

THE INSURANCE CONFERENCE

23 – 26 MAY 2010

SUN CITY, PILANSBERG



INTERMEDIARIES GUARANTEE FACILITY LTD

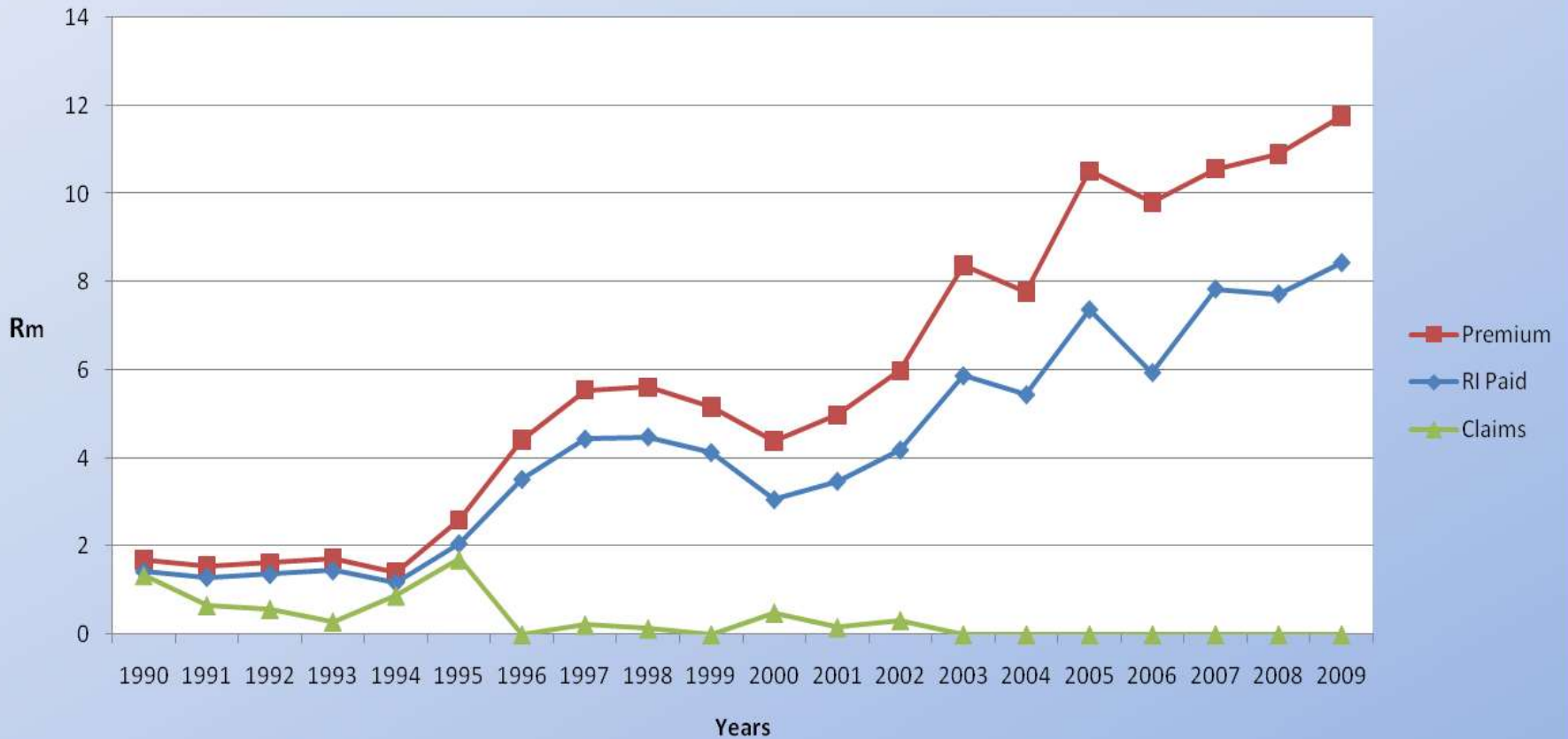
INTERMEDIARIES GUARANTEE FACILITY

- ✓ A Brief History
- ✓ The Short Term Insurance Act
- ✓ The Terms & Conditions of the Contract
- ✓ Responsibilities of the Parties
- ✓ The effect of FAIS



INTERMEDIARIES GUARANTEE FACILITY

IGF Premium & Claims



INTERMEDIARIES GUARANTEE FACILITY

Maximum Sum Insured	Number of Contracts	Average Sum Insured	Total Sum Insured
100,000	94	100,000	9,400,000
250,000	75	165,471	12,410,356
500,000	65	360,382	23,424,873
1,000,000	49	736,980	33,901,102
2,500,000	46	1,675,447	77,070,544
10,000,000	40	5,167,755	206,710,231
25,000,000	20	14,952,442	299,048,841
50,000,000	12	35,592,710	427,112,527
60,000,000	11	58,035,229	638,387,525
70,000,000	4	70,000,000	280,000,000
Total	412	4,872,490	2,007,465,999

INTERMEDIARIES GUARANTEE FACILITY

- ✓ The IGF Underwriting Rules
 - ✓ Auditor's Opinion
 - ✓ Net Income Before Tax
 - ✓ Net Assets
 - ✓ Net Current Assets
- ✓ Collateral Security
- ✓ The Process & Confidentiality
- ✓ The Financial Statements



INTERMEDIARIES GUARANTEE FACILITY

Statement of Comprehensive Income

Figures in Rand	2009	2008
Gross written premiums	11,770,942	10,910,412
Insurance premium ceded to reinsurers	(11,770,942)	(10,910,412)
Net premiums	-	-
Change in provision for unearned premiums	-	-
Gross amount	278,975	219,716
Reinsurers share	(278,975)	(219,716)
Earned premiums net of reinsurance	-	-
Interest income	427,470	524,037
Commission income	3,344,462	3,188,095
Application fee income	174,227	137,150
Net income	3,946,159	3,849,282

INTERMEDIARIES GUARANTEE FACILITY

Statement of Comprehensive Income

Figures in Rand	2009	2008
Administration fee	2,966,480	2,693,948
Other expenses	206,455	166,717
Expenses	3,172,935	2,860,665
Profit before tax	773,224	988,617
Income tax expense	(216,503)	(272,633)
Total comprehensive income	556,721	715,984

INTERMEDIARIES GUARANTEE FACILITY

Statement of Financial Position

Figures in Rand	2009	2008
Assets		
Reinsurers' share of insurance contract provisions	7,568,271	7,229,058
Deferred tax	566,522	543,087
Loans and receivables	1,968,211	1,589,140
Cash and cash equivalents	8,484,012	7,035,790
South African Revenue Service	-	1,096
	18,587,016	16,398,171

INTERMEDIARIES GUARANTEE FACILITY

Statement of Financial Position

Figures in Rand	2009	2008
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Equity and Liabilities

Equity

Capital and reserves attributable to the company's equity holders

Share capital	200,000	200,000
Retained earnings	4,119,992	3,563,271
	<u>4,319,992</u>	<u>3,763,271</u>

INTERMEDIARIES GUARANTEE FACILITY

Statement of Financial Position

Figures in Rand	2009	2008
Liabilities		
Insurance contract provisions	7,568,271	7,229,058
Deferred revenue	2,023,292	1,939,599
Trade and other payables	4,660,620	3,466,243
South African Revenue Service	14,841	-
Total liabilities	14,267,024	12,634,900
Total equity and liabilities	18,587,016	16,398,171

INTERMEDIARIES GUARANTEE FACILITY

Company	%age	Credit rating
Santam Limited	18.00	AAA+
Mutual & Federal Insurance Company Ltd	15.00	AA+
Zurich Insurance Company SA Ltd	8.00	AA+
Kiln South Africa Proprietary Ltd (Lloyds)	9.00	A+ (standard and poor)
Lombard Insurance Company Ltd	9.00	A+
Constantia Insurance Company Ltd	8.00	A-
Chartis South Africa Ltd	8.00	AA+
Lion of Africa Insurance Company Ltd	9.00	A
The Hollard Insurance Company Ltd	6.00	AA
African Reinsurance Corporation (SA) Ltd	5.00	A- (standard and poor)*
Regent Insurance Company Ltd	4.00	AA-
New National Assurance Company Ltd	1.00	A-
	100.00	

INTERMEDIARIES GUARANTEE FACILITY

The IGF Team and Contact Details

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THANK YOU



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