



## Notice varying conditions on Authorisation to carry on insurance business

*Insurance Act 1973*

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TO: SCOR Reinsurance Asia-Pacific Pte. Ltd. ABN 85 071 103 092 (the general insurer)  
Level 21, Australia Square, 264 George Street, Sydney NSW 2000

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- A. APRA issued to the general insurer an Authorisation to carry on insurance business in Australia under subsection 12(1) of the *Insurance Act 1973* (the Act), on 24 June 2002 (the Authorisation); and
- B. the Authorisation is subject to conditions;

I, Wayne Byres, a delegate of APRA, under paragraph 13(1)(b) of the Act, VARY those conditions imposed on the Authorisation in the manner set out in the Schedule attached to this Notice.

Dated

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Wayne Byres  
Executive General Manager  
Diversified Institutions Division

## Interpretation

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In this Notice

**APRA** means the Australian Prudential Regulation Authority.

**insurance business** has the meaning given in section 3 of the Act.

**prudential standard** has the meaning given in section 3 of the Act.

*Note 1* Under subsection 13(1) of the Act, APRA may, at any time, by written notice to the general insurer impose conditions or additional conditions or vary or revoke conditions imposed on the insurer's authorisation under section 12 of the Act. The conditions must relate to prudential matters.

*Note 2* Under subsection 13(2) of the Act, a condition may be expressed to have effect despite anything in the prudential standards.

*Note 3* Under subsection 13(4) of the Act, if APRA varies conditions on a general insurer's authorisation, APRA must give written notice to the insurer and ensure that notice that the action has been taken is published in the *Gazette*.

*Note 4* Under subsection 14(1) of the Act, a general insurer commits an offence if:

- (a) the insurer does an act or fails to do an act; and
- (b) doing the act or failing to do the act results in a contravention of a condition of the insurer's authorisation under section 12 of the Act; and
- (c) there is no determination in force under subsection 7(1) of the Act, that subsection 14(1) of the Act does not apply to the insurer.

The maximum penalty is 300 penalty units. Under subsection 14(1A) of the Act, where an individual commits an offence against subsection 14(1) of the Act, because of Part 2.4 of the *Criminal Code* or commits an offence under Part 2.4 of the *Criminal Code* in relation to an offence against subsection 14(1) of the Act, the individual is punishable, on conviction, by a fine not exceeding 60 penalty units. Under subsection 14(2) of the Act, an offence against section 14 of the Act, is an offence of strict liability.

## **Schedule - the conditions which are being varied**

### **The existing condition(s) which are to be varied:**

1. The general insurer must comply with paragraphs 12 and 64 of Prudential Standard GPS 310 (GPS 310) made under section 32 of the Act subject to the following modifications:
  - (a) in relation to paragraphs 12 and 64 of GPS 310, the Insurance Liability Valuation Report for the balance date 31 December 2006 is not subject to the requirements for peer review.

### **The condition(s) as varied are:**

1. The agent in Australia of the general insurer must provide APRA with a written statement as to whether the general insurer has deviated in a material way from the business plan, or plans, which applied to the general insurer during the financial year. The statement is to be provided at the time the general insurer submits its Insurance Liability Valuation Report (ILVR) to APRA. Where the statement indicates that there has been no material deviation, the general insurer does not have to arrange for the ILVR to be peer reviewed by another actuary, as would otherwise be required under paragraphs 12 and 64 of *GPS 310 Audit and Actuarial Reporting and Valuation*. This condition applies only in relation to the ILVR prepared for the 2007 financial year of the general insurer.