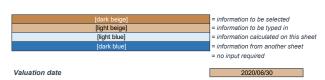
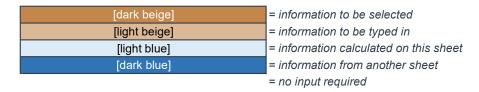
Notification IF021

APPLICATION FOR APPROVAL TO AFFECT MATERIAL ACQUISITIONS OR DISPOSALS

Pick one of the following:

Select Group Name		
Select Insurer Name	HOLLARD INSURANCE COMPANY LIMITED, THE	1029





All amounts in R'000

Statement of Solvency Position

	If approval is NOT	If approval is
	granted	granted
Solvency Cover		
MCR	2,59	2,64
SCR	1,32	1,34
Summary of Solvency Position		
Total Assets	10 115 953	10 059 611
Total Liabilities	6 826 819	6 767 575
Basic Own Funds / Excess Assets	3 289 135	3 292 037
Own funds eligible to meet MCR	2 907 443	2 912 762
Own funds eligible to meet SCR	3 289 135	3 292 037
Bummary of Liabilities BEL	4 476 432	4 415 471
Risk Margin	151 602	147 572
Other liabilities	2 198 785	2 204 532
summary of Capital Requirements		
MCR	1 121 994	1 103 626
SCR	2 493 321	2 452 502



All amounts in R'000

SCR Summary - if approval not granted				
	Before Risk Mitigation	Effect of Risk Mitigation	Counterparty Default Adjustment	Net Capital Charge
Market Risk				
Select whether the capital requirement for nominal interest rate risk is ze	ero, or driven by the upwa	ird or downward shock	ζ	Downward shock
Select whether the capital requirement for currency risk is derived from topward shock)	he risk of the Rand appre	eciating/depreciating (i	.e. downward shock /	Downward shock
Interest Rate Risk	8 219	-	-	8 21
Equity Risk	335 165	-	-	335 16
Property Risk	-	-	-	-
Spread & Counterparty Default Risk	646 215	-	-	646 21
Currency Risk	147 226	-	-	147 22
Concentration Risk	104 131	-	-	104 13
Illiquidity Premium Risk	-	-	-	-
Single Equivalent Scenario adjust to management action	-	-	-	-
Undiversified Capital Charge	1 240 957	-	-	1 240 9
Diversification factor	-269 546			-269 54
Diversified Capital Charge	971 411			971 41
Diversified Capital Charge	971 411 Before Risk Mitigation	Effect of Risk Mitigation	Counterparty Default Adjustment	971 41 Net Capital Charge
Diversified Capital Charge Life Underwriting Risk	Before Risk		Default	Net Capital
Life Underwriting Risk	Before Risk		Default	Net Capital
Life Underwriting Risk Mortality Risk	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk	Before Risk Mitigation	Mitigation -	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk	Before Risk Mitigation	Mitigation -	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk Life Expense Risk	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk Life Expense Risk Life CAT Risk Retrenchment Risk	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk Life Expense Risk Life CAT Risk	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk Life Expense Risk Life CAT Risk Retrenchment Risk Undiversified Capital Charge	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge
Life Underwriting Risk Mortality Risk Longevity Risk Disability / Morbidity Risk Life Lapse Risk Life Expense Risk Life CAT Risk Retrenchment Risk Undiversified Capital Charge Diversification factor	Before Risk Mitigation	Mitigation	Default Adjustment	Net Capital Charge

3 295 933	-		
3 295 933		-	
	-2 872 749	11 756	434
5 667 236	-3 573 891	19 756	2 113
-1 151 255	•		-277
4 515 981	-2 680 130		1 835
Risk Mitigation from Other Reinsurance Arrangements (RMother)			
Impairment of Counterparty Default Risk (IMPsL&Other)			
			11
	-1 151 255	-1 151 255	-1 151 255

BSCR Calculation	
Market Risk	971 411
Life Underwriting Risk	-
Non-Life Underwriting Risk	1 847 334
BSCR	2 292 061

SCR Calculation	
BSCR	2 292 061
Operational Risk	351 991
Loss Absorbing capacity of deferred taxes	-275 240
Participations	124 510
	•
SCR Adjustment: Cells	-
SCR Adjustment: Other RFFs	-
	·
SCR	2 493 321

COMMENTS

Approach used	Standard Formula
	_



All amounts in R'000

SCR Summary - if approval is granted

	Before Risk Mitigation	Effect of Risk Mitigation	Counterparty Default Adjustment	Net Capital Charge
Market Risk				
elect whether the capital requirement for nominal interest rate risk is	zero, or driven by the upwa	ırd or downward shock	:	Downward shock
elect whether the capital requirement for currency risk is derived from pward shock)	n the risk of the Rand appre	eciating/depreciating (i.	e. downward shock /	Downward shock
Interest Rate Risk	7 432	-	-	7 43
Equity Risk	335 165	-	-	335 16
Property Risk	-	-	-	-
Spread & Counterparty Default Risk	645 714	-	-	645 71
Currency Risk	147 226	-	-	147 22
Concentration Risk	104 229	-	-	104 22
Illiquidity Premium Risk	-	-	-	-
Single Equivalent Scenario adjust to management action	-	-	-	-
Undiversified Capital Charge	1 239 766	-	-	1 239 76
Diversification factor	-269 262			-269 20
Diversified Capital Charge	970 504			970 50
	Before Risk Mitigation	Effect of Risk Mitigation	Counterparty Default Adjustment	Net Capital Charge
Life Underwriting Risk				
Mortality Risk	_	_	_	-
Longevity Risk	-	-	-	-
Disability / Morbidity Risk	-	-	-	-
Life Lapse Risk	-	-	-	-
Life Expense Risk	-	-	-	-
Life CAT Risk	-	-	-	-
Retrenchment Risk	-	-	-	-
Undiversified Capital Charge	-	-	-	-
Diversification factor	-			-
Diversified Capital Charge	-		1	-
			'	

Premium & Reserve Risk	2 341 585	-703 558	8 029	1 629
Lapse Risk	-	-	-	
Catastrophe Risk	3 295 933	-2 872 749	11 756	434
Undiversified Capital Charge	5 637 518	-3 592 364	19 784	2 064
Diversification factor	-1 142 515			-275
Diversified Capital Charge	4 495 003	-2 705 996		1 789
Risk Mitigation from Stop-Loss Reinsurance Arrangements (RMsL)				
Risk Mitigation from Other Reinsurance Arrangements (RMother)				
Impairment of Counterparty Default Risk (IMPsL&Other)				
Optional Adjustment (ADJLossabs)				
Simplification for First Party Insurance Structures (SCRnl fp)				11

BSCR Calculation	
Market Risk	970 504
Life Underwriting Risk	-
Non-Life Underwriting Risk	1 800 490
	•
BSCR	2 248 852

SCR Calculation	
BSCR	2 248 852
Operational Risk	351 991
Loss Absorbing capacity of deferred taxes	-272 850
Participations	124 510
SCR Adjustment: Cells	-
SCR Adjustment: Other RFFs	-
SCR	2 452 502

COMMENTS

Approach used	Standard Formula



All amounts in R'000

Statement of Assets, Liabilities and Basic Own Funds

1)Assets

approval granted	If approval is NOT granted	Balance Sheet - Assets
		oodwill
	-	tangible assets
145	145 561	quipment
218	218 057	wner occupied property
		eferred Acquisition Costs
	-	einsurance deposits
1 286	1 286 907	otal Reinsurance recoverables
786	786 434	Reinsurance share of TP - non-life
	-	Reinsurance share of TP - life
500	500 473	Other reinsurance recoverables
401	401 126	otal Participations
33	33 938	otal in Asset Holding Intermediaries
6 213	6 266 723	otal Investments
	-	Government Bonds
279	279 805	Corporate Bonds
1 495	1 495 889	Equity
2 688	2 688 790	Investment Funds
	-	Structured Notes
	-	Collateralised Securities
1 559	1 612 291	Cash and Deposits
189	189 948	Mortgages and Loans
	-	Property
	-	otal Derivatives
	-	Futures
	-	Call Options
	-	Put Options
	-	Swaps
	-	Forwards
	-	Credit Derivatives
122	122 023	eferred tax assets
122	122 023	of which realisable in year 1
	-	of which realisable after year 1
	-	CGT
1 638	1 641 618	urrent assets
	-	ther assets
1	10 115 953	otal Assets

2)Liabilities

Balance Sheet - Liabilities

Gross Technical provisions – non-life	4 628 034	4 563 04
TP calculated as a whole or	-	-
Best Estimate and	4 476 432	4 415 47
Risk margin	151 602	147 57
Gross Technical provisions – life	-	-
TP calculated as a whole or	-	-
Best Estimate and	-	-
Risk margin	-	-
Subtotal technical liabilities	4 628 034	4 563 04
Reinsurance deposits	583 705	583 7
(Re)insurance accounts payable	26 767	26 7
Debentures/Mortgages/Linked units/Loan stocks	-	-
Subordinated liabilities	-	-
of which Dated	-	-
of which undated with a call option	-	-
of which Undated with no contractual opportunity to redeem	-	-
Bank overdraft	-	-
Amounts due to holding company and subsidiaries	-	-
Payables (trade, not insurance)	1 449 069	1 453 6
Contingent liabilities	-	-
Provision for current taxation	23 310	23 3
Deferred tax liabilities	115 933	117 0
of which realisable in year 1	115 933	117 0
of which realisable after year 1	-	-
CGT	-	
Other liabilities	-	-
Total Liabilities	6 826 819	6 767 5
Assets less Liabilities	3 289 135	3 292 0

3) Basic Own Funds

Basic Own Fund Items

Ordinary share capital (net of own shares)	1 580 686	1 580
Paid up	1 580 686	1 580
Called up	-	
The initial fund (less item of the same type held)	-	
Paid up	-	
Called up	-	
Callable	-	
Share premium account	55 914	55
Other capital movements	-	
Retained earnings including profits for the year net of foreseeable dividends	1 158 293	1 164
Other reserves from accounting balance sheet	4 012	4
Reconciliation reserve	(115 771)	(119
Adjustments to assets	-241 472	-241
Adjustments to technical provisions	276 933	272
of which equalisation provisions		
less surrender value gap (SVG excl. risk margin)	-	
Adjustments to other liabilities	-151 231	-149
Others	-	
Surrender value gap (SVG excl. risk margin)	-	
Other paid in capital instruments	606 000	606
Preference shares	6 000	6
of which Dated	-	
of which undated with a call option	3 000	3
of which Undated with no contractual opportunity to redeem	3 000	3
Subordinated liabilities	600 000	600
of which Dated	600 000	600
of which undated with a call option	-	
of which Undated with no contractual opportunity to redeem	-	
Subordinated mutual member accounts	-	
Other items not specified above	-	
al basic own funds before adjustments	3 289 135	3 292

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