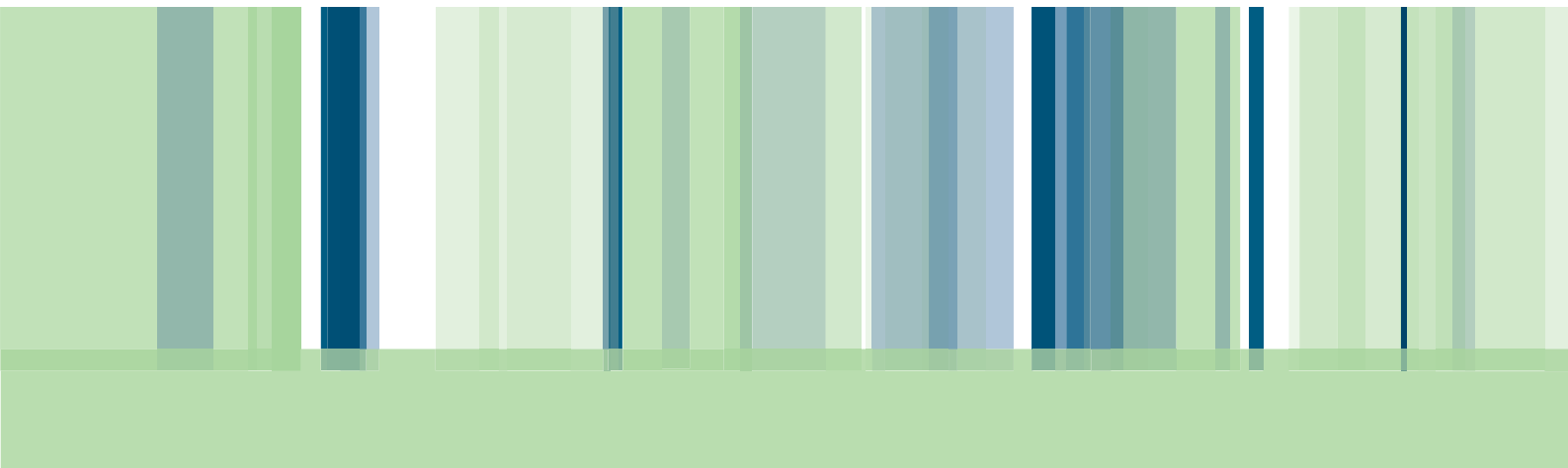


Appendices
2004-05



Motor Accident Insurance Commission



Actuarial Certificate – Nominal Defendant – Section 31 Claims

Actuarial Certificate on Outstanding Claims Liability as at 30 June 2005

Finity was asked by the Nominal Defendant to undertake a valuation of the Nominal Defendant Fund's ("The Fund") claims liabilities as at 30 June 2005 and to advise on an appropriate balance sheet provision for these liabilities.

The data, assumptions, approach and results of this valuation are described in detail in our report entitled "*Queensland Nominal Defendant Fund – Valuation of Outstanding Claims Liabilities as at 30 June 2005*". The advice set out in our report has been prepared in compliance with the relevant accounting standard AAS26, Section 2J of Division 321 of the Income tax Assessment Act 1936 and Professional Standard 300 of the Institute of Actuaries of Australia.

Results

The provision adopted by the Nominal Defendant as at 30 June 2005 is \$142 million. This incorporates our discounted central estimate of the outstanding claims liability allowing for future claim inflation, expected future investment income on the assets supporting the Fund's liabilities, claim handling expenses, and a prudential margin. The prudential margin adopted by the Fund allows for the risk and uncertainty associated with the estimated liability in line with the requirements under the APRA liability valuation standard.

Reliances and Limitations

In preparing our advice we relied extensively on information supplied by the Nominal Defendant. Independent verification of this information was not undertaken although it was reviewed and checked for reasonableness and consistency. Reliance was placed on, but not limited to, the accuracy of the information described in our report.

Although we have prepared estimates in conformity with what we believe to be the likely future experience, the experience could vary considerably from our estimates. Deviations from our estimates are normal and are to be expected.

Estelle Pearson

Gae Robinson

Fellows of the Institute of Actuaries of Australia

Actuarial Certificate – Nominal Defendant – Section 33 Claims

Actuarial Certificate on Outstanding Claims Liability as at 30 June 2005

Finity was asked by the Nominal Defendant to undertake a valuation of the Nominal Defendant Fund's ("The Fund") claims liabilities in respect of the FAI Run-off as at 30 June 2005, and to advise on an appropriate balance sheet provision for these liabilities.

The data, assumptions, approach and results of this valuation are described in detail in our report entitled "*Queensland Nominal Defendant Fund – Valuation of Outstanding Claims Liabilities for FAI Run-Off as at 30 June 2005*". The advice set out in our report has been prepared in compliance with the relevant accounting standard AAS26, Section 2J of Division 321 of the Income Tax Assessment Act 1936 and Professional Standard 300 of the Institute of Actuaries of Australia.

Results

The recommended provision for the Nominal Defendant as at 30 June 2005 is \$85 million. This incorporates our discounted central estimate of the outstanding claims liability allowing for future claim inflation, expected future investment income on the assets supporting the Fund's liabilities, future reinsurance recoveries and claim handling expenses. No prudential margin is included in the estimate.

Reliances and Limitations

In preparing our advice we relied extensively on information supplied by the Nominal Defendant. Independent verification of this information was not undertaken although it was reviewed and checked for reasonableness and consistency. Reliance was placed on, but not limited to, the accuracy of the information described in our report.

We have assumed for the purpose of our estimates that all reinsurance recoveries under the treaties covering FAI's Queensland CTP, as well as sharing recoveries on this portfolio, will be fully recoverable.

Although we have prepared estimates in conformity with what we believe to be the likely future experience, the experience could vary considerably from our estimates. Deviations from our estimates are normal and are to be expected.

Estelle Pearson

Gae Robinson

Fellows of the Institute of Actuaries of Australia

Information Sources



Publications

The Commission has the following publications available to the public at no charge:

- The Motor Accident Insurance Commission Annual Reports
- Work Training Guidelines for CTP Rehabilitation Providers
- MAIC Guidelines for CTP Rehabilitation Providers
- Review of Queensland Compulsory Third Party Insurance Scheme 1999
- Mitigating State Government Risk in Compulsory Third Party Insurance Papers (February 2002, December 2002)
- Whiplash Injury Recovery – A Self-Management Guide

Website

The publications listed are also available online at www.maic.qld.gov.au, the Commission's website, along with the following information:

- CTP claims information
- Information on the CTP premium setting process
- Forms for claimants, legal practitioners and medical practitioners
- Information for medical practitioners, rehabilitation providers, and legal practitioners
- Guidelines and information for insurers
- MAIC funding initiatives
- a CTP premium calculator to assist motorists in obtaining information on premium rates

Telephone Services and Community Participation

The Commission operates a helpline which is accessible free of charge to the Queensland public. The helpline staff assist the public in understanding the operations of the CTP scheme, the claim process, and record complaints and suggestions on how the scheme could be improved. The helpline number is 1300 302 568.

A dedicated CTP premium information line (1300 735 404) has also been established to assist Queensland motorists with premium rates from different insurers.

The Commission is involved in regular discussions with motoring organisations, licensed CTP insurers, the legal profession, and the medical and allied health professions to ensure the scheme operates effectively and balance is maintained between the needs of injured claimants and paying motor vehicle owners.

Information Sources

Freedom of Information

Requests under the *Freedom of Information Act 1992* are handled by the Insurance Commissioner for documents held by the Motor Accident Insurance Commission and by the Nominal Defendant for documents held by the Nominal Defendant.

How do I make an application?

A formal application for documents under the *Freedom of Information Act 1992* may be made on an application form or by letter.

The application must:

- be in writing;
- state an address to which a notification of the decision may be sent; and
- be accompanied by a \$35.25 application fee if the information relates to non-personal affairs. There is no application fee to look at documents about your personal affairs.

If the documents required relate to personal affairs, there must be proof of identification.

Post applications to:

Motor Accident Insurance Commission
GPO Box 1083
Brisbane QLD 4001

Nominal Defendant
GPO Box 2203
Brisbane QLD 4001

Are there any charges for processing the application?

Processing of non-personal documents is charged at the rate of \$5.20 for each 15 minutes or part thereof. There may be further charges for inspection of documents. Photocopies of documents regarding a non-personal application are available at 20 cents per photocopied page.

There is no charge for processing applications or photocopies of information regarding an applicant's personal affairs.

Compulsory Third Party Insurers

Currently Licensed CTP Insurers (as at 30 June 2005)

Allianz Australia Insurance Limited
GPO Box 2226
Brisbane Qld 4001
Ph 13 1000
ABN 15 000 122 850

Australian Associated Motor Insurers Limited
GPO Box 1155
Brisbane Qld 4001
Ph 13 22 44
ABN 92 004 791 744

Insurance Australia Limited
(trading as NRMA Insurance)
GPO Box 5730
Brisbane Qld 4001
Ph 13 21 32
ABN 11 000 016 722

QBE Insurance (Australia) Limited
GPO Box 1072
Brisbane Qld 4001
Ph 07 3031 8444
ABN 78 003 191 035

RACQ Insurance Limited
(trading as RACQ Insurance)
PO Box 3313
Tingalpa DC Qld 4173
Ph 13 19 05
ABN 50 009 704 152

Suncorp Metway Insurance Limited
GPO Box 1453
Brisbane Qld 4001
Ph 13 11 60
ABN 83 075 695 966

Previously Licensed CTP Insurers (as at 30 June 2005)

CIC Insurance Limited
ACN 004 078 880
Licence withdrawn 22/01/1996
Insurer became insolvent on 15 March 2001

GIO General Limited
ACN 002 861 583
Licence withdrawn 30/06/1996

Mercantile Mutual Insurance (Australia) Ltd
ACN 000 456 799
Licence withdrawn 01/11/1996

Commercial Union Assurance of Australia Ltd
ACN 004 478 371
Licence withdrawn 01/03/1997

Zurich Australian Insurance Limited
ACN 000 296 640
Licence withdrawn 15/11/1997

Fortis Insurance Limited
(formerly VACC Insurance Co. Limited)
ACN 004 167 953
Licence suspended 30/03/1999 pending withdrawal

FAI General Insurance Company Limited
ABN 15 000 327 855
Licence suspended on 1 January 2001
Insurer became insolvent on 15 March 2001

FAI Allianz Limited
(trading as FAI Insurance)
ABN 80 094 802 525
Licence withdrawn 01/07/2002

NB: For further information regarding the above listed insurers please contact the Motor Accident Insurance Commission's CTP Claims Helpline on 1300 302 568.

Grants and Funding

	Future Commitment*	2004/05	2003/04
	\$	\$	\$
CONROD (Including the Chair of Rehabilitation Medicine)	1,819,664	2,236,975	1,893,057
CARRS-Q	1,296,000	1,136,000	1,136,000
Road Accident Prevention and Road Safety Rural & Remote Research Project	450,946	347,755	164,154
Royal Children's Hospital Foundation Statewide Paediatric Rehabilitation Service	0	0	320,000
Emergency Services – Queensland Ambulance Service Queensland Trauma Plan Project	0	0	125,141
Injury Prevention and Control Australia Ltd Member contribution to NHMRC Partnerships in Injury Research	100,000	100,000	100,000
Griffith University Centre for Human Services	60,000	60,000	60,000
University of Queensland ARC Linkage Grant – Prediction of Outcome Following Whiplash Injury: a Multi-Centre International Prospective Study	200,000	0	0
TOTAL	3,926,610	3,880,730	3,798,352

* Includes all grant funding from 1 July 2005 onwards.

Grants and Funding



Ongoing Projects Funded in Previous Years

- Royal Australian College of General Practitioners Research Fellowship
- Royal Australasian College of Physicians Research Fellowship
- Royal Australasian College of Surgeons Research Fellowship
- Queensland University of Technology
 - Clinical Biomechanics Research Fellowship
- University of Southern Queensland
 - Mechatronics and Biomedical Engineering Research Fellowship
- University of Queensland
 - School of Health & Rehabilitation Sciences – Research Unit
 - Teaching and Community Services Rehabilitation Research Fellowship

Research Centres

The two Commission funded research centres (CONROD and CARRS-Q) produce reports covering research conducted within the centres and research projects funded through competitive grants.

The current CONROD report relates to calendar year 2004 and is available by contacting the centre on (07) 3365 5560. For further information on CARRS-Q or CONROD research activities, please visit www.carrsq.qut.edu.au and www.uq.edu.au/conrod/

Committees as at 30 June 2005

Section 11 of the *Motor Accident Insurance Act 1994* enables the Commission to establish advisory committees to advise on the exercise of the Commission's statutory functions. On 14 September 2004, the Treasurer reappointed an Advisory Committee to advise on the setting of premium bands and aspects of affordability and scheme efficiency. The Committee is also advising on matters in relation to frameworks for monitoring the financial strength of individual insurers.

The structure of the current committee is:

Chairperson: Bernard Rowley

Members: Henry Smerdon, Noel Mason and Shauna Tomkins

The Advisory Committee has the benefit of long industry experience, within both government and the insurance industry. The areas of expertise of individual members are:

Committee member	Area of expertise
Bernard Rowley former CEO of Suncorp	Insurance and actuarial experience
Henry Smerdon former Under Treasurer	Public policy, economic and financial experience
Noel Mason former CEO of RACQ	Insurance and motoring organisations experience
Shauna Tomkins formerly with the Australian Financial Institutions Commission	Financial system regulatory experience

From 1 July 2004 to 30 June 2005, a total of 11 meetings of the Advisory Committee were held, in addition to 2 occasions of special assignments. The total remuneration to the Committee for the year was \$17,740. These payments were made within the framework of the Government's *Remuneration of Part-time Chairs and Members of Government Boards, Committees and Statutory Authorities* arrangements administered by the Department of Industrial Relations.

Appendix 7

Contact Details

Motor Accident Insurance Commission

Address: Level 9, 33 Charlotte Street, Brisbane
Postal Address: GPO Box 1083, Brisbane Qld 4001
Ausdoc: DX 147 Brisbane Qld
Telephone: 07 – 3227 8088
Facsimile: 07 – 3229 3214
E-mail: maic@maic.qld.gov.au
Website: www.maic.qld.gov.au

Insurance Commissioner	Lesley Anderson	07 – 3227 8105
Deputy Insurance Commissioner	John Hand	07 – 3227 8125
Executive Assistant	Shirley Millett	07 – 3227 7063
Reception/Administrative Assistant	Chris Saville	07 – 3227 8088
Principal Adviser	Les Kilmartin	07 – 3033 0095
Manager, Policy and Liaison	Neil Tomkins	07 – 3227 8242
Project Officer	Janette Archibald	07 – 3224 4834
Project Officer	Phu Pham	07 – 3247 4752
Senior Policy Officer	Melissa Pignolet	07 – 3224 4383
Manager, Premiums, Systems and Finance	Greg Bott	07 – 3227 8164
Senior Finance Officer	Tulia Koroivawai-Gauna	07 – 3224 5018
Finance Officer	Kellie Phie	07 – 3224 4835
Senior Analyst	Ursula Hauser	07 – 3227 7056
Policy Officer	Debbie Davis	07 – 3224 4562
Assistant Manager, Research and Compliance	Wayne Saville	07 – 3234 0598
Industry Liaison Officer	*Lynne McCall/Mark Cowling	07 – 3227 8022
Research Officer	Lisa Hopson	07 – 3224 4849
Data Analyst	Beth Sanders	07 – 3224 4330
Manager, Injury Management & Claims	Kim Birch	07 – 3227 8162
Policy Advisor	David Vincent	07 – 3234 2596
Policy Advisor	Cathy Pilecki	07 – 3244 5002
Client Services Officer	David Judd	07 – 3224 5960
Client Services Officer	Rebecca Lai	07 – 3227 8432
Client Services Officer	Helen Grundy	07 – 3227 8250

Nominal Defendant

Address: Level 9, 33 Charlotte Street, Brisbane
Postal Address: GPO Box 2203, Brisbane Qld 4001
Ausdoc: DX 147, Brisbane Qld
Telephone: 07 – 3227 7993
Facsimile: 07 – 3221 4805
E-mail: nd@maic.qld.gov.au
Website: www.maic.qld.gov.au

Nominal Defendant	Lesley Anderson	07 – 3227 8105
Manager, Nominal Defendant	Mark Allsopp	07 – 3227 8213
Assistant Manager, Nominal Defendant	*Rob Lee/Don Sacre	07 – 3227 8908
Claim Manager	Laurie Meteyard	07 – 3227 8354
Claim Manager	Rex Mellifont	07 – 3227 8387
Claim Manager	John Foster	07 – 3227 8353
Claim Manager	Ian Evans	07 – 3227 8359
Claim Manager	Michael Walpole	07 – 3227 8284
Assistant Claim Manager	Katie Gilmour	07 – 3227 8402
Assistant Claim Manager	Esther Lewis	07 – 3227 8412
Administration Officer	Sandra Clifton	07 – 3227 8596
Claim Manager – FAI Run-Off	Pippa McWha	07 – 3033 0097
Claim Manager – FAI Run-Off	Kevin Lee	07 – 3033 0096

* Appointee on extended leave

CTP Claims Helpline: 1300 302 568
CTP Premium Information Line: 1300 735 404