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Actomate

Digital Insurers and Takaful Operators (DITO)

Proposal



Summary

Summary of Our Proposal

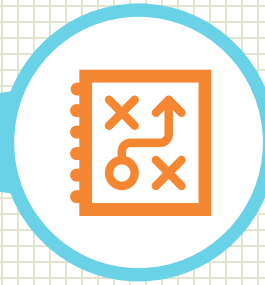
A c t o m a t e



The Idea

You (“you” or “your” or “client”) are requesting for a proposal for **actuarial services** to support your initiative in gaining BNM approval for a DITO license.

Actomate is a **leading actuarial firm in Asia**. We have the resources, expertise, & experience to support your initiative. We are keen to develop a long term partnership with you.



Our Approach

Provide actuarial services in **two phases**; during application phase and during foundational phase.

Phase 1

The scope under phase 1 is to facilitate the formal application for the DITO license which include product development & pricing, financial projection, ITCL and stress test, as well as appraisal valuation.

Phase 2

The scope under phase 2 shall include outsourced actuarial function, appointed actuary work, risk management work, and further product development and pricing.



Why Choose Us?

Our approach is simple, end-to-end and cost effective.

- ✓ **Top Actuarial Firm**
- ✓ **Quality Assurance**
- ✓ **Experienced Professionals**

See next slide for more details on “Why Choose Us”



Next Step

Discussion with our team to **fully understand how our approach can support your initiative**.

We can **finetune our scope of work** to suit your **exact needs and requirements**.

Enter into a **Contractual Agreement** to engage Actomate.



Why Choose Us?

A c t o m a t e

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Our Company

Our company is the first & only actuarial firm awarded **MSC Malaysia status** by the Malaysian Government.

We obtained **Quality Assurance Scheme (QAS) accreditation** from the Institute and Faculty of Actuaries (IFoA) of the UK.

This ensures our work standards comply to a high standard.

Quality Assurance Scheme |
Institute and Faculty of
Actuaries | 2020

Top Actuarial Firm in Asia 2019
| Captive Review

Asia Pacific Risk Solution
Finalist 2019 | StrategicRISK



Our People

Our team **understands the insurance business** environment and has **extensive experience** with various companies including digital companies.

Our experiences:

- All aspects of actuarial pricing with many different products and different companies
- Performing financial projections and actuarial appraisal valuation
- All aspects of risk management work
- All aspects of appointed actuary work



Our Approach

We have **experience** as well as a **good track record** in supporting companies to **obtain BNM approval**.

Therefore, our approach is to **split the work into two phases**; during application phase and during foundational phase. In which, the scope of work in each phase shall be **in line with BNM's requirements** based on our experience.



Our Results

We always ensure that our results are of the **highest standard**.

We have a **clear governance** for our team and peer reviewer to ensure the quality of our works.

We have existing clients that we have supported in **successfully obtaining BNM approval**.



Background & Scope



Background

You are seeking BNM approval for a DITO license. To facilitate this, you require actuarial services with relevant experiences that can support this initiative.

Based on our experience, it is essential for a company to perform product development, pricing, financial projections, and some risk management work to obtain approval from BNM.

Upon obtaining DITO license, various appointed actuary services and further risk management works are also necessary, in which companies without in-house actuarial department needs to outsource these actuarial functions.

We have all these experience and expertise as well a good track record. We will perform all the work under the agreed scope. You will need to provide the necessary information and review our work.



Scope

Phase 1 – Application Phase

- 1. Product development & pricing.** Develop premium rate tables, review marketing collateral, prepare product documentation for filing to regulator and for internal use.
- 2. Financial projection.** Project P&L and Balance Sheet according to IFRS 4, capital adequacy according to BNM's RBC framework, company-wide stress test, and actuarial appraisal valuation.
- 3. Risk management.** Review and provide risk management second opinion on stress test scenario and determination of ITCL.

Phase 2 – Foundational Phase

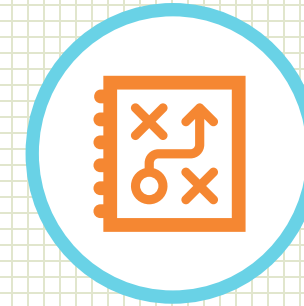
- 1. Appointed Actuary.** Perform quarterly valuation and actuarial related RBC runs, prepare annual financial conditions report and stress test report, recommend surplus distribution to shareholders, apply test of completeness and accuracy of database used for actuarial work, and perform overall duties as Appointed Actuary.
- 2. Risk management.** Review and provide risk management second opinion on ICAAP, risk appetite, and risk management framework, Capital Management Policy, and capital level.
- 3. Further product development & pricing.**



Project Terms



Timeline



Data Request

Phase 1 – Application Phase

1. Product development & pricing –

- a. Draft premium rate table and draft product documentation within 3 weeks of receiving final product details
- b. Final product documentation within 1 week after confirmation of the draft premium rate tables

2. Financial projection –

- a. Draft report within 6 weeks of receiving complete required data
- b. Final report within 1 week after confirmation of draft report

3. Risk management – duration of 1 month

Phase 2 – Foundational Phase

1. Appointed Actuary – duration of 1 year

2. Risk management – duration of 1 month

3. Product development & pricing – same as above.

We would require the following data to perform our work:

- Product specification
- Reinsurance treaty and reinsurance rates
- Projected business volumes
- Management accounts
- Company expense budget
- Capital calculations
- Marketing collateral, product disclosure sheet and policy document for review