ARKEMA INSURANCE DAC

SOLVENCY AND FINANCIAL CONDITION REPORT

(For the financial year ended 31 December 2017)

ARKEMA INSURANCE DAC

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ARKEMA INSURANCE DAC

SUMMARY

The new, harmonized EU-wide regulatory regime for Insurance Companies, known as Solvency II, came into force with effect from I January 2016.The regime requires new reporting and public disclosure arrangements to be put in place by insurers and some of that is required to be published on the Company's public website, if any. This document is the revised version of the Solvency and Financial Condition Report ("SFCR") that is required to be published by Arkema Insurance DAC ("The Company").

This report covers the Business and Performance of the Company, its System of Governance, Risk Profile. Valuation for Solvency Purposes and Capital Management. The ultimate Administrative Body that has the responsibility for all of these matters is the Company's Board of Directors, with the help of various governance and control functions that it has put in place to monitor and manage business.

The Company is required to hold sufficient assets to match its policyholder liabilities at all times and a primary responsibility of the Board is to ensure that the Company's capital is adequate to cover the required solvency for the nature and scale of the business, and the expected operational requirements of the business. A number of mechanisms arc in place to evaluate those levels and the outcome of these assessments indicate that the Company's capital is adequate at this time and for the expected requirements in the short to medium term.

The Company's financial year runs to 31 December each year and it reports its results in EUR.

ARKEMA INSURANCE DAC

A. Business and Performance

A.l Business

Arkema Insurance DAC is a Regulated non-life insurance private company limited by shares.
The Company's operating and registered office address is:
Fourth Floor
25-28 Adelaide Road
Dublin 2
Ireland

The Central Bank of Ireland ("CBI") is responsible for financial supervision of the Company.
The CBI's address is:
Central Bank of Ireland,
North Wall Quay,
Spencer Dock,
PO Box 11517,
Dublin 1
Ireland

The Company's external auditor is KPMG, Chartered Accountants and Statutory Audit Firm,
1 Harbourmaster Place, I.F.S.C., Dublin 1, Ireland.

The company is wholly owned by ARKEMA S.A. a French public company, listed on the Paris Stock Exchange.

The Company's financial year end is 31 December each year. The Company is open to new business, administering its existing policies in line with their contract terms and conditions. Policy administration services are outsourced to Marsh Management Services (Dublin) Limited, an authorized insurance manager.

A.2 Underwriting Performance

The principal activity of the company is the transaction of direct insurance and reinsurance business assumed from non-life insurance risks attributed to activities within the Arkema Group.

In 2017, most of the GPW were originated from Europe (59% of GPW) and the main part from France (47% of GPW), the other important geographic area being North America (39% of GPW).

A.3 Investment Performance

The Company's Investments are cash or cash equivalent and intercompany loan with Arkema Group. Due to the Market conditions the balance of investment income recorded in 2017 and 2016 was negative.

In EUR	2017	2016
Euro and USD call deposit	5,320,234	10,385,524
lntra-group loan (Receivable)	35,858,214	29,586,102
Intra-group loan (Payable)	(4,251,493)	(2,062,943)
Net Loan to Arkema France S.A.	31,606,721	27,523,159
Prepaid and receivable:	156,721	45,215
Total Assets:	37,083,676	37,953,898
Other Payables:	-	(1,430)
Net financial assets held to cover financial liabilities	37,083,676	37,952,468

Investment Income In EUR	2017	2016
Income from BNP funds	-	-
Income from loan to Group Undertaking	(63,111)	(15,343)
Total:	(63,111)	(15,343)

A.4 Performance of Others Activities

The Company has no other activities than those already described.

A.5 Any Other Information

The new EU Regulatory regime known as Solvency II, implemented through Irish Statutory Instrument N° 485 of 2015, came into force I January 2016.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards issued by the Financial Reporting Council and promulgated by The Institute of Chartered Accountant<; in Ireland Including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and FRS 103, lnsurance Contracts (Generally Accepted Accounting Practice in Ireland).
The Company is also subject to the requirements of the Companies Act 2014 and the European Union (insurance Undertakings Financial Statements) Regulations 2015.

B. System of Governance

8.1 General Information on the System of Governance

The Company is classified as a Low Impact firm under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as PRISM or Probability Risk and Impact System and is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015.

The Board of Directors (the Board) fundamental objective is the protection and enhancement of the value of the organization's assets. It provides direction to the total affairs of the organization to ensure its development and financial sustainability and to enhance the value of its services to Arkema Group.
The Board provides for the quality, depth, and continuity of management required to attain the Company's major strategic and operational objectives. The Board oversees the conduct of the Company business and supervises management, which is responsible for the day-to-day conduct of the business. In supervising the conduct of the business, the Board, through these Executive Directors, sets the standards of conduct for the company.

Board of Directors:

Thierry Jaumain (Chairman)
Christiane Chapuis
Kieran McHugh

Company Secretary:

Marsh Management Services (Dublin) Limited

The Board has created three committees, and Thierry Jaumain, Chairman of the Board, is also Chairman of the Risk Management Committee and member of each committee.

Underwriting Committee
Investment Committee
Risk Management Committee

These committees have been established by the Board to assist it in discharging its obligations and operated throughout the year under review. Each Committee operates under defined terms or reference and reports to the Board at each Board Meeting.
Accordingly, Board and Committees arc hold, at minimum, three times per year.

B.1.1 Underwriting Committee

Nomination	By the Board of Directors Documents requested: Proof of the experience, CV, Criminal Records Absence of conflict of interest
Mission	Submits to the Board the Underwriting guidelines and policy (risk that can be accepted, underwriting procedures and limits), the Reinsurance/risk mitigation policy and the Reserving policy. Implements efficient premium and claims management
Meeting frequency	At the request of a member or when a material deviation from the risk appetite is noticed, but at least three times per year
Role and Responsibilities	Drafts underwriting and reinsurance programmes Negotiates policy wording Organises daily Management of premiums, claims and insurance taxes Negotiates with service providers (if any)
Delegates	Daily management of premiums, claims, insurance taxes Issue of Certificate of Insurance signed by Chairman of the Board or Head of Underwriting
Members	Chairman of the Risk Management Committee (PCF-2,3,5) Chief Risk Officer of Arkema Insurance DAC (PCF 14) Chief Underwriting Officer of Arkema Insurance DAC (PCF-18) In attendance: Representative of service provider (if any)
Term of office	Until revocation by the Board or resignation
Quorum	Chairman of the Board of Directors and at least one other member
Decision rule	Simple majority
Review of term of reference	Annually
Risk owner	Underwriting risk (Premium, Claims, Diversification) Counterparty risk (related to insurance activities) Operational risk (related to insurance activities)
Key Performance indicator	ROL and S/P of the underwriting programme Overall administrative and security costs of the underwriting programme Quality of the coverage (e.g. deductibles, exclusions, limits,...)

B.1.2 Investment Committee

Nomination	By the board of Directors Documents requested : Proof of the experience, CV, Criminal Records Absence of conflict of interest
Mission	Submits to the Board investment policy Optimises financial returns, considering ALM requirements
Meeting frequency	At the request of a member or when a material deviation from the risk appetite is noticed, but at least three times per year.
Role and Responsibilities	Drafts investment strategy Implements investment strategy Negotiates with banks Negotiates with service providers (if any)
Delegates	Daily cash management
Members	Chairman of the Risk Management Committee (PCF-2,3, I5) Head of Finance and Head of Investment of Arkema Insurance DAC (PCF-1 1,19) Chief Risk Officer of Arkema Insurance DAC (PCF-14) In attendance: Representative of service provider (if applicable)
Term of office	Until revocation by the Board or resignation
Quorum	Chairman of the Board of Directors and at least one other member
Decision rule	Simple majority
Review of term of reference	Annually
Risk owner	Market risk (Bonds, Fixed assets. Exchange risk, Liquidity risk, Concentration risk, Interest rate risk) Counterparty risk (related to finance activities) Operational risk (related to finance/investment activities)
Key Performance indicator	Financial return Compliance with investment policy and ALM requirements

B.1.3 Risk Management Committee

Nomination	By the board of Directors Documents requested: Proof of the experience, CV, Criminal Records Absence of conflict of interest
Mission	Implement efficient RM system Ensures compliance to internal and external regulations Deals with conflict of interests
Meeting frequency	At the request of a member or when a material deviation from the risk appetite is noticed, but at least three times per year.
Role and Responsibilities	Implement RM system according to the RM framework defined by the Company Ensures compliance (e.g. tax, insurance laws, accounting legislation,...) Negotiates with service providers
Delegates	No delegation
Members	Chairman of the Risk Management Committee (PCF-2,3,5) Chief Risk Officer of Arkema Insurance DAC (PCF-14) Head of Internal Audit and Head of compliance with responsibility of anti-Money Laundering and Counter Terrorist (including internal control) (PCF-13,15) In attendance : Representative of service provider (if applicable)
Term of office	Until revocation by the Board or resignation
Quorum	Chairman of the Board of Directors and at least one other member
Decision rule	Simple majority
Review of term of reference	Annually
Risk owner	Fraud, Tax, Compliance, IT, Financial Reporting, Evaluation of main service providers, BCP, Key person
Key performance indicator	Audit report (clean opinion), tax returns Absence of litigation Comments from internal audit Comments from insurance supervisor, tax authorities

The PCF roles have been distributed as follows:

Thierry Jaumain	PCF-2, PCF-3, PCF-5 & PCF-18
Christiane Chapuis	PCF-2
Kieran McHugh	PCF 2
Philippe Marchal	PCF-13& PCF-15
Fabien Graeff	PCF-48
Michel Simon	PCF-4
Thomas Lestavel	PCF-11 & PCF-19

The Board held on April 12, 2017 approved the nomination of Ms. Coline Sergeat-Rodier as new member of the Underwriting Committee, in her position of Chief Underwriting Officer of Arkema Insurance DAC and will take the PCF-18 role, currently held by Mr. Jaumain, under condition of appointment approved by the Regulator.

B.1 .4 Independent Control Functions:

The company has established the four key Independent control functions required under the Corporate Governance Requirements for Insurance Undertakings 2015 – risk management (PCF-14), compliance (PCF-15), actuarial (PCF-48) and internal audit (PCF-13). These functions are responsible for providing oversight of and challenge to the business and providing assurance to the Board in relation to the Company's control framework.

B.2 "Fit and Proper" Requirements

The Company has adopted a Fitness and Probity Policy, which set out the due diligence checks that must be performed in the following areas and which aligns with the Central Bank of Ireland's Guidance on Fitness and Probity Standards 2014. These include:

- Identification
- Compliance with the minimum competency code, where relevant
- Professional qualification(s)
- Continuous Professional Development
- Interview and application
- References
- Record of previous experience
- Record of experience gained outside the State
- Concurrent Responsibilities
- Individual Questionnaire

For Key Control Functions (referred to as Pre-approved Control Functions or "PCFs"), approval from the Company's regulator is required prior to appointment by the Company's Board.
Members of the Board are all PCF Functions as are all of the Control Functions listed above.
Additionally, service providers annually attest to the Company in respect of Fitness and Probity of those who hold control function roles.

8.3 Risk Management System including the Own Risk and Solvency Assessment

The Company's Enterprise Risk Management (ERM) framework has been developed to enable the Board and Management to understand and appropriately manage and mitigate the risks associated with the Company's objectives over the short, medium and longer term together with the overall level of risk embedded within functional and operational processes and activities, including those which are the subject of outsourcing arrangements.

The Risk Management Committee receives regular reporting from the Company's Chief Risk Officer in relation to the outcome of the periodic risk assessment undertaken by management in line with the ERM framework.

8.3.1 Main policy objectives of the ERM framework:

a) Performance objectives:
The efficiency and effectiveness of activities, use of assets and other resources and protecting the Company from loss.
The ERM framework seeks to ensure that employees, including those providing services on an outsourced basis, are working to achieve business objectives with efficiency and integrity, without unintended or excessive cost, or placing other interests before those of the Company.

b) Information objectives:
The preparation and provision of timely, reliable and relevant reports needed for substantive, informed decision-making. Information objectives also address the need for reliable annual accounts, financial statements and other financial-related disclosures; report s to external parties and stakeholders. The ERM framework seeks to ensure the information received by management , the Board of Directors, Shareholders and Regulators is of sufficient quality and integrity that recipients can rely on the information in making decisions.

c) Compliance objectives:
The ERM framework seeks to ensure that all organizational activities and outputs comply with applicable laws and regulations, supervisory requirements and internal policies and procedures.

The result is a risk management strategy, which is led by the Board whilst being embedded in the Company's business systems, strategy and policy setting processes and the normal working routines and activities of the Company. Consequently risk management is an intrinsic part of the way business is conducted and allows the Company to respond quickly to evolving risks, which may arises internally or externally.

The ERM framework is intended to reduce, but cannot eliminate the range of possibilities, which might cause detriment to the Company. Similarly the ERM Framework cannot provide protection with certainty against any failure of the Company to meet its business objectives, or guard against materials errors, losses, fraud, or breaches of laws and regulations. Taking all of these factors into account the ERM framework is intended to provide reasonable assurance that the company will conduct its business in an orderly and legitimate manner on a continuing basis and those reasonably foreseeable circumstances will not prevent or limit the Company from achieving its business objectives.

B.3.2 Own Risk Solvency Assessment ("ORSA")

Every year and on an ad-hoc basis, if circumstances materially change, the Company prepares an ORSA. The objective of the ORSA process is to enable the Board to assess its capital adequacy in the light of tis assessments of its risks and the potential impacts of its risk environment, and enable it to make appropriate strategic decisions. The Board requires that the ORSA process produces meaningful reports on the adequacy of the Company's capital and risk sensitivities that can be used in shaping strategy and risk appetite.

The ORSA process is a circular process that relics on key elements of the business:

- Board strategy, policy and plans;
- The Solvency II Pillar I Balance sheet standard model results, and base assumptions used;
- The ERM process and its outputs which identities the key risks;
- The Risk Management Committee who review, challenge and approve the test scenarios including the ORSA output;
- The Actuarial Function (PCF-48) who run the tests on the Balance Sheet, for capital adequacy and produce the resultant output;
- The Risk Management function, Actuarial function, and Management who assess the outputs and prepare the reports;
- The Risk management Committee and Board's assessment of the output and result

capital,strategy and risk appetite review:

- ORSA Reporting to the Company's Regulator, the Central Bank of Ireland.

The Board reviews the ORSA report and considers appropriate action for the business such as:

- Decision in relation to capital;
- Reassessment of risk profile and appetite;
- Additional risk mitigation actions:
- Reassessment of investment strategy.

The results and conclusions contained in the ORSA Report and the Board's resultant actions and decisions, are communicated to all relevant staff, including outsourced control functions, once the report has been considered and approved by the Board.

The Company determined that the Solvency II standards formula would be used to calculate the required solvency capital and to assess the overall solvency needs. A three year base case projection of the Solvency I I Balance Sheets and Solvency Capital Requirements ("SCR") position is produced using the standard formula, as well as actuarial assumptions.
The results are subjected to a range of scenario testing that is reviewed by management and challenged by the Board and, where appropriate, potential management actions arc noted and conclusions drawn.

Assessments to date indicate that, under the scenarios presented by the Management to the Risk management Committee, the Company is adequately capitalised.

B.4 Internal Control system

The Internal Control Framework for the Company has three elements:

B.4.1.1 Board-level Controls

The Manual of Procedures and Policies, reports and minutes of the Risk Management, Investment, and Underwriting committees meetings, minutes of the Board meetings, form the principal framework, within which the Board operates.

B.4.1.2 Independent Control Functions

Please refer to details set out in section B. I.

B.4.1.3 Controls over Outsourced Activities

The Company requires that any outsourcing partner, be they a sister Group Company or not, manages its control environment to at least the same standards as it would employ and to adhere to the Company's policies and procedures, and employ fit and proper people in its control functions.

The Head of Internal Audit, through planned and commissioned reviews of the Company's processes and those on its service providers, provides an opinion on the internal control framework of the Company's business.

8.4.2 Operation or Compliance Function

The Compliance Function, headed by the Compliance Officer, is part of the Company's overall corporate governance structure. The function is outsourced to Marsh Management Services (Dublin) Limited and is a control function of the Company, which is responsible for the monitoring, managing, and reporting of the Compliance risks to which the Company is exposed. Compliance auditing occurs to check that the Company and its service are adhering to its obligations. Compliance reports are issued to the Risk Management Committee assessing the effectiveness and adequacy of compliance within the Company and service providers.The Risk Management Committee reports its activities and recommendations to the Board of Directors. The activities of the Compliance function are subject to periodic review by Internal Audit;

Management of the Company, and its service providers, are responsible for notifying the Compliance Office of any breach of applicable laws and regulations that fall within the scope of their responsibilities. Upon receipt of notification, the Compliance Officer records the relevant breach item in the Company's breach register and discusses remedial actions with the management concerned. When material, reporting is made to the Risk Management Committee which refers to the Board.

B.5 Internal Audit Function

A permanent internal audit function has been established within the Arkema Group which operates in accordance with international Standards for the Professional Practice of Internal Auditing and other relevant codes of conduct and is independent from the operational functions. The internal Audit function constitutes an integral element of the Company's control framework but does not hold any executive responsibilities or any accountability for risk management or systems of internal control,other than to appraise their effectiveness.

As an independent, the Internal Audit function provides analysis and evaluation of the adequacy, effectiveness, efficiency and quality of risk management, internal control and governance systems and processes.

The ultimate goal of the Internal Audit function is to provide independent assurance to the Board that:

B.5.1 Risk management processes at all levels, which have been implemented by management, are operating as intended;

B.5.2 The risk management processes are of sound design;

B.5.3 The responses, which management have made to risks, in particular risk treatments, are both adequate and effective in reducing those risks to an acceptable level, according to defined risk appetite.

B.5.4 A sound framework of controls is in place to sufficiently mitigate those risks which management wishes to treat.

Internal audit findings and recommendations are reported to the management body, who must respond to those findings and recommendations.

The Risk management Committee considers internal audit plans, reporting,resourcing and performance .Any matters of concern that cannot be resolved through normal channels are escalated to the Board.

The effectiveness of the Internal Audit Department as an assurance service depends upon its independence from the day-to-day operations of the business, which allows the objective assessment of evidence to provide an independent opinion or conclusions regarding a process, system or other subject matter. The Head of Internal Audit is required to provide confirmation to the Board, on at least an annual basis of the organizational independence of the Internal Audit Department.

B.6 Actuarial Function

The Actuarial services to support the business are outsourced to Marsh France (represented by Fabien Graeff, PCF-48, Head of Actuarial Function (HoAF)).

The key responsibilities of the HoAF include:

B.6.1 Co-ordination of the calculation of technical provisions. This consists of assessing the sufficiency of the provisions, assessing the uncertainty in the estimates and justifying the differences between successive periods.

- Review the appropriateness of the models and assumptions, consider the sufficiency and quality of data, and interpret deviations of best estimates against experience.

- The Actuarial Function must produce an annual report for the Board .The report should cover all of the information necessary for the Board to form its own opinion on the adequacy of technical provisions and on the underwriting and reinsurance arrangements.

- In addition to responsibilities in relation to the technical provisions, and the requirements to express opinions on underwriting policy and reinsurance arrangements, the HoAF contributes to the effective implementation of the risk management system of the Company. In particular:

  - ✓ In relation with the Solvency. Capital Requirement (SCR) and Minimum Capital Requirement (MCR), the HoAF reviews the output of the model used by the Company to calculate the SCR and MCR. Specifically, any Perceived or possible constancies or identified in the model results are raised.

./ ORSA: the Chief Risk Officer and HoAF establish the requirements of the audience of the ORSA report, agree how the requirements will be satisfied and agree the format of tile draft ORSA reports, the supporting appendices and working papers.

B.7 Outsourcing

The Company outsources and enters into outsourcing arrangements only where the risk can be effectively managed. A due diligence process is undertaken prior to any final decision being made as to whether to outsource a material business activity. This addresses all material factors that would impact on the potential service provider's ability to perform the business activity.

Arkema Group has established an Outsourcing Policy to establish the requirements for identifying, justifying and implementing material outsourcing arrangements. This Policy has been adopted by the Company and sets out the following:

- Definition of outsourcing and material outsourcing
- Risk mitigation strategies
- Board and management responsibility
- Business Case
- Due diligence
- Business Continuity Management (BCM)
- Contractual Agreements
- Management and control of the Outsourcing Relationship
- Offshoring
- Final Approval

The Company's outsourcing arrangements are subject to an annual review and the findings of this report are reviewed by the Board.

The following is a list of the critical or important operational functions the Company has outsourced together with the jurisdiction in which the service providers of such functions or activities are located.

Outsourced Provider	Service Outsourced	Internal /	Jurisdiction	Outsourcing Manager
MARSH SAS	All range of brokerage services	External	France	Chairman of the BoD, Chief Underwriting Officer
Marsh Management Services (Dublin) Ltd	Accounting, Administration, Compliance	External	Ireland	Chairman of the BoD, Head of Compliance, Head of Finance
Marsh France	Actuary Services, Actuary key function	External	France	Chairman of the BoD, Chief Risk Officer
Fiscal Reps	IPT Services	External	UK	Chief Underwriting Officer
ARKEMA France	Legal, Investments, UW, Internal audit supporting	Internal	France	Chairman of the BoD, Chief Risk Officer, Chief Underwriting Officer, Head of Compliance, Head of Finance
KPMG	External Auditor	External	Ireland	Chairman of the BoD

B.8 Any other information

The Company has assessed its corporate governance system and has concluded that it effectively provides for the sound and prudent management of the business, which is proportionate to the nature, scale and complexity of the operations of the Company.

C. Risk Profile

Risk management Objectives and Risk Policies
The Company's objective in the management of financial risk is to minimize its exposure to such risk.

Prudent person Principle
The assets on the Company's balance sheet are held in respect of Solvency II regulations (applicable since 1/01/2016) according to the 'Prudent person principle". The Company is required to apply this principle, and has ensured that its investment policy and asset acceptability framework arc aligned with the Principle, for all new asset choices.

Overall responsibility for the management of the Company's exposure to risk is vested in the Board. To support it in this role, an enterprise risk management framework is in place comprising risk identification, risk assessment, control and reporting processes. Additionally, the Board has established a number of Committees with defined terms of reference. These are Risk Management, underwriting and Financial Committees.

The more significant financial risks to which the Company is exposed are set out below.

C.1 underwriting risk

The principal activity of the company is the transaction of direct insurance and reinsurance business assumed from non-life insurance risks attributed to activities within the Arkema Group.
The risk of the company is classified in line of business PD/BI. The company is exposed to the uncertainty surrounding the timing, frequency and severity of claims under these contracts. The company manages its risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on assumptions which have regards to trends and past experience. Exposures are managed by having documented underwriting limits and criteria.
The company's risk managers identify political risks whether they arise from higher taxes, terrorist activities or other factors and determine how those issues might affect the company's ability to meet its business objectives. The company has suffered a large property claim arising from Hurricane Harvey in Q3 2017. The claim which totaled €7.6m was fully paid in Q4 2017.

C.2 Market risk

Investment policy is very conservative (except regarding diversification). It is principally based on short-term intragroup loans. There is no appetite for interest, spread, property, equity, currency or derivatives risks. A part of assets consist in cash held in bank. These assets are unaffected by movement in interest rates. A consequence of the display (lntragroup and bank) is that the company is exposed to concentration risk.

C.3 Credit risk

Credit risk is the risk that the Company is exposed to lower returns or loss if another party fails to perform its financial obligations to the Company.
The Company is potentially exposed to a very low credit risk as described in A.3, being the intercompany loan with the parent company and the cash domiciled at BNP PARIBAS, its Irish subsidiary: the A -1 (short term) rating granted by S & P demonstrates the financial solidity of the bank.

C.4 Liquidity risk

Liquidity risk is the risk that the Company, though solvent, does not have sufficient financial resources to enable it to meet its obligations as they fall due, or can only secure them at excessive cost. As mentioned chapter A.3 and C.3, the Company's exposure to liquidity risk is considered to be very low since it maintains a high level of liquid assets to meet its liabilities.

C.5 Operational risk

Operational risk is defined as the risk of financial loss connected to lack or failure to adequately manage operations in relation with staff, internal processes or external events. It covers, on non-exhaustive list, human failure, fraud, malicious acts, IT system failure, mismanagement of human resources.
The Company is exposed to a low operational risk because internal processes are put in place to avoid this risk at a limited scale.

C.6 Other material risks

Due to the nature of the underwriting activities of the Company, and the specific environment of the Company itself, we do not consider other material risks.

D VALUATION for SOLVENCY PURPOSES

D.1 Assets

D.1.1-2 Local GAAP and Solvency II Valuations

The table below sets out the value of the Company's material assets as at 31 December 2017:

	31/12/2017		31/12/2016	
	Assets per GAAP	**Assets per Solvency II**	**Assets per GAAP**	**Assets per Solvency II**
	Total EUR'000	**Total EUR'000**	**Total EUR'000**	**Total EUR'000**
Cash at bank	5,320	5,320	10,386	10,386
Intercompany deposit	35,858	35,858	27,523	27,523
Total material assets	**41,178**	**41,178**	**37,909**	**37,909**

The Company's assets are recognised and valued using the following principles:

Cash at bank

Call account deposits held with an 'A' rated third party credit institution. These investments are recorded at fair value.

Intercompany deposit

Valued at the amount held at amotised cost which equates to fair value, Interest is accrued on a monthly basis. Terms and conditions of the loan facility are based on an intercompany agreement with Arkema France SA.

D.2 Technical Provisions

D.2.1 Local GAAP and Solvency II Valuations

The table below shows an analysis of the gross technical provisions as at 31 December 2017:

Insurance Class	**31/12/2017**		**31/12/2016**	
	TPs per GAAP	**TPs per Solvency II**	**TPs per GAAP**	**TPs per Solvency II**
	EUR'000	**EUR'000**	**EUR'000**	**EUR'000**
Fire and damage to Property				
Best estimate of liabilities (BEL)	3,496	3,880	3,752	-3,221
Risk margin	-	1,952	-	1,282
Total technical provisions	**3,496**	5,832	**3,752**	-1,939

The GAAP accounts of the Company include provisions for claims incurred and claims incurred but not reported, which consider all reasonably foreseeable best estimates.

The Solvency II technical provisions are made up of a best estimate of the claims, premiums and expenses cash flows that are discounted to give an estimate of the provisions. A risk margin is then added.

A number of adjustments were made to the GAAP provisions in order to obtain the Solvency II technical provisions. Key points to note are as follows:

Cash-flows and discounting: Cash-flows have been discounted using the EUR risk free yield curve as at 31 December 2017 as published by the European Insurance and Occupational Pensions Authority ("EIOPA").

Solvency II classes of business: Classes of business have been allocated to Solvency II line of business on the following basis:

Class of Business as per license	Solvency II Class of Business
Fire and damage to Property	Direct business and accepted proportional - Property

Risk Margin

The risk margin has been calculated separately by determining the cost of providing an amount of eligible own funds equal to the Solvency Capital Requirement necessary to support the insurance and reinsurance obligations.

The annual cost of capital is taken to be 6% of the capital estimated at each future point.

D.2.2 Uncertainty associated with the value of Technical Provisions

All estimates of unpaid loss reserves are inherently uncertain. The key areas of uncertainty of the technical provisions are driven by the uncertainty of the underlying booked reserves. Hence, the key area of particular uncertainty relating to the Company's liabilities are as follows:

The best estimate projections of future claim payments are based upon the Company's historical experience. It is possible that the historical data will not necessarily be predictive of future claim development.

In determining the Solvency II technical provisions, assumptions are made about future experience, however, actual experience could have a significant effect on actual results.

D.2.3 Solvency II and local GAAP valuation differences of Technical Provisions by material line of business

See analysis in Section D2.1.

D.2.4 The Company does not apply the matching adjustment referred to in Article 77b of Directive 2009/138/EC.

D.2.5 The Company does not use the volatility adjustment referred to in Article 77d of Directive 2009/138/EC.

D.2.6 The Company does not apply the transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC.

D.2.7 The Company does not apply the transitional deduction referred to in Article 308d of Directive 2009/138/EC.

D.2.8 Recoverables from reinsurance and special purpose vehicles

There were no recoverables or special purpose vehicles as at 31 December 2017 (2016 EUR Nil).

D.2.9 Material changes in relevant assumptions made in the calculation of technical provisions

There are no material changes in the relevant assumptions made in the calculation of the technical provisions compared to the previous reporting period.

D.3 Other liabilities

Other liabilities at 31 December 2017 were EUR4,411k (2016: EUR78k) and are composed of accrued expenses, amounts due to group undertakings and creditors arising out of reinsurance operations.

D.4 Alternative Methods for Valuation for other liabilities

The Company does not use any alternative methods for valuation.

D.5 Any Other Information

There are no other material matters in respect of the valuation of assets and liabilities.

E CAPITAL MANAGEMENT

E.1 Own funds

E.1.1 Objective, policies and processes for managing own funds

The objective of own funds management is to maintain, at all times, sufficient own funds to cover the SCR and MCR with an appropriate buffer. As part of own funds management, the Company prepares ongoing annual solvency projections and reviews the structure of own funds and future requirements. The business plan, which forms the basis of the ORSA contains a three year projection of funding requirements and helps focus actions for future funding.

The Company is a single shareholder entity whose ordinary shares are fully paid up. It has no debt financing nor does it have plans to raise debt or issue new shares capital over the three year time horizon used for business planning.

The medium-term capital management plan set by the Board is as follows:

- Own funds to be maintained at an agreed level in excess of the SCR, target solvency margin cover is currently set at 120% of the SCR;
- Dividends will not be paid or will be deferred if doing so would cause the Company to breach its legal and regulatory requirements or fall below the abovementioned target SCR cover;
- The Company's own funds are primarily invested in in cash or cash equivalents and in an intercompany loan advanced via the terms of a credit agreement in line with the Board approved Investment Policy.

E.1.2 Own funds analysed by tiers

An analysis of own funds is shown below:

Date	Description	Tier 1 EUR'000	Tier 3 EUR'000	Total EUR'000
1 January 2017	Opening balance comprising: Ordinary share capital Reconciliation Reserve	 8,500 30,605		 **8,500** **30,605**
	Movement in the Reconciliation reserve for the year ended 31 December 2017	-8,013		**-8,013**
	Deferred Tax Asset		292	**292**
31 December 2017	Closing balance	31,092	292	**31,384**
	Represented by:			
	Ordinary share capital	8,500		**8,500**

	Reconciliation reserve (comprising retained earnings and Solvency II adjustments)	22,592		**22,592**
	Deferred Tax Asset		292	**292**
	Total Basic own funds after deductions	31,092	292	**31,384**

The Company's ordinary share capital and reconciliation reserve are all available as tier 1 unrestricted own funds as per Article 69 (a)(1) of the Delegated Regulation. The positive reconciliation reserve equals the excess of assets over liabilities less other basic own fund items, as at the reporting date. There are no foreseeable dividends or own shares held.

The Company has no tier 1 restricted own funds, tier 3 funds of USD 292k and no tier 2 own funds.

E.1.3 Eligible amount of own funds to cover the Solvency Capital Requirement, classified by tiers

The eligible amount of own funds to cover the Solvency Capital Requirement is USD 31.4m. This is comprised of Tier 1 unrestricted Basic Own Funds of USD31.1m and Tier 3 Basic Own Funds of USD 292K.

E.1.4 Eligible amount of own funds to cover the Minimum Capital Requirement, classified by tiers

The eligible amount of own funds to cover the Minimum Capital Requirement is USD 31.1m. This is comprised of Tier 1 unrestricted Basic Own Funds of USD 31.1m.

E.1.5 Difference between equity as shown in the financial statements and the Solvency II value excess of assets over liabilities

Reconciliation of Basic Own Funds to Equity as per financial statements as at 31 December 2017	
	USD'000
Solvency II - Basic Own Funds	31,384
Total Equity as per financial statements	33,428
Difference:	(2,044)
Represented by:	
Difference between Net Technical Provisions and BEL	(384)
Risk Margin – Non Life	(1,952)
Deferred Tax Asset	292
Difference:	**(2,044)**

E.1.6 None of the Company's own funds are subject to the transitional arrangements referred to in Articles 308b(9) and 308b(10) of Directive 2009/138/EC.

E.1.7 There are no ancilliary own funds items.

E.1.8 No deductions are applied to own funds and there are no material restrictions affecting their availability and transferability.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

E.2.1 Amount of Solvency Capital Requirement and Minimum Capital Requirement The table below shows the total SCR and MCR at 31 December 2017:

	EUR'000
SCR	28,409
MCR	7,102

The final amount of the SCR remains subject to supervisory assessment.

E.2.2 Solvency Capital Requirement split by risk modules

The table below shows the SCR components by risk module (using the Standard Formula) at 31 December 2017.

2017:

SCR Overview	EUR'000
Market risk	8,538
Counterparty default risk	375
Non-life underwriting risk	24,618
Diversification	(5,335)
Basic Solvency Capital Requirement	**28,196**
Operational risk	214
Solvency Capital Requirement	**28,409**

E.2.3 Simplified calculations are not used for any of the risk modules or sub-modules.

E.2.4 The Company does not use undertaking specific parameters in its computation.

E.2.5 The Minimum Capital Requirement is calculated using the Standard Formula specifications. The table below shows the inputs into the MCR calculation as at 31 December 2017.

MCR Overview	EUR'000
Linear MCR	899
SCR	28,409
MCR cap	12,784
MCR floor	7,102
Combined MCR	7,102
Absolute floor of the MCR	2,500
Minimum Capital Requirement	**7,102**

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E.2.6 There were no material changes to the Solvency Capital Requirement and to the Minimum Capital Requirement over the reporting period.

E.3 Any use of the equity risk sub-module in the calculation of the Solvency Capital Requirement.

The Company has not opted to use the duration-based equity risk sub-module set out in Article 304 of Directive 2009/138/EC.

E.4 Internal model information.

The Company applies the Standard Formula model and does not use an internal model to calculate the Solvency Capital Requirement.

E.5 Non compliance with the Minimum Capital Requirement and significant non-compliance with the Solvency Capital Requirement.

There were no breaches of the Solvency Capital Requirement (and hence the Minimum Capital Requirement) over the reporting period.

E.6 Any other information.

There are no other material matters in respect of the valuation of capital management.

F Templates

The following QRTs are appended overleaf.

QRT ref	QRT Template name
S.02.01	Balance Sheet
S.05.01	Premiums, claims and expenses
S.05.02	Premiums, claims and expenses by country
S.17.01	Technical Provisions
S.19.01	Non-Life insurance claims
S.23.01	Own Funds
S.25.01	Solvency Capital Requirement – for undertakings on Standard Formula
S.28.01	Minimum Capital Requirement

Annex I
S.02.01.02
(all amounts in EUR 000's)

Balance sheet

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	292
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	
Government Bonds	**R0140**	
Corporate Bonds	**R0150**	
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	
Loans and mortgages	**R0230**	31,607
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	31,607
Reinsurance recoverables from:	**R0270**	
Non-life and health similar to non-life	**R0280**	
Non-life excluding health	**R0290**	
Health similar to non-life	**R0300**	
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	
Life index-linked and unit-linked	**R0340**	

Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	57
Reinsurance receivables	**R0370**	
Receivables (trade, not insurance)	**R0380**	
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet paid in	**R0400**	
Cash and cash equivalents	**R0410**	5,320
Any other assets, not elsewhere shown	**R0420**	100
Total assets	**R0500**	37,376

Liabilities		**Solvency II value**
		C0010
Technical provisions – non-life	**R0510**	5,832
Technical provisions – non-life (excluding health)	**R0520**	5,832
Technical provisions calculated as a whole	**R0530**	
Best Estimate	**R0540**	3,880
Risk margin	**R0550**	1,952
Technical provisions - health (similar to non-life)	**R0560**	
Technical provisions calculated as a whole	**R0570**	
Best Estimate	**R0580**	
Risk margin	**R0590**	
Technical provisions - life (excluding index-linked and unit-linked)	**R0600**	
Technical provisions - health (similar to life)	**R0610**	
Technical provisions calculated as a whole	**R0620**	
Best Estimate	**R0630**	
Risk margin	**R0640**	
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	
Technical provisions calculated as a whole	**R0660**	
Best Estimate	**R0670**	
Risk margin	**R0680**	
Technical provisions – index-linked and unit-linked	**R0690**	
Technical provisions calculated as a whole	**R0700**	
Best Estimate	**R0710**	
Risk margin	**R0720**	
Contingent liabilities	**R0740**	
Provisions other than technical provisions	**R0750**	
Pension benefit obligations	**R0760**	
Deposits from reinsurers	**R0770**	
Deferred tax liabilities	**R0780**	
Derivatives	**R0790**	

Debts owed to credit institutions	**R0800**	
Financial liabilities other than debts owed to credit institutions	**R0810**	
Insurance & intermediaries payables	**R0820**	7
Reinsurance payables	**R0830**	
Payables (trade, not insurance)	**R0840**	
Subordinated liabilities	**R0850**	
Subordinated liabilities not in Basic Own Funds	**R0860**	
Subordinated liabilities in Basic Own Funds	**R0870**	
Any other liabilities, not elsewhere shown	**R0880**	152
Total liabilities	**R0900**	5,992
Excess of assets over liabilities	**R1000**	31,384

S.05.01.01.01

Premiums, claims and expenses by line of business
Non-Life & Accepted non-proportional reinsurance
(all amounts in EUR 000's)

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												Line of business for: accepted non-proportional				Total
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written																		
Gross - Direct Business	R0110							4,214										4,214
Gross - Proportional reinsurance accepted	R0120							2,903										2,903
Gross - Non-proportional reinsurance accepted	R0130													0	0	0	0	0
Reinsurers' share	R0140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net	R0200	0	0	0	0	0	0	7,117	0	0	0	0	0	0	0	0	0	7,117
Premiums earned																		
Gross - Direct Business	R0210							4,214										4,214
Gross - Proportional reinsurance accepted	R0220							2,903										2,903
Gross - Non-proportional reinsurance accepted	R0230													0	0	0	0	0
Reinsurers' share	R0240	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net	R0300	0	0	0	0	0	0	7,117	0	0	0	0	0	0	0	0	0	7,117
Claims incurred																		
Gross - Direct Business	R0310							-246										-246
Gross - Proportional reinsurance accepted	R0320							7,629										7,629
Gross - Non-proportional reinsurance accepted	R0330																	0
Reinsurers' share	R0340																	0
Net	R0400	0	0	0	0	0	0	7,382	0	0	0	0	0	0	0	0	0	7,382
Changes in other technical provisions																		
Gross - Direct Business	R0410																	0
Gross - Proportional reinsurance accepted	R0420																	0
Gross - Non- proportional reinsurance accepted	R0430																	0
Reinsurers' share	R0440																	0
Net	R0500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenses incurred	R0550																	0
Administrative expenses																		
Gross - Direct Business	R0610							175										175
Gross - Proportional reinsurance accepted	R0620							120										120
Gross - Non-proportional reinsurance accepted	R0630																	0
Reinsurers' share	R0640																	0
Net	R0700	0	0	0	0	0	0	295	0	0	0	0	0	0	0	0	0	295
Investment management expenses																		
Gross - Direct Business	R0710																	0
Gross - Proportional reinsurance accepted	R0720																	0
Gross - Non-proportional reinsurance accepted	R0730																	0
Reinsurers' share	R0740																	0
Net	R0800	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Claims management expenses																		
Gross - Direct Business	R0810																	0
Gross - Proportional reinsurance accepted	R0820																	0
Gross - Non-proportional reinsurance accepted	R0830																	0
Reinsurers' share	R0840																	0
Net	R0900	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Acquisition expenses																		
Gross - Direct Business	R0910																	0
Gross - Proportional reinsurance accepted	R0920							174										174
Gross - Non-proportional reinsurance accepted	R0930																	0
Reinsurers' share	R0940																	0
Net	R1000	0	0	0	0	0	0	174	0	0	0	0	0	0	0	0	0	174
Overhead expenses																		
Gross - Direct Business	R1010																	0
Gross - Proportional reinsurance accepted	R1020																	0
Gross - Non-proportional reinsurance accepted	R1030																	0
Reinsurers' share	R1040																	0
Net	R1100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other expenses	R1200																	
Total expenses	R1300																	469

Annex I
S.05.01.02
Non-life premiums, claims and expenses by country (Top 5 and home country)
(Reported in EUR 000's)

			Home country	Top 5 countries (by amount of gross premium written) - non-life obligations					Total Top 5 and home country
			Ireland	**France**	**Germany**	**Italy**	**Netherlands**	**United States of America**	
Premiums written	Gross - Direct Business	R0110	3	3,311	191	298	177		**3,980**
	Gross - Proportional reinsurance accepted	R0120						2,766	**2,766**
	Gross - Non-proportional reinsurance accepted	R0130							
	Reinsurers' share	R0140							**0**
	Net	R0200	3	3,311	191	298	177	2,766	**6,746**
Premiums earned	Gross - Direct Business	R0210	3	3,311	191	298	177		**3,980**
	Gross - Proportional reinsurance accepted	R0220						2,766	**2,766**
	Gross - Non-proportional reinsurance accepted	R0230							
	Reinsurers' share	R0240							**0**
	Net	R0300	3	3,311	191	298	177	2,766	**6,746**
Claims incurred	Gross - Direct Business	R0310		9					**9**
	Gross - Proportional reinsurance accepted	R0320						7,629	**7,629**
	Gross - Non-proportional reinsurance accepted	R0330							
	Reinsurers' share	R0340							**0**
	Net	R0400		9				7,629	**7,638**
Changes in other technical provisions	Gross - Direct Business	R0410							**0**
	Gross - Proportional reinsurance accepted	R0420							**0**
	Gross - Non-proportional reinsurance accepted	R0430							
	Reinsurers' share	R0440							**0**
	Net	R0500							**0**
Expenses incurred		R0550						159	**159**
Other expenses		R1200							295
Total expenses		R1300							**454**

Annex I
S.17.01.02
Non-life Technical Provisions
(all amounts in EUR 000's)

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	**R0010**																	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	**R0050**																	
Technical provisions calculated as a sum of BE and RM																		
Best estimate																		
Premium provisions																		
Gross	**R0060**																	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0140**																	0
Net Best Estimate of Premium Provisions	**R0150**																	0
Claims provisions																		
Gross	**R0160**							3,880										3,880
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	**R0240**																	0
Net Best Estimate of Claims Provisions	**R0250**							3,880										3,880
Total Best estimate - gross	**R0260**							3,880										3,880
Total Best estimate - net	**R0270**							3,880										3,880
Risk margin	**R0280**							1,952										1,952
Amount of the transitional on Technical Provisions																		
Technical Provisions calculated as a whole	**R0290**																	
Best estimate	**R0300**																	
Risk margin	**R0310**																	
Technical provisions - total																		
Technical provisions - total	**R0320**							5,832										5,832
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	**R0330**																	0
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	**R0340**							5,832										5,832

Annex I
S.19.01.21
Non-life Insurance Claims Information

Total Non-Life Business

Accident year / Underwriting year	Z0010	

Gross Claims Paid (non-cumulative)
(all amounts in EUR 000's)

		Development year												
	Year	-	1	2	3	4	5	6	7	8	9	10 & +		In Current year	Sum of years (cumulative)
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
Prior	R0100											-	R0100	-	-
N-9	R0160	-	8,705	1,045	53	127	126	156	-	-	-		R0160	-	10,212
N-8	R0170	5,267	7,145	2,110	-	-	-	-	-	-			R0170	-	14,522
N-7	R0180	-	-	-	-	-	-	-	-				R0180	-	-
N-6	R0190	-	64	-	-	-	-	-					R0190	-	64
N-5	R0200	3,400	-	-	-	-	-						R0200	-	3,400
N-4	R0210	-	-	286	-	-							R0210	-	286
N-3	R0220	-	-	-	-								R0220	-	-
N-2	R0230	-	-	-									R0230	-	-
N-1	R0240	-	-										R0240	-	-
N	R0250	7,638											R0250	7,638	7,638
												Total	R0260	7,638	36,122

Gross undiscounted Best Estimate Claims Provisions
(all amounts in EUR 000's)

		Development year												
	Year	-	1	2	3	4	5	6	7	8	9	10 & +		Year end (discounted
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		C0360
Prior	R0100												R0100	
N-9	R0160												R0160	
N-8	R0170												R0170	
N-7	R0180												R0180	
N-6	R0190												R0190	
N-5	R0200												R0200	
N-4	R0210												R0210	
N-3	R0220												R0220	
N-2	R0230			295									R0230	296
N-1	R0240	3,752	591										R0240	593
N	R0250	2,985											R0250	2,991
												Total	R0260	3,880

Annex I
S.23.01.01
(all amounts in EUR 000's)

Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	8,500	8,500			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	22,592	22,592			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160	292				292
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	31,384	31,092			292
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					

Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	31,384	31,092			292
Total available own funds to meet the MCR	R0510	31,092	31,092			
Total eligible own funds to meet the SCR	R0540	31,384	31,092			292
Total eligible own funds to meet the MCR	R0550	31,092	31,092			
SCR	R0580	28,409				
MCR	R0600	7,102				
Ratio of Eligible own funds to SCR	R0620	110%				
Ratio of Eligible own funds to MCR	R0640	438%				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	31,384
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	8,792
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	22,592
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non- life business	R0780	
Total Expected profits included in future premiums (EPIFP)	R0790	

Annex I
S.25.01.21
(all amounts in EUR 000's)

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0010	C0090	C0100
Market risk	R0010	8,538		
Counterparty default risk	R0020	375		
Life underwriting risk	R0030			
Health underwriting risk	R0040			
Non-life underwriting risk	R0050	24,618		
Diversification	R0060	-5,335		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	28,196		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	214
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	28,409
Capital add-on already set	R0210	
Solvency capital requirement	R0220	28,409
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirement for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

Annex I
S.28.01.01
(all amounts in EUR 000's)

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCR_{NL} Result	R0010	899

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020		
Income protection insurance and proportional reinsurance	R0030		
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070		
Fire and other damage to property insurance and proportional reinsurance	R0080	3,880	7,117
General liability insurance and proportional reinsurance	R0090		
Credit and suretyship insurance and proportional reinsurance	R0100		
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130		
Non-proportional health reinsurance	R0140		
Non-proportional casualty reinsurance	R0150		
Non-proportional marine, aviation and transport reinsurance	R0160		
Non-proportional property reinsurance	R0170		

Linear formula component for life insurance and reinsurance obligations

		C0040
MCR_L Result	R0200	

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240		
Total capital at risk for all life (re)insurance obligations	R0250		

Overall MCR calculation

		C0070
Linear MCR	R0300	899
SCR	R0310	28,409
MCR cap	R0320	12,784
MCR floor	R0330	7,102
Combined MCR	R0340	7,102
Absolute floor of the MCR	R0350	2,500
		C0070
Minimum Capital Requirement	R0400	7,102