

Glossary

Agent	in an agency relationship, an individual who is authorized to perform certain acts for another party
Appointed actuary	the actuary appointed by an insurance company pursuant to the Insurance Companies Ordinance, possessing prescribed qualifications
Claim	a demand made by an insured person or the beneficiary of an insurance policy in respect of a loss which may come within the cover provided on the sum insured by the policy
Contributions	periodic payments made towards a retirement scheme
Embedded value	represents the sum of a life insurance company's net worth and the value of the expected cash flow of its in-force business
General insurance	also called "non-life insurance" or "property and casualty insurance": this includes insurance such as motor, fire, accident, goods in transit, employees' compensation and property insurance, together with medical insurance which is short-term in nature
Group insurance	life, accident, and medical insurance taken out for groups of individuals (typically employees of a common employer)
In-force business	current insurance policies and retirement schemes for which premiums or contributions are being paid or have been fully paid
Insurance intermediaries	Insurance intermediaries can be insurance agents or insurance brokers. A person shall not act as both an insurance agent and an insurance broker at the same time. Effective from January 1, 2000, insurance intermediaries and their technical representatives are required to satisfy the Qualifying Examination requirement (unless otherwise exempted) under the Insurance Intermediaries Quality Assurance Scheme (IIQAS)
Insure-21 or I-21	Insure-21 is our in-house developed Life Insurance Administration System. The system is developed with the objectives of enhancing system functionality and improving operational efficiency; to improve our service to customers; improving system integrity and control
LIMRA	Life Insurance Marketing and Research Association. It also stands for a 13-month persistency formula.
Premium	the amount of money which a policyholder agrees to pay to the insurer for the insurance policy and/or as contributions to a retirement scheme
Reinsurance	the sharing or spreading of a risk by an insurer ceding part of an insured risk to a reinsurer
Underwriting	the insurance function that is responsible for (1) assessing and classifying the degree of risk a proposed insured represents and (2) making a decision concerning coverage of that risk. Also called risk selection or selection of risks