

REVENUE STATEMENT	Current Quarter (E'000)	Previous quarter (E'000)
Gross premium written		
(Less) Reinsurance premiums		
Net premium written (% of retained)		
Premiums earned		
Less:		
Claims Incurred		
Commissions		
General expenses		
Underwriting surplus		
Investment Income		

Realised investment surplus		
Subtotal (% of NPW)		
Unrealised investment surplus		
Other Income/(expense)		
Contingency Reserve decrease/ (increase)		
Less: Estimated taxation (current + deferred)		
Dividends declared		
Increase/(decrease) in surplus assets		

ASSETS & LIABILITIES STATEMENT	Current Quarter (E'000)	Previous quarter (E'000)
ASSETS:		
Cash		
Bank Balances		
Gilts/Bonds		
Mortgage Bonds		
Outstanding premiums		
Debtors		
Reinsurance deposits		
Long-term linked policies		
Long-term non-linked policies		
Debentures		
Shares -Quoted		
Shares -Unquoted		
Land and buildings		
Units in Unit Trusts		

Form SIA 15 A continued

Fixed assets		
Other assets		
Foreign assets		
(1) Total Assets		
LIABILITIES:		
Outstanding Claims		
Unearned premium provision		
IBNR		
Contingency Reserve		
Unexpired risk provision		
Due to insurers & reinsurers		
Bank overdrafts		
Provision for taxation		
Provision for deferred tax		
Contingent liabilities		
Other (specify):		
(2) Total Liabilities		
Foreign liabilities included in total liabilities		

<u>ASSETS COVER -DOMESC AND FOREIGN</u>	Current Quarter (E'000)	Previous quarter (E '000)
(1)Premium income		
(2) Less all reinsurance		
(3) 12 months preceding previous financial year end		
(4) 12 months immediately preceding the calculation		
(5) Greater of (3) or (4)		
(6) 15% of (5)		

(7) Surplus assets (1-2)		
Less: The greater of (6) or E2 million		
Net surplus assets		
% of surplus assets		
(7) to premiums (5)		

NET UNDERWRITING RESULTS PER CLASS - E'000						
	Premiums Written (a)	Retention on % (b)	Claims incurre d (c)	Commission written (d)	Expenses (e)	Underwritten surplus (f)
Liability						
Motor						
Property						
Transportation						
Accident and Health						
Engineering						
Guarantee						
Miscellaneous						
Workman's Compensation						
Totals						

CRITICAL ASSESMENTS				
	% Claims Incurred	% Commission written	% Expenses written	% Underwritten surplus
Liability				
Motor				

Form SIA 15 A continued

Property			
Transportation			
Accident and Health			
Engineering			
Guarantee			
Miscellaneous			
Workman's Compensation			
Totals			

<u>ASSET SPREAD REQUIREMENT IN TERMS OF THE ACT</u>	
	E'000
Total domestic non-linked assets	
Total domestic non-linked liabilities and minimum CAR (Capital Adequacy Requirement)	
Total admission assets	
Aggregate excess	
Surplus of overall admitted assets over total domestic liabilities	

PREPARED BY: TITLE:

PRINCIPAL REPRESENTATIVE: DATE:

SIGNATURE

**COMPLAINTS FORM
COMPLAINT ADDRESSED TO:**

(1) THE INSURANCE & RETIREMENT FUNDS BOARD

(2) THE OFFICE THE ADJUDICATOR

(3) REGISTRAR OF INSURANCE AND RETIREMENT FUNDS

(Tick whichever is applicable)

NAME AND SURNAME or COMPANY NAME OF COMPLAINANT:	
POSTAL ADDRESS:	PHYSICAL ADDRESS:
CONTACT DETAILS OF COMPLAINANT	
TEL: HOME	
TEL: WORK	
CELL:	
FAX:	
EMAIL:	
COMPLAINT AGAINST	
POSTAL ADDRESS OF ENTITY	PHYSICAL ADDRESS OF ENTITY
HAS THE ENTITY DECLINED THE COMPLAINT?	YES/NO IF YES, WHAT REASONS WERE GIVEN (Attach response)
IS THE COMPLAINT NOT IN HANDS OF AN ATTORNEY?	YES/NO
COMPLAINT DESCRIPTION	

Schedule 6 continued

..... Signature of Complainant Date	Supporting documents to be attached

MAJOZI V. SITHOLE
MINISTER OF FINANCE

30th April, 2008



