

Notice No. : MAS 212 (Amendment) 2021
Issue Date : 15 March 2021

**NOTICE ON INSURANCE RETURNS (ACCOUNTS AND STATEMENTS)
FOR MARINE MUTUAL INSURERS**

Introduction

- 1 For presentational purposes, the amendments in this document are compared against the version of the MAS Notice 212 on Notice on Insurance Returns (Accounts and Statements) for Marine Mutual Insurers issued on 30 December 2020.
- 2 This document shall be interpreted as follows:
 - (a) Text which is coloured and struck through represents deletion which will not appear in the untracked version of MAS Notice 212 revised on 15 March 2021, which is published on MAS' website www.mas.gov.sg ("Published Version"); and
 - (b) Text which is coloured and underlined represents insertion which will appear in the Published Version.
- 3 The amendments reflected in this document shall take effect on 16 March 2021.
- 4 This document is to be used for reference only. In the event of discrepancies between the amendments in this document and the Published Version, the Published Version shall prevail.

Notice No. : MAS 212

Issue Date : 28 September 2018

*Last revised on ~~30 December 2020~~ **15 March 2021**

NOTICE ON INSURANCE RETURNS (ACCOUNTS AND STATEMENTS) FOR MARINE MUTUAL INSURERS

Introduction

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

Definitions

2 For the purposes of this Notice:

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

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

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

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

[Deleted by MAS Notice 212 (Amendment No. 2) 2020]

“Head Office/ Branch Arrangement” means any written arrangement referred to in regulation 21(1)(a) or (3)(a) of the Insurance (Valuation and Capital) Regulations 2004 relating to liabilities in respect of which an insurer can make a deduction in accordance with regulation 21 of the Insurance (Valuation and Capital) Regulations 2004;

[MAS Notice 212 (Amendment) 2020]

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

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

“MASNET” means MAS Network;

“Offshore Insurance Fund” means an insurance fund established and maintained under

section 17(1) of the Act for offshore policies;

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

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

“valuation date” has the same meaning as in regulation 2 of the Insurance (Valuation and Capital) Regulations 2004.

[MAS Notice 212 (Amendment) 2018]

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

Forms

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

Submission Requirements

- 5 Every marine mutual insurer must lodge all applicable forms and applicable annexes to such forms, and documents, set out in Appendix A, in the form and manner specified in the Appendix.

- 6 A marine mutual insurer must comply with the signatory requirements specified in Appendix A, in respect of any form, annex or document that is required to be lodged by the marine mutual insurer under paragraph 5 by way of electronic submission via email.

[MAS Notice 212 (Amendment No. 2) 2020]

- 7 Where a form, annex or document is required to be signed by or on behalf of a marine mutual insurer’s chief executive in Singapore, the marine mutual insurer must ensure that —
 - (a) the form, annex or document is approved by its chief executive; and
 - (b) if not signed by the marine mutual insurer’s chief executive, be signed by one of the marine mutual insurer’s officers in Singapore who is for the time being notified to the Authority as having authority for the purposes of this Notice to sign in place of the chief executive in Singapore.

- 8 A marine mutual insurer must —
 - (a) submit electronically via MASNET, any form, annex or document that has a submission deadline specified in its corresponding row under the columns labelled —
 - (i) “Other Annual Returns” – Electronic submission via MASNET” – “Submission deadline”; or

- (ii) “Annual Returns” – “Electronic submission via MASNET” – “Submission deadline”
in Appendix A, ; and
- (b) submit electronically via email any form, annex or document that has a submission deadline specified in its corresponding row under the column labelled “Annual Returns” – “Electronic submission via email” – “Submission deadline”.

[MAS Notice 212 (Amendment No. 2) 2020]

- 8A To avoid doubt, where a form, annex or document has a submission deadline specified in its corresponding row under two or more columns described in paragraph 8(a) above, in Appendix A, a marine mutual insurer must submit the form, annex or document electronically via MASNET for every submission deadline.

[MAS Notice 212 (Amendment No. 2) 2020]

- 8B A marine mutual insurer must submit the form, annex or document mentioned in paragraph 8(b) to the Authority by sending the form, annex or document by email to the email address specified by written notification sent by the Authority.

[MAS Notice 212 (Amendment No. 2) 2020]

Provisions as to Returns Lodged

- 9 A marine mutual insurer must ensure that all of the following requirements are complied with in relation to any form, annex or document that the marine mutual insurer is required to lodge under this Notice —
- (a) The form, annex or document is in English; and
- (b) All monetary amounts referred to in the form, annex or document are in Singapore dollars unless otherwise specified in the applicable form or annex.
- 10 In any form, annex or document which a marine mutual insurer is required to prepare in accordance with this Notice, the marine mutual insurer must ensure that the value or amount given for an asset or a liability of the marine mutual insurer is the value or amount of that asset or liability, as the case may be, as determined in accordance with any applicable regulation under the Insurance (Valuation and Capital) Regulations 2004, any applicable direction in MAS Notice 133 (Notice on Valuation and Capital Framework for Insurers), and any applicable direction issued under the Act.

[MAS Notice 212 (Amendment) 2018]
[MAS Notice 212 (Amendment) 2020]

- 11 In any form, annex or document which a marine mutual insurer is required to prepare in accordance with this Notice, the marine mutual insurer must ensure that the value or amount given for an income item, an expense item, an equity item or a change in equity item of the insurer is valued in accordance with —
- (a) the instructions for completion in the forms and annexes; and
- (b) where there are no applicable instructions for completion in the forms and annexes, the Accounting Standards.

- 12 In any form, annex or document which a marine mutual insurer is required to prepare under this Notice, the marine mutual insurer must recognise any asset, liability, equity, income, expense and change in equity in accordance with —
- (a) any applicable regulation under the Insurance (Valuation and Capital) Regulations 2004, any applicable direction in MAS Notice 133 (Notice on Valuation and Capital Framework for Insurers), and any applicable direction issued under the Act; and
 - (b) where sub-paragraph (a) does not apply, the recognition requirements in the Accounting Standards.

[MAS Notice 212 (Amendment) 2018]
[MAS Notice 212 (Amendment) 2020]

Audit Requirements

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

Frequency and Deadline for Submission of Returns

- 14A A marine mutual insurer must lodge, for each accounting period, every form, annex or document that has a submission deadline specified in its corresponding row under the column labelled “Other Annual Returns” – “Electronic submission via MASNET” – “Submission deadline”, in Appendix A, on or before the last day of the period specified in that row where the period is calculated from the last day of the accounting period.

[MAS Notice 212 (Amendment No. 2) 2020]

- 14B A marine mutual insurer that is incorporated in Singapore must lodge, for each financial year, an “Annual Report of Insurer Incorporated in Singapore”, on or before the last day of the period specified in its corresponding row under the column labelled “Annual Returns” – “Electronic submission via email” – “Submission deadline” in Appendix A, where the period is calculated from the last day of the financial year.

[MAS Notice 212 (Amendment No. 2) 2020]

- 14C A marine mutual insurer that is incorporated outside Singapore must lodge, for each financial year—
- (a) “Financial Statements prepared in accordance with Singapore Financial Reporting Standards in respect of Operations in Singapore”; and
 - (b) an “Annual Report of Head Office in respect of Global Operations”, on or before the last day of the period specified in each document’s corresponding row under the column labelled “Annual Returns” – “Electronic submission via email” – “Submission deadline” in Appendix A, where the period is calculated from the last day of the financial year.

[MAS Notice 212 (Amendment No. 2) 2020]

- 14D A marine mutual insurer must lodge, for each financial year, every form, annex or document (other than a form, annex or document referred to in paragraph 14B or 14C above) that has a submission deadline specified in its corresponding row under the columns labelled:
- (a) “Annual Returns” – “Electronic submission via MASNET” – “Submission deadline”; or
 - (b) “Annual Returns” – “Electronic submission via email” – “Submission deadline”,
- in Appendix A, on or before the last day of the period specified in that row where the period is calculated from the last day of the financial year.

[MAS Notice 212 (Amendment No. 2) 2020]

- 15 [Deleted by MAS Notice 212 (Amendment No. 2) 2020]

Effective Date and Transitional Provisions

- 16 This Notice shall take effect on 1 January 2019.
- 17 A marine mutual insurer must comply with the version of MAS Notice 212 and the Insurance (Valuation and Capital) Regulations 2004, in force immediately before 31 March 2020 for the following periods:
- (a) the accounting period beginning on or after 1 January 2019 and ending on 31 December 2019; and
 - (b) the financial year of the marine mutual insurer beginning on any day between 1 January 2019 and 31 December 2019 (both dates inclusive).

[MAS Notice 212 (Amendment) 2020]

- 18 To avoid doubt, a marine mutual insurer must report any change in net asset value that results from the Insurance (Valuation and Capital) (Amendment) Regulations 2020 coming into force on 31 March 2020, or MAS Notice 133 coming into force on 31 March 2020 as a retrospective restatement to beginning balance in Form A3 for the financial year of the marine mutual insurer beginning on any day between 1 January 2020 and 31 December 2020 (both dates inclusive).

[MAS Notice 212 (Amendment) 2020]

Notes on History of Amendments

1. MAS Notice 212 (Amendment) 2018 dated 19 December 2018 with effect from 1 January 2019.
2. MAS Notice 212 (Amendment) 2020 dated 6 March 2020 with effect from 31 March 2020.
3. MAS Notice 212 (Amendment No. 2) 2020 dated 30 December 2020 with effect from 31 December 2020.
4. **MAS Notice 212 (Amendment) 2021 dated 15 March 2021 with effect from 16 March 2021.**

Appendix A

SUBMISSION REQUIREMENTS

Form	Annex	Title	Marine Mutual Insurers General				
			Quarterly Returns		Other Annual Returns		To be audited
			Electronic submission via MASNET	Electronic submission via MASNET	Electronic submission via MASNET	Electronic submission via email	
			Submission deadline	Submission deadline	Submission deadline	Submission deadline	Signatory requirement
			From the last day of the quarter	From the last day of the accounting period		From the last day of the financial year	
A1		Statement of Financial Position A1-5 Policy Liabilities (Gross of Reinsurance) and Reinsurers' Share of Policy Liabilities in respect of General Business A1-9 Other Reserves A1-10 Exposures to Related Corporations, Head Office and Overseas Branches of Head Office		3 weeks	6 months 6 months 6 months 6 months 6 months 6 months		Y Y
Notes				3 weeks	6 months 6 months 6 months 6 months 6 months 6 months		Y Y
A2		Statement of Profit and Loss A2-1 Other Expenses A2-2 Other Income A2-5 Information in respect of Transactions with Related Corporations, Head Office and Overseas Branches of Head Office			6 months 6 months 6 months 6 months 6 months		Y
A3		Statement of Changes in Equity					
A7		Certificate on the Accounts of the Insurer			6 months	Chief Executive + 2 Directors	
A8		Independent Auditor's Report			6 months	Auditor	
A9		Independent Auditor's Supplementary Report			6 months	Auditor	
G1		"G" means only applicable to General business Statement of Operating Results by Line of Business		3 weeks	6 months 6 months		Y Y
Notes							
		Annual Report of Insurer Incorporated in Singapore (Applicable to insurers incorporated in Singapore only)			6 months	Per requirements under the Companies Act	Y
		Financial Statements prepared in accordance with Singapore Financial Reporting Standards in respect of Operations in Singapore (Applicable to insurers incorporated outside Singapore only)			6 months	Per requirements under the Companies Act	Y
		Annual Report of Head Office in respect of Global Operations (Applicable to insurers incorporated outside Singapore only)			6 months	Per requirements of home jurisdiction	Y
Additional Returns Form 1		Annual Analysis of Calls, Premiums and Claims			6 months	6 months	Chief Executive
Additional Returns Form 2		Statement on Adequacy of Claim Liabilities				6 months	Chief Executive

Appendix B

LIST OF INSURANCE FORMS FOR MARINE MUTUAL INSURERS

Form	Annex	Title
A1		Statement of Financial Position
	A1-5	Policy Liabilities (Gross of Reinsurance) and Reinsurers' Share of Policy Liabilities in respect of General Business
	A1-9	Other Reserves
	A1-10	Exposures to Related Corporations, Head Office and Overseas Branches of Head Office
	Notes	
A2		Statement of Profit and Loss
	A2-1	Other Expenses
	A2-2	Other Income
	A2-5	Information in respect of Transactions with Related Corporations, Head Office and Overseas Branches of Head Office
A3		Statement of Changes in Equity
A7		Certificate on the Accounts of the Insurer
A8		Independent Auditor's Report
A9		Independent Auditor's Supplementary Report
		<u>"G"</u> means only applicable to General business
G1		Statement of Operating Results by Line of Business
	Notes	
Additional Returns Form 1		Annual Analysis of Calls, Premiums and Claims
Additional Returns Form 2		Statement on Adequacy of Claim Liabilities

NAME OF INSURER _____

FORM A1 – STATEMENT OF FINANCIAL POSITION

AS AT _____

Co Code Year Month

Description	Annex	Row No.	Insurance Funds Established and Maintained by Insurer under the Act						Shareholders Fund			Total	
			Life Business in Singapore						General Business in Singapore		Overseas (Branch) Insurance Operations		
			Singapore Insurance Fund			Offshore Insurance Fund			Singapore Insurance Fund	Offshore Insurance Fund	Life Business	General Business	
			Participating	Non-Participating	Investment-Linked	Participating	Non-Participating	Investment-Linked					
ASSETS													
Equity securities:													
Listed collective investment schemes		1											
Unlisted collective investment schemes		2											
Other listed equity securities		3											
Other unlisted equity securities		4											
Total (1 to 4)		5											
Debt securities:													
Government debt securities		6											
Qualifying debt securities		7											
Other debt securities		8											
Total (6 to 8)		9											
Cash and deposits		10											
Other investments	A1-1	11											
Loans:													
Policy loans		12											
Other secured loans		13											
Unsecured loans		14											
Total (12 to 14)		15											
Property, plant and equipment:													
Land and buildings		16											
Other property, plant and equipment		17											
Total (16 to 17)		18											
Outstanding premiums	A1-2	19											
Deposits withheld by cedants		20											
Reinsurers' share of policy liabilities	A1-5	21											
Reinsurance recoverables on paid claims	A1-3	22											
Balances due from Head Office/ Shareholders Fund		23											
Balances due from Overseas Branches/ Related corporations		24											
Balances due from other insurance funds		25											
Other assets	A1-4	26											
Total Assets (5 + (9 to 11) + 15 + (18 to 26))		27											
LIABILITIES													
Policy liabilities (gross of reinsurance)	A1-5	28											
Outstanding claims		29											
Annuities due and unpaid		30											
Reinsurance deposits		31											
Amounts owing to insurers		32											
Bank loans and overdrafts		33											
Financial liabilities	A1-7	34											
Balances due to Head Office/ Shareholders Fund		35											
Balances due to Overseas Branches/ Related corporations		36											
Balances due to other insurance funds		37											
Other liabilities	A1-8	38											
Total Liabilities (28 to 38)		39											
NET ASSETS (27 – 39)		40											
EQUITY													
Paid-up capital		41											
Surplus/ Retained earnings		42											
Other reserves	A1-9	43											
Total Equity (41 to 43)		44											

ANNEX A1-5
POLICY LIABILITIES (GROSS OF REINSURANCE) AND REINSURERS' SHARE OF POLICY LIABILITIES IN RESPECT OF GENERAL BUSINESS

AS AT _____

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

ANNEX A1-9
OTHER RESERVES

AS AT _____

ANNEX A1-10

Notes to Form A1 (to be shown separately for each fund)

The following shall be stated as Notes to this Form:

Note 1 The aggregate amounts of loans to and amounts due from —

- (a) directors as defined in section 31 of the Insurance Act (Cap. 142); and
- (b) employees of the insurer.

Aggregate amounts shall be shown separately for directors and employees.

Note 2 Description and amount of the following items:

- (a) commitments and other off balance sheet obligations such as repurchase agreement, and securities borrowing and lending; and
- (b) contingent assets and liabilities.

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

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

Note 5¹ In respect of financial guarantee business —

- (a) where premiums are payable in instalments, the present value of future instalment premiums payable by the insured in a future accounting period and the discount rate used; and
- (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.

Note 6

(a) Where the difference between “policy liabilities (gross of reinsurance)” in the current period and preceding period does not reconcile to the “increase/ (decrease) in policy liabilities (gross of reinsurance)” in Form A2, an explanation should be provided.

(b) Where the difference between “reinsurers' share of policy liabilities” in the current period and preceding period does not reconcile to the “decrease/ (increase) in reinsurers' share of policy liabilities” in Form A2, an explanation should be provided.

¹ This is not applicable to marine mutual insurers.

Instructions for completion of Form A1, Notes and Annexes A1-5, A1-9 and A1-10

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For any Note where there are no entries, a “Nil” Note shall be submitted.
3. For the columns under “Insurance Funds Established and Maintained by Insurer under the Act”, the insurer shall only be required to complete the fields relating to insurance funds that it had established and maintained under the Act.
4. The columns under “Shareholders Fund” shall only be applicable to insurers incorporated in Singapore. The column “Overseas (Branch) Insurance Operations” refers to all branches of the insurer which are located outside Singapore and carrying on insurance business. The column “Non-Insurance Operations” includes overseas branches that do not carry on insurance business.
5. For insurers incorporated in Singapore, the "Total" column refers to the financial position in respect of global business operations. For insurers incorporated outside Singapore, the "Total" column refers to the financial position in respect of Singapore operations only. Balances between the insurance funds and shareholders fund (including overseas branches) shall be offset under the "Total" column.
6. The assets and liabilities shall be valued in accordance with the Insurance (Valuation and Capital) Regulations 2004 and MAS Notice 133.

[MAS Notice 212 (Amendment) 2018]
[MAS Notice 212 (Amendment) 2020]

7. “Collective investment scheme”, “equity security” and “debt security” have the same respective meanings as in regulation 2 of the Insurance (Valuation and Capital) Regulations 2004.

[MAS Notice 212 (Amendment) 2020]

8. The amount of debt securities must include any accrued interest relating to the debt securities.

[MAS Notice 212 (Amendment) 2020]

8A. “Government debt security” means a debt security that –

- (a) is issued or fully guaranteed by the Government;
- (b) is issued or fully guaranteed by a central government or central bank of a country or territory which has a sovereign rating of investment grade; or
- (c) meets the following criteria:
 - (i) issued or fully guaranteed by a central government or central bank of a country or territory which does not have a sovereign rating of investment grade;
 - (ii) denominated in the national currency of that country; and
 - (iii) has a residual maturity of 12 months or less.

[MAS Notice 212 (Amendment) 2020]

8B. “Investment grade” has the same meaning as in paragraph 1.5 of MAS Notice 133.

[MAS Notice 212 (Amendment) 2020]

9. “Qualifying debt security” means a debt security that –

- (a) meets the following criteria:
 - (i) issued or fully guaranteed by a central government or central bank of a country or territory which does not have a sovereign rating of investment grade;
 - (ii) denominated in the national currency of that country; and
 - (iii) has a residual maturity of more than one year;
- (b) is issued or fully guaranteed by a statutory board in Singapore;
- (c) is issued or fully guaranteed by a recognised multilateral agency that is listed in Appendix 4C to MAS Notice 133; or
- (d) has a rating of investment grade.

[MAS Notice 212 (Amendment) 2020]

10. “Other debt securities” includes any listed or unlisted bonds issued by corporations and any bill of exchange.

11. “Loans” shall be reported net of provisions.

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

13. “Land and buildings” includes any property acquired through foreclosures and in settlement of debts.

14. “Outstanding premiums” refers to premiums owed by insureds, policy owners,

cedants and insurance intermediaries. It shall be reported net of premium refunds, commissions payable to insurance intermediaries, and approved claims and reinsurance commissions payable to cedants on an individual account basis. Where the commissions payable to any particular insurance intermediary exceed the premiums owed by that insurance intermediary, the net amount due to that insurance intermediary shall be reported under “other liabilities”. Where the approved claims and reinsurance commissions payable to any particular cedant exceed the premiums owed by that cedant, the net amount due to that cedant shall be reported under “amounts owing to insurers”.

15. “Deposits withheld by cedants” refers to amounts withheld by cedants under reinsurance inward contracts.

16. “Reinsurers' share of policy liabilities” refers to (i) reinsurance assets and (ii) balances due from the insurer's head office or branch outside Singapore arising from a Head Office/ Branch Arrangement, excluding “reinsurance recoverables on paid claims”. For general business, it refers to the sum of reinsurers' share of premium liabilities and reinsurers' share of claim liabilities.

[MAS Notice 212 (Amendment) 2020]

17. “Reinsurance recoverables on paid claims” means any amount that an insurer is entitled to recover, but has yet to recover, from its reinsurance counterparty, or the insurer's head office or branch outside Singapore arising from a Head Office/ Branch Arrangement, in respect of claims that have been paid by the insurer and claims that have been approved by the insurer for payment but have not been paid. It shall be offset by any premiums owing to the reinsurer, or the insurer's head office or branch outside Singapore arising from a Head Office/ Branch Arrangement, on an individual account basis. Where the premiums owed to any particular reinsurer, or the insurer's head office or branch outside Singapore arising from a Head Office/ Branch Arrangement exceed the reinsurance recoverables on paid claims owed by that reinsurer or the insurer's head office or branch outside Singapore arising from a Head Office/ Branch Arrangement, as the case may be, the net amount due to that reinsurer, or the insurer's head office or branch outside Singapore arising from Head Office Arrangement, shall be reported under “amounts owing to insurers”.

[MAS Notice 212 (Amendment) 2020]

18. “Policy liabilities (gross of reinsurance)” refers to the contractual obligations under insurance policies, excluding any recoveries from reinsurers, “outstanding claims” and “amounts owing to insurers”. It refers to the sum of premium liabilities (gross of reinsurance) and claim liabilities (gross of reinsurance).

19. “Outstanding claims” refers to claims (gross of reinsurance) which have been approved for payment but have not been paid and includes expenses associated with

the settlement of such claims but does not include such claims that are already included in policy liabilities.

20. “Reinsurance deposits” refers to amounts withheld from (i) reinsurers under reinsurance outward contracts and (ii) the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement.

[MAS Notice 212 (Amendment) 2020]

21. “Amounts owing to insurers” refers to approved claims, profit commissions and reinsurance commissions owing to cedants, and premiums owing to reinsurers, or the insurer’s head office or branch outside Singapore arising from a Head Office/ Branch Arrangement. Approved claims, profit commissions and reinsurance commissions owing to the cedant shall be offset by any premiums owed by that cedant on an individual account basis. Where the premiums owed by any particular cedant exceed the approved claims, profit commissions and reinsurance commissions owed to that cedant, the net amount due from that cedant shall be reported under “outstanding premiums”. Premiums owing to the reinsurer, or the insurer’s head office or branch outside Singapore arising from a Head Office/ Branch Arrangement, shall be offset by any reinsurance recoverables on paid claims owed by that reinsurer, or the insurer’s head office or branch outside Singapore on an individual account basis. Where the reinsurance recoverables on paid claims owed by any particular reinsurer exceed the premiums owed to that reinsurer or the insurer’s head office or branch outside Singapore, as the case may be, the net amount due from that reinsurer, or the insurer’s head office or branch outside Singapore, shall be reported under “reinsurance recoverables on paid claims”.

[MAS Notice 212 (Amendment) 2020]

22. Notwithstanding instructions 14, 17 and 21, “outstanding premiums”, “reinsurance recoverables on paid claims” and “amounts owing to insurers” shall not be offset against one another if there is no legal right to do so.

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

24. "Type of Exposure" refers to the type of asset/ liability exposures with related corporations such as equity securities, debt securities, cash and deposits, secured/ unsecured loans, options/ swaptions, futures/ forwards, swaps and financial guarantees. For derivative and financial guarantee exposures, "Cost/ Notional Principal Amount" refers to the notional principal amount of the exposure. In other cases, it refers to the cost of the exposure.

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

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

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

NAME OF INSURER

FORM A2 – STATEMENT OF PROFIT AND LOSS

FROM _____ **TO** _____

Co Code Year Month

ANNEX A2-1

FROM _____ **TO** _____

ANNEX A2-2
OTHER INCOME

FROM _____ **TO** _____

ANNEX A2-5

Instructions for completion of Form A2 and Annexes A2-1, A2-2 and A2-5

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For the columns under “Insurance Funds Established and Maintained by Insurer under the Act”, the insurer shall only be required to complete the fields relating to insurance funds that it had established and maintained under the Act.
3. The columns under “Shareholders Fund” shall only be applicable to insurers incorporated in Singapore. The column “Overseas (Branch) Insurance Operations” refers to all branches of the insurer which are located outside Singapore and carrying on insurance business. The column “Non- Insurance Operations” includes overseas branches that do not carry on insurance business.
4. For insurers incorporated in Singapore, the "Total" column refers to the profit and loss in respect of global business operations. For insurers incorporated outside Singapore, the "Total" column refers to the profit and loss in respect of Singapore operations only. Transactions between the insurance funds and shareholders fund (including overseas branches) shall be offset under the "Total" column.
5. “Gross premiums” refers to gross premiums received or receivable including portfolio premiums, after deduction of discounts and return premiums, which have been entered in the books of the insurer during the period. Commissions shall not be deducted from gross premiums.
6. “Outward reinsurance premiums” refers to premiums paid or payable to (i) reinsurers under reinsurance outward contracts and (ii) the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement, during the period and includes portfolio premiums in respect of ceded business.

[MAS Notice 212 (Amendment) 2020]

7. “Gross claims settled” refers to gross claims paid, including portfolio losses, increase/ (decrease) in “outstanding claims” during the period, and medical and legal expenses incurred directly in the settlement of claims paid in the period, net of recoveries from salvages and subrogation, where applicable. “Outstanding claims” refers to such claims as described in instruction 19 of the Instructions for completion of Form A1, Notes and Annexes A1-5, A1-9 and A1-10.

8. “Reinsurance recoveries” refers to recoveries received or receivable from (i) reinsurers under reinsurance outward contracts and (ii) the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement, in respect of claims paid, including portfolio losses, during the period.

[MAS Notice 212 (Amendment) 2020]

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

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

11. “Staff costs” includes —

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

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

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

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

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

16. “Distribution expenses” includes all direct costs such as commissions and bonuses, all indirect costs of benefits and services provided by the insurer in the distribution of its products, agency allowances and profit commissions. “Distribution income” includes (i) reinsurance commission income, (ii) profit commission income and (iii) commission income received or receivable from the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement.

[MAS Notice 212 (Amendment) 2020]

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

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

19. “Net investment income/ (loss)” includes imputed rental on owner- occupied premises used for the insurer’s business, expenses incurred in earning interest, dividend and rents, expenses incurred in the management and sale of the investments, property maintenance costs and property tax.

20. Annex A2-5 shall be completed on an accrual basis. The sections "Head Office/ Overseas Branches of Head Office" are not applicable to insurers incorporated in Singapore.

NAME OF INSURER _____

FORM A3 – STATEMENT OF CHANGES IN EQUITY

FROM _____ TO _____

Co Code Year Month

Description	Row No.	Insurance Funds Established and Maintained by Insurer under the Act						Shareholders Fund			
		Life Business in Singapore						General Business in Singapore		Overseas (Branch) Insurance Operations	
		Singapore Insurance Fund			Offshore Insurance Fund			Singapore Insurance Fund	Offshore Insurance Fund	Life Business	General Business
		Participating	Non-Participating	Investment-Linked	Participating	Non-Participating	Investment-Linked				Non-Insurance Operations
PAID-UP CAPITAL											
Balance at beginning of period	1										
Increase/ (decrease) in paid-up capital	2										
Balance at End of Period (1 + 2)	3										
SURPLUS/ RETAINED EARNINGS											
Balance at beginning of period	4										
Retrospective restatement to beginning balance	5										
Net income	6										
Transfer from/ (to) Head Office/ Shareholders Fund	7										
Transfer from/ (to) insurance funds maintained in Singapore	8										
Transfer from/ (to) Overseas (Branch) operations	9										
Less:											
Dividends paid	10										
Balance at End of Period ((4 to 9) - 10)	11										
OTHER RESERVES											
Balance at beginning of period	12										
Increase/ (decrease) in other reserves	13										
Balance at End of Period (12 + 13)	14										

[MAS Notice 212 (Amendment) 2020]

Instructions for completion of Form A3

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For the columns under “Insurance Funds Established and Maintained by Insurer under the Act”, the insurer shall only be required to complete the fields relating to insurance funds that it had established and maintained under the Act.
3. The columns under “Shareholders Fund” shall only be applicable to insurers incorporated in Singapore. The column “Overseas (Branch) Insurance Operations” refers to all branches of the insurer which are located outside Singapore and carrying on insurance business. The column “Non- Insurance Operations” includes overseas branches that do not carry on insurance business.
4. Any transfer to an insurance fund for the purpose of meeting the solvency requirement for that fund, and any withdrawal from an insurance fund under section 17(9) of the Act, must be reflected under "Surplus/ Retained earnings" of that fund.

[MAS Notice 212 (Amendment No. 2) 2020]

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(MARINE MUTUAL INSURERS)

Name of Insurer: _____

FORM A7 — CERTIFICATE ON THE ACCOUNTS OF THE INSURER

FOR THE FINANCIAL YEAR ENDED _____

We, the undersigned, hereby certify that in our belief —

- (a) the information provided in Forms A1, A2, A3 and G1, including the Notes and Annexes, are complete and accurate, and in accordance with all applicable requirements stipulated under the Insurance Act (Cap. 142) (“the Act”), any regulations made thereunder and any directions and Notices issued by the Authority;
- (b) in the relevant financial year, no part of the assets and liabilities of the insurance fund(s) established and maintained under the Act has been dealt with in contravention of section 17 or 18 of the Act; and
- (c) during the year, regulations made and directions issued for the purposes of section 19 of the Act have been complied with in relation to those assets,

except

Names and
signatures of:

Director

Director

Chief Executive

Date: _____

Instructions for completion of Form A7

1. Insurers shall use the template of this Form downloaded from the MAS Network (MASNET) for completion. Any amendments made to the contents of this Form shall be clearly marked on the submitted Form.

[MAS Notice 212 (Amendment No. 2) 2020]

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(MARINE MUTUAL INSURERS)

Name of Insurer: _____

FORM A8 — INDEPENDENT AUDITOR'S REPORT

1. Pursuant to section 36(3A) of the Insurance Act (Cap. 142) ("the Act"), we have audited the attached Statement of Financial Position as at _____, Statement of Profit and Loss and other statutory returns (Forms A1, A2, A3 and G1, including the Notes but excluding the Annexes other than Annex A1-5) for the financial year ended _____. These statements of account and other statements are the responsibility of the insurer's directors. Our responsibility is to express an opinion on these statements of account and other statements based on our audit.

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

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

- (a) the Statement of Financial Position, Statement of Profit and Loss and other statutory returns (Forms A1, A2, A3 and G1, including the Notes but excluding the Annexes other than Annex A1-5) have been prepared in accordance with the provisions of the Act, any regulations made thereunder and any directions issued by the Authority; and
- (b) the Statement of Financial Position presents a fair reflection of the financial position of the insurer for which the insurance fund(s) are valued as prescribed under the Insurance (Valuation and Capital) Regulations 2004 and as specified under MAS Notice 133, except for

[MAS Notice 212 (Amendment) 2018]
[MAS Notice 212 (Amendment) 2020]

Public Accountants and
Chartered Accountants
Singapore

Date: _____

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(ACCOUNTS AND STATEMENTS)
FOR MARINE MUTUAL INSURERS

Name of Insurer: _____

FORM A8 – INDEPENDENT AUDITOR’S REPORT

[Opinion]/ [Qualified Opinion]*

We have audited the attached –

- (a) Statement of Financial Position (Form A1 including the Notes but excluding the Annexes other than Annex A1-5) as at <financial year-end date>; and
- (b) Statement of Operating Results by Line of Business (Form G1 including the Notes)*;
- (c) Statement of Profit and Loss (Form A2 but excluding the Annexes); and
- (d) Statement of Changes in Equity (Form A3),
for the financial year ended <financial year-end date>
(together, “the Returns”) of <Name of licensed insurer> (“the Licensed Insurer”).

In our opinion[, except for the effects of the matter described in the Basis for Qualified Opinion section of our report]*, the Returns have been prepared, in all material respects at both the individual fund level and in total for the Licensed Insurer, in accordance with the provisions of the Insurance Act (Cap. 142) (“the Act”), any regulations made thereunder and any notices and directions issued by the Monetary Authority of Singapore (“the Authority”).

Basis for [Opinion]/ [Qualified Opinion]*

*[Description of basis for qualification]**

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Returns* section of our report. We are independent of the Licensed Insurer in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the Returns in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our [opinion]/ [qualified opinion]*.

Other Matter – Basis of Accounting

The Returns have been prepared in accordance with provisions of the Act, regulations made thereunder and notices and directions issued by the Authority. The Returns are prepared to assist the Licensed Insurer in complying with the requirements of the Act, any regulations made thereunder and any notices and directions issued by the Authority. As a result, the Returns may not be suitable for another purpose.

*[Description of emphasis of matter(s) and other matters, if any]**

Responsibilities of Management and Directors for the Returns

Management of the Licensed Insurer is responsible for the preparation of the Returns in accordance with the Act, regulations made thereunder and notices and directions issued by the Authority, and for such internal control as management determines is necessary to enable the preparation of the Returns that are free from material misstatement, whether due to fraud or error.

The directors of the Licensed Insurer are responsible for overseeing the Licensed Insurer's financial reporting process.

Auditor's Responsibilities for the Audit of the Returns

Our objectives are to obtain reasonable assurance about whether the Returns, at both the individual fund level and in total for the Licensed Insurer, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Returns.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Returns, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Licensed Insurer's internal control; and
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with the management and directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Public Accountants and
Chartered Accountants
Singapore

Date: _____

* *Delete as appropriate*

[MAS Notice 212 (Amendment) 2021]

Instructions for completion of Form A8

1. Where the auditor intends to issue an unqualified audit opinion and does not intend to include any information in the section on “Description of emphasis of matter(s) and other matters” in Form A8, the insurer Insurers shall use the template of this Form downloaded from the MAS Network (MASNET) for completion. Any amendments made to the contents of this Form shall be clearly marked on the submitted Form.

[MAS Notice 212 (Amendment No. 2) 2020]
[\[MAS Notice 212 \(Amendment\) 2021\]](#)

2. Where the auditor intends to (i) issue a qualified audit opinion; or (ii) include information in the section on “Description of emphasis of matter(s) and other matters” in Form A8, the auditor may download a copy of this Form from MASNET, convert the Form into a word document, and insert such information as is necessary for the completion of the Form for the insurer’s submission to MAS.

[\[MAS Notice 212 \(Amendment\) 2021\]](#)

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(MARINE MUTUAL INSURERS)

FORM A9 — INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT

Date: _____

Chief Executive

Name of Insurer: _____

Dear Sir

INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT

1. We have audited the Statement of Financial Position, Statement of Profit and Loss and other statutory returns (Forms A1, A2, A3 and G1, including the Notes but excluding the Annexes other than Annex A1-5) and evaluated the internal control systems of _____ as at _____ and for the financial year ended _____.
2. Our audit was carried out in accordance with section 36(3A) of the Insurance Act (Cap. 142) ("the Act") for the purpose of expressing our opinion on the accounts drawn up in accordance with the provisions of the Act. Our audit was conducted on a test basis and included such samples as we deemed appropriate. In this connection, we have reviewed the accounting system and internal control systems used in the preparation of the statements of account and other statements, in operation in the insurer.
3. Based on our audit, we have no comments on the following (except for those matters stated in the Appendix):
 - (a) the books of the insurer have been properly kept and have recorded fairly the affairs and transactions of the insurer in respect of its carrying on of insurance business;
 - (b) all necessary and proper apportionments have been made in the Statement of Financial Position, Statement of Profit and Loss and other statutory returns, and such apportionments have been made in an equitable manner;
 - (c) no part of the assets and liabilities of the insurance fund(s) established and maintained under the Act has been applied in contravention of section 17 of the Act;
 - (d) the fund solvency requirement and capital adequacy requirement under section 18 of the Act, in our opinion, have been complied with;
 - (e) the assets of the insurance fund(s) established and maintained under the Act have been invested and held in accordance with regulations prescribed or specified in directions under section 19 of the Act;
 - (f) the accounting and internal control systems used in the preparation of statements of account and other statements;
 - (g) other areas of material weakness in the operations of the insurer;
 - (h) the implementation of directions and recommendations made by the Authority in respect of internal systems used in the preparation of the statements of account and other statements; and

(i) the implementation of the previous year's audit recommendations.

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

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

Public Accountants and
Chartered Accountants
Singapore

Appendix

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

**INSURANCE ACT
(CHAPTER 142)**

**NOTICE ON INSURANCE RETURNS
(ACCOUNTS AND STATEMENTS)
FOR MARINE MUTUAL INSURERS**

Name of Insurer: _____

FORM A9 — INDEPENDENT AUDITOR'S SUPPLEMENTARY REPORT

Date: _____

Chief Executive

<Name of licensed insurer>

Opinion

We have audited the –

- (a) Statement of Financial Position (Form A1 including the Notes but excluding the Annexes other than Annex A1-5) as at <financial year-end date>; and
- (b) Statement of Operating Results by Line of Business (Form G1 including the Notes)*;
- (c) Statement of Profit and Loss (Form A2 but excluding the Annexes); and
- (d) Statement of Changes in Equity (Form A3),
for the financial year ended <financial year-end date>

(together, “the Returns”) of <Name of licensed insurer> (“the Licensed Insurer”). Our auditor’s report on the Returns was issued on <date>.

During the course of our audit[, except for those matters stated in the Appendix]*, nothing came to our attention that caused us to believe that:

- (a) the books of the Licensed Insurer have not been properly kept and have not recorded fairly the affairs and transactions of the Licensed Insurer in respect of its carrying on of insurance business;
- (b) necessary or proper apportionments have not been made in the Returns, or such apportionments have not been made in an equitable manner;
- (c) any part of the assets or liabilities of the insurance fund(s) established and maintained under the Insurance Act (Cap. 142) (“the Act”) has been applied in contravention of section 17 of the Act;
- (d) the fund solvency requirement or capital adequacy requirement under section 18 of the Act has not been complied with;
- (e) the assets of the insurance fund(s) established and maintained under the Act have not been invested and held in accordance with regulations prescribed or specified in directions under section 19 of the Act;
- (f) the accounting and internal control systems used in the preparation of the Returns are inappropriately designed or operating ineffectively, to the extent that we have assessed the design and tested the operating effectiveness over certain controls used in the preparation of the Returns;

- (g) there are any areas of material weakness in the operations of the Licensed Insurer;
- (h) the Licensed Insurer has not followed up on any recommendation made by the Monetary Authority of Singapore ("the Authority");
- (i) the implementation of notices, directions or recommendations made by the Authority in respect of internal systems used in the preparation of the Returns has not been completed or appropriately carried out;
- (j) the implementation of any previous year's audit recommendations has not been completed or appropriately carried out;
- (k) known bad debts of a material amount have not been written off or fully impaired;
- (l) adequate allowance for impairment have not been made for known material doubtful debts;
- (m) adequate allowance have not been made for any known material impairment of any other assets where impairment is applicable;
- (n) there has been any non-compliance with the Act and regulations, licensing conditions, notices and directions issued by the Authority;
- (o) there are conflicts of interests involving management or staff in areas such as underwriting, claims settlement and investment resulting or which may result in any person receiving an undue benefit or advantage at the expense of policy owners.

Basis for Opinion on the Returns

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Returns* section of our report. We are independent of the Licensed Insurer in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the Returns in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Directors for the Returns

Management of the Licensed Insurer is responsible for the preparation of the Returns in accordance with the Act, regulations made thereunder and notices and directions issued by the Authority, and for such internal control as management determines is necessary to enable the preparation of the Returns that are free from material misstatement, whether due to fraud or error.

The directors of the Licensed Insurer are responsible for overseeing the Licensed Insurer's financial reporting process.

Auditor's Responsibilities for the Audit of the Returns

Our objectives are to obtain reasonable assurance about whether the Returns, at both the individual fund level and in total for the Licensed Insurer, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they

could reasonably be expected to influence the economic decisions of users taken on the basis of the Returns.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the Returns, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Licensed Insurer's internal control; and
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with the management and directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Purpose and Restriction on Distribution and Use

This report is prepared to assist the Licensed Insurer to meet the requirements of the Authority. As a result, the report may not be suitable for another purpose. Our report is intended solely for the Licensed Insurer and the Authority and should not be distributed to or used by parties other than the Licensed Insurer or the Authority.

Public Accountants and
Chartered Accountants
Singapore

Date: _____

*Delete as appropriate

Appendix

AUDIT FOR THE FINANCIAL YEAR ENDED <FINANCIAL YEAR-END DATE>

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

[MAS Notice 212 (Amendment) 2021]

Instructions for completion of Form A9

1. Insurers shall use the template of this Form downloaded from the MAS Network (MASNET) for completion. Any amendments made to the contents of this Form shall be clearly marked on the submitted Form.

[MAS Notice 212 (Amendment No. 2) 2020]

NAME OF INSURER

FORM G1 – STATEMENT OF OPERATING RESULTS BY LINE OF BUSINESS

FROM _____ **TO** _____

Co Code Year Month

SINGAPORE INSURANCE FUND

OFFSHORE INSURANCE FUND

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

The following shall be stated as Notes to this Form:

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

Note 2¹ Amount of gross premiums written for the following lines of business:

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

Note 3 Amount of gross premiums written for direct business from the following distribution channels:

- (a) Agents;
- (b) Brokers;
- (c) Bancassurance; and
- (d) Others.

Instructions for completion of Form G1 and Notes

1. All amounts shown are to be rounded to the nearest dollar. Negative amounts shall be preceded by “—”.
2. For any Note where there are no entries, a “Nil” Note shall be submitted.

¹ This is not applicable to marine mutual insurers.

3. For annual policies issued in respect of direct risks or facultative reinsurance inward risks, an insurer shall recognise the gross premium income in full when the risks commence. Where the quantum of such gross premium income cannot be ascertained at the policy commencement date, it shall be estimated.

4. “Gross premiums” refers to gross premiums received or receivable including portfolio premiums, after deduction of discounts and return premiums, which have been entered into the books of the insurer during the period. Commissions shall not be deducted from gross premiums.

5. “Reinsurance business ceded” refers to premiums paid or payable to (i) reinsurers under reinsurance outward contracts and (ii) the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement, during the period and includes portfolio premiums in respect of ceded business.

[MAS Notice 212 (Amendment) 2020]

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

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

8. “Gross claims settled” refers to gross claims paid, including portfolio losses, increase/ (decrease) in “outstanding claims” during the period, and medical or legal expenses incurred directly in the settlement of claims paid in the period, net of recoveries from salvages and subrogation, where applicable. “Outstanding claims” refers to such claims as described in instruction 19 of the Instructions for completion of Form A1, Notes and Annexes A1-5, A1-9 and A1-10.

9. “Recoveries from reinsurance business ceded” refers to recoveries received or receivable from (i) reinsurers under reinsurance outward contracts and (ii) the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement, in respect of claims paid, including portfolio losses, during the period.

[MAS Notice 212 (Amendment) 2020]

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

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

12. “Management expenses” has the same meaning as in Form A2.

13. “Reinsurance commission income” includes commission income (other than profit commission income) received or receivable from the insurer’s head office or branch outside Singapore under a Head Office/ Branch Arrangement. “Other distribution expenses/ (income)” includes agency allowances and profit commissions.

[MAS Notice 212 (Amendment) 2020]

14. “Net investment income” has the same meaning as “Net investment income/ (loss)” in Form A2.

NAME OF INSURER _____

FORM 1 - ANNUAL ANALYSIS OF CALLS, PREMIUMS AND CLAIMS

FROM _____ TO _____

Co Code Year Month

SINGAPORE INSURANCE FUND

Policy Year Ended		Row No.	Calls Made/ Refunded in Financial Year	Anticipated Future Calls/Refunds	Reinsurance Premiums Paid/Payable in Financial Year	Outstanding Net Claims Reserve b/f (including IBNR)	Net Payments Made in Financial Year	Outstanding Net Claims Reserve c/f (including IBNR)	Gross Payments Made in Financial Year	Estimate of Gross Payments Remaining on Reported Claims	Estimate of Gross Payments for IBNR Claims
Month	Year		1	2	3	4	5	6	7	8	9
		1									
		2									
		3									
		4									
		5									
		6									
		7									
		8									
		9									
Prior years		10									
Total (1 to 10)		11									

Premiums in respect of Fixed Premium Business: \$ _____

OFFSHORE INSURANCE FUND

Policy Year Ended		Row No.	Calls Made/ Refunded in Financial Year	Anticipated Future Calls/Refunds	Reinsurance Premiums Paid/Payable in Financial Year	Outstanding Net Claims Reserve b/f (including IBNR)	Net Payments Made in Financial Year	Outstanding Net Claims Reserve c/f (including IBNR)	Gross Payments Made in Financial Year	Estimate of Gross Payments Remaining on Reported Claims	Estimate of Gross Payments for IBNR Claims
Month	Year		1	2	3	4	5	6	7	8	9
		1									
		2									
		3									
		4									
		5									
		6									
		7									
		8									
		9									
Prior years		10									
Total (1 to 10)		11									

Premiums in respect of Fixed Premium Business: \$ _____

Name and signature of Chief Executive: _____

Date: _____

INSURANCE ACT
(CHAPTER 142)

NOTICE ON INSURANCE RETURNS
(MARINE MUTUAL INSURERS)

Name of Insurer: _____

FORM 2 — STATEMENT ON ADEQUACY OF CLAIM LIABILITIES

FOR FINANCIAL YEAR ENDED _____

To the best of my knowledge and belief, I, Chief Executive of _____, do state that the amounts of claim liabilities as shown in the books of accounts of the company/ branch* and in Form A1: Statement of Financial Position are adequate to meet all ultimate claim payouts under each insurance fund established in accordance with section 17(1) of the Insurance Act (Cap. 142).

The claim liabilities referred to in this Statement include the expected future payments in relation to all claims incurred prior to the valuation date (other than payments which have fallen due for payment before the valuation date), whether or not they have been reported to the company/ branch*, including any expense expected to be incurred in settling those claims and any provision for any adverse deviation from the expected experience. In attesting to the adequacy of claim liabilities, I have satisfied myself that —

- (a) the company/ branch* has in place proper systems and records to properly assess the claim liabilities set up in the books of accounts;
- (b) the claim liabilities have been estimated using a proper and consistent method based on properly collated claims statistics. Particular attention has been paid to 'long-tail' business and large or catastrophic losses;
- (c) the claim liabilities have been set up using a conservative approach in order to ensure that the claim liabilities maintained will be adequate to meet all ultimate claim payouts; and
- (d) the reinsurance arrangements of the company/ branch* have been examined and the impact arising from any of the reinsurance arrangements being rendered inadequate or ineffective has been taken into account in determining the amount of claim liabilities; except*

Name and signature of Chief Executive: _____

Date: _____

* Delete whichever is inapplicable