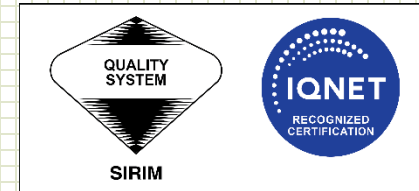


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**Actomate**

**Digital Insurers and Takaful Operators (DITO)**

**Proposal**



# Summary

# Summary of Our Proposal

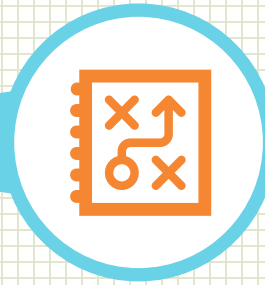
A c t o m a t e



## The Background

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 Solution

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?

### ✓ Relevant Experience

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

### ✓ Top Actuarial Firm

We were awarded Top Actuarial Firm in Asia in 2019.

### ✓ Quality Assurance

We obtained **Quality Assurance Scheme (QAS)** accreditation from the Institute and Faculty of Actuaries (IFoA) UK, a testimony to our high-quality work. We received **ISO 9001 Quality Management Systems** accreditation from SIRIM QAS International, reflecting our commitment high standards.



## Next Step

**Discussion** with our team to **fully understand how our solution can benefit you**.

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

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

### For any enquiries, contact:

Nicholas Yeo CIA  
Founder & Actuary  
+6012 502 3566  
nicholas.yeo@actomate.ai



# 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

### 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

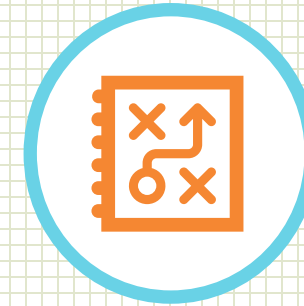
#### 3. Risk management – duration of 1 month

### 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.



## Data Request

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