



Notice varying conditions on Authorisation to carry on insurance business

Insurance Act 1973

TO: MetLife General Insurance Limited ABN 64 004 195 895 (the general insurer)
Level 9, 2 Park Street Sydney NSW 2000

SINCE

- A. APRA issued to the general insurer an Authorisation to carry on insurance business in Australia under subsection 12(1) of the *Insurance Act 1973* (the Act), on 22 June 2004 (the Authorisation); and
- B. the Authorisation is subject to conditions;

I, Wayne Byres, a delegate of APRA, under paragraph 13(1)(b) of the Act, VARY those conditions imposed on the Authorisation in the manner set out in the Schedule attached to this Notice.

This Variation takes effect on 1 October 2006.

Dated

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Wayne Byres
Executive General Manager
Diversified Institutions Division

Interpretation

In this Notice

APRA means the Australian Prudential Regulation Authority.

insurance business has the meaning given in section 3 of the Act.

prudential standard has the meaning given in section 3 of the Act.

Note 1 Under subsection 13(1) of the Act, APRA may, at any time, by written notice to the general insurer impose conditions or additional conditions or vary or revoke conditions imposed on the insurer's authorisation under section 12 of the Act. The conditions must relate to prudential matters.

Note 2 Under subsection 13(2) of the Act, a condition may be expressed to have effect despite anything in the prudential standards.

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

Note 4 Under subsection 14(1) of the Act, a general insurer commits an offence if:

- (a) the insurer does an act or fails to do an act; and
- (b) doing the act or failing to do the act results in a contravention of a condition of the insurer's authorisation under section 12 of the Act; and
- (c) there is no determination in force under subsection 7(1) of the Act, that subsection 14(1) of the Act does not apply to the insurer.

The maximum penalty is 300 penalty units. Under subsection 14(1A) of the Act, where an individual commits an offence against subsection 14(1) of the Act, because of Part 2.4 of the *Criminal Code* or commits an offence under Part 2.4 of the *Criminal Code* in relation to an offence against subsection 14(1) of the Act, the individual is punishable, on conviction, by a fine not exceeding 60 penalty units. Under subsection 14(2) of the Act, an offence against section 14 of the Act, is an offence of strict liability.

Schedule - the conditions which are being varied

The existing condition(s) which are to be varied:

7. It is intended that the requirements in conditions 4, 5 and 6 shall apply to the Company to the exclusion of the following requirements in the Prudential Standards and Guidance Notes made under s32 of the Act:
 - (a) GPS 110 and the Guidance Notes that form part of that standard;
 - (b) GPS 210, including Guidance Note GGN 210.1;
 - (c) paragraphs 40 to 44 (inclusive), 56 and 57 of GPS 220;
 - (d) paragraphs 4 to 9 (inclusive) and 21 of GGN 220.2;
 - (e) GPS 230; and
 - (f) GGN 230.1

but without prejudice to the Company's obligation to otherwise comply with the Prudential Standards and Guidance Notes.

Note: Subsection 13(2) of the Act provides that a condition on an insurer's authorisation may be expressed to have effect despite anything in the prudential standards.

The condition(s) as varied are:

7. It is intended that the requirements in conditions 4, 5 and 6 shall apply to the Company to the exclusion of the following requirements in the Prudential Standards made under s32 of the Act:
 - (a) GPS 110;
 - (b) paragraphs 13 (except first sentence) and 49 of GPS 310;
 - (c) paragraphs 9(a) and 14-30 (inclusive) of GPS 220; and
 - (d) GPS 230.

but without prejudice to the Company's obligation to otherwise comply with the Prudential Standards.

Note: Subsection 13(2) of the Act provides that a condition on an insurer's authorisation may be expressed to have effect despite anything in the prudential standards.