



Conditions on authorisation of a general insurer

Insurance Act 1973

TO: Barristers' Sickness and Accident Fund Pty Limited ABN 78 600 371 397 (the general insurer)

SINCE the general insurer has requested the conditions imposed on its authorisation under subsection 12(1) of the *Insurance Act 1973* (the Act) be adjusted to reflect changes in its constitution;

I, Brandon Khoo, a delegate of APRA:

- a) Under paragraph 13(1)(b) of the Act, REVOKE the conditions imposed on the authorisation of the general insurer on 1 July 2002; and
- b) Under paragraph 13(1)(a) of the Act, IMPOSE the conditions specified in the attached Schedule on the authorisation of the general insurer.

Dated: 12 November 2021

[Signed]

Brandon Khoo
Executive Director
Insurance Division

Interpretation

In this Authorisation

APRA means the Australian Prudential Regulation Authority.

Fund means "The Barristers' Sickness and Accident Fund, 1961" established in 1962 to provide sickness and accident insurance for members of the NSW Bar

Member means a member of the Fund

Trust Deed means the "Trust Deed for the Barristers' Sickness and Accident Fund" provided to APRA on 25 May 2021

Note 1 Under subsection 13(1) of the Act, APRA may, at any time, by written notice to a general insurer, impose conditions or additional conditions or vary or revoke conditions imposed on the insurer's authorisation.

Note 2 Under subsection 13(2) of the Act, APRA may impose conditions or additional conditions on a general insurer's authorisation provided the conditions relate to prudential matters.

Note 3 Under subsection 13(4) of the Act, if APRA imposes, varies or revokes the conditions on a general insurer's authorisation, APRA must give written notice to the Applicant and ensure that notice of the action is published in the *Gazette*.

Note 4 Under subsection 13(6) of the Act, Part VI applies to decisions under section 13 to impose conditions or additional conditions on an insurer's authorisation under section 12 or to vary conditions on an insurer's authorisation under section 12.

Schedule

Conditions imposed on the authorisation of the general insurer

1. The insurer may only carry on insurance business for the purpose of providing sickness and accident benefits to Fund Members;
2. The insurer may only provide sickness and accident benefits of the kind specified in the Trust Deed (the cover);
3. The insurer may only offer cover to Fund Members in accordance with the Trust Deed and subject to the terms of the contract of insurance specified under the Trust Deed;
4. The insurer must not carry on any business other than offering cover to Fund Members;
5. The insurer may count the assets of the Fund as assets of the general insurer for the purposes of complying with its obligations under APRA's prudential standards.
6. The insurer must conduct an actuarial review detailing the valuation of insurance liabilities' at least once every three years with the review report required to be provided to APRA within three months of the end of the relevant financial year.
7. The insurer must demonstrate that a commercial level of premium is maintained at all times. As part of the triennial actuarial review, the insurer must provide APRA with confirmation that the level of premium pricing is on commercial terms.