



The quarterly newsletter from ARPC

UNDER THE COVER

In this issue

- *OECD Disaster Risk Financing seminar - Malaysia*
- *Retention information deadline*
- *Premium submissions due (first quarter)*
- *Postcode update*

Message from the CEO



Welcome to the Spring edition of our newsletter.

As this edition goes to print, details are still emerging about the terror shooting at Parramatta. At this stage, we are not expecting to initiate any processes under the Terrorism Insurance Act 2003. However, if you have any reinsurance questions or concerns, please contact us at enquiries@arpc.gov.au or call (02) 8223 6777. We offer our sincere condolences to the family, friends and colleagues of the deceased.

In other news, the ARPC is now completely Sydney based, following the recent closure of our Canberra office. It is a particularly emotional time in ARPC's history as we farewell Canberra staff who decided not to make the move to Sydney. I would also like to thank all staff members for their hard work and professionalism during this period of change.

Before Christmas, once the fit out is complete, we will make our final move into permanent offices. Most vacant roles have now been filled, with remaining roles in the recruitment process with our agency Stirling Andersen. We warmly welcome all new staff and look forward to working with them.

On reinsurance matters, we are about to commence the purchase of retrocession cover for the 2016 program and market briefings start this month. You can expect to hear more about our program renewal in the coming months.

Our 2015-2019 Corporate Plan was recently published on our website. This summarises our goals and objectives for the next four years. A copy of the plan can be accessed [here](#).

Finally, we expect the Federal Government to shortly release the Triennial Review (the three-year review of the Terrorism Insurance Act 2003). We will provide a market update and communications to our insurer clients and retrocession reinsurance providers as soon as the report is released.

Dr Christopher Wallace
Chief Executive Officer

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OECD Disaster Risk Financing seminar - Malaysia

Mike Pennell, ARPC's chief underwriting officer (pictured at far right), recently presented at the OECD *Global Seminar on Disaster Risk Financing: Towards the development of effective approaches to the financial management of disaster risks* in Kuala Lumpur, Malaysia. The September conference was attended by almost 100 delegates including representatives from the United Nations, World Bank and various governments.

His topic was *Single Peril Reinsurance Pools – The Experience of Australia* and focused on the macro-economic aspects of insurance pools. Content of Mike's presentation also included: examples of Australian pools; situation triggers which may inspire the creation of a pool; how to structure a pool and the characteristics of a successful pool.

Mike then participated in an expert panel discussion chaired by Oliver Mahul, Program Manager of the World Bank's Disaster Risk Financing and Insurance Program, where he shared views on the best structures and characteristics of single peril insurance pools and took questions from the floor.



Retention information deadline

ARPC would like to remind all Reinsureds that, under clause 5 of the Agreement, the Reinsured is to submit required information used for to set their Retention for the current Retention Period. This information, including nil submissions, is now overdue. For APRA registered insurers, this information is due by 30 September each year. Non-APRA registered insurers must provide required information to ARPC by 30 August each year. Failure to meet these deadlines means that the default retention of \$10 million will apply.

The Fire and Industrial Special Risks (ISR) GWP reporting is for all fire and ISR, not just ARPC eligible fire and ISR which is already reporting through quarterly premium returns. For APRA registered insurers this figure will agree with that reported to APRA (GRF 310.1) which is also due by 30 September each year.

In accordance with clause 5 (b) (ii) A of the Agreement, insurers who provide returns to APRA will notify ARPC of their Retention for the current Retention Period. If a Reinsured does not report to APRA or is a newly formed entity, they should refer to clause 5(b) (ii) B and provide the necessary information that will enable ARPC to confirm their Retention for the current Retention Period.

If you are experiencing difficulties using ARPC's RISE system, please refer to ARPC's website for the online manual www.arpc.gov.au/reinsuring/rise or contact accounts@arpc.gov.au or call (02) 8223-6777.

Premium submissions due (first quarter)

Premium submissions for the first quarter (1 July–30 September) of the new 2015–2016 financial year are due by 30 October 2015. All premium submissions, including nil submissions, must be lodged.

A new premium return template for the new financial year is now available in RISE and must be used to submit new premium returns. For further instructions, please refer to page 27 of the RISE Cedant User Manual.

If you have any questions please contact accounts@arpc.gov.au or call +61 2 8223 6777.

Q&A

- Q:** Why does ARPC include some university specific postcodes in the postcode table when universities, which are protected by discretionary mutual funds, are not eligible for the scheme?
- A:** Some universities have independent commercial businesses operating in their grounds. These businesses are eligible for terrorism reinsurance protection and hence require the correct postcode for rating purposes.
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Postcode update

New postcodes

Postcode	State	Tier
3647	VIC	B
2052	NSW	B
2109	NSW	B
2351	NSW	C
2522	NSW	B
3800	VIC	B

Obsolete postcodes

Postcode	State	Tier
3005	VIC	A
3010	VIC	B
3050	VIC	B
3086	VIC	B
3694	VIC	C

Please ensure that your administration department is aware of these changes and only use authorised postcodes in all submissions to ARPC (e.g. premium and aggregate reports).

Contact ARPC

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