

AOA members' Study Group Visit 2016

Asia Affinity Holdings Limited (AAHL)

Japan Risk Specialist Limited (JRSL)

2nd August 2016

- **Headquartered in Hong Kong.**
- **Established in February 2014.**
- **A financial services company, providing insurance, risk management, loss prevention, distribution and consulting services.**
- **Working with small community and affinity groups in Asia, including microfinance organisations.**

- **Based in Japan.**
 - **Founded in September 2000.**
 - **One of the AAHL' s group companies.**
 - **Core operation is reinsurance broking and consultancy.**
 - **Providing services to Japanese cooperative, mutual aid and mono-line insurance companies*.**
- *Company details in page 3 and 4.*
- **Supervised by Japan Financial Services Agency.**

Micro Insurance Companies (SASTI):

SASTI (Small Amount & Short Term Insurance Companies)

Regulation	Regulated under the insurance business law.
Sum Insured	They can develop products with the maximum sum insured up to JPY 10 million (approximately USD 100,000).
Insurance Period	Up to two years.
Market Development	<ul style="list-style-type: none">① Launched into the market in April 2006.② Currently 87 SASTIs are in operation.③ The latest total annual premium: JPY 72.6 billion (approximately USD 690 million).
Core sales channel	Insurance Agents.

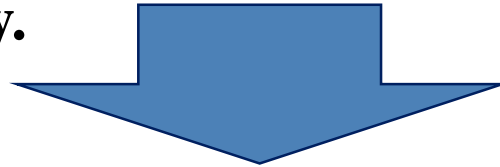
Micro Insurance Companies (Kyosai):

Kyosai /Exempt (Mutual Aid)

Organisation	Permitted insurance entity targeting small business and affinity groups.
Categorization	Exempt status under the Insurance Business Act.
Coverage	They can offer coverage for small community and affinity groups, e.g. within the same company and/or school, or small number of policy holders, i.e. up to 1,000 individuals.

Negative aspects:

- **General insurance companies are too large to respond quickly to the changing needs of consumers.**
- **Design and implementation of new product takes time due to regulatory involvement and departmental conflict within insurance community.**



AAHL and JRSL:

- **Would like to design and promote various coverage and/or schemes to satisfy consumers' requirements and convenience.**
- **Would like to support SASTIs and Kyosais who are much closer to consumers to develop required cover to the market.**

SASTIs, Kyosai (Mutual Aid) and such small insurance vehicles require:

- **Reinsurance support to maintain operational stability.**
- **Support for their product development and distribution strategies.**



AAHL and JRSL have been offering them support together with our reinsurance partners.