

**Southeast Asia Disaster Risk Insurance Facility (SEADRIF)  
SEADRIF Insurance Company (SIC)  
Terms of Reference for Insurance Manager**

**Background**

Natural disasters affecting the livelihoods of populations and the economy are a major challenge in Southeast Asia and often leave governments with a critical need for short-term liquidity to finance response and recovery. To strengthen financial resilience against climate and disaster shocks, the governments of ASEAN+3 countries, with the support of Japan and Singapore, have jointly established the Southeast Asia Disaster Risk Insurance Facility (SEADRIF). It provides participating ASEAN countries with insurance and risk management solutions against climate shocks and natural disasters.

**The Southeast Asia Disaster Risk Insurance Facility (SEADRIF)**

SEADRIF is a regional facility composed of:

- **SEADRIF Trust** : a legal arrangement for SEADRIF that is opened to all ASEAN+3 countries. The Trust is governed by the Council of Members (“CoM”) composed of one Finance and Central Bank Deputy level representative from each member country. The CoM provides strategic direction to SEADRIF and delegates authorities and responsibilities to any Committee(s) of Sub-Trust(s) governing the respective Sub-Trust(s).
- **SEADRIF Sub-Trust** : an arrangement for sub-groups of the SEADRIF member countries and donor partners within and beyond ASEAN+3 to develop and govern specific initiatives. At the onset of the SEADRIF Trust, Sub-Trust A was established to house the SEADRIF Insurance company and is governed by the Committee of Sub-Trust (“the Committee”) composed of the Sub-Trust A beneficiary countries (currently Lao PDR) and donors (Japan and Singapore).
- **SEADRIF Trustee (the Trustee)** : Intertrust (Singapore) Ltd, a trust company licensed in Singapore, has been appointed as the Trustee of the SEADRIF Trust and SEADRIF Sub-Trust A. The Trustee reports to the SEADRIF Council of Members and the Committee. Intertrust is the Trustee and legal owner of the Trust assets, which includes all of SEADRIF Insurance Company’s assets.
- **SEADRIF Insurance Company (the Company)** : a general insurance company housed under SEADRIF Sub-Trust A, incorporated in Singapore to provide insurance and financial services. It is licensed by the Monetary Authority of Singapore as a general insurance company.

Both SEADRIF and the Company are supported by the World Bank as the Lead Technical Partner and the ASEAN Secretariat as the Secretariat.

### **The SEADRIF Insurance Company**

The SEADRIF Insurance Company was incorporated in Singapore in April 2019 as a licensed general insurance company under the Singapore Insurance Act. The Company is fully owned by SEADRIF member countries through Intertrust (Singapore) Ltd acting as Trustee of the SEADRIF Trust and regulated by the Monetary Authority of Singapore.

The Company is governed by a Board of Directors comprising three professionals with decades of experience in the insurance industry. During its start-up phase, the Company was established with a lean structure with most of its functions outsourced to service providers.

As its first product, the Company launched a regional catastrophe risk pool that provides cover against flood risks in Lao PDR as the first beneficiary country. Following the first few years in operation, the Company looks to further develop its capacity to meet the demands from SEADRIF member countries including development of new products and strengthening operational capacity.

More information about the SEADRIF Insurance Company can be found here:  
<https://seadrif.org/the-seadrif-insurance-company/>.

### **Primary functions and responsibilities for the Insurance Manager**

The Company looks for an Insurance Manager with a high performance team to support the Company's Board of directors in the following areas:

- a) Insurance policy administration,
- b) Insurance claims management,
- c) Accounting, banking and financial management,
- d) Regulatory and compliance obligations,
- e) Support in communications with stakeholders.

Detailed descriptions of the work areas are stated in Schedule A.

### **Qualification and Experience Requirements of the Firm**

1. Licensed as an Insurance Manager in Singapore,
2. Extensive professional experience and knowledge in the management of a general insurance company in Singapore,
3. Experience in working with Singapore insurance regulatory authority e.g. MAS and ACRA,
4. Capabilities including actuarial knowledge to provide services required for a general insurance company in Singapore such as calculation, monitoring and reporting of risk-based capital and solvency requirements,
5. Ability to provide profile and evidence of the experience appropriate to the requirements for the assignment, on a continuous basis and for full duration of the contract,

6. Ability to provide key staff with required qualifications and experience in the areas of insurance, finance, actuarial (including risk-based capital regime), catastrophic and climate change risks.

### **Qualification and Experience Requirements of Key staff**

The following requirements shall apply to the key staff covering the following areas:

1. General insurance company management,
2. Actuarial technical (include risk-based capital regime) and MAS regulatory and compliance practices,
3. Underwriting practices,
4. Insurance claims management,
5. Asset management
6. Risk management,
7. Client relationship management,
8. Financial management including accounting, banking, financial regulatory reporting,
9. Perform fiduciary tasks such as procurement and financial management as related to the requirements of the World Bank and other donors

### **Pricing**

Please note that following items that should be included in the bidding documents:

1. The Insurance Manager's proposal should price each step separately, in SG dollars and in US dollars,
2. The proposed price / fees should include (i) the Insurance Manager's own costs for carrying out the tasks, and (ii) Other service providers' costs, eg. including tax agent, corporate secretary and other vendors as needed by the Insurance Manager.

### **Form of Contract and Payment**

The contracted position is for a period of three (3) years, subject to performance and yearly review. The selected Insurance Manager is expected to commence work immediately after being appointed.

Payments will be on a fixed-fee basis, in addition to eligible expenses, on submission of acceptable reports. Payments will be made on a quarterly basis.

### **Timetable**

Expressions of interest and bidding documents should be submitted to [contact@seadrifinsurance.com](mailto:contact@seadrifinsurance.com) by Monday 3 October, 2022 at 23:45 Singapore Standard time.

Issued by Board of Directors

Date: 2 September, 2022

## Schedule A

### **1 Chief Executive**

- 1.1 Act as the primary person responsible to the regulatory bodies ie. the Monetary Authority of Singapore (MAS), Accounting and Corporate Regulatory Authority (ACRA) and other authorities
- 1.2 Administer the daily operations of the Company business
- 1.3 Involve in decisions for the company business with the Board of Directors
- 1.4 Make proposals and recommendations on the Company's business to the Board
- 1.5 Act as the focal point to the World Bank, SEADRIF's lead technical partner
- 1.6 Assume other responsibilities as assigned by the Board
- 1.7 Manage the fiduciary aspects of the insurance program under guidance from the Board

### **2 Insurance program design**

- 2.1 Analyse the insurance portfolio based on the coverage selection made by each insured client country Including but not limited to calculating the aggregate risk profile, average expected loss, possible maximum loss to the portfolio.
- 2.2 Calculate and monitor risk-based capital and solvency margin and all other prudential or financial requirements applicable to a general insurance company in accordance with all applicable laws, regulations and regulatory requirements (Including any direction, guidance or notice from the Monetary Authority of Singapore or any other regulator)
- 2.3 Estimate the future capital required based on past claims experience, anticipated future premium levels and anticipated level of risks retained.
- 2.4 Provide input and support on any new insurance program design as related to all the functions performed by the Insurance Manager under the terms of reference

### **3 Insurance Policy Administration**

- 3.1 Review, prepare and issue or execute insurance contracts/policies
- 3.2 Review, prepare and issue or execute certificates of insurance
- 3.3 Review, prepare and issue or execute cover notes
- 3.4 Review, prepare and issue or execute binders
- 3.5 Review, prepare and issue or execute endorsements
- 3.6 Review, prepare and issue or execute any other policy documentation
- 3.7 Maintain a register of the Policies issued and any amendments issued
- 3.8 Collect, or arrange for the collection, of premiums from Insureds
- 3.9 Ensure that payment of premium is made by contracted fiscal representatives
- 3.10 Monitor and follow up on a regular basis, unpaid premium invoices

### **4 Reinsurance Support**

- 4.1 Support the process of hiring reinsurance broker(s) - prepare Terms of Reference
- 4.2 Support the process of hiring reinsurance broker(s) - procurement evaluation
- 4.3 Support the process of hiring reinsurance broker(s) - review and finalise engagement agreement
- 4.4 Support review of performance of reinsurance broker(s) and provide



- recommendations on service provision
- 4.5 Support the process of renewal of reinsurance broker(s)
- 4.6 Support the process of hiring reinsurers - prepare Terms of Reference
- 4.7 Support the process of hiring reinsurers - procurement evaluation
- 4.8 Support the process of hiring reinsurers - review and finalise engagement agreement
- 4.9 Support review of performance of reinsurers and provide recommendations on service provision
- 4.10 Support the process of renewal of reinsurers
- 4.11 Work with appointed reinsurers and broker(s) to determine applicable reinsurance cover terms and rates
- 4.12 Work with the reinsurance broker(s) to ensure the selection of reinsurers is in alignment with the risk appetite strategy adopted by the Board
- 4.13 Review to ensure that all covers are placed seamlessly

## **5 Insurance Claims Management**

- 5.1 Review claim requests from policyholders and ensure the claims meet the conditions for payout, including working with the Calculation agency.
- 5.2 Process claims and make claim payments promptly within a specific number of days from receipt of the calculation report from the calculation agent as required by the Company
- 5.3 Maintain an appropriate claim register
- 5.4 Keep reinsurers informed of all applicable claims
- 5.5 Collect reinsurance recoveries as needed
- 5.6 Monitor claims activity and volumes according to business plan expectations and Investigate any unexpected departures from projected levels
- 5.7 In all cases, support the policyholders and the Company in the claim handling process

## **6 Procurement**

- 6.1 Perform all procurements for the Company following SEADRIF procurement rules and in line with donor-funded procurement rules and requirements.

## **7 Accounting, financial management and reporting**

- 7.1 Maintain proper accounting records and such other books of account so as to present accurately on a quarterly basis a true and fair and accurate statement of the financial position and performance of the Company, In accordance with generally accepted accounting principles and standards applicable to the business of insurance in Singapore; in all cases in accordance with all applicable laws and requirements (including those of MAS).
- 7.2 Provide all accounting services required for the purposes of management that is in compliance with all applicable laws and requirements, including those of MAS and ACRA.
- 7.3 Maintain an accounting system for the Company to track all related party transactions of the Company
- 7.4 Provide the Board every month with management accounts as prepared in the reporting format required by the Board including financial results and underwriting performance, underwriting activity, policy renewals, claims activity by underwriting year highlight movements and reserves, investment returns, use and split of funds
- 7.5 Monitor on a regular basis the specific requirements of Singapore laws, regulations



# SEADRIF

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and regulatory requirements for solvency margin, capital adequacy or regulatory ratios or other prudential or financial requirements to ensure they are met, including any direction, guidance or notice from the Monetary Authority of Singapore or any other regulator.

- 7.6 Prepare Quarterly report to MAS under Notice no. 129 Para 6 Forms A1-1, A2-1 and A4, and others as required by the regulator.
- 7.7 Review and assess the basis of incurred but not reported (IBNR) reserves, including liaising with the Actuary, if required.
- 7.8 Prepare Annual statutory financial statements
- 7.9 Provide an annual work plan and budget by fiscal year, including a detailed report on actual vs. planned financials for the current year illustrating the Project related transactions and any financial reporting documents as instructed by the Board and/or as part of the instructions from the Trustee to the Board in response to requests from the World Bank under SEADRIF Sub-Trust A operating rules and/or as part of the requirements under the grant agreement and covenants that the Trustee ( as the Company's legal owner) and the Company enters into with the World Bank and any other donors or grant providers.
- 7.10 Prepare a budget for the Board's consideration in relation to the following years financials on an annual basis
- 7.11 Provide the policyholders and the Company with online accounts as one of the tools through which they can access their policies, report a claim, track claims handling status, and access other information and data as required.

## **8 Banking, cash and investments management**

- 8.1 Support the process of hiring asset manager(s) - prepare Terms of Reference
- 8.2 Support the process of hiring asset manager(s) - procurement evaluation
- 8.3 Support the process of hiring asset manager(s) - review and finalise engagement agreement
- 8.4 Support review of performance of asset manager(s) and provide recommendations on service provision
- 8.5 Support the process of renewal of asset manager(s)
- 8.6 Work with the asset manager(s) to develop and implement the Company's investment strategies/plans, under the direction and guidance of the Board, to ensure availability of funds to pay claims and other obligations of the Company as and when they fall due and in compliance with statutory requirements.
- 8.7 Provide an annual work plan and budget by fiscal year, including a detailed report on actual vs. planned financials for the current year illustrating the Project related transactions and any financial reporting documents as instructed by the Board and/or as part of the instructions from the Trustee to the Board in response to requests from the World Bank under SEADRIF Sub-Trust A operating rules and/or as part of the requirements under the grant agreement and covenants that the Trustee ( as the Company's legal owner) and the Company enters into with the World Bank and any other donors or grant providers.
- 8.8 Maintain treasury management - properly manage the Company's assets and ensure the Company's liquidity to pay claims and other obligations
- 8.9 Maintain treasury management - ensure that surplus cash is placed on fixed deposit or other asset classes with the Company's asset managers in accordance with the Company's investment strategies and under the direction and guidance from the Board.

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- 8.10 Maintain treasury management - provide notice to the Board as soon as reasonably practicable of any depletion in capital due to a significant claim
- 8.11 Maintain treasury management - arrange for the payment/ transfer of the Company's funds in accordance with directions/ instructions by the Company's authorized person.
- 8.12 Maintain treasury management - maintain and operate the Company's bank accounts including designated accounts that house grants for funding from development partners or donors
- 8.13 Maintain treasury management - reconcile, on a quarterly basis, all inward and outward payments in relation to the Company's bank accounts held at the Banks appointed by the Board
- 8.14 Maintain treasury management - provide a cash statement on a quarterly basis to the Company showing all funds received and all disbursement made
- 8.15 Coordinate release of funds from fixed deposits and other asset classes to meet claim and other payments
- 8.16 Collect all funds due to the Company and make arrangements for the payment of all accounts payable by the Company
- 8.17 Maintain all original or e-copies of receipts and payments
- 8.18 Implement the investment strategy of the Company - liaising with any appointed asset manager(s) according to the instructions of the Board.
- 8.19 Implement the investment strategy of the Company - placement of funds on deposits or other asset classes under instruction
- 8.20 Implement the investment strategy of the Company - the accounting of all investment incomes, gains and losses in the Company's books of accounts
- 8.21 Review any asset manager's report and advise the Board if the asset manager has reported any transgression of investment guidelines and of the performance relative to such benchmark as the Company might specify from time to time.

## **9 Audit management**

- 9.1 Monitor system of checks and controls for the production of financial statements
- 9.2 Plan and arrange year-end audit with external auditors for the Company's statutory audit, and in collaboration with the Trustee for the donor-funded project audit
- 9.3 Liaison and work with external auditors during year-end audit fieldwork
- 9.4 Provide information, books and records necessary for external audit reviews
- 9.5 Obtain approval signatures for audited financials and statutory insurance returns
- 9.6 File with the relevant regulatory authorities

## **10 Internal audit (IM's internal audit by parent/own company)**

- 10.1 Liaise and work with internal auditors during audit
- 10.2 Provide information, books and records necessary for internal audit reviews
- 10.3 Obtain approval signatures from the Board for internally audited financials and records
- 10.4 Keep record of final audit documents

## **11 Corporate income tax, goods and services tax and others**

- 11.1 Support the process of hiring tax agent - prepare Terms of Reference
- 11.2 Support the process of hiring tax agent - procurement evaluation
- 11.3 Support the process of hiring tax agent - review and finalise engagement agreement
- 11.4 Support review of performance of tax agent and provide recommendations on service

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- provision
- 11.5 Support the process of renewal of tax agent
  - 11.6 Review tax computation
  - 11.7 Provide information which is relevant to the Company's tax affairs to the tax agent for their preparation of the tax computation and completion of tax return
  - 11.8 Ensure timely lodgement of tax return to the tax authorities
- 12 Company secretary, meeting management and other general management**
- 12.1 Maintain at its registered office and update as required
  - 12.2 Maintain and update as required the register of members, register of allotments, register of transfers, register of directors, register of secretaries, notification of interests register, register of charges and others as may be required under all applicable laws, regulations and regulatory requirements, Including any direction, guidance or notice from the Monetary Authority of Singapore or any other regulator
  - 12.3 Maintain the minute book of the Company containing minutes of all director and shareholding meetings
  - 12.4 Make arrangement for the calling and holding of the Board, any subcommittees and annual general or ad hoc meetings (of Directors and/or shareholders) in the chosen domicile
  - 12.5 Take, write and/or distribute the minutes at the meetings of the Board or shareholders of the Company
  - 12.6 Prepare and submit all relevant returns and filings to the Accounting and Corporate Regulatory Authority ("ACRA")
  - 12.7 Coordinate and prepare corporate governance documentation Including governance framework document and procedure manual
  - 12.8 Attend in-person or virtual Board meetings
  - 12.9 Coordinate with Tricor with respect to shareholder resolutions to be executed by the Trustee
  - 12.10 Follow and ensure compliance with the Procurement Guidelines of the World Bank for Recipient Executive Trust Fund as required
  - 12.11 Update Standard Operating Procedure and ensure its compliance
- 13 Regulatory and internal compliance**
- 13.1 Correspond with the regulators and relevant government authorities
  - 13.2 Facilitate on-site supervisory visits by the insurance regulator
  - 13.3 Ensure all filings are made to the insurance regulator within the prescribed deadlines
  - 13.4 Prepare and file any amendments to the Business Plan and/or other documents relating to the regulatory requirements of the Company
  - 13.5 Ensure that the Company complies with the relevant Anti-Money Laundering and anti-terrorism financing legislation
  - 13.6 Liaise with the insurance regulator regarding changes in existing laws, regulations and regulatory requirements (Including any direction, guidance or notice from the Monetary Authority of Singapore or any other regulator)
  - 13.7 Advise the Board of changes in laws, regulations and regulatory requirements (Including any direction, guidance or notice from the Monetary Authority of Singapore or any other regulator)
  - 13.8 Provide new directors and officers of the Company with appropriate documentation for submission to the regulator and follow up with authorization



- 13.9 Monitor and provide the Board with update on corporate governance, compliance and regulatory issues at each Board meeting
- 13.10 Work with resident director in relation to the filing of statutory returns and respond to any queries that may arise from the regulator, and all other documents relating to the regulatory requirements of the Company.
- 13.11 Arrange payment of government fees and charges
- 13.12 Ensure compliance with the Company's operating rules
- 13.13 Ensure internal controls by providing and maintaining a system comprising modules, structures, methods and procedures that allow adherence of internal policies and regulatory requirements.

**14 Project Management**

- 14.1 Support the Company in donor-funded project management including but not limited to being part of SEADRIF project management team that include members from the Trustee and the Company
- 14.2 Preparation and implementation of a project operation manual as agreed with the donor
- 14.3 Preparation of project reports in collaboration with the Trustee
- 14.4 Providing Company related input as requested by the Trustee for the project
- 14.5 Participating in meetings with the donors on a bi-annual basis or as requested