

ANNUAL RETURN: FORM 1 - FUND BALANCE SHEET

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Annex	Row No.	Amount
ASSETS			
Equity securities	1A	1	21,845,681
Debt securities	1B	2	34,193,698
Land and buildings	1C	3	0
Loans	1D	4	0
Cash and deposits		5	47,264,249
Other invested assets	1E	6	1,412,530
Investment income due or accrued		7	64,014
Outstanding premiums and agents' balances	1F	8	7,077,120
Deposits withheld by cedants		9	0
Reinsurance recoverables (on paid claims)	1G	10	1,842,156
Income tax recoverables		11	0
Fixed assets	1H	12	1,399,010
Inter-fund balances and intra group balances (due from)	1I	13	0
Other assets	1J	14	422,936
Total Assets (1 to 14)		15	115,521,394
LIABILITIES			
Policy liabilities	1K	16	54,025,094
Other liabilities:			
Outstanding claims		17	0
Annuities due and unpaid		18	0
Reinsurance deposits		19	19,796
Amounts owing to insurers		20	6,445,306
Bank loans and overdrafts		21	0
Inter-fund balances and intra-group balances (due to)	1L	22	181,220
Others	1M	23	6,786,319
Total Liabilities (16 to 23)		24	67,457,735
SURPLUS (15 - 24)	1N	25	48,063,659

ANNUAL RETURN: FORM 1 - FUND BALANCE SHEET

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Annex	Row No.	Amount
ASSETS			
Equity securities	1A	1	510,263
Debt securities	1B	2	1,574,868
Land and buildings	1C	3	0
Loans	1D	4	0
Cash and deposits		5	2,313,729
Other invested assets	1E	6	1,326
Investment income due or accrued		7	1,698
Outstanding premiums and agents' balances	1F	8	2,352,176
Deposits withheld by cedants		9	556,993
Reinsurance recoverables (on paid claims)	1G	10	110,256
Income tax recoverables		11	0
Fixed assets	1H	12	0
Inter-fund balances and intra group balances (due from)	1I	13	128,258
Other assets	1J	14	0
Total Assets (1 to 14)		15	7,549,567
LIABILITIES			
Policy liabilities	1K	16	3,707,792
Other liabilities:			
Outstanding claims		17	0
Annuities due and unpaid		18	0
Reinsurance deposits		19	0
Amounts owing to insurers		20	1,561,575
Bank loans and overdrafts		21	0
Inter-fund balances and intra-group balances (due to)	1L	22	0
Others	1M	23	203,788
Total Liabilities (16 to 23)		24	5,473,155
SURPLUS (15 - 24)	1N	25	2,076,412

ANNUAL RETURN: ANNEX 1A - INVESTMENT IN EQUITY SECURITIES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Listed	Unlisted	Amount
Equity securities other than collective investment schemes	1	9,907,610	0	9,907,610
Collective investment schemes	2	11,938,071	0	11,938,071
Total (1 to 2) = Row 1 of Form 1	3			21,845,681

ANNUAL RETURN: ANNEX 1A - INVESTMENT IN EQUITY SECURITIES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Listed	Unlisted	Amount
Equity securities other than collective investment schemes	1	402,848	0	402,848
Collective investment schemes	2	107,415	0	107,415
Total (1 to 2) = Row 1 of Form 1	3			510,263

ANNUAL RETURN: ANNEX 1B - INVESTMENT IN DEBT SECURITIES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Government debt securities	1	18,413,778
Qualifying debt securities	2	5,385,787
Other debt securities	3	10,394,133
Total (1 to 3) = Row 2 of Form 1	4	34,193,698

ANNUAL RETURN: ANNEX 1B - INVESTMENT IN DEBT SECURITIES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Government debt securities	1	366,539
Qualifying debt securities	2	558,477
Other debt securities	3	649,852
Total (1 to 3) = Row 2 of Form 1	4	1,574,868

ANNUAL RETURN: ANNEX 1C - INVESTMENT IN LAND AND BUILDINGS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Location and Description of Land and Buildings	Row No.	Cost	Last Revaluation Date	Last Reported Amount	Changes from Last Reported Amount	Amount
Total = Row 3 of Form 1	21					0

ANNUAL RETURN: ANNEX 1C - INVESTMENT IN LAND AND BUILDINGS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Location and Description of Land and Buildings	Row No.	Cost	Last Revaluation Date	Last Reported Amount	Changes from Last Reported Amount	Amount
Total = Row 3 of Form 1	21					0

ANNUAL RETURN: ANNEX 1D - INVESTMENT IN LOANS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount Outstanding	Provision for Doubtful Loans	Amount
Policy loans	1	0	0	0
Mortgage loans	2	0	0	0
Other secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Total (1 to 4) = Row 4 of Form 1	5			0

ANNUAL RETURN: ANNEX 1D - INVESTMENT IN LOANS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount Outstanding	Provision for Doubtful Loans	Amount
Policy loans	1	0	0	0
Mortgage loans	2	0	0	0
Other secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Total (1 to 4) = Row 4 of Form 1	5			0

ANNUAL RETURN: ANNEX 1E - BREAKDOWN OF OTHER INVESTED ASSETS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Singapore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Notional Principal Amount	Amount
Derivatives			
Options:			
(a) Call options	1	0	0
(b) Put options	2	0	0
(c) Swaptions	3	0	0
(d) Other options	4	0	0
Total investments in options (1 to 4)	5	0	0
Futures contracts:			
(a) Currency futures contracts	6	0	0
(b) Interest rate futures contracts	7	0	0
(c) Other futures contracts	8	0	0
Total investments in futures contracts (6 to 8)	9	0	0
Forward contracts:			
(a) Currency forward contracts	10	4,513	4,513
(b) Interest rate forward contracts	11	0	0
(c) Other forward contracts	12	0	0
Total investments in forward contracts (10 to 12)	13	4,513	4,513
Swaps:			
(a) Interest rate swaps	14	0	0
(b) Currency swaps	15	0	0
(c) Other swaps	16	0	0
Total investments in swaps (14 to 16)	17	0	0
Other derivatives	18	0	0
Total investments in derivatives (5 + 9 + 13 + 17 + 18)	19	4,513	4,513
Other invested assets excluding derivatives			

Amount due from Fund managers	20		1,408,017
Total investments in other invested assets excluding derivatives	40		1,408,017
Total = Row 6 of Form 1	41		1,412,530

ANNUAL RETURN: ANNEX 1E - BREAKDOWN OF OTHER INVESTED ASSETS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Offshore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Notional Principal Amount	Amount
Derivatives			
Options:			
(a) Call options	1	0	0
(b) Put options	2	0	0
(c) Swaptions	3	0	0
(d) Other options	4	0	0
Total investments in options (1 to 4)	5	0	0
Futures contracts:			
(a) Currency futures contracts	6	0	0
(b) Interest rate futures contracts	7	0	0
(c) Other futures contracts	8	0	0
Total investments in futures contracts (6 to 8)	9	0	0
Forward contracts:			
(a) Currency forward contracts	10	1,326	1,326
(b) Interest rate forward contracts	11	0	0
(c) Other forward contracts	12	0	0
Total investments in forward contracts (10 to 12)	13	1,326	1,326
Swaps:			
(a) Interest rate swaps	14	0	0
(b) Currency swaps	15	0	0
(c) Other swaps	16	0	0
Total investments in swaps (14 to 16)	17	0	0
Other derivatives	18	0	0
Total investments in derivatives (5 + 9 + 13 + 17 + 18)	19	1,326	1,326
Other invested assets excluding derivatives			

Total investments in other invested assets excluding derivatives	40		0
Total = Row 6 of Form 1	41		1,326

ANNUAL RETURN: ANNEX 1F(b) - AGEING OF OUTSTANDING PREMIUMS AND AGENTS' BALANCES OF DIRECT GENERAL INSURER

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Singapore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Direct Business - Agents	Direct Business - Brokers	Direct Business - Others	Amount
In respect of direct business					
Bad debts written off during the year	1	0	0	0	0
Ageing of outstanding premiums and agents' balances:					
<i>Outstanding period</i>					
Up to 3 months	2	1,829,843	2,616,305	595,757	5,041,905
Above 3 months but not exceeding 6 months	3	22,275	782,674	201,140	1,006,089
Above 6 months but not exceeding 12 months	4	-250	170,760	92,817	263,327
Above 12 months	5	1,039	283,459	12,942	297,440
Gross total (2 to 5)	6	1,852,907	3,853,198	902,656	6,608,761
Provision for doubtful debts	7	31,022	267,464	10,862	309,348
Total outstanding premiums and agents' balances in respect of direct business (6 - 7)	8	1,821,885	3,585,734	891,794	6,299,413
In respect of reinsurance business					
Bad debts written off during the year	9				0
Ageing of outstanding premiums and agents' balances:					
<i>Outstanding period</i>					

Up to 6 months	10				197,811
Above 6 months but not exceeding 12 months	11				594,505
Above 12 months but not exceeding 24 months	12				2,110
Above 24 months	13				0
Gross total (10 to 13)	14				794,426
Provision for doubtful debts	15				16,719
Total outstanding premiums and agents' balances in respect of reinsurance business (14 - 15)	16				777,707
Total (8 + 16) = Row 8 of Form 1	17				7,077,120

Note: For direct insurance business, outstanding period starts from date of commencement of the cover.

In respect of reinsurance business, outstanding period commences from the date of premiums are accrued in the books of the registered insurer.

**ANNUAL RETURN: ANNEX 1F(b) - AGEING OF OUTSTANDING PREMIUMS AND AGENTS' BALANCES OF DIRECT
GENERAL INSURER**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Offshore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Direct Business - Agents	Direct Business - Brokers	Direct Business - Others	Amount
In respect of direct business					
Bad debts written off during the year	1	0	0	0	0
Ageing of outstanding premiums and agents' balances:					
<i>Outstanding period</i>					
Up to 3 months	2	0	384,382	0	384,382
Above 3 months but not exceeding 6 months	3	0	46,603	0	46,603
Above 6 months but not exceeding 12 months	4	0	204,380	0	204,380
Above 12 months	5	0	22,620	0	22,620
Gross total (2 to 5)	6	0	657,985	0	657,985
Provision for doubtful debts	7	0	84,985	0	84,985
Total outstanding premiums and agents' balances in respect of direct business (6 - 7)	8	0	573,000	0	573,000
In respect of reinsurance business					
Bad debts written off during the year	9				0
Ageing of outstanding premiums and agents' balances:					
<i>Outstanding period</i>					
Up to 6 months	10				922,125

Above 6 months but not exceeding 12 months	11				824,397
Above 12 months but not exceeding 24 months	12				32,654
Above 24 months	13				0
Gross total (10 to 13)	14				1,779,176
Provision for doubtful debts	15				0
Total outstanding premiums and agents' balances in respect of reinsurance business (14 - 15)	16				1,779,176
Total (8 + 16) = Row 8 of Form 1	17				2,352,176

Note: For direct insurance business, outstanding period starts from date of commencement of the cover.

In respect of reinsurance business, outstanding period commences from the date of premiums are accrued in the books of the registered insurer.

ANNUAL RETURN: ANNEX 1G - STATEMENT OF REINSURANCE RECOVERABLES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Reinsurance recoveries on unpaid claims	1	27,667,605
Reinsurance recoverables written off during the year	2	0
Ageing of reinsurance recoverables (on paid claims): <i>Outstanding period</i>		
Up to 1 year	3	1,005,195
Above 1 year but not exceeding 2 years	4	1,179,441
Above 2 years	5	0
Total (3 to 5)	6	2,184,636
Provision for doubtful reinsurance recoverables	7	342,480
Total (6 - 7) = Row 10 of Form 1	8	1,842,156

ANNUAL RETURN: ANNEX 1G - STATEMENT OF REINSURANCE RECOVERABLES**I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED****Reporting Cycle: 2005 12****General: Offshore Insurance Fund**

Description	Row No.	Amount
Reinsurance recoveries on unpaid claims	1	5,121,589
Reinsurance recoverables written off during the year	2	0
Ageing of reinsurance recoverables (on paid claims): <i>Outstanding period</i>		
Up to 1 year	3	108,358
Above 1 year but not exceeding 2 years	4	1,898
Above 2 years	5	0
Total (3 to 5)	6	110,256
Provision for doubtful reinsurance recoverables	7	0
Total (6 - 7) = Row 10 of Form 1	8	110,256

ANNUAL RETURN: ANNEX 1H - FIXED ASSETS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Motor vehicles	1	0
Computer equipment	2	724,251
Other fixed assets	3	674,759
Total (1 to 3) = Row 12 of Form 1	4	1,399,010

ANNUAL RETURN: ANNEX 1H - FIXED ASSETS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Motor vehicles	1	0
Computer equipment	2	0
Other fixed assets	3	0
Total (1 to 3) = Row 12 of Form 1	4	0

**ANNUAL RETURN: ANNEX 1I - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE FROM)**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Balances due from head office / shareholders fund	1	0
Balances due from overseas branches / related corporations	2	0
Balances due from other insurance funds established and maintained under the Act	3	0
Total (1 to 3) = Row 13 of Form 1	4	0

**ANNUAL RETURN: ANNEX 1I - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE FROM)**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Balances due from head office / shareholders fund	1	0
Balances due from overseas branches / related corporations	2	0
Balances due from other insurance funds established and maintained under the Act	3	128,258
Total (1 to 3) = Row 13 of Form 1	4	128,258

ANNUAL RETURN: ANNEX 1J - BREAKDOWN OF OTHER ASSETS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Sundry Debtors	1	129,755
Prepayments	2	167,981
Sundry Deposits	3	125,200
Total = Row 14 of Form 1	26	422,936

ANNUAL RETURN: ANNEX 1J - BREAKDOWN OF OTHER ASSETS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Total = Row 14 of Form 1	26	0

**ANNUAL RETURN: ANNEX 1L - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE TO)**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Balances due to head office / shareholders fund	1	0
Balances due to overseas branches / related corporations	2	18,192
Balances due to other insurance funds established and maintained under the Act	3	163,028
Total (1 to 3) = Row 22 of Form 1	4	181,220

**ANNUAL RETURN: ANNEX 1L - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE TO)**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Balances due to head office / shareholders fund	1	0
Balances due to overseas branches / related corporations	2	0
Balances due to other insurance funds established and maintained under the Act	3	0
Total (1 to 3) = Row 22 of Form 1	4	0

ANNUAL RETURN: ANNEX 1M - BREAKDOWN OF OTHERS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Provision for Taxation	1	16,157
Provision for Deferred Taxation	2	229,048
Finance Lease Obligations	3	132,641
GST Creditors	4	134,147
Sundry Creditors	5	1,539,644
Accrued Expenses	6	2,993,196
Provision for Refund Premium	7	1,369,220
Profit Commission	8	372,266
Total = Row 23 of Form 1	26	6,786,319

ANNUAL RETURN: ANNEX 1M - BREAKDOWN OF OTHERS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Provision for Taxation	1	126,425
Accrued Expenses and Sundry Creditors	2	77,363
Total = Row 23 of Form 1	26	203,788

ANNUAL RETURN: ANNEX 1N - SURPLUS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Surplus at beginning of period	1	38,078,471
Net income	2	9,985,188
Transfer (to) from head office / shareholders fund	3	0
Surplus at End of Period (1 to 3) = Row 25 of Form 1	4	48,063,659

ANNUAL RETURN: ANNEX 1N - SURPLUS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Surplus at beginning of period	1	1,611,190
Net income	2	465,222
Transfer (to) from head office / shareholders fund	3	0
Surplus at End of Period (1 to 3) = Row 25 of Form 1	4	2,076,412

**ANNUAL RETURN: ANNEX 1(ii) - INFORMATION IN RESPECT OF REDUCTION IN UNEARNED PREMIUM RESERVES
DUE TO REINSURANCE CEDED TO REINSURERS IN RESPECT OF GENERAL BUSINESS**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	0
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	0
Unregistered reinsurer	3	388,526
Total (1 to 3)	4	388,526

**ANNUAL RETURN: ANNEX 1(ii) - INFORMATION IN RESPECT OF REDUCTION IN UNEARNED PREMIUM RESERVES
DUE TO REINSURANCE CEDED TO REINSURERS IN RESPECT OF GENERAL BUSINESS**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	0
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	0
Unregistered reinsurer	3	21,333
Total (1 to 3)	4	21,333

**ANNUAL RETURN: ANNEX 1(iii) - INFORMATION IN RESPECT OF INVESTMENTS IN
A RELATED CORPORATION OF REGISTERED INSURER**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description of Assets and Name of Investee Company	Row No.	No. of Units	Cost	Amount
Name of company: -				
Equity securities	1	0	0	0
Debt securities	2	0	0	0
Secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Other invested assets	5	0	0	0

**ANNUAL RETURN: ANNEX 1(iii) - INFORMATION IN RESPECT OF INVESTMENTS IN
A RELATED CORPORATION OF REGISTERED INSURER**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description of Assets and Name of Investee Company	Row No.	No. of Units	Cost	Amount
Name of company: -				
Equity securities	1	0	0	0
Debt securities	2	0	0	0
Secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Other invested assets	5	0	0	0

ANNUAL RETURN: NOTES TO FORM 1

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Note 1 The aggregate amounts of loans to and amounts due from -	Amount
(a) Directors	0
(b) Employees of the registered insurer	0

	Description	Row No.	Amount
Note 2(a) Intangible assets -	NIL	1	0

	Description	Row No.	Amount
Note 2(b) Contingent assets -	NIL	1	0

Note 3 - Description of any change in accounting policies and methodologies in the valuation of assets and liabilities and the quantification of their effects.
NIL

Note 4 - Description of any prior adjustment and correction for errors and reasons for the adjustments and corrections.	
NIL	
Note 5 In respect of financial guarantee business -	Amount

(a) where premiums are payable in instalments, the present value of future instalment premiums payable by the insured in a future accounting period	0
and discount rate used	0
(b) where the premiums are payable in full at the commencement of the policy of insurance, the full amount of the premiums payable by the insured in the accounting period in which the policy commences.	0

ANNUAL RETURN: NOTES TO FORM 1

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Note 1 The aggregate amounts of loans to and amounts due from -	Amount
(a) Directors	0
(b) Employees of the registered insurer	0

	Description	Row No.	Amount
Note 2(a) Intangible assets -	NIL	1	0

	Description	Row No.	Amount
Note 2(b) Contingent assets -	NIL	1	0

Note 3 - Description of any change in accounting policies and methodologies in the valuation of assets and liabilities and the quantification of their effects.

NIL

Note 4 - Description of any prior adjustment and correction for errors and reasons for the adjustments and corrections.

NIL

Note 5 In respect of financial guarantee business -

Amount

(a) where premiums are payable in instalments, the present value of future instalment premiums payable by the insured in a future accounting period

0

and discount rate used	0
(b) where the premiums are payable in full at the commencement of the policy of insurance, the full amount of the premiums payable by the insured in the accounting period in which the policy commences.	0

ANNUAL RETURN: FORM 1 - ADDITIONAL INFORMATION

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle 2005 12

NIL

ANNUAL RETURN: FORM 2 - FUND PROFIT AND LOSS ACCOUNT

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Annex	Row No.	Amount
Gross premiums	2A	1	48,815,838
Less: Outward reinsurance premiums	2B	2	15,374,927
Investment revenue	2C	3	2,261,074
Less: Investment expenses		4	70,362
Other income	2D	5	251,213
Total Income (1 to 5)		6	35,882,836
Gross claims settled	2E	7	19,224,407
Less: Reinsurance recoveries		8	7,151,956
Management expenses	2F	9	6,949,630
Distribution expenses	2G	10	3,845,102
Increase (decrease) in net policy liabilities	2H	11	3,626,489
Provision for doubtful debts/ bad debts written off on receivables		12	(168,242)
Taxation expenses		13	(976,218)
Other expenses	2I	14	548,436
Total Outgo (7 to 14)		15	25,897,648
Net Income (6 - 15)	2J	16	9,985,188

ANNUAL RETURN: FORM 2 - FUND PROFIT AND LOSS ACCOUNT

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Annex	Row No.	Amount
Gross premiums	2A	1	9,095,758
Less: Outward reinsurance premiums	2B	2	3,653,843
Investment revenue	2C	3	65,306
Less: Investment expenses		4	6,458
Other income	2D	5	6,209
Total Income (1 to 5)		6	5,506,972
Gross claims settled	2E	7	4,657,301
Less: Reinsurance recoveries		8	3,420,564
Management expenses	2F	9	2,160,379
Distribution expenses	2G	10	985,655
Increase (decrease) in net policy liabilities	2H	11	451,549
Provision for doubtful debts/ bad debts written off on receivables		12	(33,085)
Taxation expenses		13	137,587
Other expenses	2I	14	102,928
Total Outgo (7 to 14)		15	5,041,750
Net Income (6 - 15)	2J	16	465,222

ANNUAL RETURN: ANNEX 2B - OUTWARD REINSURANCE PREMIUMS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	13,463,182
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	0
Unregistered reinsurer	3	1,911,745
Total (1 to 3) = Row 2 of Form 2	4	15,374,927

ANNUAL RETURN: ANNEX 2B - OUTWARD REINSURANCE PREMIUMS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	3,026,943
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	0
Unregistered reinsurer	3	626,900
Total (1 to 3) = Row 2 of Form 2	4	3,653,843

ANNUAL RETURN: ANNEX 2C - INVESTMENT REVENUE

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Interest / Dividend / Rental Income	Realised Gains (Losses) From Last Reported Value / Write-backs (Write-offs)	Unrealised Changes From Last Reported Value	Amount
Equity securities	1	37,003	12,484	1,080,939	1,130,426
Debt securities	2	750,696	753,834	-1,587,523	-82,993
Land and Buildings	3	0	0	0	0
Loans	4	0	0	0	0
Cash and deposits	5	1,114,241	85,209	0	1,199,450
Other invested assets	6	0	-40,574	54,765	14,191
Total (1 to 6) = Row 3 of Form 2	7				2,261,074

ANNUAL RETURN: ANNEX 2C - INVESTMENT REVENUE

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Interest / Dividend / Rental Income	Realised Gains (Losses) From Last Reported Value / Write-backs (Write-offs)	Unrealised Changes From Last Reported Value	Amount
Equity securities	1	1,032	1,631	23,449	26,112
Debt securities	2	53,952	-56,115	-27,856	-30,019
Land and Buildings	3	0	0	0	0
Loans	4	0	0	0	0
Cash and deposits	5	45,210	21,399	0	66,609
Other invested assets	6	0	1,277	1,327	2,604
Total (1 to 6) = Row 3 of Form 2	7				65,306

ANNUAL RETURN: ANNEX 2D - BREAKDOWN OF OTHER INCOME

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Co Insurance Fees Income	1	57,706
Other Miscellaneous Income	2	185,939
LTA Collection	3	7,568
Total = Row 5 of Form 2	26	251,213

ANNUAL RETURN: ANNEX 2D - BREAKDOWN OF OTHER INCOME

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Interest on Reinsurance Treaty Premium	1	6,209
Total = Row 5 of Form 2	26	6,209

ANNUAL RETURN: ANNEX 2F - MANAGEMENT EXPENSES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Staff salaries & expenses	1	5,317,117
Office rent	2	298,538
Head office / parent company expenses	3	-6,142
Directors' fees	4	0
Audit fees	5	69,734
Managing agent's fees	6	0
Repairs and maintenance	7	42,056
Public utilities	8	16,306
Printing, stationery and periodicals	9	443,845
Postage, telephone and telex charges	10	60,541
Computer charges	11	21,110
Hire of office equipment	12	0
Licence and association fees	13	48,486
Advertising and subscriptions	14	10,132
Entertainment	15	27,622
Travelling expenses	16	45,050
Professional Fees	1	196,420
Office Insurance	2	8,961
Internal Audit Fees	3	-35,558
Interest Paid on Finance Leases	4	3,471
Miscellaneous Expenses	5	24,098
Disposal of Fixed Assets	6	11,660
Donations	7	61,764
GST Costs	8	257,722
Bank Charges	9	26,697
Total = Row 9 of Form 2	27	6,949,630

ANNUAL RETURN: ANNEX 2F - MANAGEMENT EXPENSES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Staff salaries & expenses	1	1,262,659
Office rent	2	70,894
Head office / parent company expenses	3	-1,458
Directors' fees	4	0
Audit fees	5	16,560
Managing agent's fees	6	0
Repairs and maintenance	7	9,987
Public utilities	8	3,872
Printing, stationery and periodicals	9	615,702
Postage, telephone and telex charges	10	14,376
Computer charges	11	5,013
Hire of office equipment	12	0
Licence and association fees	13	11,514
Advertising and subscriptions	14	2,406
Entertainment	15	6,559
Travelling expenses	16	10,698
Professional Fees	1	46,644
Office Insurance	2	2,128
Internal Audit Fees	3	-8,444
Interest Paid on Finance Leases	4	824
Miscellaneous Expenses	5	5,328
Disposal of Fixed Assets	6	2,769
Donations	7	14,667
GST Costs	8	61,201
Bank Charges	9	6,480
Total = Row 9 of Form 2	27	2,160,379

ANNUAL RETURN: ANNEX 2I - BREAKDOWN OF OTHER EXPENSES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Gain/Loss in Exchange	1	4,320
Depreciation	2	446,567
Interest on Treaty Premium	3	22,675
Other Miscellaneous Expenses	4	74,874
Total = Row 14 of Form 2	26	548,436

ANNUAL RETURN: ANNEX 2I - BREAKDOWN OF OTHER EXPENSES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Depreciation	1	92,339
Other Miscellaneous Expenses	2	10,589
Total = Row 14 of Form 2	26	102,928

ANNUAL RETURN: FORM 2 - ADDITIONAL INFORMATION

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

NIL

ANNUAL RETURN: FORM 6 - STATEMENT OF PREMIUMS, CLAIMS AND UNDERWRITING RESULTS IN RESPECT OF GENERAL BUSINESS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Singapore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Marine and Aviation - Cargo	Marine and Aviation - Hull and Liability	Fire	Motor	Work Injury Compensation	Personal Accident	Health	Misc - Public Liability	Misc - Bonds	Misc - Engineering / CAR / EAR	Misc - Professional Indemnity	Misc - Credit / Political Risk	Misc - Others	Misc - Sub-Total	Total
A. PREMIUMS																
Gross premiums																
Direct business	1	3,898,974	5,666,925	8,539,831	18,888,131	3,050,891	2,556,327	542,938	709,224	83,479	1,167,496	28,725	0	1,303,530	3,292,454	46,436,471
Reinsurance business accepted -																
In Singapore	2	29,361	225,231	1,325,217	294,680	11,185	0	146,501	29,050	2,607	36,010	2,075	0	17,135	86,877	2,119,052
From other ASEAN countries	3	0	7,916	75,738	0	0	3,936	0	792	0	12,645	0	0	30,638	44,075	131,665
From other countries	4	0	101,037	25,512	0	0	0	0	0	0	1,898	0	0	203	2,101	128,650
Total (2 to 4)	5	29,361	334,184	1,426,467	294,680	11,185	3,936	146,501	29,842	2,607	50,553	2,075	0	47,976	133,053	2,379,367
Reinsurance business ceded -																
In Singapore	6	1,244,963	3,868,167	6,552,538	706,692	134,204	6,610	(63)	30,245	34,228	453,268	124	0	432,206	950,071	13,463,182
To other ASEAN countries	7	0	22,961	(128)	0	(40)	(467)	0	(45)	0	0	0	0	(116)	(161)	22,165
To other countries	8	173,623	212,211	250,598	0	0	540,031	45,322	0	788	23,648	0	0	643,359	667,795	1,889,580
Total (6 to 8)	9	1,418,586	4,103,339	6,803,008	706,692	134,164	546,174	45,259	30,200	35,016	476,916	124	0	1,075,449	1,617,705	15,374,927
Net premiums written (1 + 5 - 9)	10	2,509,749	1,897,770	3,163,290	18,476,119	2,927,912	2,014,089	644,180	708,866	51,070	741,133	30,676	0	276,057	1,807,802	33,440,911
Premium liabilities at beginning of period	11	673,000	930,000	1,585,000	5,836,000	1,332,000	294,392	56,523	275,450	242,396	254,158	14,721	0	156,360	943,085	11,650,000
Premium liabilities at end of period	12	691,231	840,099	1,520,135	9,238,582	1,093,892	255,580	45,626	206,960	63,947	273,645	10,861	0	102,337	657,750	14,342,895
Premiums earned during the period (10 + 11 - 12)	13	2,491,518	1,987,671	3,228,155	15,073,537	3,166,020	2,052,901	655,077	777,356	229,519	721,646	34,536	0	330,080	2,093,137	30,748,016
B. CLAIMS																
Gross claims settled																
Direct business	14	179,955	3,213,441	1,160,127	7,350,345	2,267,602	716,141	72,469	820,880	(246,183)	520,945	301,172	0	338,038	1,734,852	16,694,932
Reinsurance business accepted -																
In Singapore	15	7,068	332,778	181,878	337,018	126,946	46	13,747	59,017	(9,069)	134,040	241	0	22,199	206,428	1,205,909
From other ASEAN countries	16	0	1,285,764	0	0	0	9,678	0	0	0	0	0	0	0	0	1,295,442
From other countries	17	0	28,124	0	0	0	0	0	0	0	0	0	0	0	0	28,124
Total (15 to 17)	18	7,068	1,646,666	181,878	337,018	126,946	9,724	13,747	59,017	(9,069)	134,040	241	0	22,199	206,428	2,529,475
Recoveries from reinsurance business ceded -																
In Singapore	19	49,866	2,733,338	897,929	744,203	254,948	141,537	775	370,862	(226,158)	392,874	285,222	0	147,600	970,400	5,792,996
To other ASEAN countries	20	0	0	6	0	0	0	0	0	(49)	0	(1)	0	(5)	(55)	(49)
To other countries	21	5,319	928,923	200,935	0	0	152,726	0	4,834	(4,516)	46,794	(26)	0	24,020	71,106	1,359,009
Total (19 to 21)	22	55,185	3,662,261	1,098,870	744,203	254,948	294,263	775	375,696	(230,723)	439,668	285,195	0	171,615	1,041,451	7,151,956
Net claims settled (14 + 18 - 22)	23	131,838	1,197,846	243,135	6,943,160	2,139,600	431,602	85,441	504,201	(24,529)	215,317	16,218	0	188,622	899,829	12,072,451
Claims liabilities at end of period	24	1,368,631	2,994,850	1,571,662	18,470,474	8,367,620	428,397	33,304	5,245,211	331,427	470,434	182,736	0	217,453	6,447,261	39,682,199
Claims liabilities at beginning of period	25	1,225,865	3,638,014	1,621,926	14,970,565	9,442,909	873,128	36,957	5,280,173	545,301	581,262	225,461	0	307,044	6,939,241	38,748,605
Net claims incurred (23 + 24 - 25)	26	274,604	554,682	192,871	10,443,069	1,064,311	(13,129)	81,788	469,239	(238,403)	104,489	(26,507)	0	99,031	407,849	13,006,045
C. MANAGEMENT EXPENSES																
Management Expenses	27	989,550	266,461	1,348,406	2,333,201	722,747	684,517	159,017	174,986	12,607	182,961	7,573	0	67,604	445,731	6,949,630
D. DISTRIBUTION EXPENSES																
Commissions	28	526,572	900,030	2,151,414	2,998,659	354,333	454,482	112,401	117,658	13,401	213,980	5,090	0	234,419	584,548	8,082,439
Reinsurance commissions	29	117,969	1,090,504	2,465,707	(340)	2,485	28,650	9,109	10	19,429	162,142	24	0	345,313	526,918	4,241,002
Net commissions incurred (28 - 29)	30	408,603	(190,474)	(314,293)	2,998,999	351,848	425,832	103,292	117,648	(6,028)	51,838	5,066	0	(110,894)	57,630	3,841,437
Other distribution expenses	31	0	3,280	100	185	0	100	0	0	0	0	0	0	0	0	3,665
E. UNDERWRITING RESULTS																
Underwriting gain / (loss) (13 - 26 - 27 - 30 - 31)	32	818,761	1,353,722	2,001,071	(701,917)	1,027,114	955,581	310,980	15,483	461,343	382,358	48,404	0	274,339	1,181,927	6,947,239
F. NET INVESTMENT INCOME	33	164,414	124,323	207,227	1,210,369	191,807	131,943	42,200	46,438	3,346	48,552	2,010	0	18,083	118,429	2,190,712
G. OPERATING RESULT (32 + 33)	34	983,175	1,478,045	2,208,298	508,452	1,218,921	1,087,524	353,180	61,921	464,689	430,910	50,414	0	292,422	1,300,356	9,137,951

**ANNUAL RETURN: FORM 6 - STATEMENT OF PREMIUMS, CLAIMS AND UNDERWRITING RESULTS IN RESPECT OF
GENERAL BUSINESS**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Offshore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Marine and Aviation - Cargo	Marine and Aviation - Hull and Liability	Property	Casualty and Others	Total
A. PREMIUMS						
Gross premiums						
Direct business	1	0	1,060,219	500,253	62,201	1,622,673
Reinsurance business accepted -						
In Singapore	2	0	332,214	68,988	0	401,202
From other ASEAN countries	3	105,779	773,027	1,684,014	3,026,869	5,589,689
From other countries	4	0	1,430,435	51,759	0	1,482,194
Total (2 to 4)	5	105,779	2,535,676	1,804,761	3,026,869	7,473,085
Reinsurance business ceded -						
In Singapore	6	8,476	2,164,871	871,303	(17,707)	3,026,943
To other ASEAN countries	7	1,304	0	43,588	2,211	47,103
To other countries	8	942	132,881	90,689	355,285	579,797
Total (6 to 8)	9	10,722	2,297,752	1,005,580	339,789	3,653,843
Net premiums written (1 + 5 - 9)	10	95,057	1,298,143	1,299,434	2,749,281	5,441,915
Premium liabilities at beginning of period	11	17,000	269,000	382,000	183,867	851,867
Premium liabilities at end of period	12	26,149	299,892	616,483	175,271	1,117,795
Premiums earned during the period (10 + 11 - 12)	13	85,908	1,267,251	1,064,951	2,757,877	5,175,987
B. CLAIMS						
Gross claims settled						
Direct business	14	0	1,237,178	2,324,103	64	3,561,345
Reinsurance business accepted -						
In Singapore	15	0	75,307	45,926	0	121,233
From other ASEAN countries	16	9,828	59,391	328,251	442,923	840,393
From other countries	17	0	134,330	0	0	134,330
Total (15 to 17)	18	9,828	269,028	374,177	442,923	1,095,956
Recoveries from reinsurance business ceded -						
In Singapore	19	0	1,126,447	2,230,970	6,566	3,363,983
To other ASEAN countries	20	0	0	4,357	0	4,357
To other countries	21	0	25,610	24,609	2,005	52,224
Total (19 to 21)	22	0	1,152,057	2,259,936	8,571	3,420,564
Net claims settled (14 + 18 - 22)	23	9,828	354,149	438,344	434,416	1,236,737
Claims liabilities at end of period	24	70,497	1,332,189	360,219	827,092	2,589,997
Claims liabilities at beginning of period	25	72,181	865,049	760,358	706,788	2,404,376
Net claims incurred (23 + 24 - 25)	26	8,144	821,289	38,205	554,720	1,422,358
C. MANAGEMENT EXPENSES						
Management Expenses	27	37,482	182,302	553,939	1,386,656	2,160,379
D. DISTRIBUTION EXPENSES						
Commissions	28	22,469	511,517	494,935	775,619	1,804,540
Reinsurance commissions	29	398	512,662	299,048	6,777	818,885
Net commissions incurred (28 - 29)	30	22,071	(1,145)	195,887	768,842	985,655
Other distribution expenses	31	0	0	0	0	0
E. UNDERWRITING RESULTS						
Underwriting gain / (loss) (13 - 26 - 27 - 30 - 31)	32	18,211	264,805	276,920	47,659	607,595
F. NET INVESTMENT INCOME	33	1,028	14,038	14,052	29,730	58,848
G. OPERATING RESULT (32 + 33)	34	19,239	278,843	290,972	77,389	666,443

ANNUAL RETURN: NOTES TO FORM 6

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Singapore Insurance Fund

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

Management expenses:

Management expenses are specifically identified to General Singapore Insurance Fund and General Offshore Insurance Fund and to the respective classes of business where possible. Common expense are, however, allocated to General Singapore Insurance Fund and General Offshore Insurance Fund and the respective classes of business either on a time allocation or net written premium basis.

Net investment income:

Net investment income is specifically identified to General Singapore Insurance Fund and General Offshore Insurance Fund. The income within General Singapore Insurance Fund and General Offshore Insurance Fund is allocated to the respective classes of business according to the net premium written.

Note 2 - Particulars on reinsurances of special risks other than reinsurances of liabilities under a marine and aviation policy.

NIL

ANNUAL RETURN: NOTES TO FORM 6

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

General: Offshore Insurance Fund

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

Management expenses:

Management expenses are specifically identified to General Singapore Insurance Fund and General Offshore Insurance Fund and to the respective classes of business where possible. Common expense are, however, allocated to General Singapore Insurance Fund and General Offshore Insurance Fund and the respective classes of business either on a time allocation or net written premium basis.

Net investment income:

Net investment income is specifically identified to General Singapore Insurance Fund and General Offshore Insurance Fund. The income within General Singapore Insurance Fund and General Offshore Insurance Fund is allocated to the respective classes of business according to the net premium written.

Note 2 - Particulars on reinsurances of special risks other than reinsurances of liabilities under a marine and aviation policy.

NIL

ANNUAL RETURN: FORM 6 - ADDITIONAL INFORMATION

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

NIL

ANNUAL RETURN: FORM 7 - STATEMENT IN RESPECT OF ACCIDENT AND HEALTH BENEFITS

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

Form 7 (b) - Accident and Health Insurance (Short-term)

Description	Row No.	Medical Expense	Medical Expense	Critical Illness	Critical Illness	Disability	Disability	Personal Accident	Personal Accident	Hospital Cash	Hospital Cash	Total	Total
		Individual	Group	Individual	Group	Individual	Group	Individual	Group	Individual	Group	Individual	Group
A. PREMIUMS													
Gross premiums	1	18,547	0	238,517	0	0	0	2,560,263	0	432,375	0	3,249,702	0
Reinsurance ceded	2	0	0	45,259	0	0	0	546,174	0	0	0	591,433	0
Net premiums written (1 - 2)	3	18,547	0	193,258	0	0	0	2,014,089	0	432,375	0	2,658,269	0
Premium liabilities at beginning of period	4	1,627	0	16,957	0	0	0	294,392	0	37,939	0	350,915	0
Premium liabilities at end of period	5	1,314	0	13,688	0	0	0	255,580	0	30,624	0	301,206	0
Premium earned during the period (3 + 4 - 5)	6	18,860	0	196,527	0	0	0	2,052,901	0	439,690	0	2,707,978	0
B. CLAIMS													
Gross claims settled	7	8,707	0	13,747	0	0	0	725,865	0	63,762	0	812,081	0
Reinsurance recoveries	8	53	0	0	0	0	0	294,263	0	722	0	295,038	0
Net claims settled (7 - 8)	9	8,654	0	13,747	0	0	0	431,602	0	63,040	0	517,043	0
Claim liabilities at end of period	10	5,560	0	3,600	0	0	0	428,397	0	24,144	0	461,701	0
Claim liabilities at beginning of period	11	0	0	0	0	0	0	873,128	0	36,957	0	910,085	0
Net claims incurred (9 + 10 - 11)	12	14,214	0	17,347	0	0	0	-13,129	0	50,227	0	68,659	0
C. MANAGEMENT EXPENSES													
Management expenses	13	4,578	0	47,706	0	0	0	684,517	0	106,733	0	843,534	0
D. DISTRIBUTION EXPENSES													
Commissions	14	4,020	0	23,382	0	0	0	454,482	0	84,999	0	566,883	0
Reinsurance commissions	15	0	0	9,109	0	0	0	28,650	0	0	0	37,759	0
Net commissions incurred (14 - 15)	16	4,020	0	14,273	0	0	0	425,832	0	84,999	0	529,124	0
Other distribution expenses	17	0	0	0	0	0	0	100	0	0	0	100	0
E. UNDERWRITING RESULTS (6 - 12 - 13 - 16 - 17)	18	-3,952	0	117,201	0	0	0	955,581	0	197,731	0	1,266,561	0
F. NET INVESTMENT INCOME	19	1,215	0	12,660	0	0	0	131,943	0	28,325	0	174,143	0
G. OPERATING RESULTS (18 + 19)	20	-2,737	0	129,861	0	0	0	1,087,524	0	226,056	0	1,440,704	0
H. OTHERS													
Number of policies in force	21	20	0	91	0	0	0	10,770	0	1,486	0	12,367	0
Number of lives covered under policies in force	22	28	0	117	0	0	0	12,805	0	1,834	0	14,784	0
Number of claims registered	23	3	0	1	0	0	0	207	0	50	0	261	0

ANNUAL RETURN: NOTES TO FORM 7(b)

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

Note 1 - Items in this Form may be allocated according to a reasonable basis used by the registered insurer. The bases used shall be stated as a Note to this Form.

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ANNUAL RETURN: FORM 7(b) - ADDITIONAL INFORMATION

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

NIL

ANNUAL RETURN: FORM 8 - BALANCE SHEET IN RESPECT OF GLOBAL BUSINESS OPERATIONS

Reporting Cycle:

Description	Row No.
ASSETS	
Equity securities	1
Debt securities	2
Land and buildings	3
Loans	4
Cash and deposits	5
Other invested assets	6
Investment income due or accrued	7
Outstanding premiums and agents' balances	8
Deposits withheld by cedants	9
Reinsurance recoverables (on paid claims)	10
Income tax recoverables	11
Fixed assets	12
Inter-fund balances and intra-group balances (due from)	13
Other assets	14
Total Assets (1 to 14)	15
LIABILITIES	
Policy liabilities	16
Other liabilities	
Outstanding claims	17
Annuities due and unpaid	18
Reinsurance deposits	19
Amounts owing to insurers	20
Bank loans and overdrafts	21
Inter-fund balances and intra-group balances (due to)	22
Others	23
Total Liabilities (16 to 23)	24
NET ASSETS (15 - 24)	25
SHAREHOLDERS' EQUITY & SURPLUS	
Paid-up capital	26
Reserves:	
Unappropriated profits (losses)	27
Other reserves	28
Surplus	29
Total (26 to 29)	30

ANNUAL RETURN: ANNEX 8A - STATEMENT OF CHANGES IN EQUITY OF SHAREHOLDERS FUND

Reporting Cycle:

Description	Row No.
Balance at beginning of period	1
Changes in accounting policy	2
Increase (decrease) in reserves	3
Net profit for the period	4
Dividends paid for the period	5
Issue of share capital	6
Transfer (to) from insurance funds maintained in Singapore	7
Transfer (to) from overseas (branch) operations	8
Balance at End of Period	9

**ANNUAL RETURN: ANNEX 8B - INTRA-GROUP BALANCES IN RESPECT OF OVERSEAS OPERATIONS
(GENERAL BUSINESS)**

Reporting Cycle:

Description	Row No.	Amount
Due From		
Balances due from head office / shareholders fund	1	
Balances due from related corporations	2	
Balances due from insurance funds established and maintained under the Act	3	
Total Balances Due From	4	
Due To		
Balances due to head office / shareholders fund	5	
Balances due to related corporations	6	
Balances due to insurance funds established and maintained under the Act	7	
Total Balances Due To	8	
Total Net Balances (4 - 8)	9	

ANNUAL RETURN: NOTES TO FORM 8

Reporting Cycle:

Note 1 Breakdown of "Other Reserves"	Row No.	Amount
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ANNUAL RETURN: FORM 8 - ADDITIONAL INFORMATION

Reporting Cycle:

ANNUAL RETURN: FORM 9 - PROFIT AND LOSS ACCOUNT IN RESPECT OF GLOBAL BUSINESS OPERATIONS

Reporting Cycle:

Description	Row No.
Gross premiums	1
Less: Outward reinsurance premiums	2
Investment revenue	3
Less: Investment expenses	4
Other income	5
Total Income (1 to 5)	6
Gross claims settled	7
Less: Reinsurance recoveries	8
Management expenses	9
Distribution expenses	10
Increase (decrease) in net policy liabilities	11
Provision for doubtful debts / bad debts written off on receivables	12
Taxation expenses	13
Other expenses	14
Total Outgo (7 to 14)	15
NET INCOME (6 - 15)	16

ANNUAL RETURN: FORM 9 - ADDITIONAL INFORMATION

Reporting Cycle:

**ANNUAL RETURN: FORM 20 - ACTUARY'S CERTIFICATE ON POLICY LIABILITIES IN
RESPECT OF GENERAL BUSINESS**

ACTUARIAL INVESTIGATION OF POLICY LIABILITIES

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

I have conducted an investigation into the valuation of policy liabilities relating to general business as required under section 37 of the Insurance Act and confirm that the valuation is in accordance with all applicable requirements stipulated under the Act and directions issued under the Act, subject to the qualifications stated below*. I certify these amounts, net of reinsurance, as follows:

Description	Singapore Insurance Fund	Offshore Insurance Fund
Premium Liabilities	14,335,922	1,115,660
Claim Liabilities	36,211,547	2,247,531
Policy Liabilities	50,547,469	3,363,191

***Qualifications (if none, state "none"):**

None

ANNUAL RETURN: FORM 20 - ADDITIONAL INFORMATION

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

NIL

**ANNUAL RETURN: FORM 21 - STATEMENT IN RELATION TO FUND SOLVENCY REQUIREMENT OF
INSURANCE FUND**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Singapore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Amount
(i) Financial Resources of Insurance Fund		
Balance in the surplus account (of participating fund)	1	0
Add:		
Allowance for provision for non-guaranteed benefits (of participating fund): (lower of 3 or 4)	2	0
Policy liabilities - minimum condition liability	3	0
50% of aggregate of provisions for non-guaranteed benefits and PAD	4	0
Surplus of insurance fund (of any other insurance fund)	5	48,063,659
Less:		
Reinsurance adjustment	6	388,526
Financial resource adjustment: (8 to 12)	7	0
(a) loans to, guarantees granted for, and other unsecured amounts owed to the registered insurer	8	0
(b) charged assets	9	0
(c) deferred tax assets	10	0
(d) intangible assets	11	0
(e) other financial resource adjustments	12	0
Financial Resources of Insurance Fund (1 + 2 + 5 - 6 - 7)	13	47,675,133
(ii) Total Risk Requirement of Insurance Fund		
A. Component 1 Requirement - Insurance Risks		
Life Insurance Risk Requirement (for participating fund): (15 + 18)	14	0
(a) Policy Liability Risk Requirement: (zero or 16 - 17, whichever is higher)	15	0
Modified minimum condition liability	16	0
Minimum condition liability	17	0
(b) Surrender Value Condition Risk Requirement: (zero or 19 - 20, whichever is higher)	18	0
Aggregate of surrender values of policies of the insurance fund	19	0
Higher of 21 or 22:	20	0
Sum of total risk requirement and minimum condition liability of the insurance fund	21	0
Policy liabilities of the insurance fund	22	0
Life Insurance Risk Requirement (other than participating fund) (24 + 27)	23	0
(a) Policy Liability Risk Requirement: (zero or 25 - 26, whichever is higher)	24	0
Modified policy liabilities	25	0
Policy Liabilities	26	0
(b) Surrender Value Condition Risk Requirement: (zero or 28 - 29, whichever is higher)	27	0
Aggregate of surrender values of policies of the insurance fund	28	0
Sum of total risk requirement and policy liabilities of the insurance fund	29	0
General Insurance Risk Requirement (for general business): (31 to 32)	30	12,675,168
(a) Premium liability risk requirement	31	2,424,274
(b) Claim liability risk requirement	32	10,250,894
Total C1 Requirement (14 + 23 + 30)	33	12,675,168
B. Component 2 Requirement - Investment Risks and Risks arising from Interest Rate Sensitivity and Foreign Currency Mismatch between Asset and Liabilities		
Equity Investment Risk Requirement (35 to 36)	34	2,486,290
(a) Specific Risk Requirement	35	1,243,145
(b) General Risk Requirement	36	1,243,145
Debt Investment and Duration Mismatch Risk Requirement:		

(38 or 43, whichever is higher)	37	2,460,318
(a) Sum of: (39 + 42)	38	2,460,318
Debt investment risk requirement in an increasing interest rate environment (40 to 41)	39	2,460,318
Debt specific risk requirement	40	1,418,856
Debt general risk requirement	41	1,041,462
Liability adjustment requirement in an increasing interest rate environment	42	0
(b) Sum of: (44 + 47)	43	377,394
Debt investment risk requirement in a decreasing interest rate environment (45 to 46)	44	377,394
Debt specific risk requirement	45	1,418,856
Negative of debt general risk requirement	46	-1,041,462
Liability adjustment requirement in a decreasing interest rate environment	47	0
Loan Investment Risk Requirement	48	0
Property Risk Requirement	49	0
Foreign Currency Mismatch Risk Requirement (for Singapore Insurance Fund)	50	0
Derivative Counterparty Risk Requirement	51	72
Miscellaneous Risk Requirement	52	1,776,992
Total C2 Requirement (34 + 37 + 48 + 49 + 50 + 51 + 52)	53	6,723,672
C. Component 3 Requirement - Concentration Risks		
Counterparty Exposure	54	0
Equity Securities Exposure	55	0
Unsecured Loans Exposure	56	0
Property Exposure	57	0
Foreign Currency Risk Exposure	58	0
Exposure to assets in miscellaneous risk requirements	59	0
Exposure to non-liquid assets with Singapore Insurance Fund (for general business)	60	0
Total C3 Requirement (54 to 60)	61	0
Total Risk Requirement of Insurance Fund (33 + 53 +61)	62	19,398,840

**ANNUAL RETURN: FORM 21 - STATEMENT IN RELATION TO FUND SOLVENCY REQUIREMENT OF
INSURANCE FUND**

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

General: Offshore Insurance Fund

Reporting Cycle: 2005 12

Description	Row No.	Amount
(i) Financial Resources of Insurance Fund		
Balance in the surplus account (of participating fund)	1	0
Add:		
Allowance for provision for non-guaranteed benefits (of participating fund): (lower of 3 or 4)	2	0
Policy liabilities - minimum condition liability	3	0
50% of aggregate of provisions for non-guaranteed benefits and PAD	4	0
Surplus of insurance fund (of any other insurance fund)	5	2,076,412
Less:		
Reinsurance adjustment	6	21,333
Financial resource adjustment: (8 to 12)	7	0
(a) loans to, guarantees granted for, and other unsecured amounts owed to the registered insurer	8	0
(b) charged assets	9	0
(c) deferred tax assets	10	0
(d) intangible assets	11	0
(e) other financial resource adjustments	12	0
Financial Resources of Insurance Fund (1 + 2 + 5 - 6 - 7)	13	2,055,079
(ii) Total Risk Requirement of Insurance Fund		
A. Component 1 Requirement - Insurance Risks		
Life Insurance Risk Requirement (for participating fund): (15 + 18)	14	0
(a) Policy Liability Risk Requirement: (zero or 16 - 17, whichever is higher)	15	0
Modified minimum condition liability	16	0
Minimum condition liability	17	0
(b) Surrender Value Condition Risk Requirement: (zero or 19 - 20, whichever is higher)	18	0
Aggregate of surrender values of policies of the insurance fund	19	0
Higher of 21 or 22:	20	0
Sum of total risk requirement and minimum condition liability of the insurance fund	21	0
Policy liabilities of the insurance fund	22	0
Life Insurance Risk Requirement (other than participating fund) (24 + 27)	23	0
(a) Policy Liability Risk Requirement: (zero or 25 - 26, whichever is higher)	24	0
Modified policy liabilities	25	0
Policy Liabilities	26	0
(b) Surrender Value Condition Risk Requirement: (zero or 28 - 29, whichever is higher)	27	0
Aggregate of surrender values of policies of the insurance fund	28	0
Sum of total risk requirement and policy liabilities of the insurance fund	29	0
General Insurance Risk Requirement (for general business): (31 to 32)	30	859,660
(a) Premium liability risk requirement	31	104,197
(b) Claim liability risk requirement	32	755,463
Total C1 Requirement (14 + 23 + 30)	33	859,660
B. Component 2 Requirement - Investment Risks and Risks arising from Interest Rate Sensitivity and Foreign Currency Mismatch between Asset and Liabilities		
Equity Investment Risk Requirement (35 to 36)	34	81,642
(a) Specific Risk Requirement	35	40,821
(b) General Risk Requirement	36	40,821
Debt Investment and Duration Mismatch Risk Requirement: (38 or 43, whichever is higher)	37	100,360

(a) Sum of: (39 + 42)	38	100,360	
Debt investment risk requirement in an increasing interest rate environment (40 to 41)	39	100,360	
Debt specific risk requirement	40	59,115	
Debt general risk requirement	41	41,245	
Liability adjustment requirement in an increasing interest rate environment	42	0	
(b) Sum of: (44 + 47)	43	17,870	
Debt investment risk requirement in a decreasing interest rate environment (45 to 46)	44	17,870	
Debt specific risk requirement	45	59,115	
Negative of debt general risk requirement	46	-41,245	
Liability adjustment requirement in a decreasing interest rate environment	47	0	
Loan Investment Risk Requirement	48		0
Property Risk Requirement	49		0
Foreign Currency Mismatch Risk Requirement (for Singapore Insurance Fund)	50		0
Derivative Counterparty Risk Requirement	51		21
Miscellaneous Risk Requirement	52		321,365
Total C2 Requirement (34 + 37 + 48 + 49 + 50 + 51 + 52)	53		503,388
C. Component 3 Requirement - Concentration Risks			
Counterparty Exposure	54		0
Equity Securities Exposure	55		0
Unsecured Loans Exposure	56		0
Property Exposure	57		0
Foreign Currency Risk Exposure	58		0
Exposure to assets in miscellaneous risk requirements	59		0
Exposure to non-liquid assets with Singapore Insurance Fund (for general business)	60		0
Total C3 Requirement (54 to 60)	61		0
Total Risk Requirement of Insurance Fund (33 + 53 +61)	62		1,363,048

ANNUAL RETURN: FORM 21 - ADDITIONAL INFORMATION

I524C HSBC INSURANCE (SINGAPORE) PTE. LIMITED

Reporting Cycle: 2005 12

NIL

**ANNUAL RETURN: FORM 22 - STATEMENT IN RELATION TO TOTAL RISK REQUIREMENT OF ASSETS AND
LIABILITIES OF REGISTERED INSURER THAT DO NOT BELONG TO ANY INSURANCE FUND ESTABLISHED AND
MAINTAINED UNDER THE ACT**

Reporting Cycle:

Description
(i) Total Risk Requirement
A. Component 1 Requirement - Insurance Risks
Life Insurance Risk Requirement:
(for participating business only) (2 + 5)
(a) Policy Liability Risk Requirement: (zero or 3 - 4, whichever is higher)
Modified minimum condition liability
Minimum condition liability
(b) Surrender Value Condition Risk Requirement: (zero or 6 - 7, whichever is higher)
Aggregate of surrender values of policies
Higher of 8 or 9:
Sum of total risk requirement and minimum condition liability
Policy liabilities
Life Insurance Risk Requirement: (other than participating business) (11 + 14)
(a) Policy Liability Risk Requirement: (zero or 12 - 13, whichever is higher)
Modified policy liabilities
Policy liabilities
(b) Surrender Value Condition Risk Requirement: (zero or 15 - 16, whichever is higher)
Aggregate of surrender values of policies
Sum of total risk requirement and policy liabilities
General Insurance Risk Requirement (for general business) (18 to 19)
(a) Premium liability risk requirement
(b) Claim liability risk requirement
Total C1 Requirement (1 + 10 + 17)
B. Component 2 Requirement - Investment Risks and Risks arising from Interest
Rate Sensitivity and Foreign Currency Mismatch between Asset and Liabilities
Equity Investment Risk Requirement: (22 to 23)
(a) Specific Risk Requirement
(b) General Risk Requirement
Debt Investment and Duration Mismatch Risk Requirement:
(25 or 30, whichever is higher)
(a) Sum of: (26 + 29)
Debt investment risk requirement in an increasing interest rate environment
(27 to 28)
Debt specific risk requirement
Debt general risk requirement
Liability adjustment requirement in an increasing interest rate environment
(b) Sum of: (31 + 34)
Debt investment risk requirement in a decreasing interest rate environment
(32 to 33)
Debt specific risk requirement
Negative of debt general risk requirement

Liability adjustment requirement in a decreasing interest rate environment

Loan Investment Risk Requirement

Property Risk Requirement

Derivative Counterparty Risk Requirement

Miscellaneous Risk Requirement

Total C2 Requirement (21 + 24 + 35 + 36 + 37 + 38)

**Total Risk Requirement of Assets and Liabilities of Registered Insurer that do not
belong to any insurance fund established and maintained under the Act (20 + 39)**

ANNUAL RETURN: FORM 22 - ADDITIONAL INFORMATION

Reporting Cycle:

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ANNUAL RETURN

FORM 23 - STATEMENT IN RELATION TO CAPITAL ADEQUACY REQUIREMENT OF REGISTERED INSURER

Reporting Cycle:

Description	Row No.
(i) Financial Resources of Registered Insurer	
A. Tier 1 Resource	
Aggregate of surpluses of all insurance funds other than a participating fund	1
Balances in the surplus account of each participating fund	2
Paid-up ordinary share capital	3
Unappropriated profits (losses)	4
Surpluses of Overseas Branch Operations	5
Irredeemable and non-cumulative preference shares	6
Any other capital instrument approved by the Authority as a Tier 1 resource	7
Less:	
Reinsurance adjustment	8
Financial resource adjustment: (10 to 14)	9
(a) loans to, guarantees granted for and other unsecured amounts owed to the registered insurer	10
(b) charged assets	11
(c) deferred tax assets	12
(d) intangible assets	13
(e) other financial resource adjustments	14
Total Tier 1 Resource (1 to 7 less 8 to 9)	15
B. Tier 2 Resource	
Irredeemable and non-cumulative preference shares not recognised as Tier 1 resource	16
Irredeemable and non-cumulative preference shares	17
Other Tier 2 resource	18
Total Tier 2 Resource (16 to 18)	19
C. Aggregate of allowance for provisions for non-guaranteed benefits of participating funds	20
Financial Resources of Registered Insurer (higher of \$5m or 15 + 19 +20)	21
(ii) Total Risk Requirement of Registered Insurer	
(a) Total risk requirements of insurance funds established or maintained under the Act	22
(b) Total risk requirements of assets and liabilities that do not belong to any insurance fund established and maintained under the Act	23
Total Risk Requirement of Registered Insurer (22 to 23)	24
CAPITAL ADEQUACY RATIO (21/24)	25

ANNUAL RETURN: FORM 23 - ADDITIONAL INFORMATION

Reporting Cycle: