

10th August 2021

Security of client assets

We have attempted to consider any client concerns they may have in conducting business with International Assurance Ltd (IAL). Please see these items below.

Security of Assets

International Wealth is a cell of International Assurance and operates as an insurance platform enabling clients to access investable assets, through a life wrapper. The assets acquired may be settled via numerous institutions, but in each case, a 3rd party custodian holds these assets. For most shares and mutual funds the custodian is either Interactive Brokers, Butterfield Bank or the Bank of New York Mellon. Uninvested cash is held by our banking partners. Every asset held in an IAL policy is audited annually by EY to confirm existence and value.

Segregation of assets

IAL was established as a protected cell company (PCC). Our business creates independent cells for each product we launch. These cells essentially operate as individual insurance companies focused on a very specific product. Each cell has its own assets and liabilities and these are ring-fenced from potential contagion in any other cell. We have mitigated our risk in our cells by reinsuring our insurance liabilities to a top 5 reinsurance institution with a 100% treaty. This means that in the event of a catastrophe, we would claim from our reinsurance partner and settle our claimants accordingly. As a client you have no IAL balance sheet risk.

Capitalisation

Notwithstanding the above, Mauritius regulation requires all Insurance companies to hold sufficient capital to meet 100% of their actuarial liabilities. This is called our capital adequacy ratio. Our Board of Directors have set a minimum CAR of 125%, to provide a buffer, however our current CAR is 298%. We are thus well positioned for growth and this provides further comfort to clients.

Bankruptcy

Whilst it is highly unlikely IAL could become insolvent, as a consequence of our business model, Insurance companies are dealt with very differently to normal businesses should this happen. Firstly we are closely monitored by our regulator and are required to provide quarterly financial disclosures to ensure solvency. If the business was insolvent an administrator gets appointed to manage the winding up or sale of the business. This is done to enable policyholders to secure their assets by redeeming them or moving them to an alternative provider. Life policies are either matured or again transferred to a new life company. The capital held in the life company is used to offset liabilities, but the investments held in each policy is dealt with at each policyholders discretion.

Cash payment policy

IAL has an extremely stringent policy regarding cash transfers. Every single cash transfer must be checked and signed off by 3 separate teams within the company. The payment then requires 2 directors to approve it regardless of the amount. For larger amounts the second director must be a non-executive director. IAL does not allow 3rd party payments, so all target accounts must be in the policyholders or beneficiaries name. As a result of this policy, since inception, we have not had one mistake on any payment made.

Kind regards



Richard Robinson

International Wealth, a protected cell constituted under International Assurance Limited PCC

Suite C 208, La Croisette, Grand Baie, Mauritius | Office: +230 269 4400
Fax: +230 269 6400 | online@ialpcc.com | www.international-assurance.com

Directors: ON Bernard (Chairman) | GA Allen | IA Chambers | BE Futter
DS O'Connor | P Pettersen | CHH Robinson | RJ Robinson | PJ Thompson