

ANNUAL RETURN: FORM 1 - FUND BALANCE SHEET

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Annex	Row No.	Amount
ASSETS			
Equity securities	1A	1	22,565,579
Debt securities	1B	2	123,165,044
Land and buildings	1C	3	0
Loans	1D	4	0
Cash and deposits		5	19,466,211
Other invested assets	1E	6	0
Investment income due or accrued		7	23,831
Outstanding premiums and agents' balances	1F	8	23,815,786
Deposits withheld by cedants		9	0
Reinsurance recoverables (on paid claims)	1G	10	1,800,906
Income tax recoverables		11	0
Fixed assets	1H	12	637,389
Inter-fund balances and intra group balances (due from)	1I	13	585,800
Other assets	1J	14	2,825,164
Total Assets (1 to 14)		15	194,885,710
LIABILITIES			
Policy liabilities	1K	16	102,817,000
Other liabilities:			
Outstanding claims		17	0
Annuities due and unpaid		18	0
Reinsurance deposits		19	20,949
Amounts owing to insurers		20	17,452,734
Bank loans and overdrafts		21	0
Inter-fund balances and intra-group balances (due to)	1L	22	2,805,199
Others	1M	23	15,383,976
Total Liabilities (16 to 23)		24	138,479,858
SURPLUS (15 - 24)	1N	25	56,405,852

ANNUAL RETURN: FORM 1 - FUND BALANCE SHEET

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Annex	Row No.	Amount
ASSETS			
Equity securities	1A	1	0
Debt securities	1B	2	9,314,152
Land and buildings	1C	3	0
Loans	1D	4	0
Cash and deposits		5	3,478,410
Other invested assets	1E	6	0
Investment income due or accrued		7	0
Outstanding premiums and agents' balances	1F	8	3,497,758
Deposits withheld by cedants		9	0
Reinsurance recoverables (on paid claims)	1G	10	21,263
Income tax recoverables		11	0
Fixed assets	1H	12	0
Inter-fund balances and intra group balances (due from)	1I	13	0
Other assets	1J	14	32,852
Total Assets (1 to 14)		15	16,344,435
LIABILITIES			
Policy liabilities	1K	16	2,989,000
Other liabilities:			
Outstanding claims		17	0
Annuities due and unpaid		18	0
Reinsurance deposits		19	2,373
Amounts owing to insurers		20	3,508,894
Bank loans and overdrafts		21	0
Inter-fund balances and intra-group balances (due to)	1L	22	1,980,118
Others	1M	23	1,155,802
Total Liabilities (16 to 23)		24	9,636,187
SURPLUS (15 - 24)	1N	25	6,708,248

ANNUAL RETURN: ANNEX 1A - INVESTMENT IN EQUITY SECURITIES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Listed	Unlisted	Amount
Equity securities other than collective investment schemes	1	21,017,378	1,548,201	22,565,579
Collective investment schemes	2	0	0	0
Total (1 to 2) = Row 1 of Form 1	3			22,565,579

ANNUAL RETURN: ANNEX 1A - INVESTMENT IN EQUITY SECURITIES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Listed	Unlisted	Amount
Equity securities other than collective investment schemes	1	0	0	0
Collective investment schemes	2	0	0	0
Total (1 to 2) = Row 1 of Form 1	3			0

ANNUAL RETURN: ANNEX 1B - INVESTMENT IN DEBT SECURITIES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Government debt securities	1	61,099,470
Qualifying debt securities	2	62,065,574
Other debt securities	3	0
Total (1 to 3) = Row 2 of Form 1	4	123,165,044

ANNUAL RETURN: ANNEX 1B - INVESTMENT IN DEBT SECURITIES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Government debt securities	1	9,314,152
Qualifying debt securities	2	0
Other debt securities	3	0
Total (1 to 3) = Row 2 of Form 1	4	9,314,152

ANNUAL RETURN: ANNEX 1C - INVESTMENT IN LAND AND BUILDINGS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Location and Description of Land and Buildings	Row No.	Cost	Last Revaluation Date	Last Reported Amount	Changes from Last Reported Amount	Amount
Total = Row 3 of Form 1	21					0

ANNUAL RETURN: ANNEX 1C - INVESTMENT IN LAND AND BUILDINGS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Location and Description of Land and Buildings	Row No.	Cost	Last Revaluation Date	Last Reported Amount	Changes from Last Reported Amount	Amount
Total = Row 3 of Form 1	21					0

ANNUAL RETURN: ANNEX 1D - INVESTMENT IN LOANS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount Outstanding	Provision for Doubtful Loans	Amount
Policy loans	1	0	0	0
Mortgage loans	2	0	0	0
Other secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Total (1 to 4) = Row 4 of Form 1	5			0

ANNUAL RETURN: ANNEX 1D - INVESTMENT IN LOANS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount Outstanding	Provision for Doubtful Loans	Amount
Policy loans	1	0	0	0
Mortgage loans	2	0	0	0
Other secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Total (1 to 4) = Row 4 of Form 1	5			0

ANNUAL RETURN: ANNEX 1E - BREAKDOWN OF OTHER INVESTED ASSETS

I726G QBE INSURANCE INTERNATIONAL LTD

General: Singapore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Notional Principal Amount	Amount
Derivatives			
Options:			
(a) Call options	1	0	0
(b) Put options	2	0	0
(c) Swaptions	3	0	0
(d) Other options	4	0	0
Total investments in options (1 to 4)	5	0	0
Futures contracts:			
(a) Currency futures contracts	6	0	0
(b) Interest rate futures contracts	7	0	0
(c) Other futures contracts	8	0	0
Total investments in futures contracts (6 to 8)	9	0	0
Forward contracts:			
(a) Currency forward contracts	10	0	0
(b) Interest rate forward contracts	11	0	0
(c) Other forward contracts	12	0	0
Total investments in forward contracts (10 to 12)	13	0	0
Swaps:			
(a) Interest rate swaps	14	0	0
(b) Currency swaps	15	0	0
(c) Other swaps	16	0	0
Total investments in swaps (14 to 16)	17	0	0
Other derivatives	18	0	0
Total investments in derivatives (5 + 9 + 13 + 17 + 18)	19	0	0
Other invested assets excluding derivatives			

Total investments in other invested assets excluding derivatives	40		0
Total = Row 6 of Form 1	41		0

ANNUAL RETURN: ANNEX 1E - BREAKDOWN OF OTHER INVESTED ASSETS

I726G QBE INSURANCE INTERNATIONAL LTD

General: Offshore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Notional Principal Amount	Amount
Derivatives			
Options:			
(a) Call options	1	0	0
(b) Put options	2	0	0
(c) Swaptions	3	0	0
(d) Other options	4	0	0
Total investments in options (1 to 4)	5	0	0
Futures contracts:			
(a) Currency futures contracts	6	0	0
(b) Interest rate futures contracts	7	0	0
(c) Other futures contracts	8	0	0
Total investments in futures contracts (6 to 8)	9	0	0
Forward contracts:			
(a) Currency forward contracts	10	0	0
(b) Interest rate forward contracts	11	0	0
(c) Other forward contracts	12	0	0
Total investments in forward contracts (10 to 12)	13	0	0
Swaps:			
(a) Interest rate swaps	14	0	0
(b) Currency swaps	15	0	0
(c) Other swaps	16	0	0
Total investments in swaps (14 to 16)	17	0	0
Other derivatives	18	0	0
Total investments in derivatives (5 + 9 + 13 + 17 + 18)	19	0	0
Other invested assets excluding derivatives			

Total investments in other invested assets excluding derivatives	40		0
Total = Row 6 of Form 1	41		0

ANNUAL RETURN: ANNEX 1F(b) - AGEING OF OUTSTANDING PREMIUMS AND AGENTS' BALANCES OF DIRECT GENERAL INSURER

I726G QBE INSURANCE INTERNATIONAL LTD

General: Singapore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Direct Business - Agents	Direct Business - Brokers	Direct Business - Others	Amount
In respect of direct business					
Bad debts written off during the year	1	0	0	0	0
Ageing of outstanding premiums and agents' balances:					
<i>Outstanding period</i>					
Up to 3 months	2	5,280,490	15,854,781	1,223,490	22,358,761
Above 3 months but not exceeding 6 months	3	225,316	457,806	27,544	710,666
Above 6 months but not exceeding 12 months	4	26,692	61,969	23,433	112,094
Above 12 months	5	1,351	37,925	2,137	41,413
Gross total (2 to 5)	6	5,533,849	16,412,481	1,276,604	23,222,934
Provision for doubtful debts	7	28,043	99,893	25,571	153,507
Total outstanding premiums and agents' balances in respect of direct business (6 - 7)	8	5,505,806	16,312,588	1,251,033	23,069,427
In respect of reinsurance business					
Bad debts written off during the year	9				0
Ageing of outstanding premiums and agents' balances:					
<i>Outstanding period</i>					

Up to 6 months	10				573,212
Above 6 months but not exceeding 12 months	11				191,902
Above 12 months but not exceeding 24 months	12				1,798
Above 24 months	13				29,836
Gross total (10 to 13)	14				796,748
Provision for doubtful debts	15				50,389
Total outstanding premiums and agents' balances in respect of reinsurance business (14 - 15)	16				746,359
Total (8 + 16) = Row 8 of Form 1	17				23,815,786

Note: For direct insurance business, outstanding period starts from date of commencement of the cover.

In respect of reinsurance business, outstanding period commences from the date of premiums are accrued in the books of the registered insurer.

ANNUAL RETURN: ANNEX 1F(b) - AGEING OF OUTSTANDING PREMIUMS AND AGENTS' BALANCES OF DIRECT GENERAL INSURER

I726G QBE INSURANCE INTERNATIONAL LTD

General: Offshore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Direct Business - Agents	Direct Business - Brokers	Direct Business - Others	Amount
In respect of direct business					
Bad debts written off during the year	1	0	0	0	0
Ageing of outstanding premiums and agents' balances: <i>Outstanding period</i>					
Up to 3 months	2	8,030	316,075	0	324,105
Above 3 months but not exceeding 6 months	3	0	102,064	0	102,064
Above 6 months but not exceeding 12 months	4	0	4,203	0	4,203
Above 12 months	5	0	0	0	0
Gross total (2 to 5)	6	8,030	422,342	0	430,372
Provision for doubtful debts	7	0	4,203	0	4,203
Total outstanding premiums and agents' balances in respect of direct business (6 - 7)	8	8,030	418,139	0	426,169
In respect of reinsurance business					
Bad debts written off during the year	9				0
Ageing of outstanding premiums and agents' balances: <i>Outstanding period</i>					
Up to 6 months	10				3,028,821

Above 6 months but not exceeding 12 months	11				36,057
Above 12 months but not exceeding 24 months	12				11,768
Above 24 months	13				8,479
Gross total (10 to 13)	14				3,085,125
Provision for doubtful debts	15				13,536
Total outstanding premiums and agents' balances in respect of reinsurance business (14 - 15)	16				3,071,589
Total (8 + 16) = Row 8 of Form 1	17				3,497,758

Note: For direct insurance business, outstanding period starts from date of commencement of the cover.

In respect of reinsurance business, outstanding period commences from the date of premiums are accrued in the books of the registered insurer.

ANNUAL RETURN: ANNEX 1G - STATEMENT OF REINSURANCE RECOVERABLES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Reinsurance recoveries on unpaid claims	1	25,884,407
Reinsurance recoverables written off during the year	2	0
Ageing of reinsurance recoverables (on paid claims): <i>Outstanding period</i>		
Up to 1 year	3	1,845,413
Above 1 year but not exceeding 2 years	4	197,433
Above 2 years	5	107,924
Total (3 to 5)	6	2,150,770
Provision for doubtful reinsurance recoverables	7	349,864
Total (6 - 7) = Row 10 of Form 1	8	1,800,906

ANNUAL RETURN: ANNEX 1G - STATEMENT OF REINSURANCE RECOVERABLES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Reinsurance recoveries on unpaid claims	1	3,492,675
Reinsurance recoverables written off during the year	2	0
Ageing of reinsurance recoverables (on paid claims): <i>Outstanding period</i>		
Up to 1 year	3	174,393
Above 1 year but not exceeding 2 years	4	12,790
Above 2 years	5	2,278
Total (3 to 5)	6	189,461
Provision for doubtful reinsurance recoverables	7	168,198
Total (6 - 7) = Row 10 of Form 1	8	21,263

ANNUAL RETURN: ANNEX 1H - FIXED ASSETS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Motor vehicles	1	438,397
Computer equipment	2	65,372
Other fixed assets	3	133,620
Total (1 to 3) = Row 12 of Form 1	4	637,389

ANNUAL RETURN: ANNEX 1H - FIXED ASSETS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Motor vehicles	1	0
Computer equipment	2	0
Other fixed assets	3	0
Total (1 to 3) = Row 12 of Form 1	4	0

**ANNUAL RETURN: ANNEX 11 - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE FROM)**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Balances due from head office / shareholders fund	1	0
Balances due from overseas branches / related corporations	2	0
Balances due from other insurance funds established and maintained under the Act	3	585,800
Total (1 to 3) = Row 13 of Form 1	4	585,800

**ANNUAL RETURN: ANNEX 11 - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE FROM)**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Balances due from head office / shareholders fund	1	0
Balances due from overseas branches / related corporations	2	0
Balances due from other insurance funds established and maintained under the Act	3	0
Total (1 to 3) = Row 13 of Form 1	4	0

ANNUAL RETURN: ANNEX 1J - BREAKDOWN OF OTHER ASSETS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Unclosed business	1	1,182,186
Prepayment	2	84,723
Sundry debtors	3	496,702
Miscellaneous deposit	4	921,579
Policy stamps	5	493
Balance of postage	6	6,010
Deferred tax asset	7	133,471
Total = Row 14 of Form 1	26	2,825,164

ANNUAL RETURN: ANNEX 1J - BREAKDOWN OF OTHER ASSETS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Sundry debtors	1	32,852
Total = Row 14 of Form 1	26	32,852

**ANNUAL RETURN: ANNEX 1L - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE TO)**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Balances due to head office / shareholders fund	1	2,774,429
Balances due to overseas branches / related corporations	2	30,770
Balances due to other insurance funds established and maintained under the Act	3	0
Total (1 to 3) = Row 22 of Form 1	4	2,805,199

**ANNUAL RETURN: ANNEX 1L - INTER-FUND BALANCES AND
INTRA-GROUP BALANCES (DUE TO)**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Balances due to head office / shareholders fund	1	1,394,318
Balances due to overseas branches / related corporations	2	0
Balances due to other insurance funds established and maintained under the Act	3	585,800
Total (1 to 3) = Row 22 of Form 1	4	1,980,118

ANNUAL RETURN: ANNEX 1M - BREAKDOWN OF OTHERS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Accrued expenses	1	7,425,582
Annual leave provision	2	295,254
Bank charges (Policy)	3	2,770
SOS fees	4	30,287
Sundry creditors	5	1,118,222
Sundry creditors (Stale cheques)	6	646,616
CPF contribution	7	421,866
Provision for income tax	8	4,044,577
Levies and charges	9	547,844
Trade credit insurance contingency reserves	10	850,958
Total = Row 23 of Form 1	26	15,383,976

ANNUAL RETURN: ANNEX 1M - BREAKDOWN OF OTHERS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Accrued expenses	1	326,451
Bank charges	2	9,498
Sundry creditors	3	236,251
Provision for income tax	4	222,041
Trade credit insurance contingency reserves	5	361,561
Total = Row 23 of Form 1	26	1,155,802

ANNUAL RETURN: ANNEX 1N - SURPLUS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Surplus at beginning of period	1	79,785,886
Net income	2	9,626,155
Transfer (to) from head office / shareholders fund	3	-33,006,189
Surplus at End of Period (1 to 3) = Row 25 of Form 1	4	56,405,852

ANNUAL RETURN: ANNEX 1N - SURPLUS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Surplus at beginning of period	1	26,062,475
Net income	2	1,082,291
Transfer (to) from head office / shareholders fund	3	-20,436,518
Surplus at End of Period (1 to 3) = Row 25 of Form 1	4	6,708,248

**ANNUAL RETURN: ANNEX 1(ii) - INFORMATION IN RESPECT OF REDUCTION IN UNEARNED PREMIUM RESERVES
DUE TO REINSURANCE CEDED TO REINSURERS IN RESPECT OF GENERAL BUSINESS**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	4,322,625
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	2,535,667
Unregistered reinsurer	3	1,343,028
Total (1 to 3)	4	8,201,320

**ANNUAL RETURN: ANNEX 1(ii) - INFORMATION IN RESPECT OF REDUCTION IN UNEARNED PREMIUM RESERVES
DUE TO REINSURANCE CEDED TO REINSURERS IN RESPECT OF GENERAL BUSINESS**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	33,285
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	1,681,454
Unregistered reinsurer	3	115,144
Total (1 to 3)	4	1,829,883

**ANNUAL RETURN: ANNEX 1(iii) - INFORMATION IN RESPECT OF INVESTMENTS IN
A RELATED CORPORATION OF REGISTERED INSURER**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description of Assets and Name of Investee Company	Row No.	No. of Units	Cost	Amount
Name of company: -				
Equity securities	1	0	0	0
Debt securities	2	0	0	0
Secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Other invested assets	5	0	0	0

**ANNUAL RETURN: ANNEX 1(iii) - INFORMATION IN RESPECT OF INVESTMENTS IN
A RELATED CORPORATION OF REGISTERED INSURER**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description of Assets and Name of Investee Company	Row No.	No. of Units	Cost	Amount
Name of company: - QBE MARINE U/W AGENCY				
Equity securities	1	700,000	700,000	1,548,201
Debt securities	2	0	0	0
Secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Other invested assets	5	0	0	0

**ANNUAL RETURN: ANNEX 1(iii) - INFORMATION IN RESPECT OF INVESTMENTS IN
A RELATED CORPORATION OF REGISTERED INSURER**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description of Assets and Name of Investee Company	Row No.	No. of Units	Cost	Amount
Name of company: -				
Equity securities	1	0	0	0
Debt securities	2	0	0	0
Secured loans	3	0	0	0
Unsecured loans	4	0	0	0
Other invested assets	5	0	0	0

ANNUAL RETURN: NOTES TO FORM 1

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Note 1 The aggregate amounts of loans to and amounts due from -	Amount
(a) Directors	0
(b) Employees of the registered insurer	0

	Description	Row No.	Amount
Note 2(a) Intangible assets -	Net deferred tax in an asset position (Annex 1J, row 7)	1	133,471

Note 3 - Description of any change in accounting policies and methodologies in the valuation of assets and liabilities and the quantification of their effects.

NIL

Note 4 - Description of any prior adjustment and correction for errors and reasons for the adjustments and corrections.

NIL

Note 5 In respect of financial guarantee business -

Amount

(a) where premiums are payable in instalments, the present value of future instalment premiums payable by the insured in a future accounting period	0
and discount rate used	0

(b) where the premiums are payable in full at the commencement of the policy of insurance, the full amount of the premiums payable by the insured in the accounting period in which the policy commences.

0

ANNUAL RETURN: NOTES TO FORM 1

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Note 1 The aggregate amounts of loans to and amounts due from -	Amount
(a) Directors	0
(b) Employees of the registered insurer	0

Note 3 - Description of any change in accounting policies and methodologies in the valuation of assets and liabilities and the quantification of their effects.

NIL

Note 4 - Description of any prior adjustment and correction for errors and reasons for the adjustments and corrections.

NIL

Note 5 In respect of financial guarantee business -	Amount
(a) where premiums are payable in instalments, the present value of future instalment premiums payable by the insured in a future accounting period	0
and discount rate used	0
(b) where the premiums are payable in full at the commencement of the policy of insurance, the full amount of the premiums payable by the insured in the accounting period in which the policy commences.	0

ANNUAL RETURN: FORM 1 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle 2006 12

NIL

ANNUAL RETURN: FORM 2 - FUND PROFIT AND LOSS ACCOUNT

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Annex	Row No.	Amount
Gross premiums	2A	1	107,197,088
Less: Outward reinsurance premiums	2B	2	29,457,967
Investment revenue	2C	3	10,167,390
Less: Investment expenses		4	329,107
Other income	2D	5	518,693
Total Income (1 to 5)		6	88,096,097
Gross claims settled	2E	7	49,476,307
Less: Reinsurance recoveries		8	15,329,657
Management expenses	2F	9	16,480,079
Distribution expenses	2G	10	18,015,124
Increase (decrease) in net policy liabilities	2H	11	6,553,000
Provision for doubtful debts/ bad debts written off on receivables		12	(476,394)
Taxation expenses		13	3,141,189
Other expenses	2I	14	610,294
Total Outgo (7 to 14)		15	78,469,942
Net Income (6 - 15)	2J	16	9,626,155

ANNUAL RETURN: FORM 2 - FUND PROFIT AND LOSS ACCOUNT

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Annex	Row No.	Amount
Gross premiums	2A	1	67,718,530
Less: Outward reinsurance premiums	2B	2	64,864,284
Investment revenue	2C	3	(208,032)
Less: Investment expenses		4	1,442
Other income	2D	5	299,901
Total Income (1 to 5)		6	2,944,673
Gross claims settled	2E	7	3,709,304
Less: Reinsurance recoveries		8	914,180
Management expenses	2F	9	838,059
Distribution expenses	2G	10	(219,595)
Increase (decrease) in net policy liabilities	2H	11	(1,928,000)
Provision for doubtful debts/ bad debts written off on receivables		12	102,107
Taxation expenses		13	161
Other expenses	2I	14	274,526
Total Outgo (7 to 14)		15	1,862,382
Net Income (6 - 15)	2J	16	1,082,291

ANNUAL RETURN: ANNEX 2B - OUTWARD REINSURANCE PREMIUMS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	9,083,903
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	16,597,267
Unregistered reinsurer	3	3,776,797
Total (1 to 3) = Row 2 of Form 2	4	29,457,967

ANNUAL RETURN: ANNEX 2B - OUTWARD REINSURANCE PREMIUMS

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Registered insurer / foreign insurer under the foreign insurer scheme	1	160,067
Authorised reinsurer / related corporation / head office / branch of head office of the registered insurer	2	5,643,107
Unregistered reinsurer	3	59,061,110
Total (1 to 3) = Row 2 of Form 2	4	64,864,284

ANNUAL RETURN: ANNEX 2C - INVESTMENT REVENUE

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Interest / Dividend / Rental Income	Realised Gains (Losses) From Last Reported Value / Write-backs (Write-offs)	Unrealised Changes From Last Reported Value	Amount
Equity securities	1	622,945	1,215,809	4,409,923	6,248,677
Debt securities	2	3,559,141	2,465	533,903	4,095,509
Land and Buildings	3	0	0	0	0
Loans	4	0	0	0	0
Cash and deposits	5	587,817	0	-764,613	-176,796
Other invested assets	6	0	0	0	0
Total (1 to 6) = Row 3 of Form 2	7				10,167,390

ANNUAL RETURN: ANNEX 2C - INVESTMENT REVENUE

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Interest / Dividend / Rental Income	Realised Gains (Losses) From Last Reported Value / Write-backs (Write-offs)	Unrealised Changes From Last Reported Value	Amount
Equity securities	1	0	0	0	0
Debt securities	2	94,333	-293,236	214,223	15,320
Land and Buildings	3	0	0	0	0
Loans	4	0	0	0	0
Cash and deposits	5	136,114	0	-359,466	-223,352
Other invested assets	6	0	0	0	0
Total (1 to 6) = Row 3 of Form 2	7				-208,032

ANNUAL RETURN: ANNEX 2D - BREAKDOWN OF OTHER INCOME

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Policy administration fees	1	100,191
Other income	2	348,646
Gain on disposal of fixed asset	3	69,814
Realized exchange gain	4	42
Total = Row 5 of Form 2	26	518,693

ANNUAL RETURN: ANNEX 2D - BREAKDOWN OF OTHER INCOME

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Policy administration fee	1	4,966
Realized exchange gain	2	900
Over-rider Commission - Quota Share	3	221,631
Bad debt written back	4	20,579
Audit fees written back	5	51,825
Total = Row 5 of Form 2	26	299,901

ANNUAL RETURN: ANNEX 2F - MANAGEMENT EXPENSES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Staff salaries & expenses	1	12,100,050
Office rent	2	1,273,433
Head office / parent company expenses	3	2,052,225
Directors' fees	4	0
Audit fees	5	155,794
Managing agent's fees	6	0
Repairs and maintenance	7	37,563
Public utilities	8	83,713
Printing, stationery and periodicals	9	172,988
Postage, telephone and telex charges	10	148,833
Computer charges	11	-1,007,084
Hire of office equipment	12	0
Licence and association fees	13	0
Advertising and subscriptions	14	408,186
Entertainment	15	135,209
Travelling expenses	16	237,895
Statutory& bank charges	1	179,506
Insurance	2	8,605
Conference& seminar	3	46,289
Consultant services	4	125,219
Motor vehicle expenses	5	134,414
Office cleaning	6	24,330
Publication	7	11,149
Legal fee	8	3,684
Sundries	9	148,078
Total = Row 9 of Form 2	27	16,480,079

ANNUAL RETURN: ANNEX 2F - MANAGEMENT EXPENSES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Staff salaries & expenses	1	453,996
Office rent	2	109,425
Head office / parent company expenses	3	82,589
Directors' fees	4	0
Audit fees	5	4,921
Managing agent's fees	6	0
Repairs and maintenance	7	3,151
Public utilities	8	4,867
Printing, stationery and periodicals	9	8,747
Postage, telephone and telex charges	10	12,208
Computer charges	11	-36,990
Hire of office equipment	12	112
Licence and association fees	13	0
Advertising and subscriptions	14	17,647
Entertainment	15	5,152
Travelling expenses	16	8,769
Statutory& bank charges	1	7,880
Insurance	2	10,079
Conference& seminar	3	1,700
Consultant services	4	4,599
Motor vehicle expenses	5	4,937
Office cleaning	6	2,472
Publication	7	589
Legal fee	8	135
Management Fees to QBE Re Services Singapore	9	112,179
Sundries	10	18,895
Total = Row 9 of Form 2	27	838,059

ANNUAL RETURN: ANNEX 2I - BREAKDOWN OF OTHER EXPENSES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Description	Row No.	Amount
Loss on disposal of fixed asset	1	55,375
Depreciation charges	2	264,352
Realized exchange loss	3	290,567
Total = Row 14 of Form 2	26	610,294

ANNUAL RETURN: ANNEX 2I - BREAKDOWN OF OTHER EXPENSES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Description	Row No.	Amount
Depreciation charges	1	19,132
Realized exchange loss	2	38,936
Unrealized exchange loss	3	170,718
Management fee	4	45,740
Total = Row 14 of Form 2	26	274,526

ANNUAL RETURN: FORM 2 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL

ANNUAL RETURN: FORM 6 - STATEMENT OF PREMIUMS, CLAIMS AND UNDERWRITING RESULTS IN RESPECT OF GENERAL BUSINESS

I726G QBE INSURANCE INTERNATIONAL LTD

General: Singapore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Marine and Aviation - Cargo	Marine and Aviation - Hull and Liability	Fire	Motor	Work Injury Compensation	Personal Accident	Health	Misc - Public Liability	Misc - Bonds	Misc - Engineering / CAR / EAR	Misc - Professional Indemnity	Misc - Credit / Political Risk	Misc - Others	Misc - Sub-Total	Total
A. PREMIUMS																
Gross premiums																
Direct business	1	13,678,597	32,055,607	6,795,002	5,482,347	7,234,026	2,231,357	11,562,201	4,684,728	137,561	2,869,275	8,449,010	5,670,286	3,873,350	25,684,210	104,723,347
Reinsurance business accepted -																
In Singapore	2	169,666	493,629	455,459	0	32,103	0	0	95,579	0	195,091	743,391	0	133	1,034,194	2,185,051
From other ASEAN countries	3	0	54,706	12,661	0	0	0	0	0	0	0	0	0	0	0	67,367
From other countries	4	0	0	0	0	0	0	0	0	0	0	221,323	0	0	221,323	221,323
Total (2 to 4)	5	169,666	548,335	468,120	0	32,103	0	0	95,579	0	195,091	964,714	0	133	1,255,517	2,473,741
Reinsurance business ceded -																
In Singapore	6	847,083	6,887,167	181,618	26	(11,327)	1,550	(188,095)	104,431	731	613,696	656,782	446,532	304,456	2,126,628	9,844,650
To other ASEAN countries	7	0	0	(146)	0	0	0	0	0	0	0	0	0	0	0	(146)
To other countries	8	2,845,600	4,070,437	1,161,827	287,992	549,969	310,059	0	1,204,485	1,812	384,839	3,336,143	5,223,754	236,546	10,387,579	19,613,463
Total (6 to 8)	9	3,692,683	10,957,604	1,343,299	288,018	538,642	311,609	(188,095)	1,308,916	2,543	998,535	3,992,925	5,670,286	541,002	12,514,207	29,457,967
Net premiums written (1 + 5 - 9)	10	10,155,580	21,646,338	5,919,823	5,194,329	6,727,487	1,919,748	11,750,296	3,471,391	135,018	2,065,831	5,420,799	0	3,332,481	14,425,520	77,739,121
Premium liabilities at beginning of period	11	2,367,000	6,619,000	2,389,000	3,413,000	2,633,000	825,000	4,904,000	1,347,000	160,000	1,321,000	1,802,000	0	1,094,000	5,724,000	28,874,000
Premium liabilities at end of period	12	2,555,000	10,858,000	2,409,000	2,226,000	2,832,000	788,000	4,951,000	1,672,000	133,000	1,497,000	2,411,000	0	1,037,000	6,750,000	33,369,000
Premiums earned during the period (10 + 11 - 12)	13	9,967,580	17,407,338	5,899,823	6,381,329	6,528,487	1,956,748	11,703,296	3,146,391	162,018	1,889,831	4,811,799	0	3,389,481	13,399,520	73,244,121
B. CLAIMS																
Gross claims settled																
Direct business	14	4,667,352	12,935,679	5,681,457	7,777,874	6,664,619	1,190,812	6,642,619	1,096,597	(428,963)	263,679	702,166	1,397,133	454,386	3,484,998	49,045,410
Reinsurance business accepted -																
In Singapore	15	12,965	154,270	127,586	147	52,240	0	0	67,731	18	18,416	0	0	(2,476)	83,689	430,897
From other ASEAN countries	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
From other countries	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total (15 to 17)	18	12,965	154,270	127,586	147	52,240	0	0	67,731	18	18,416	0	0	(2,476)	83,689	430,897
Recoveries from reinsurance business ceded -																
In Singapore	19	1,088,487	2,795,047	1,907,094	121,599	125,158	170,220	9,060	(28,848)	(314,643)	5,138	150,121	0	8,012	(180,220)	6,036,445
To other ASEAN countries	20	(783)	0	173	0	0	0	0	680	0	0	0	0	(125)	555	(55)
To other countries	21	1,535,808	2,658,413	2,612,589	15,356	455,857	367,387	0	178,647	(50,908)	0	391,325	1,127,133	1,660	1,647,857	9,293,267
Total (19 to 21)	22	2,623,512	5,453,460	4,519,856	136,955	581,015	537,607	9,060	150,479	(365,551)	5,138	541,446	1,127,133	9,547	1,468,192	15,329,657
Net claims settled (14 + 18 - 22)	23	2,056,805	7,636,489	1,289,187	7,641,066	6,135,844	653,205	6,633,559	1,013,849	(63,394)	276,957	160,720	270,000	442,363	2,100,495	34,146,650
Claims liabilities at end of period	24	4,193,000	13,674,000	3,965,000	19,907,000	11,112,000	1,205,000	2,943,000	5,968,000	0	453,000	2,940,000	0	3,088,000	12,449,000	69,448,000
Claims liabilities at beginning of period	25	4,223,000	13,110,000	1,445,000	22,394,000	11,097,000	823,000	2,166,000	7,268,000	137,000	834,000	2,483,000	0	1,410,000	12,132,000	67,390,000
Net claims incurred (23 + 24 - 25)	26	2,026,805	8,200,489	3,809,187	5,154,066	6,150,844	1,035,205	7,410,559	(286,151)	(200,394)	(104,043)	617,720	270,000	2,120,363	2,417,495	36,204,650
C. MANAGEMENT EXPENSES																
Management Expenses	27	2,155,880	4,572,407	1,256,691	1,102,680	1,428,146	407,534	2,494,415	736,925	28,662	438,546	1,150,756	0	707,437	3,062,326	16,480,079
D. DISTRIBUTION EXPENSES																
Commissions	28	2,615,450	4,623,654	1,276,638	780,060	709,838	856,920	1,157,391	700,483	20,391	421,170	1,409,045	812,670	563,082	3,926,841	15,946,792
Reinsurance commissions	29	386,977	1,372,339	12,930	(3)	(839)	30,869	(28,966)	142,845	159	99,195	530,927	810,687	152,026	1,735,839	3,509,146
Net commissions incurred (28 - 29)	30	2,228,473	3,251,315	1,263,708	780,063	710,677	826,051	1,186,357	557,638	20,232	321,975	878,118	1,983	411,056	2,191,002	12,437,646
Other distribution expenses	31	1,344,320	1,552,710	490,958	324,318	186,759	168,889	461,411	359,041	825	185,088	349,118	4,497	149,544	1,048,113	5,577,478
E. UNDERWRITING RESULTS																
Underwriting gain / (loss) (13 - 26 - 27 - 30 - 31)	32	2,212,102	(169,583)	(920,721)	(979,798)	(1,947,939)	(480,931)	150,554	1,778,938	312,693	1,048,265	1,816,087	(276,480)	1,081	4,680,584	2,544,268
F. NET INVESTMENT INCOME																
	33	1,279,589	2,770,671	745,889	654,478	847,654	241,886	1,480,521	437,390	17,012	260,292	683,013	0	419,888	1,817,595	9,838,283
G. OPERATING RESULT (32 + 33)																
	34	3,491,691	2,601,088	(174,832)	(325,320)	(1,100,285)	(239,045)	1,631,075	2,216,328	329,705	1,308,557	2,499,100	(276,480)	420,969	6,498,179	12,382,551

**ANNUAL RETURN: FORM 6 - STATEMENT OF PREMIUMS, CLAIMS AND UNDERWRITING RESULTS IN RESPECT OF
GENERAL BUSINESS**

I726G QBE INSURANCE INTERNATIONAL LTD

General: Offshore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Marine and Aviation - Cargo	Marine and Aviation - Hull and Liability	Property	Casualty and Others	Total
A. PREMIUMS						
Gross premiums						
Direct business	1	15,400	1,008,290	2,997,138	56,854,727	60,875,555
Reinsurance business accepted -						
In Singapore	2	0	101,587	2,384,893	36,403	2,522,883
From other ASEAN countries	3	29,598	278,792	262,568	294,315	865,273
From other countries	4	3,506	68,125	2,687,712	695,476	3,454,819
Total (2 to 4)	5	33,104	448,504	5,335,173	1,026,194	6,842,975
Reinsurance business ceded -						
In Singapore	6	0	112,358	0	47,709	160,067
To other ASEAN countries	7	(4)	41	2,817,688	244,682	3,062,407
To other countries	8	15,673	211,885	5,345,272	56,068,980	61,641,810
Total (6 to 8)	9	15,669	324,284	8,162,960	56,361,371	64,864,284
Net premiums written (1 + 5 - 9)	10	32,835	1,132,510	169,351	1,519,550	2,854,246
Premium liabilities at beginning of period	11	31,000	444,000	225,000	923,000	1,623,000
Premium liabilities at end of period	12	19,000	520,000	115,000	793,000	1,447,000
Premiums earned during the period (10 + 11 - 12)	13	44,835	1,056,510	279,351	1,649,550	3,030,246
B. CLAIMS						
Gross claims settled						
Direct business	14	0	1,199,260	0	8,363	1,207,623
Reinsurance business accepted -						
In Singapore	15	0	35,466	2,988	0	38,454
From other ASEAN countries	16	(4,994)	(24,958)	49,921	11,662	31,631
From other countries	17	3,933	115,573	1,503,875	808,215	2,431,596
Total (15 to 17)	18	(1,061)	126,081	1,556,784	819,877	2,501,681
Recoveries from reinsurance business ceded -						
In Singapore	19	0	366,230	1,101	0	367,331
To other ASEAN countries	20	(4,994)	(2,034)	31,364	16,172	40,508
To other countries	21	3,933	(198,299)	1,522,041	(821,334)	506,341
Total (19 to 21)	22	(1,061)	165,897	1,554,506	(805,162)	914,180
Net claims settled (14 + 18 - 22)	23	0	1,159,444	2,278	1,633,402	2,795,124
Claims liabilities at end of period	24	1,000	1,165,000	305,000	71,000	1,542,000
Claims liabilities at beginning of period	25	3,000	1,987,000	147,000	1,157,000	3,294,000
Net claims incurred (23 + 24 - 25)	26	(2,000)	337,444	160,278	547,402	1,043,124
C. MANAGEMENT EXPENSES						
Management Expenses	27	7,035	238,129	152,808	440,087	838,059
D. DISTRIBUTION EXPENSES						
Commissions	28	6,847	227,455	549,949	138,415	922,666
Reinsurance commissions	29	2,134	26,246	681,788	432,357	1,142,525
Net commissions incurred (28 - 29)	30	4,713	201,209	(131,839)	(293,942)	(219,859)
Other distribution expenses	31	0	0	0	264	264
E. UNDERWRITING RESULTS						
Underwriting gain / (loss) (13 - 26 - 27 - 30 - 31)	32	35,087	279,728	98,104	955,739	1,368,658
F. NET INVESTMENT INCOME	33	349	16,840	(121,582)	(105,081)	(209,474)
G. OPERATING RESULT (32 + 33)	34	35,436	296,568	(23,478)	850,658	1,159,184

ANNUAL RETURN: NOTES TO FORM 6

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Singapore Insurance Fund

Note 1 - Items in this Form may be allocated according to a reasonable basis used by the registered insurer which is acceptable to its external auditor. The bases used shall be stated as a Note to this Form.

Basis for allocation of management expenses and net investment income is based on the respective entities' Net Written Premium.

Note 2 - Particulars on reinsurances of special risks other than reinsurances of liabilities under a marine and aviation policy.

NIL

ANNUAL RETURN: NOTES TO FORM 6

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

General: Offshore Insurance Fund

Note 1 - Items in this Form may be allocated according to a reasonable basis used by the registered insurer which is acceptable to its external auditor. The bases used shall be stated as a Note to this Form.

Basis for allocation of management expenses and net investment income is based on the respective entities' Net Written Premium.

Note 2 - Particulars on reinsurances of special risks other than reinsurances of liabilities under a marine and aviation policy.

NIL

ANNUAL RETURN: FORM 6 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL

ANNUAL RETURN: FORM 7 - STATEMENT IN RESPECT OF ACCIDENT AND HEALTH BENEFITS

1726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

Form 7 (b) - Accident and Health Insurance (Short-term)

Description	Row No.	Medical Expense	Medical Expense	Critical Illness	Critical Illness	Disability	Disability	Personal Accident	Personal Accident	Hospital Cash	Hospital Cash	Total	Total
		Individual	Group	Individual	Group	Individual	Group	Individual	Group	Individual	Group	Individual	Group
A. PREMIUMS													
Gross premiums	1	2,286,337	9,272,759	0	0	0	0	1,070,771	1,160,586	2,925	180	3,360,033	10,433,525
Reinsurance ceded	2	46,891	-235,050	0	0	0	0	65,314	246,295	59	5	112,264	11,250
Net premiums written (1 - 2)	3	2,239,446	9,507,809	0	0	0	0	1,005,457	914,291	2,866	175	3,247,769	10,422,275
Premium liabilities at beginning of period	4	990,243	3,913,048	0	0	0	0	400,968	424,032	633	76	1,391,844	4,337,156
Premium liabilities at end of period	5	943,593	4,006,126	0	0	0	0	412,711	375,289	1,207	74	1,357,511	4,381,489
Premium earned during the period (3 + 4 - 5)	6	2,286,096	9,414,731	0	0	0	0	993,714	963,034	2,292	177	3,282,102	10,377,942
B. CLAIMS													
Gross claims settled	7	1,420,062	5,222,557	0	0	0	0	643,994	546,818	0	0	2,064,056	5,769,375
Reinsurance recoveries	8	4,363	4,697	0	0	0	0	402,924	134,683	0	0	407,287	139,380
Net claims settled (7 - 8)	9	1,415,699	5,217,860	0	0	0	0	241,070	412,135	0	0	1,656,769	5,629,995
Claim liabilities at end of period	10	628,080	2,314,920	0	0	0	0	444,714	760,286	0	0	1,072,794	3,075,206
Claim liabilities at beginning of period	11	504,469	1,660,625	0	0	0	0	185,509	637,491	0	906	689,978	2,299,022
Net claims incurred (9 + 10 - 11)	12	1,539,310	5,872,155	0	0	0	0	500,275	534,930	0	-906	2,039,585	6,406,179
C. MANAGEMENT EXPENSES													
Management expenses	13	475,401	2,018,368	0	0	0	0	213,444	194,090	608	36	689,453	2,212,494
D. DISTRIBUTION EXPENSES													
Commissions	14	380,168	776,641	0	0	0	0	335,347	521,573	555	27	716,070	1,298,241
Reinsurance commissions	15	10,829	-39,811	0	0	0	0	0	30,869	15	0	10,844	-8,942
Net commissions incurred (14 - 15)	16	369,339	816,452	0	0	0	0	335,347	490,704	540	27	705,226	1,307,183
Other distribution expenses	17	87,939	373,353	0	0	0	0	88,455	80,434	113	7	176,507	453,794
E. UNDERWRITING RESULTS (6 - 12 - 13 - 16 - 17)	18	-185,893	334,403	0	0	0	0	-143,807	-337,124	1,031	1,013	-328,669	-1,708
F. NET INVESTMENT INCOME													
	19	282,167	1,197,971	0	0	0	0	126,687	115,199	361	22	409,215	1,313,192
G. OPERATING RESULTS (18 + 19)													
	20	96,274	1,532,374	0	0	0	0	-17,120	-221,925	1,392	1,035	80,546	1,311,484
H. OTHERS													
Number of policies in force	21	2,242	696	0	0	0	0	4,367	1,042	52	1	6,661	1,739
Number of lives covered under policies in force	22	3,789	42,764	0	0	0	0	6,994	6,173	66	316	10,849	49,253
Number of claims registered	23	1,194	29,237	0	0	0	0	171	165	0	1	1,365	29,403

ANNUAL RETURN: NOTES TO FORM 7(b)

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

Note 1 - Items in this Form may be allocated according to a reasonable basis used by the registered insurer. The bases used shall be stated as a Note to this Form.

Nil

ANNUAL RETURN: FORM 7(b) - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL

**ANNUAL RETURN: FORM 10 - STATEMENT OF FINANCIAL POSITION IN RESPECT OF GLOBAL
BUSINESS OPERATIONS AS AT 31/12/2006**

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

Description	Row No.	Amount '000 (in foreign currency) AUSTRALIAN DOLLAR
Life Business		
1. Policy liabilities	1	0
General Business		
1. Net premiums written	2	274,127
2. Premium liabilities	3	159,576
3. Claim liabilities	4	285,989
Shareholders fund		
1. Paid-up capital	5	230,000
2. Unappropriated profits (losses)	6	52,830
3. Reserves - Capital	7	0
General	8	31,462
Others*	9	91,215
Total (5 to 9)	10	405,507

ANNUAL RETURN: NOTES TO FORM 10

I726G QBE INSURANCE INTERNATIONAL

Reporting Cycle: 2006 12

Note 1 - Breakdown of "Others"	Row No.	Amount			
Mandatory convertible securities	Form10 Note1 - E	1	91,215		

ANNUAL RETURN: FORM 10 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL

**ANNUAL RETURN: FORM 20 - ACTUARY'S CERTIFICATE ON POLICY LIABILITIES IN
RESPECT OF GENERAL BUSINESS**

ACTUARIAL INVESTIGATION OF POLICY LIABILITIES

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

I have conducted an investigation into the valuation of policy liabilities relating to general business as required under section 37 of the Insurance Act and confirm that the valuation is in accordance with all applicable requirements stipulated under the Act and directions issued under the Act, subject to the qualifications stated below*. I certify these amounts, net of reinsurance, as follows:

Description	Singapore Insurance Fund	Offshore Insurance Fund
Premium Liabilities	33,369,000	1,447,000
Claim Liabilities	69,448,000	1,542,000
Policy Liabilities	102,817,000	2,989,000

***Qualifications (if none, state "none"):**

None

ANNUAL RETURN: FORM 20 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL

**ANNUAL RETURN: FORM 21 - STATEMENT IN RELATION TO FUND SOLVENCY REQUIREMENT OF
INSURANCE FUND**

I726G QBE INSURANCE INTERNATIONAL LTD

General: Singapore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Amount
(i) Financial Resources of Insurance Fund		
Balance in the surplus account (of participating fund)	1	0
Add:		
Allowance for provision for non-guaranteed benefits (of participating fund): (lower of 3 or 4)	2	0
Policy liabilities - minimum condition liability	3	0
50% of aggregate of provisions for non-guaranteed benefits and PAD	4	0
Surplus of insurance fund (of any other insurance fund)	5	56,405,852
Less:		
Reinsurance adjustment	6	2,648,458
Financial resource adjustment: (8 to 12)	7	133,471
(a) loans to, guarantees granted for, and other unsecured amounts owed to the registered insurer	8	0
(b) charged assets	9	0
(c) deferred tax assets	10	133,471
(d) intangible assets	11	0
(e) other financial resource adjustments	12	0
Financial Resources of Insurance Fund (1 + 2 + 5 - 6 - 7)	13	53,623,923
(ii) Total Risk Requirement of Insurance Fund		
A. Component 1 Requirement - Insurance Risks		
Life Insurance Risk Requirement (for participating fund): (15 + 18)	14	0
(a) Policy Liability Risk Requirement: (zero or 16 - 17, whichever is higher)	15	0
Modified minimum condition liability	16	0
Minimum condition liability	17	0
(b) Surrender Value Condition Risk Requirement: (zero or 19 - 20, whichever is higher)	18	0
Aggregate of surrender values of policies of the insurance fund	19	0
Higher of 21 or 22:	20	0
Sum of total risk requirement and minimum condition liability of the insurance fund	21	0
Policy liabilities of the insurance fund	22	0
Life Insurance Risk Requirement (other than participating fund) (24 + 27)	23	0
(a) Policy Liability Risk Requirement: (zero or 25 - 26, whichever is higher)	24	0
Modified policy liabilities	25	0
Policy Liabilities	26	0
(b) Surrender Value Condition Risk Requirement: (zero or 28 - 29, whichever is higher)	27	0
Aggregate of surrender values of policies of the insurance fund	28	0
Sum of total risk requirement and policy liabilities of the insurance fund	29	0
General Insurance Risk Requirement (for general business): (31 to 32)	30	22,773,050
(a) Premium liability risk requirement	31	4,687,600
(b) Claim liability risk requirement	32	18,085,450
Total C1 Requirement (14 + 23 + 30)	33	22,773,050
B. Component 2 Requirement - Investment Risks and Risks arising from Interest Rate Sensitivity and Foreign Currency Mismatch between Asset and Liabilities		
Equity Investment Risk Requirement (35 to 36)	34	3,610,492
(a) Specific Risk Requirement	35	1,805,246

(b) General Risk Requirement	36	1,805,246	
Debt Investment and Duration Mismatch Risk Requirement: (38 or 43, whichever is higher)	37		1,530,985
(a) Sum of: (39 + 42)	38	1,530,985	
Debt investment risk requirement in an increasing interest rate environment (40 to 41)	39	1,530,985	
Debt specific risk requirement	40	479,206	
Debt general risk requirement	41	1,051,779	
Liability adjustment requirement in an increasing interest rate environment	42	0	
(b) Sum of: (44 + 47)	43	-572,573	
Debt investment risk requirement in a decreasing interest rate environment (45 to 46)	44	-572,573	
Debt specific risk requirement	45	479,206	
Negative of debt general risk requirement	46	-1,051,779	
Liability adjustment requirement in a decreasing interest rate environment	47	0	
Loan Investment Risk Requirement	48		0
Property Risk Requirement	49		0
Foreign Currency Mismatch Risk Requirement (for Singapore Insurance Fund)	50		0
Derivative Counterparty Risk Requirement	51		0
Miscellaneous Risk Requirement	52		3,026,516
Total C2 Requirement (34 + 37 + 48 + 49 + 50 + 51 + 52)	53		8,167,993
C. Component 3 Requirement - Concentration Risks			
Counterparty Exposure	54		0
Equity Securities Exposure	55		0
Unsecured Loans Exposure	56		0
Property Exposure	57		0
Foreign Currency Risk Exposure	58		0
Exposure to assets in miscellaneous risk requirements	59		0
Exposure to non-liquid assets with Singapore Insurance Fund (for general business)	60		0
Total C3 Requirement (54 to 60)	61		0
Total Risk Requirement of Insurance Fund (33 + 53 +61)	62		30,941,043

**ANNUAL RETURN: FORM 21 - STATEMENT IN RELATION TO FUND SOLVENCY REQUIREMENT OF
INSURANCE FUND**

I726G QBE INSURANCE INTERNATIONAL LTD

General: Offshore Insurance Fund

Reporting Cycle: 2006 12

Description	Row No.	Amount
(i) Financial Resources of Insurance Fund		
Balance in the surplus account (of participating fund)	1	0
Add:		
Allowance for provision for non-guaranteed benefits (of participating fund): (lower of 3 or 4)	2	0
Policy liabilities - minimum condition liability	3	0
50% of aggregate of provisions for non-guaranteed benefits and PAD	4	0
Surplus of insurance fund (of any other insurance fund)	5	6,708,248
Less:		
Reinsurance adjustment	6	593,080
Financial resource adjustment: (8 to 12)	7	0
(a) loans to, guarantees granted for, and other unsecured amounts owed to the registered insurer	8	0
(b) charged assets	9	0
(c) deferred tax assets	10	0
(d) intangible assets	11	0
(e) other financial resource adjustments	12	0
Financial Resources of Insurance Fund (1 + 2 + 5 - 6 - 7)	13	6,115,168
(ii) Total Risk Requirement of Insurance Fund		
A. Component 1 Requirement - Insurance Risks		
Life Insurance Risk Requirement (for participating fund): (15 + 18)	14	0
(a) Policy Liability Risk Requirement: (zero or 16 - 17, whichever is higher)	15	0
Modified minimum condition liability	16	0
Minimum condition liability	17	0
(b) Surrender Value Condition Risk Requirement: (zero or 19 - 20, whichever is higher)	18	0
Aggregate of surrender values of policies of the insurance fund	19	0
Higher of 21 or 22:	20	0
Sum of total risk requirement and minimum condition liability of the insurance fund	21	0
Policy liabilities of the insurance fund	22	0
Life Insurance Risk Requirement (other than participating fund) (24 + 27)	23	0
(a) Policy Liability Risk Requirement: (zero or 25 - 26, whichever is higher)	24	0
Modified policy liabilities	25	0
Policy Liabilities	26	0
(b) Surrender Value Condition Risk Requirement: (zero or 28 - 29, whichever is higher)	27	0
Aggregate of surrender values of policies of the insurance fund	28	0
Sum of total risk requirement and policy liabilities of the insurance fund	29	0
General Insurance Risk Requirement (for general business): (31 to 32)	30	637,600
(a) Premium liability risk requirement	31	190,300
(b) Claim liability risk requirement	32	447,300
Total C1 Requirement (14 + 23 + 30)	33	637,600
B. Component 2 Requirement - Investment Risks and Risks arising from Interest Rate Sensitivity and Foreign Currency Mismatch between Asset and Liabilities		
Equity Investment Risk Requirement (35 to 36)	34	0
(a) Specific Risk Requirement	35	0
(b) General Risk Requirement	36	0
Debt Investment and Duration Mismatch Risk Requirement:		

(38 or 43, whichever is higher)	37	14,006
(a) Sum of: (39 + 42)	38	14,006
Debt investment risk requirement in an increasing interest rate environment (40 to 41)	39	14,006
Debt specific risk requirement	40	0
Debt general risk requirement	41	14,006
Liability adjustment requirement in an increasing interest rate environment	42	0
(b) Sum of: (44 + 47)	43	-14,006
Debt investment risk requirement in a decreasing interest rate environment (45 to 46)	44	-14,006
Debt specific risk requirement	45	0
Negative of debt general risk requirement	46	-14,006
Liability adjustment requirement in a decreasing interest rate environment	47	0
Loan Investment Risk Requirement	48	0
Property Risk Requirement	49	0
Foreign Currency Mismatch Risk Requirement (for Singapore Insurance Fund)	50	0
Derivative Counterparty Risk Requirement	51	0
Miscellaneous Risk Requirement	52	1,555,739
Total C2 Requirement (34 + 37 + 48 + 49 + 50 + 51 + 52)	53	1,569,745
C. Component 3 Requirement - Concentration Risks		
Counterparty Exposure	54	0
Equity Securities Exposure	55	0
Unsecured Loans Exposure	56	0
Property Exposure	57	0
Foreign Currency Risk Exposure	58	0
Exposure to assets in miscellaneous risk requirements	59	0
Exposure to non-liquid assets with Singapore Insurance Fund (for general business)	60	0
Total C3 Requirement (54 to 60)	61	0
Total Risk Requirement of Insurance Fund (33 + 53 +61)	62	2,207,345

ANNUAL RETURN: FORM 21 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL

ANNUAL RETURN

FORM 23 - STATEMENT IN RELATION TO CAPITAL ADEQUACY REQUIREMENT OF REGISTERED INSURER

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

Description	Row No.	Amount
(i) Financial Resources of Registered Insurer		
A. Tier 1 Resource		
Aggregate of surpluses of all insurance funds other than a participating fund	1	63,114,100
Balances in the surplus account of each participating fund	2	0
Paid-up ordinary share capital	3	0
Unappropriated profits (losses)	4	0
Surpluses of Overseas Branch Operations	5	0
Irredeemable and non-cumulative preference shares	6	0
Any other capital instrument approved by the Authority as a Tier 1 resource	7	0
Less:		
Reinsurance adjustment	8	3,241,538
Financial resource adjustment: (10 to 14)	9	133,471
(a) loans to, guarantees granted for and other unsecured amounts owed to the registered insurer	10	0
(b) charged assets	11	0
(c) deferred tax assets	12	133,471
(d) intangible assets	13	0
(e) other financial resource adjustments	14	0
Total Tier 1 Resource (1 to 7 less 8 to 9)	15	59,739,091
B. Tier 2 Resource		
Irredeemable and non-cumulative preference shares not recognised as Tier 1 resource	16	0
Irredeemable and non-cumulative preference shares	17	0
Other Tier 2 resource	18	0
Total Tier 2 Resource (16 to 18)	19	0
C. Aggregate of allowance for provisions for non-guaranteed benefits of participating funds	20	0
Financial Resources of Registered Insurer (higher of \$5m or 15 + 19 +20)	21	59,739,091
(ii) Total Risk Requirement of Registered Insurer		
(a) Total risk requirements of insurance funds established or maintained under the Act	22	33,148,388
(b) Total risk requirements of assets and liabilities that do not belong to any insurance fund established and maintained under the Act	23	0
Total Risk Requirement of Registered Insurer (22 to 23)	24	33,148,388
CAPITAL ADEQUACY RATIO (21/24)	25	180.22 %

ANNUAL RETURN: FORM 23 - ADDITIONAL INFORMATION

I726G QBE INSURANCE INTERNATIONAL LTD

Reporting Cycle: 2006 12

NIL