BNP PARIBAS VARTRY REINSURANCE DESIGNATED ACTIVITY COMPANY

SOLVENCY & FINANCIAL CONDITION REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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SUMMARY

Business and Performance

BNP Paribas Vartry Reinsurance Designated Activity Company ("Vartry" and "the Company") is a wholly owned subsidiary of the BNP Paribas Group.

Vartry is authorised by the Central Bank of Ireland ("CBI") to carry out the business of life and non-life reinsurance and has been designated as a low impact undertaking by the CBI under its risk based framework for the supervision of regulated firms, known as PRISM. Vartry is reporting as an individual undertaking for Solvency II.

Vartry's principal activity is the accumulation of a portfolio of catastrophe ("CAT") bonds which is executed by participating in the Insurance Linked Securities ("ILS") Market whereby Vartry assumes CAT insurance risks from insurers and reinsurers by investing in a CAT bond portfolio within overall limits set by the Company.

The following table summarises the performance of the Company for the reporting period.

INCOME STATEMENT EUR'000s	Dec-17	Dec-16
Underwriting Performance	-	-
Investment Performance	2,276	11,239
Other Income & Expenses	(1,083)	(571)
Net Profit before Tax	**1,193**	**10,668**
Corporation tax	(150)	(1,334)
Net Profit after Tax	**1,043**	**9,335**

Following the US hurricane events, in particular Hurricane Irma, in Quarter 3 2017 ("Q3 2017"), the Company recorded a fall in the value of its CAT bond portfolio as a result of subsequent CAT bond market volatility during that period. The Company, under the stewardship of the Board of Directors, undertook strategic disposals of certain individual investments, incurring realised capital losses of EUR2.8m in 2017, as part of an overall risk mitigation plan to inhibit the overall effect of the general mark-to-market conditions on the Company more broadly. The impact of the risk mitigation plan in context of general market events is reflected in the financial performance of the Company; a fall in profits from EUR10.7m in the Financial Year ("FY") 2016 to EUR1.2m in FY 2017. In reading this report, it is to be contextualised that in the majority of cases, variances in financial result, balance sheet and capital coverage can be attributed to these events.

While the Company notes certain capital and mark-to-market losses in 2017, they are within its defined risk appetite while ensuring ongoing compliance with capital requirements under the Standard Formula. Following the Q3 2017 events, the Board mandated a further update and examination of mark-to-market price volatility, as it effected its current portfolio, under the direction of the Company Chief Risk Officer as an outcome from its 2017 Own Risk & Solvency Assessment ("ORSA") process. Having completed further analysis in the post reporting period, the Board of Directors consider it prudent, in order to ensure ongoing compliance with its own defined capital benchmarks, to request a capital injection from the Sole Member to take account of any potential future market volatility that may occur based on analysis, thereby further enhancing the strength of its capital base. This request is likely to be formalised in Q2 2018 and the shareholder has expressed its willingness to support the articulated Board capital plan.

During 2017 the Company paid a dividend to its sole shareholder, BNP Paribas Ireland Unlimited Company, of EUR5.4m (2016: EUR6.2m).

System of Governance

Vartry has established and maintains an effective system of governance with clear delegated authorities, responsibilities and reporting lines. The following organisation chart summarises the current system of governance of the Company.



The following key function appointments were made during the reporting period:

- Aidan Williams was appointed as an Independent Non-Executive Director on 8th March 2017 and a member of the Company's Audit Committee and Risk Committee
- Stephen Hodgins was appointed as an Independent Non-Executive Director on 19th March 2017 and a member of the Company's Audit Committee and Risk Committee

Vartry has assessed its system of governance 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.

Risk Profile

Vartry has implemented effective processes for assessing and mitigating its material risk exposures which are primarily driven by the Company's investments in CAT bonds.

There were no material changes in the Company's risk exposure or to the strategies, policies and processes for managing this risk during the reporting period.

Underwriting Risk

The Company's current business activity is the accumulation of a portfolio of CAT bonds and as such has no underwriting risks to report on.

Market Risk

Vartry's market risk exposure primarily relates to its investments in CAT bonds which are funded by a limited recourse loan facility from Vartry's sole shareholder as follows:

- Loss of principal and / or accrued coupon in the event of a significant pre-defined CAT event. Investments in CAT bonds are accepted up to a maximum aggregate portfolio limit and individual sub limits by CAT peril which are monitored daily.
- Market price volatility on the CAT bond portfolio during the lifetime of a bond. This is notwithstanding that Vartry's overall investment strategy is to hold CAT bonds to maturity and unless a trigger event occurs, Vartry should receive 100% of its investment at maturity with any fair value unrealised gains/losses previously booked unwinding.
- Credit risk associated with CAT bond collateral as CAT bonds are fully collateralised. Strict collateral rules exist which are designed to limit credit risks and the cash raised by the CAT bond's initial issuance is typically held as collateral in AAA rated securities.

Credit Risk

The Company's exposure to credit risk is considered to be low and primarily relates to:

- cash deposits which are all held on demand with BNP Paribas Group companies
- fixed spread element of the coupon due on the CAT bonds from the Sponsors of the bonds. Typically the Sponsors of a CAT bond are large (re)insurance undertakings with strong credit ratings. Should a Sponsor default on a coupon payment, the bond would mature early with no further risk exposure.

Liquidity Risk

The Company's exposure to liquidity risk is considered to be low and primarily relates to amounts due on limited recourse loans payable to the Company's sole shareholder which fund the CAT bond investment activity.

Operational Risk

The Company's material operational risk exposures relate to outsourcing, execution, delivery, process management and people.

Valuation for Solvency Purposes

The following tables presents a summary of the Solvency II valuation of each material class of asset and liability compared to the Statutory Accounts at 31st December 2017 and at 31st December 2016.

BALANCE SHEET (EUR'000s)	31-Dec-17			31-Dec-16		
Assets	**Solvency II Value**	**Statutory Accounts Value**	**Difference**	**Solvency II Value**	**Statutory Accounts Value**	**Difference**
Structured notes	300,834	298,618	(2,216)	363,124	360,684	(2,440)
Receivables (trade, not insurance)	486	486	-	296	296	-
Cash and cash equivalents	4,151	4,151	-	3,575	3,575	-
Any other assets, not elsewhere shown	-	2,216	2,216	-	2,440	2,440
Total Assets	**305,471**	**305,471**	**-**	**366,995**	**366,995**	**-**

Liabilities	**Solvency II Value**	**Statutory Accounts Value**	**Difference**	**Solvency II Value**	**Statutory Accounts Value**	**Difference**
Technical Provisions	-	-	-	-	-	-
Deferred tax liabilities	125	125	-	382	188	(194)
Loans payable	286,595	285,969	(626)	343,480	342,949	(531)
Payables (trade, not insurance)	159	159	-	162	162	-
Any other liabilities, not elsewhere shown	1,584	2,210	626	1,801	2,332	531
Total Liabilities	**288,463**	**288,463**	**-**	**345,825**	**345,630**	**(194)**

Excess of Assets Over Libailities	**17,008**	**17,008**	**-**	**21,170**	**21,365**	**194**

In particular:

- Note that CAT bonds are classified as structured notes on the Solvency II balance sheet
- Considering its current business activities there is no requirement for Vartry to hold technical provisions in its Solvency II Balance Sheet or its Statutory Accounts.
- No significant estimates or judgements are used in the valuation of assets and liabilities
- There were no changes to the recognition and valuation bases used by the Company for the valuation of assets and liabilities for solvency purposes during the reporting period.

During Q3 2017, as a result of the US Hurricane events, noted in the Business & Performance section above, the Company undertook strategic disposals of certain CAT bond investments as part of an overall risk mitigation plan to inhibit the overall effect of the general mark-to-market conditions on the Company. As a result, the reduction in Structured Notes and Loans Payable at 31st December 2017 when compared to 2016 is noted.

There is no difference between the valuation bases, methods and main assumptions used by the Company for the valuation of assets and liabilities for solvency purposes and those used for their valuation in the Statutory Accounts.

Note the following valuation differences between Solvency II and the Statutory Accounts:

i. For the Statutory Accounts accrued interest on structured notes is reported as 'Any other asset, not elsewhere shown'. For Solvency II, this accrued interest amount is not reported as a separate item but included in the overall valuation of the structured notes reported.

ii. Accrued interest due on loans payable is reported as 'Any other liabilities, not elsewhere shown' for the Statutory Accounts. However, for Solvency II this accrued interest amount due is not reported as a separate item but included in the overall valuation of the loans payable reported.

Capital Management

The following tables summarises the solvency position of the Company at 31st December 2017 and at 31st December 2016 which is assessed using the Standard Formula.

Solvency Position (EUR'000s)	Dec-17	Dec-16
Total Tier 1 Unrestricted Own Funds	17,008	21,170
Solvency Capital Requirement ("SCR")	1,621	1,935
SCR Coverage	1049%	1094%
Absolute Minimum Capital Requirement ("AMCR")	3,600	3,600
AMCR Coverage	472%	588%

All the Company's own funds are all classified as tier 1 unrestricted and are available to cover the Solvency Capital Requirement and Minimum Capital Requirement. Note that the Absolute Minimum Capital Requirement of EUR3.6m applies.

There were no instances of non-compliance with the Minimum Capital Requirement and the Solvency Capital Requirement for Vartry during the reporting period ended 31st December 2017.

As shown above, based on the Standard Formula, as the amount of SCR calculated continues to be less than the AMCR, the AMCR continues to be applied in the reporting period.

While Vartry uses the Standard Formula for its Solvency Capital Requirement assessment the Board of Directors of Vartry have concluded that elements of the Standard Formula do not specifically address the treatment of risks associated with the CAT bonds held by the Company and have therefore approved the use of an alternative risk assessment basis for the calculation of the overall solvency needs of the Company within the ORSA.

The Solvency II capital management target for risk appetite, approved by the Board states that if the ORSA alternative risk assessment basis results in a higher capital requirement than the Standard Formula requirement then the ORSA capital requirement will apply and be held. As noted in the Business & Performance section above it is expected that the Board of Directors will in Q2 2018 request the Shareholder to make a capital injection to the Company to further strengthen its capital base and the Shareholder has expressed its willingness to support the articulated Board capital plan.

Report Approval

This report was reviewed by the Company's Audit Committee on 23rd April 2018. It was subsequently reviewed and approved by the Board of Directors on 1st May 2018.

A. BUSINESS AND PERFORMANCE

A.1. Business

A.1.1. Name and Legal Form of the Company

BNP Paribas Vartry Reinsurance Designated Activity Company ("Vartry" and "the Company") is a private company which is limited by shares.

A.1.2. Supervisory Authority

Vartry is authorised by the Central Bank of Ireland ("CBI"), New Wapping Street, North Wall Quay, Dublin 1, Ireland to carry out the business of life and non-life reinsurance in accordance with the provisions of the European Union (Insurance & Reinsurance) Regulations 2015.

Vartry has been designated as a low impact undertaking by the CBI under its risk based framework for the supervision of regulated firms, known as PRISM.

Vartry is reporting as an individual undertaking for Solvency II.

A.1.3. External Auditor

The Company's current External Auditor is PricewaterhouseCoopers, One Spencer Dock, North Wall Quay, Dublin 1, Ireland.

A.1.4. Qualifying holdings

The Company is a wholly owned subsidiary of BNP Paribas Ireland Unlimited Company, 5 George's Dock, IFSC, Dublin 1, Ireland.

The ultimate parent company is BNP Paribas S.A., a company incorporated in France and listed on the Euronext Paris stock exchange. BNP Paribas S.A.'s consolidated financial statements are available from the company at 16 Boulevard des Italiens, 75009 Paris, France.

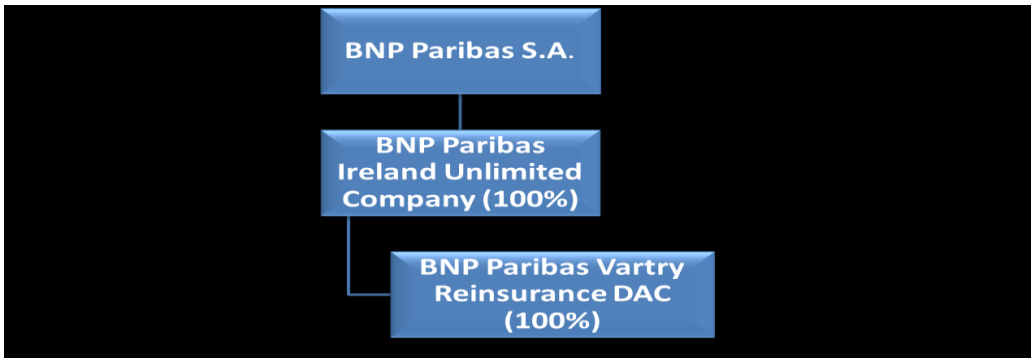
A.1.5. Group Structure

Vartry is reporting as an individual undertaking for Solvency II.

The Company is a wholly owned subsidiary of BNP Paribas Ireland Unlimited Company, a company incorporated in Ireland, with an address of 5 George's Dock, IFSC, Dublin 1, Ireland.

The ultimate parent company is BNP Paribas S.A., a company incorporated in France and listed on the Euronext Paris stock exchange. BNP Paribas S.A.'s consolidated financial statements are available from the company at 16 Boulevard des Italiens, 75009 Paris, France.

The following is a simplified Group structure.



A.1.6. Related Undertakings

As a 100% sole member owned company as described in A.1.5, Vartry does not have any related undertakings that it has control of or an obligation to report results on.

A.1.7. Material Lines of Business and Geographical Areas

Vartry's principal activity is the accumulation of a portfolio of catastrophe ("CAT") bonds which is executed by participating in the Insurance Linked Securities ("ILS") Market whereby Vartry assumes CAT insurance risks from insurers and reinsurers by investing in a CAT bond portfolio within overall limits set by the Company.

All the activities are carried out from Ireland.

A.1.8. Significant Business or Other Events

Following the US hurricane events, in particular Hurricane Irma, in Quarter 3 2017 ("Q3 2017"), the Company recorded a fall in the value of its CAT bond portfolio as a result of subsequent CAT bond market volatility during that period. The Company, under the stewardship of the Board of Directors, undertook strategic disposals of certain individual investments, incurring realised capital losses of EUR2.8m in 2017, as part of an overall risk mitigation plan to inhibit the overall effect of the general mark-to-market conditions on the Company more broadly. The impact of the risk mitigation plan in context of general market events is reflected in the financial performance of the Company; a fall in profits from EUR10.7m in the Financial Year ("FY") 2016 to EUR1.2m in FY 2017. In reading this report, it is to be contextualised that in the majority of cases, variances in financial result, balance sheet and capital coverage can be attributed to these events.

While the Company notes certain capital and mark-to-market losses in 2017, they are within its defined risk appetite while ensuring ongoing compliance with capital requirements under the Standard Formula. Following the Q3 2017 events, the Board mandated a further update and examination of mark-to-market price volatility, as it effected its current portfolio, under the direction of the Company Chief Risk Officer as an outcome from its 2017 ORSA process. Having completed further analysis in the post reporting period, the Board of Directors consider it prudent, in order to ensure ongoing compliance with its own defined capital benchmarks, to request a capital injection from the Sole Member to take account of any potential future market volatility that may occur based on analysis, thereby further enhancing the strength of its capital base. This request is likely to be formalised in Q2 2018 and the Shareholder has expressed its willingness to support the articulated Board capital plan.

A.2. Underwriting Performance

The Company's current business activity is the accumulation of a portfolio of CAT bonds and the performance of this activity is presented at section A.3 (Investment Performance) of this report. As such there are no underwriting activities to report on.

A.3. Investment Performance

The Company's principal activity is the accumulation of a portfolio of CAT bonds. CAT bonds transfer insurance risk to the capital markets with an above average coupon compensating investors for the potential loss of principal should a triggering catastrophic event occur.

The table below summarises the investment performance for the year ended 31st December 2017 and 2016. Note that CAT bonds are classified as Structured Notes on the Solvency II balance sheet.

Investment Performance 2017 (EUR'000s)	Income from investments	Unrealised gain / (loss) on investment	Realised gain / (loss) on investment	Loan interest expense	Investment expense / charges	Total investment return
Cash and cash equivalents	1	-	-	-	-	1
Structured Notes	13,844	(2,029)	(2,800)	(3,468)	(3,272)	2,275
Total	**13,845**	**(2,029)**	**(2,800)**	**(3,468)**	**(3,272)**	**2,276**

Investment Performance 2016 (EUR'000s)	Income from investments	Unrealised gain / (loss) on investment	Realised gain / (loss) on investment	Loan interest expense	Investment expense / charges	Total investment return
Cash and cash equivalents	1	-	-	-	-	1
Structured Notes	13,434	3,914	(113)	(2,287)	(3,710)	11,238
Total	**13,435**	**3,914**	**(113)**	**(2,287)**	**(3,710)**	**11,239**

Refer to section A.1.8 of this report for information on the adverse impact on the investment performance of the Company from the Q3 2017 Hurricane Events.

All realised and unrealised gains and losses are recognised in the Income Statement.

A.4. Performance of Other Activities

There are no other material income and expenses incurred over the reporting period to report on.

A.5. Any other information

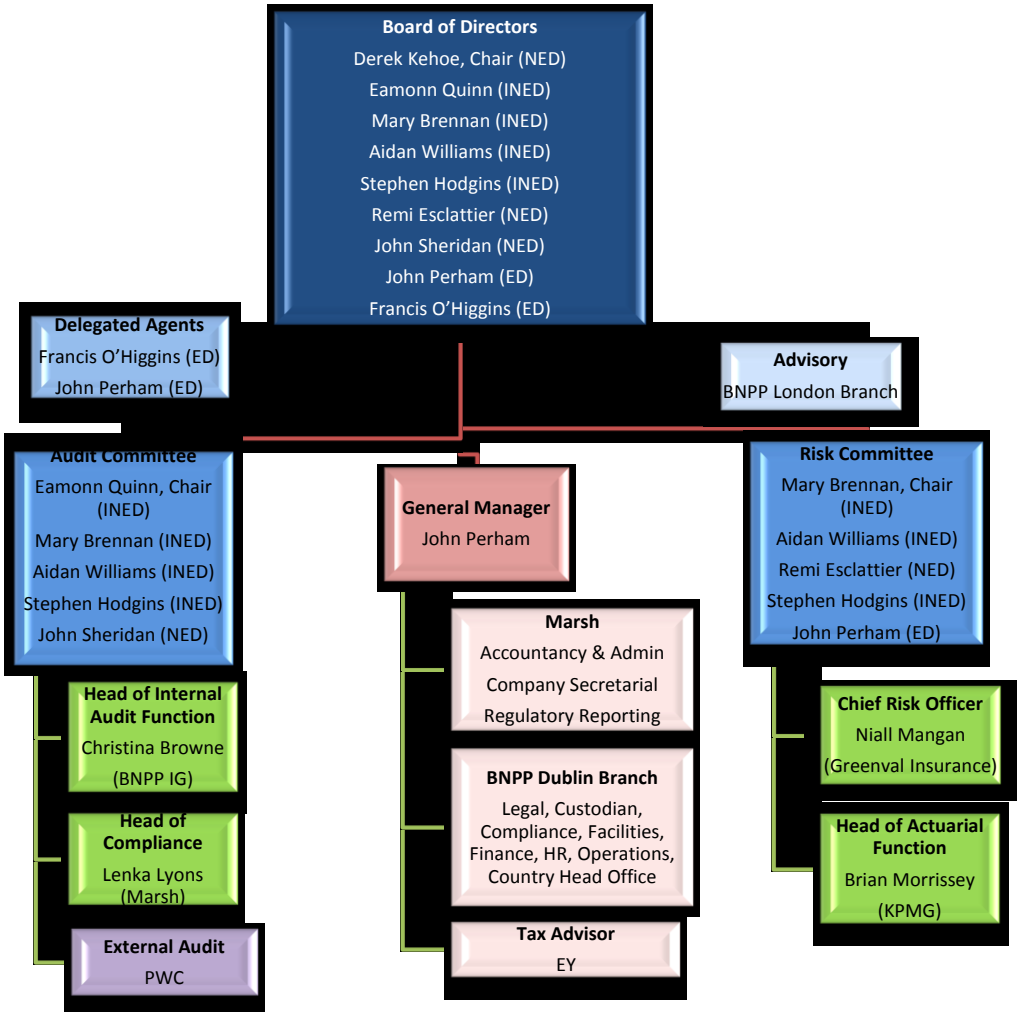
During 2017 the Company paid a dividend to its sole shareholder, BNP Paribas Ireland Unlimited Company, of EUR5.4m (2016: EUR6.2m).

B. SYSTEM OF GOVERNANCE

B.1. General Information on the System of Governance

B.1.1. Overview of the System of Governance

Vartry has established and maintains an effective system of governance with clear delegated authorities, responsibilities and reporting lines. The following organisation chart summarises the current system of governance of the Company.



Aidan Williams was appointed as an Independent Non-Executive Director on 8th March 2017 and a member of the Company's Audit Committee and Risk Committee.

Stephen Hodgins was appointed as an Independent Non-Executive Director on 19th October 2017 and a member of the Company's Audit Committee and Risk Committee.

The system of governance is regularly reviewed to ensure its continued appropriateness reflecting changing commercial and regulatory requirements and organisational developments.

B.1.1.1. Board of Directors

The table below presents the composition of the current Board of Directors of Vartry along with each Director's designation and a summary of the segregation of responsibilities within Board Committees.

Director Name	Director Designation	Board Committee Membership & Responsibilities
Derek Kehoe	Non-Executive Director & Chair	
Eamonn Quinn	Independent Non-Executive Director	Chair of Audit Committee
Mary Brennan	Independent Non-Executive Director	Audit Committee Member, Chair of Risk Committee
Aidan Williams	Independent Non-Executive Director	Audit Committee Member & Risk Committee Member
Stephen Hodgins	Independent Non-Executive Director	Audit Committee Member & Risk Committee Member
John Sheridan	Non-Executive Director	Audit Committee Member
Remi Esclattier	Non-Executive Director	Risk Committee Member
Francis O'Higgins	Executive Director	
John Perham	Executive Director & General Manager	Risk Committee Member

The Board of Directors is responsible for the effective, prudent and ethical oversight of the Company and meets on a quarterly basis or more frequently as required.

The Board is responsible for setting and overseeing:

- the business strategy for the Company
- a robust and transparent organisational structure with effective communication and reporting channels
- the amounts, types and distribution of capital adequate to cover the risks of the Company
- the strategy for the on-going management of material risks
- an adequate and effective internal control framework, that includes well-functioning actuarial, risk management, compliance and internal audit functions as well as an appropriate financial reporting and accounting framework

The role and responsibilities of the Board of Directors are clearly documented in its Terms of Reference and Schedule of Reserved Matters which are reviewed on an annual basis by the Board of Directors, taking advice from the Audit Committee who make periodic recommendations to the Board to ensure a high standard of practice is maintained.

B.1.1.2. Board Committees

The Company's Board of Directors have established two Board Committees that meet at least three times a year, or more frequently as required, and report to the Board, namely the Audit Committee and the Risk Committee.

The authority, functions, membership and reporting lines of the committees established by the Board as well as meeting frequency, voting rights and quorums are clearly outlined in the written Terms of Reference established by the Board for each Committee.

The Terms of Reference are reviewed at least annually by the Committees to ensure continuing appropriateness. Recommendations on revisions are provided to the Board for review and approval where necessary.

Audit Committee

The main roles and responsibilities of the Audit Committee are:

- Review financial statements and other published documents and make recommendations to the Board
- Monitor the effectiveness, independence and objectivity of the external auditor
- Monitor the effectiveness of the Company's internal audit function in the context of the Company's overall risk management system
- Review any significant matters raised by the internal and external auditors
- Review the effectiveness and appropriateness of the Company's internal controls
- Review the Company's arrangements for its business functions to raise concerns, in confidence, about possible wrong-doing in financial reporting or other matters
- Review and monitor corporate governance arrangements operating and make recommendations to the Board as required
- Monitor the effectiveness of the compliance function

Risk Committee

The main roles and responsibilities of the Risk Committee are:

- Monitor the effectiveness of the Company's risk management system
- Monitor the implementation of the Company's risk strategy and maintenance thereof
- Review and make recommendation to the Board on risk appetite and risk management policies across the Company
- Review capital and solvency position of the Company
- Oversee the own risk & solvency assessment process
- Oversight of Solvency II developments
- Monitoring the effectiveness of the risk management function

B.1.1.3. Key Functions

General Manager

Vartry has appointed a General Manager who has overall responsibility for the prudent and efficient operations of the business of the Company.

The General Manager has relevant financial services expertise, qualifications and background to ensure that he has the necessary knowledge, skills and experience required to comprehend fully each of the following:

- the nature of the Company's business activities and related risks
- his individual direct and indirect responsibilities and the Board's responsibilities
- the Company's financial statements

The General Manager is also a member of the Board of Directors and the Risk Committee. The Audit Committee may invite the General Manager to attend its meetings as required to do so.

Risk Management Function

Vartry has appointed a Chief Risk Officer who is responsible for the risk management function.

During 2017, due to a reorganisation at the BNP Paribas Group in Ireland the outsourcing of the Chief Risk Officer role was moved to another BNP Paribas Group entity in Ireland, Greenval Insurance Designated Activity Company. There was no change to the nominated Chief Risk Officer. New and revised Service Level Agreements have been entered into and updated to reflect the change.

Refer to section B.3.2 of this report for further information on the implementation of the risk management function.

Compliance Function

Vartry has appointed a Head of Compliance who is responsible for the compliance function. The Head of Compliance role has been outsourced to Marsh Management Services (Dublin) Limited.

Refer to section B.4.2 of this report for further information on the Compliance Function.

Actuarial Function

In line with the requirements of Solvency II, and the CBI's 'Domestic Actuarial Regime and Related Governance Requirements under Solvency II', Vartry has appointed a Head of the Actuarial Function. KPMG has been engaged on an outsourced basis to provide the Head of the Actuarial Function.

Refer to section B.6 of this report for further information on the Actuarial Function.

Internal Audit Function

Vartry has outsourced its internal audit function to an independent BNP Paribas Group Function, Inspection Generale. Vartry has appointed the Head of Inspection Generale for the BNP Paribas Group in Ireland as the Company's Head of Internal Audit Function.

Refer to section B.5 of this report for further information on the implementation and independence of the internal audit function.

B.1.2. Material Changes to the System of Governance

The following key function appointments were made during the reporting period:

- Aidan Williams was appointed as an Independent Non-Executive Director on 8th March 2017 and a member of the Company's Audit Committee and Risk Committee
- Stephen Hodgins was appointed as an Independent Non-Executive Director on 19th March 2017 and a member of the Company's Audit Committee and Risk Committee

Apart from the above there were no other material changes to the System of Governance during the reporting period.

B.1.3. Remuneration Practices

Principles of remuneration practices

Vartry recognises that the existence of appropriate compensation to attract and retain competent, experienced and skilled people is an essential part of the Company's business strategy but that any compensation provided should align peoples' decision-making and risk-taking behaviour with the Company's business objectives and risk management strategy.

Executive Directors are directly remunerated by the Company for their services. Non-Executive Directors, who are employees of the BNP Paribas Group, are not remunerated by the Company.

Independent Non-Executive Directors receive compensation in the form of a fixed Directors fee with no variable component.

Share options, shares or variable components of remuneration

The Company does not offer or operate share participation schemes in its own share stock, nor is there any variable compensation paid by the Company to any Non-Executive Board member, directly employed staff or indirect agents based on direct Company performance.

Those serving Board members or staff assigned to the Company who are employees of the BNP Paribas Group may, as part of their remuneration arrangements with the BNP Paribas Group, participate in share and / or options schemes operated by the BNP Paribas Group in publicly traded stocks issued by the ultimate parent company.

Supplementary pension or early retirement schemes for the members of the Board of Directors and other key function holders

The Company's remuneration practices do not include any supplementary pension or early retirement schemes for members of the Board of Directors or key function holders.

B.1.4. Material Transactions

During the reporting period the following material transactions took place with the Company's shareholder, with persons who exercise a significant influence on the Company, and with members of the Board of Directors:

1. During 2017 the Company paid a dividend to its sole shareholder, BNP Paribas Ireland Unlimited Company, of EUR5.4m (2016: EUR6.2m).

B.2. Fit and Proper Requirements

B.2.1. Requirements for Skills, Knowledge and Expertise

Vartry ensures that the persons who effectively run the Company or have other key functions, including members of the Board, are 'fit' and take account of the respective duties allocated to them to ensure the provision of sound and prudent management through their professional qualifications, knowledge and experience and are proper by being of good repute and integrity.

Vartry ensures that that the persons, who effectively run the Company or have other key functions, including members of the Board, collectively possess at least qualification, experience and knowledge about:

a) insurance and financial markets
b) business strategy and business model
c) system of governance
d) financial and actuarial analysis
e) regulatory framework and requirements.

B.2.2. Process for Assessing the Fitness & Probity of Persons

Vartry has established and implemented a Fitness and Probity Policy, which sets out the process for assessing the fitness & probity of persons, and aligns with the CBI's Fitness and Probity Standards.
Vartry's assessment of the 'Fitness' of persons include:

1. Identification (copy of passport)
2. Compliance with the minimum competency code, where relevant
3. Evidence of professional qualifications

4. Obtain self-certification from the person that they are compliant with any required continuing professional development
5. Record of interview and application where relevant
6. Make all reasonable efforts to obtain references
7. Record of previous experience
8. Record of experience gained outside of Ireland
9. Concurrent responsibilities
    a) Other directorships
    b) Other employments
    c) Other potential conflicts of interest
10. CBI's Individual Questionnaire as applicable

Vartry's assessment of the 'Probity' of persons includes considering whether the individual is of good repute and integrity, including an assessment of their honesty and financial soundness which is based on their reputation, reflecting past conduct, criminal record, financial record and supervisory experience. Probity due diligence will include requesting completion of questions on reputation and character and on financial interest.

In compliance with the requirements of the CBI's Fitness and Probity Standards, prior approval for the appointment of certain function holders is obtained by Vartry from the CBI.

B.3. Risk Management System including the Own Risk and Solvency Assessment

B.3.1. Risk Management System

For its risk management system:

- Vartry has established and maintains an effective ***system of governance*** with clear delegated authorities, responsibilities and reporting lines as presented in section B.1.1 of this report.
- Vartry adopts "3 lines of defence" for ***risk governance*** responsible for monitoring the risk appetite and the risk profile. Board Committees and Business Functions have been established, respecting the needed lines of defence. Risk owners and clear allocation of risk responsibilities have been set.
- The Board of Directors has defined its ***risk appetite*** through a top-down approach where the Board has set the overall risk appetite and different tolerances in line with the business strategy. Vartry operates within the risk tolerance limits set by the Board considering the Company's exposure to particular categories of risk, which comprise the risk profile of the Company, which can be controlled, measured and reported. A trigger monitoring and reporting framework based on risk threshold limits (acceptable, warning, immediate action and material deviation) is used to signal activities and reporting requirements. The risk appetite statement and tolerance limits are subject to regular review and amendment to ensure that evolving business strategy, financial capacity, regulatory constraints, other internal/external factors and the needs and input of its stakeholders are appropriately reflected.
- Documented ***risk & internal control policies*** have been established to ensure implementation of the risk management strategy and to obtain the benefits of the risk management framework.
- An ***Own Risk & Solvency Assessment*** is carried out at least on an annual basis as set out in section B.3.3 of this report.

B.3.2. Implementation of the Risk Management System including the Risk Management Function

<u>Risk Management Function</u>

Vartry has appointed a Chief Risk Officer who is responsible for the risk management function as set out in section B.1.1.3 of this report. The Chief Risk Officer role has been outsourced to Greenval Insurance Designated Activity Company.

Risk Management Function Responsibilities

The responsibilities of the Risk Management Function include:

- maintaining and monitoring the effectiveness of the Company's risk management system
- ensuring the Company has effective processes in place to identify and manage the risks to which the Company is or might be exposed
- maintaining effective processes to monitor and report the risks to which the Company is or might be exposed
- facilitation of the setting of the risk appetite by the Board
- providing comprehensive and timely information on the Company's material risks which enables the Board to understand the overall risk profile of the Company

The risk management activities are set out in an annual risk management action plan prepared by the Chief Risk Officer which is reviewed by the Risk Committee. The Chief Risk Officer is responsible for the risk management action plan and reports to the Risk Committee and the Board of Directors.

B.3.3. Own Risk & Solvency Assessment ("ORSA")

ORSA Process

On at least an annual basis Vartry carries out a regular assessment of its solvency and risks, the ORSA process, which includes:

- The level of own funds that Vartry needs to hold to cover the ORSA own solvency needs & the regulatory solvency capital requirement
- The prospective solvency ratios that Vartry will achieve when realising the business plan over the business planning time horizon
- The resilience of these ratios under stress test scenarios

Vartry will also carry out a non-scheduled ORSA, outside of the regular annual assessment, if there is a significant change in the risk profile of the Company.

Vartry has established and implemented an ORSA policy which describes how the ORSA is performed, internally documented and reviewed.

ORSA Governance

The Board of Directors has ultimate responsibility for the ORSA and the role of the Board of Directors in the ORSA process is:

- Directing – how the assessment is to be performed and approving the policy
- Challenging – assumptions, methodologies and results
- Decision making - taking into account the output from the ORSA
- Approval – results and report

The Board of Directors has delegated operational responsibility for the ORSA preparation and certain review processes as follows:

1. The Chief Risk Officer is responsible for the ORSA process
2. The General Manager provides day to day oversight
3. The Risk Committee is responsible for oversight of the ORSA process which is a standing agenda item for all Risk Committee meetings
4. Audit Committee receives updates from Risk Committee Chair on matters arising requiring further consideration

Final approval of the ORSA process is with the Board.

Determination of Own Solvency Needs

Vartry uses the Standard Formula for its regulatory solvency capital requirement assessment.

However, the Board of Directors of Vartry have concluded that elements of the Standard Formula are not appropriate for the risk profile of the CAT bonds held by the Company and have therefore approved the use of an alternative risk assessment basis to assess the overall solvency needs of Company in the ORSA.

For the ORSA, a business planning time horizon of three years is used to project the Solvency II Balance Sheet and solvency capital requirement at each year end of the business planning time horizon. The base case projections are then subjected to a range of stress tests and scenario analysis to assess the resilience of the solvency position of the Company. The results of the assessment are reviewed by the Board and, where appropriate, potential management actions are agreed.

The Solvency II capital management target for risk appetite, approved by the Board, states that if the ORSA alternative risk assessment basis results in a higher capital requirement than the Standard Formula requirement then the ORSA capital requirement will apply and be held.

B.3.4. Risk Management System for Internal Model Users

Vartry does not use a partial or full internal model for its regulatory Solvency Capital Requirement and Minimum Capital Requirement calculation and is therefore not an internal model user for its regulatory Solvency Capital Requirement and Minimum Capital Requirement calculation.

B.4. Internal Control System

B.4.1. Internal Control System

Vartry has established an internal control system that is the overall framework which aims to ensure:

- The effectiveness and efficiency of the internal operations
- The reliability of internal and external information
- The security of transactions
- The compliance with laws, regulations and internal policies

The scope of the internal control system covers all activities for which the Company is responsible which includes activities carried out by all departments of Vartry and activities outsourced by the Company to a third party.

The internal control processes of Vartry are aligned with the key policies and procedures established and implemented by the Company. These key policies and procedures and internal control processes are regularly reviewed to ensure a continuous improvement.

Vartry's internal controls are composed of permanent controls and the periodic controls as presented in the table below. These two forms of controls are complementary but separated and independent from each other.

Permanent Control	A.1. Controls carried out by operational staff on their operations A.2. Controls carried out by other operational staff (cross checks etc.) A.3. Controls carried out by line managers
	B.1. Controls carried out by permanent control functions within the Company B.2. Controls carried out by permanent control functions independent of the Company
Periodic Controls	C. Controls carried out by Internal Audit

B.4.2. Implementation of the Compliance Function

Compliance Function

Vartry has appointed a Head of Compliance who is responsible for the compliance function as set out in section B.1.1.3 of this report. The Head of Compliance Function has been outsourced to Marsh Management Services (Dublin) Limited.

Compliance Function Responsibilities

The responsibilities of the Compliance Function include:

- identifying and assessing the compliance risks impacting the Company
- assist the Board with ensuring ongoing compliance with legislation and applicable requirements
- enhancing the Company's awareness of compliance matters
- monitor the Company's compliance with insurance legislation and applicable requirements and guidelines
- document any breaches identified, how they were addressed and whether any third party reporting of the breach is required
- ensure that the Board is kept informed of any amendment to the applicable regulations, legislation and guidelines or the addition of any new requirements and the potential impact on the Company
- through its opinions, recommendations, supervision and independent controls provide reasonable assurance of the effectiveness and consistency of the internal processes used to control the compliance of the Company's operations and protect its reputation.
- Provide adequate input to the overall risk management system in respect of compliance risk
- Ensure that the undertaking complies with internal strategies, policies, processes and reporting procedures

The compliance activities are set out in an annual compliance plan prepared by the Head of Compliance which is reviewed by the Audit Committee and Board of Directors. The Head of Compliance is responsible for the compliance plan and monitoring program and reports to the Audit Committee and the Board of Directors.

B.5. Internal Audit Function

B.5.1. Implementation of the Internal Audit Function

Internal Audit Function

The internal audit function is an independent function within Vartry, and constitutes an integral element of the Company's control framework, with a remit to examine and evaluate the functioning, effectiveness and efficiency of the internal control system and all other elements of the system of governance.

The Internal Audit function does not hold any executive responsibilities, other key function responsibilities or any accountability for risk management or systems of internal control, other than to appraise their effectiveness.

Vartry has outsourced its internal audit function to an independent BNP Paribas Group Function as set out in section B.1.1.3 of this report.

Internal Audit Function Responsibilities

The responsibilities of the Internal Audit Function include:

a) Establish, implement and maintain an audit plan setting out the audit work to be undertaken, taking into account all activities and the complete system of governance of the Company
b) Take a risk-based approach in deciding its priorities
c) Report the audit plan to the Audit Committee and if requested by the Audit Committee include assignments which are not included in the audit plan
d) Carry out reviews and submit a written report on its findings and recommendations to the Audit Committee

Oversight of Internal Audit Function

The Board of Vartry has delegated responsibility for overseeing the internal audit function of Vartry to the Company's Audit Committee.

The Audit Committee considers and records as part of their activities the following matters:

a) the independence, skill, experience and competency of its internal audit function and internal audit service providers
b) the terms of reference for the internal audit function
c) the budget to be allocated for internal audit services
d) the effectiveness and adequacy of the internal audit plan as proposed by the internal audit function
e) the arrangements, quality and periodicity of the assurance processes
f) the report of audit assignments received from the internal audit function
g) the adequacy of management's response to audit findings and recommendations

The Audit Committee regularly reviews the organisation, audit plan, audit programme and adequacy of resources to ensure the proper performance of the activities of the internal audit function. The Board and the Audit Committee recognise that from time to time they may request internal audit services from a third party service provider to assist the Company's internal audit function to carry out the reviews required. These engagements are one-off in nature and a separate engagement is agreed with the third party service provider for each individual engagement as applicable.

The Audit Committee through its Chair reports to the Board on the activities of the internal audit function.

B.5.2. Independence of the Internal Audit Function

The effectiveness of the internal audit function 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.

Vartry's Audit Committee, which is composed of a majority of Independent Non-Executive Directors, and Chaired by an Independent Non-Executive Director, ensures that the internal audit function should not be subject to influence from the Board of Directors, Management and Business Functions of the Company that could impair its independence and impartiality.

The internal audit function, along with its BNP Paribas Group reporting responsibilities, reports directly to Vartry's Audit Committee and has direct access to the Chair of the Audit Committee, who is an Independent Non-Executive Director. This reporting structure ensures independence of the internal audit function.

B.6. Actuarial Function

Actuarial Function

Vartry has appointed a Head of Actuarial Function ("HoAF") as set out in section B.1.1.3 of this report. The Head of Actuarial Function has been outsourced to KPMG.

Actuarial Function Responsibilities

The responsibilities of the Actuarial Function include:

a) Coordination of the calculation of technical provisions;
b) Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
c) Assessing the sufficiency and quality of the data used in the calculation of technical provisions;
d) Comparing best estimates against experience;
e) Informing the Board of the reliability and adequacy of the calculation of technical provisions;
f) Expressing an opinion on the overall underwriting policy;
g) Expressing an opinion on the adequacy of reinsurance arrangements; and
h) Contributing to the effective implementation of the risk-management system.

B.7. Outsourcing

Vartry enters into outsourcing arrangements only where there is a sound commercial basis for doing so, and where the risk can be effectively managed.

The Company has established and implemented an outsourcing policy with the objective of:

- establishing effective oversight of outsourced arrangements to ensure that the use of outsourcing within Vartry does not lead to a decline in the quality of internal controls and operational risk management
- ensuring that Vartry considers the additional risks associated with its outsourcing arrangements and enabling Vartry to mitigate the risk inherent with such outsourcing arrangements and control the outsourced functions

Vartry's outsourcing policy sets out the requirements for the following:

- Roles and Responsibilities
- Assessment of Outsourcing Options / Due Diligence
- Outsourced Contract and Service Level Agreement
- Monitoring Outsourced Arrangements
- Business Contingency Plans, including Exit Strategies
- Intra Group Outsourcing
- Regulatory Notifications

The table below presents the critical or important operational functions or activities that Vartry has outsourced together with the jurisdiction in which the service providers of such functions or activities are located.

Description of Functions or Activities	Jurisdiction
Head of Actuarial Function	Ireland
Head of Compliance Function	Ireland
Head of Internal Audit	Ireland
Chief Risk Officer	Ireland
Administration & Management	Ireland
Company Secretary	Ireland
Investment Advisory	UK
Custodian	Ireland
Legal	Ireland
Finance	Ireland
Tax	Ireland
Human Resources	Ireland
Facilities, Security & Business Continuity Management	Ireland

B.8. Any other information

Vartry has assessed its system of governance 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 Profile of Catastrophe Bonds

Vartry executes a strategy of participating in the ILS Market whereby it assumes CAT insurance risks from insurers and reinsurers by investing in a CAT bond portfolio within overall limits set by the Company.

CAT bonds are a means of transferring insurance risks from insurers and reinsurers to the capital markets and provide a means for investors to achieve returns that are uncorrelated with the wider financial market.

The risk transfer mechanism operates through the loss of principal and / or coupon by investors in the event of a significant pre-defined CAT event.

C.1. Underwriting Risk

The Company's current business activity is the accumulation of a portfolio of CAT bonds and as such has no underwriting risks to report on.

C.2. Market Risk

C.2.1. Material Market Risks

Material Market Risks

Vartry defines market risk as the risk of a financial loss (market value and revenue), arising from adverse movements in market parameters which comprise, but are not limited to, foreign exchange rates, bond prices, equity prices, derivatives prices and parameters that can be derived from the previous ones such as interest rates, credit spreads, implied volatility or implied correlation.

The Company is exposed to market risk on:

- its CAT bond investment portfolio
- its assets and liabilities denominated in foreign currencies which are exposed to currency risk

The Company's material market risk exposures relate to:

i. CAT bonds - Equity risk
   - The Standard Formula considers the application of the equity risk charge as appropriate for asset classes structured as SPV's which is how the CAT bond portfolio is classified. Therefore, all CAT bonds held are classified as Type II equity when applying the Standard Formula.

ii. CAT bond Price Volatility
   - Vartry is exposed to market price volatility on the CAT bonds during the lifetime of a bond. This is notwithstanding that Vartry's overall investment strategy is to hold CAT bonds to maturity and unless a trigger event occurs Vartry should receive 100% of its investment at maturity with any fair value unrealised gains/losses previously booked unwinding.
   - CAT bond secondary market prices can fluctuate throughout the term of a bond because:
     - Natural perils, particularly hurricanes, have distinct seasonal exposure patterns which are reflected in the secondary market pricing. It is often the case that prices fall in a hurricane season and rise when CAT bonds come off risk as the season closes.

- Changes in the aggregate supply and demand of the market, for example, prices in the secondary market can be depressed by an influx of new, better priced cat bonds

iii. Credit risk associated with CAT bond collateral

- CAT bonds are fully collateralised with strict collateral rules designed to limit credit risks.
- Credit risk exposure on the collateral is in two parts:
  i. invested principal
  ii. quarterly collateral return i.e. floating rate element of the coupon
- The cash raised by the CAT bond's initial issuance is typically held as collateral in AAA rated securities.

iv. Currency risk on net assets and liabilities

- Vartry is exposed to currency risk on its net assets and liabilities denominated in foreign currencies which is primarily driven by its investment in USD denominated CAT bonds
- The Company is also exposed, but to a very limited extent, to currency risk on British Pound (GBP), Japanese Yen (JPY) and Swiss Franc (CHF) investments in CAT bonds.

As commented on previously in this report, the Company is exposed to increased risk arising from more pronounced mark-to-market price volatility as a result of the events in Q3 2017. The Board have taken full account of this in the 2017 ORSA process and the Company's internal capital holding benchmark is to increase as a result, with the support of its shareholder. As price volatility is the key risk that impacts most significantly on the Company's internal capital requirement benchmark, the Board keep this under regular review through its Risk Committee. In all other respects, there is no material change in the Company's market risk exposure over the business planning time horizon. See commentary in previous sections.

Market Risk Concentrations

Considering the material market risk exposures presented above it is noted that the Company's business activity is concentrated on the accumulation of a CAT bond portfolio. However, noting that point the Company continues to hold a well-diversified CAT bond portfolio to ensure there is no over concentration of material market risks.

C.2.2. Investments and Prudent Person Principle as applied to Market Risks

Vartry applies the prudent person principle when managing the Company's market risk exposure by adhering to the requirements of the Board approved risk appetite for its CAT bond investment activities which stipulates:

- Due diligence process to be adhered to when considering a new investment opportunity
- The aggregate portfolio limits and sub limits that must be complied with to ensure a well-diversified portfolio with no over concentration to a particular risk

C.2.3. Assessment and Risk Mitigation Techniques used for Market Risks

Vartry has implemented an effective process for assessing and mitigating market risk which includes the following key elements:

- CAT Bonds
    - Investment Advisor
        - Vartry has engaged an Investment Advisor to assist with implementing the strategy of investing in CAT bonds
    - Investment Limits
        - Investments in CAT bonds are accepted up to a maximum aggregate portfolio limit and individual sub limits by CAT peril set by the Board of Directors.
        - Compliance with the investment limits set are monitored on a daily basis by the Risk Management Function
    - Investment Due Diligence
        - Each CAT bond investment is subject to fundamental bottom-up analysis on a standalone basis. This process is supplemented by a top-down portfolio assessment where the aggregate of all assumed risks are analysed. Comprehensive risk management and monitoring are applied to ensure that capacity is directed to the most attractive segments of the market.
        - All individual CAT bond investments must be approved by Vartry's Board or one of the two appointed Delegated Agents of the Board, who are both Executive Directors of Vartry, within their delegated authorities approved by the Board.
    - Collateral
        - All the CAT bonds held by the Company are fully collateralised with strict collateral rules designed to limit risk.
        - Vartry ensures a thorough review of the collateral structure of each CAT bond prior to investment and the on-going monitoring of the collateral arrangements while the bond is held.
    - Price Volatility
        - Vartry is exposed to market price volatility on the CAT bonds during the lifetime of a bond. This is notwithstanding that the Company's overall investment strategy is to hold CAT bonds to maturity and unless a trigger event occurs Vartry should receive 100% of its investment at maturity with any fair value unrealised gains/losses previously booked unwinding.
    - Limited recourse funding facility
        - Vartry has funded its CAT bond investment activities through a limited recourse loan facility with BNP Paribas Ireland Unlimited Company.
- Currency Risk
    - Matching of foreign currency assets and liabilities thus minimising currency risk
    - Net monthly foreign currency income is hedged through the use of spot foreign exchange transactions.

The risk mitigation strategies and policies outlined above are reviewed quarterly by the Board as required to ensure that they are still effective and appropriate for the risk profile of the Company.

There were no material changes to the strategies, policies and processes for mitigating this risk during this reporting period.

C.2.4. Risk Sensitivity for Market Risks

Considering the effectiveness of the risk mitigation strategies in place the Company's primary risk sensitivity is to fair value movements in the CAT bond portfolio. Vartry carries out stress and scenario testing as part of the ORSA process which includes stress testing for adverse movement in the fair value of CAT bond investments.

C.3. Credit Risk

C.3.1. Material Credit Risks

Material Credit Risks

Vartry defines credit risk as the risk of loss, or of adverse change in the financial situation resulting from fluctuations in the credit standing of counterparties and any debtors Vartry is exposed.
Vartry has limited appetite for accepting credit risk which it recognises is a risk inherent in its business activities and cannot be fully eliminated. Vartry accepts exposure to credit risk to the extent that the acceptance of the risk optimises the business performance against objectives.

The Company's exposure to credit risk is considered to be low and its credit risk exposures relate to:

i. Cash and cash equivalents
   - Currently all the Company's cash and cash equivalents are held on demand with BNP Paribas Group companies

ii. Credit risk associated with CAT bond Sponsors
   - Credit risk to CAT bond Sponsors relates to the payment of the fixed spread element of the coupon

The following tables provide information regarding the aggregated credit risk exposure, based on credit quality steps, relating to the Company's material credit risk exposures at 31st December 2017 and 31st December 2016.

31st December 2017 EUR'000s	Total	Credit Quality Step							
		0	1	2	3	4	5	6	9
Cash and Cash Equivalents	4,151	-	-	4,151	-	-	-	-	-
Accrued CAT Bond Coupon	2,216	-	334	1,594	146	32	-	-	110

31st December 2016 EUR'000s	Total	Credit Quality Step							
		0	1	2	3	4	5	6	9
Cash and Cash Equivalents	3,575	-	-	3,575	-	-	-	-	-
Accrued CAT Bond Coupon	2,440	-	853	1,357	66	32	-	-	133

The following table details the mapping of Standard and Poor's ("S&P"), Moody's and Fitch issuer ratings scale to the equivalent Credit Quality Step ("CQS").

Credit Quality Step	S&P Rating	Moody's Rating	Fitch Rating
1	AAA	Aaa	AAA
1	AA	Aa	AA
2	A	A	A
3	BBB	Baa	BBB
4	BB	Ba	BB
5	B	B	B
6	CCC	Caa	CCC
6	CC	Ca	CC
6	N/A	C	C
9	Not rated	Not rated	Not rated

No amounts due at 31st December 2017 were classed as past due, impaired or aged greater than three months.

There were no material changes in the Company's credit risk exposure in the reporting period.

Credit Risk Concentration

The Company does not have any material concentration of credit risk exposures.

C.3.2. Prudent Person Principle applied to Credit Risks

Vartry applies the prudent person principle when managing the Company's credit risk exposure to counterparties by:

- Only placing cash and cash equivalents on call with financial institutions with strong credit ratings.
- Noting that credit risk exposure to the Sponsors of CAT bonds is considered to be low as the Company's has invested in multiple CAT bonds with multiple different Sponsors with strong credit ratings.

C.3.3. Assessment and Risk Mitigation Techniques used for Credit Risks

Vartry has implemented an effective process for assessing and mitigating credit risk which includes the following key elements:

- Credit risk exposure to financial institutions is managed by adherence to the Board approved investment policy which includes that cash deposits should only be placed with financial institutions that have a minimum Standard & Poors credit rating of A-.
- Credit risk associated with CAT bond Sponsors is minimal and typically limited to 3 months of coupon
    - If a Sponsor defaults on a coupon payment, the bond will mature early at par with no further risk exposure
    - Typically the Sponsors of a CAT bond are large (re)insurance undertakings with strong credit ratings.

There were no material changes to the strategies, policies and processes for managing this risk during the reporting period.

C.3.4. Risk Sensitivity for Credit Risks

Given that credit risk is not a material risk for the Company; no specific risk sensitivity is provided.

C.4. Liquidity Risk

C.4.1. Material Liquidity Risks

Material Liquidity Risks

Vartry defines liquidity risk as the risk of not being able to fund its cash flow requirements as they fall due arising from the company holding insufficient liquid or other financial resources.

The Company's exposure to liquidity risk is considered to be low and its liquidity risk exposures primarily relate to:

i. Amounts due on limited recourse loans payable to BNP Paribas Ireland Unlimited Company
ii. Amounts due to suppliers of services

There were no material changes in the Company's liquidity risk exposure in the reporting period.

Liquidity Risk Concentrations

The Company's material liability, and any related liquidity risk, relates to the loans payable amount which is all due to Vartry sole shareholder, BNP Paribas Ireland Unlimited Company.

C.4.2. Prudent Person Principle as applied to Liquidity Risks

Vartry applies the prudent person principle when managing the Company's liquidity risk by:

- Ensuring a sizeable level of cash funding is held on call in bank accounts at all times
- Noting that the investment portfolio is composed entirely of marketable securities

C.4.3. Assessment and Risk Mitigation Techniques used for Liquidity Risks

Vartry has no appetite for liquidity risk and being unable to meet liabilities as they fall due and has implemented an effective process for managing liquidity risk which includes the following key elements:

- A sizeable level of funding is maintained as cash in bank accounts at all times
- The investment portfolio is composed entirely of marketable securities

There were no material changes to the strategies, policies and processes for managing this risk during the reporting period.

C.4.4. Expected Profit included in Future Premiums

Not applicable as the Company's current business activity is the accumulation of a portfolio of CAT bonds and as such has no underwriting activities.

C.4.5. Risk Sensitivity for Liquidity Risks

Given that liquidity is not a material risk for the Company, no specific risk sensitivity is provided.

C.5. Operational Risk

C.5.1. Material Operational Risks

Material Operational Risks

Vartry defines operational risk as the risk of loss resulting from inadequate or failed processes, people and systems or from external events (whether deliberate, accidental or triggered by natural occurrence).

Vartry has limited appetite for accepting operational risk which it recognises is a risk inherent in its business activities and cannot be fully eliminated. The Company's material operational risk exposures relate to:

i. Outsourcing - risk of failure, non-performance, ineffective management and/or oversight of an outsourced service provider
ii. Execution, Delivery and Process Management - risk to a service provision arising from a failure to carry out operational processes in an accurate, timely and complete manner
iii. People - risk of inadequate recruitment practices, development, management or retention of employees

There were no material changes in the Company's operational risk exposure in the reporting period.

Operational Risk Concentrations

The Company does not have any material concentration of operational risk exposures.

C.5.2. Assessment and Risk Mitigation Techniques used for Operational Risks

Vartry has implemented an effective process for managing operational risk:

- by establishing an internal control system that covers all activities for which the Company is responsible which includes activities carried out by all departments of Vartry and activities outsourced by the Company to a third party
- by ensuring that the internal control processes of Vartry are aligned with the key policies and procedures established and implemented by the Company. These key policies and procedures and internal control processes are regularly reviewed to ensure a continuous improvement.

There were no material changes to the strategies, policies and processes for managing this risk during the reporting period.

C.5.3. Risk Sensitivity for Operational Risks

During the ORSA process a qualitative assessment of material operational risks is carried out by assessing the impact of a number of scenarios that could impact on the Company. This allows the Company to assess its risk mitigation plans and develop contingency plans as applicable.

C.6. Other Material Risks

Compliance Risk

Vartry defines compliance risk as the risk of legal, administrative or disciplinary sanctions, together with the financial loss that the company may suffer as a result of its failure to comply with all the laws, regulations, codes of conduct and standards of good practice applicable to insurance and financial activities (including instructions given by the Board, particularly in application of guidelines issued by a supervisory body).

Vartry has no appetite for failure to comply with legal or regulatory requirements and has implemented an effective process for managing compliance risk which includes the following key elements:

- By established a compliance function with an appointed Head of Compliance
- By ensuring that intended compliance activities are set out in an annual compliance plan prepared by the Head of Compliance which is reported on at each quarterly Board meeting
- By engaging an external tax advisory firm to assist and advise Vartry with ongoing tax compliance matters. In addition specific tax reviews and studies are carried out, with the assistance of expert advisors, on specific tax topics as required.

C.7. Any Other Information

There is no other information to disclose.

D. VALUATION FOR SOLVENCY PURPOSES

D.1. Assets

D.1.1. Valuation for each Material Class of Asset

The following table presents a summary of the Solvency II valuation of each material class of asset compared to the Statutory Accounts at 31st December 2017 and at 31st December 2016 which are prepared on an Irish GAAP basis.

Assets EUR'000s	31-Dec-17			31-Dec-16		
	Solvency II Valuation	Statutory Accounts Valuation	Difference	Solvency II Valuation	Statutory Accounts Valuation	Difference
Structured notes	300,834	298,618	(2,216)	363,124	360,684	(2,440)
Receivables (trade, not insurance)	486	486	-	296	296	-
Cash and cash equivalents	4,151	4,151	-	3,575	3,575	-
Any other assets, not elsewhere shown	-	2,216	2,216	-	2,440	2,440
Total	**305,471**	**305,471**	**-**	**366,995**	**366,995**	**-**

Refer to section A.1.8 of this report for information on the impact on the investment activities of the Company arising from the Q3 2017 Hurricane Events. During this period the Company undertook strategic disposals of certain CAT bonds held as part of an overall risk mitigation plan to inhibit the overall effect of the general mark-to-market conditions on the Company more broadly. These disposals are the driver in the reduction of the total value of Structured Notes at 31st December 2017 compared to 2016.

The following describes the bases, methods and main assumptions used by the Company for the valuation of each material class of asset for solvency purposes:

- Structured Notes
  - Structures notes held are CAT bonds, valued in an active market with daily prices available.
  - No significant estimates or judgements are used in the valuation of these investments, as the structured notes are valued at market available prices.

- Receivables (trade, not insurance)
  - Receivables (trade, not insurance) are carried at cost, which is the fair value of the consideration to be received in the future.
  - No significant estimates or judgements are used in the valuation of these investments.

- Cash and cash equivalents
  - Cash and cash equivalents represent balances held in bank accounts at the BNP Paribas Group.
  - Cash and cash equivalents are valued at fair value by the relevant financial institution, and the Company receives statements to confirm the balances held.
  - No significant estimates or judgements are used in the valuation of these investments.

The Company:

- Does not have any recognised deferred tax assets
- Does not have any intangible assets
- Is not party to any financial and/or operating leases

- As a 100% sole member owned company Vartry does not have any related undertakings that it has control of or an obligation to report results on.

There were no changes to the recognition and valuation bases used by the Company for the valuation of assets for solvency purposes during the reporting period.

D.1.2. Solvency II and Statutory Accounts Valuation Differences by Material Class of Assets

There is no difference between the valuation bases, methods and main assumptions used by the Company for the valuation of assets for solvency purposes and those used for their valuation in the Statutory Accounts.

Note that for the Statutory Accounts accrued interest on structured notes is included as 'Any other asset, not elsewhere shown' in the table at section D.1.1 above. This is because accrued interest on structured notes is included as 'other prepayments and accrued income' for the Statutory Accounts. For Solvency II, this accrued interest amount is not reported as a separate item but included in the overall valuation of the structured notes reported.

D.2. Technical provisions

Considering its current business activities there is no requirement for Vartry to hold technical provisions in its Statutory Accounts or its Solvency II Balance Sheet.

D.3. Other liabilities

D.3.1. Valuation for each Material Class of Other Liabilities

The following table presents a summary of the Solvency II valuation of each material class of other liabilities compared to the Statutory Accounts at 31st December 2017 and at 31st December 2016 which are prepared on an Irish GAAP basis.

Other Liabilities EUR'000s	31-Dec-17			31-Dec-16		
	Solvency II Valuation	Statutory Accounts Valuation	Difference	Solvency II Valuation	Statutory Accounts Valuation	Difference
Deferred tax liabilities	125	125	-	382	188	(194)
Loans payable	286,595	285,969	(626)	343,480	342,949	(531)
Payables (trade, not insurance)	159	159	-	162	162	-
Any other liabilities, not elsewhere shown	1,584	2,210	626	1,801	2,332	531
Total	**288,463**	**288,463**	**-**	**345,825**	**345,630**	**(194)**

Refer to section D.1.1 of this report for details in the reduction of Structured Notes investments at 31st December 2017 compared to 2016. This reduction in investments is the driver of the reduction in Loans Payable at 31st December 2017 when compare to 2016, as the Loans Payable fund the investment activities of the Company.

The following describes the bases, methods and main assumptions used by the Company for the valuation of each material class of other liabilities for solvency purposes:

- Deferred tax liabilities
  - Deferred tax liabilities are recognised on all timing differences that have originated at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future have occurred at the balance sheet date.

- Deferred Tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date.
- No significant estimates or judgements are used in the valuation of these investments.

- Loans payable
  - Loan amounts payable balances represent amounts due to the Company's sole shareholder.
  - The amounts payable are recognised and carried at the original loan amount which is the fair value of the consideration to be paid in the future, save in circumstances where due to any material bond impairment arising that is not likely to reverse, the Company is only liable to repay the sole shareholder to the extent of what it can recover from the impaired bonds and amounts payable are stated at the assessed NRV.
  - No significant estimates or judgements are used in the valuation of these investments.

- Payables (trade, not insurance)
  - Payables (trade, not insurance) are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not invoiced to the Company.
  - No significant estimates or judgements are used in the valuation of these investments.

- Any other liabilities, not elsewhere shown
  - Any other liabilities, not elsewhere shown represent amounts due to Group companies
  - The amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for services received, whether or not invoiced to the Company.

The Company is not exposed to:
- Liabilities for financial and operating leases
- Liabilities for employee benefits

There were no changes to the recognition and valuation bases used by the Company for the valuation of other liabilities for solvency purposes during the reporting period.

D.3.2. Solvency II and Statutory Accounts Valuation Differences by Material Class of Other Liabilities

There is no difference between the valuation bases, methods and main assumptions used by the Company for the valuation of other liabilities for solvency purposes and those used for their valuation in the Statutory Accounts.

Note that for the Statutory Accounts accrued interest due on loans payable is included as 'other creditors'. For the table at section D.3.1 above this accrued interest due on loans payable from the Statutory Accounts is included as 'Any other liabilities, not elsewhere shown'. However, for Solvency II this accrued interest amount due is not reported as a separate item but included in the overall valuation of the loans payable reported.

D.4. Alternative methods for valuation

The Company does not use any alternative methods for valuation.

D.5. Any other information

Refer to the appendices of this report for the following quantitative reporting templates:
- S.02.01.02 – Balance Sheet

- S.05.01.02 - Premiums, claims and expenses by line of business
- S.05.02.01 - Premiums, claims and expenses by country

Note that as stated in section D.2 of this report Vartry does not hold technical provisions in its Statutory Accounts or its Solvency II Balance Sheet and therefore the technical provisions quantitative reporting templates are not reported.

There is no other material information regarding the valuation of assets and liabilities for solvency purposes.

E. CAPITAL MANAGEMENT

E.1. Own funds

E.1.1. Information on the Objectives, Policies and Processes for Managing Own Funds

Capital Management Objective

Vartry seeks at all times to hold sufficient eligible capital over its business planning time horizon of 3 years:

- to meet its current and projected business activities
- to ensure it can continue its business on a going concern basis
- to comply with the regulatory requirements set by the Central Bank of Ireland
- to maximise the return to its sole shareholder

The Board has determined for its risk appetite that Vartry should always hold own funds at a higher level than the Solvency Capital Requirement to ensure that the Company is always holding surplus own funds.

Dividends

As part of its capital management strategy the Company considers on an annual basis its ability to pay a dividend to its sole shareholder, BNP Paribas Ireland Unlimited Company.

The dividend policy of the Company is to pay on an annual basis a dividend corresponding to the retained realised earnings of its statutory accounts at the previous year end. A dividend 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 acceptable risk appetite tolerance limit for solvency margin cover.

Prior to declaring any dividends, the Company will obtain the necessary approvals from its Board and Shareholder as required.

Monitoring and Reporting

Vartry's solvency position is assessed at each quarter end and reported to Management, Risk Committee and the Board of Directors.

The Company's Board approved risk appetite statement contains a trigger monitoring and reporting framework based on risk appetite tolerance limits (acceptable, warning, immediate action and material deviation) which is used to signal activities and the escalation of reporting requirements. The risk appetite statement contains tolerance limits for solvency margin cover.

As part of its annual Own Risk and Solvency Assessment the Board considers the following over the business planning time horizon of 3 years:

- the capital management plan
- the application of the dividend policy
- the scenarios that could trigger it seeking capital from its sole shareholder

E.1.2. Own Funds classified by Tiers

The tables below presents own funds at 31st December 2017 and 2016 by tiers. All the Company's own funds are classified as tier 1 unrestricted.

Tier 1 Unrestricted - Own Funds (EUR'000s)	Opening Balance at 01/01/2017	Movement in Period	Closing Balance at 31/12/2017
Ordinary Share Capital	3,000	-	3,000
Share premium account related to ordinary share capital	9,000	-	9,000
Reconciliation Reserve	9,170	(4,162)	5,008
Total Tier 1 Unrestricted Own Funds	**21,170**	**(4,162)**	**17,008**

The following table summarises the decrease in own fund items of EUR4.2m in the period which is due to the following movements on the reconciliation reserve.

Movement in Reconciliation Reserve in Period (EUR'000s)	
Dividend paid in 2017	(5,400)
Retained earnings for year ended 31/12/2017	1,043
Other differences in the period on the valuation of assets, technical provisions and other liabilities on the adjustment from the Statutory Accounts to Solvency II for solvency purposes	-
IFRS deferred tax adjustment	194
Movement in Reconciliation Reserve	**(4,162)**

E.1.3. Eligibility of Own Funds

The Company's own funds are all classified as tier 1 unrestricted and are available to cover the Solvency Capital Requirement ("SCR") and Minimum Capital Requirement ("MCR").

None of the Company's own fund items are subject to transitional arrangements and the Company has no ancillary own funds. No deductions are applied to own funds items and there are no restrictions affecting their availability and transferability.

E.1.4. Material difference between Equity as shown in the Financial Statements and the Excess of Assets over Liabilities calculated for solvency purposes

The tables below presents the material difference between equity as shown in the financial statements prepared on an Irish GAAP basis and the excess of assets over liabilities calculated for solvency purposes at 31st December 2017 and at 31st December 2016.

Own Funds 31st December 2017 (EUR'000s)	Statutory Accounts Balance Sheet Equity	Adjustments for Solvency Purposes	Solvency II Balance Sheet Excess of Assets over Liabilities
Ordinary Share Capital	3,000	-	3,000
Share premium account related to ordinary share capital	9,000	-	9,000
Retained Earnings	5,008	-	5,008
Difference in the valuation of assets	-	-	-
Difference in the valuation of technical provisions	-	-	-
Difference in the valuation of other liabilities	-	-	-
Total	**17,008**	**-**	**17,008**

Reconciliation Reserve

The table below presents the reconciliation reserve which comprises the excess of assets over liabilities of the Solvency II Balance Sheet less issued share capital and related share premium account.

Reconciliation Reserve	EUR'000s
Solvency II Balance Sheet - Excess of assets over liabilities	17,008
Ordinary Share Capital	(3,000)
Share premium account related to ordinary share capital	(9,000)
Reconciliation Reserve	**5,008**
Represented by	
Difference in the valuation of assets	-
Difference in the valuation of technical provisions	-
Difference in the valuation of other liabilities	-
Retained earnings from Statutory Accounts	5,008
Reconciliation Reserve	**5,008**

Adjustment for Solvency Purposes

As per the table above there is no adjustment for solvency purposes in the transition from Statutory Accounts Balance Sheet to Solvency II Balance Sheet.

E.2. Solvency Capital Requirement and Minimum Capital Requirement

E.2.1. Amount of Solvency Capital Requirement and Minimum Capital Requirement

The table below presents the SCR and MCR at 31st December 2017 and at 31st December 2016.

Capital Requirement (EUR'000s)	Dec-17	Dec-16
Solvency Capital Requirement	1,621	1,935
Minimum Capital Requirement	3,600	3,600

There has been a marginal reduction in the SCR due to a reduction in the Company's currency risk, included in the SCR Market Risk Module, as presented in the table at section E.2.2 of this report.

E.2.2. Solvency Capital Requirement split by Risk Modules

The table below presents the SCR at 31st December 2017 and at 31st December 2016 split by risk modules.

SCR Risk Modules (EUR'000s)	Dec-17	Dec-16
Market Risk	1,410	1,729
Counterparty Default Risk	353	312
Life Underwriting Risk	-	-
Health Underwriting Risk	-	-
Non-Life Underwriting Risk	-	-
Diversification	(226)	(209)
Basic Solvency Capital Requirement	**1,537**	**1,832**
Operational Risk	316	379
Loss Absorbing Capacity of Deferred Taxes	(232)	(276)
Solvency Capital Requirement	**1,621**	**1,935**

Undertaking specific parameters or simplified calculations are not used for any of the risk modules or sub-modules.

E.2.3. Inputs used to calculate the Minimum Capital Requirement

The table below shows the inputs into the MCR calculation as at 31st December 2017 and at 31st December 2016.

Overall MCR Calculation (EUR'000s)	Dec-17	Dec-16
Linear MCR	-	-
SCR	1,621	1,935
MCR cap	730	871
MCR floor	405	484
Combined MCR	405	484
Absolute floor of the MCR	3,600	3,600
Minimum Capital Requirement	**3,600**	**3,600**

The Absolute Minimum Capital Requirement ("AMCR") continues to apply.

E.2.4. Material Changes to the Solvency Capital Requirement and to the Minimum Capital Requirement

There was no material change to the SCR and to the MCR for the reporting period ended 31st December 2017.

E.3. Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

Vartry uses the Standard Formula to calculate its SCR and MCR and does not use the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement.

E.4. Differences between the Standard Formula and any Internal Model Used

Vartry uses the Standard Formula, and not an internal model, to calculate its SCR and MCR.

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

There were no instances of non-compliance with the MCR and the SCR for Vartry during the reporting period ended 31st December 2017.

E.6. Any other information

Vartry uses the Standard Formula for its regulatory solvency capital requirement assessment. However, the Board of Vartry has concluded that elements of the Standard Formula do not specifically address the treatment of risks associated with the CAT bonds held by the Company and have therefore approved the use of an alternative risk assessment basis for the calculation of the overall solvency needs of the ORSA.

The Solvency II capital management target for risk appetite, approved by the Board states that if the ORSA alternative risk assessment basis results in a higher capital requirement than the Standard Formula requirement then the ORSA capital requirement will apply and be held. As noted in section A.1.8 of this report it is expected that the Board of Directors will in Q2 2018 request the Shareholder to make a capital injection to the Company to further strengthen the Company's capital base and the Shareholder has expressed its willingness to support the articulated Board capital plan.

Refer to the appendices to this report for the following quantitative reporting templates:

- S.23.01.01 – Own Funds
- S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
- S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

APPENDIX 1 – QUANTITATIVE REPORTING TEMPLATES - 31 DECEMBER 2017

S.02.01.02
Balance sheet (EUR'000s)

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	-
Deferred tax assets	**R0040**	-
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**	300,834
Property (other than for own use)	**R0080**	-
Holdings in related undertakings, including participations	**R0090**	-
Equities	**R0100**	-
Equities - listed	**R0110**	-
Equities - unlisted	**R0120**	-
Bonds	**R0130**	300,834
Government Bonds	**R0140**	-
Corporate Bonds	**R0150**	-
Structured notes	**R0160**	300,834
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**	-
Loans on policies	**R0240**	-
Loans and mortgages to individuals	**R0250**	-
Other loans and mortgages	**R0260**	-
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**	-
Reinsurance receivables	**R0370**	-
Receivables (trade, not insurance)	**R0380**	486
Own shares (held directly)	**R0390**	-
Amounts due in respect of own fund items or initial fund called up but not yet	**R0400**	-
Cash and cash equivalents	**R0410**	4,151
Any other assets, not elsewhere shown	**R0420**	-
Total assets	**R0500**	305,471

S.02.01.02
Balance sheet (EUR'000s)

		Solvency II value
Liabilities		**C0010**
Technical provisions – non-life	**R0510**	-
Technical provisions – non-life (excluding health)	**R0520**	-
TP calculated as a whole	**R0530**	-
Best Estimate	**R0540**	-
Risk margin	**R0550**	-
Technical provisions - health (similar to non-life)	**R0560**	-
TP 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**	-
TP calculated as a whole	**R0620**	-
Best Estimate	**R0630**	-
Risk margin	**R0640**	-
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	-
TP calculated as a whole	**R0660**	-
Best Estimate	**R0670**	-
Risk margin	**R0680**	-
Technical provisions – index-linked and unit-linked	**R0690**	-
TP 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**	125
Derivatives	**R0790**	-
Debts owed to credit institutions	**R0800**	-
Financial liabilities other than debts owed to credit institutions	**R0810**	286,595
Insurance & intermediaries payables	**R0820**	-
Reinsurance payables	**R0830**	-
Payables (trade, not insurance)	**R0840**	159
Subordinated liabilities	**R0850**	-
Subordinated liabilities not in BOF	**R0860**	-
Subordinated liabilities in BOF	**R0870**	-
Any other liabilities, not elsewhere shown	**R0880**	1,584
Total liabilities	**R0900**	288,463
Excess of assets over liabilities	**R1000**	17,008

S.05.01.02
Premiums, claims and expenses by line of business (EUR'000s)

		Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional**								
		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
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**
Premiums written										
Gross - Direct Business	**R0110**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0120**	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	**R0130**									
Reinsurers' share	**R0140**	-	-	-	-	-	-	-	-	-
Net	**R0200**	-	-	-	-	-	-	-	-	-
Premiums earned										
Gross - Direct Business	**R0210**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0220**	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	**R0230**									
Reinsurers' share	**R0240**	-	-	-	-	-	-	-	-	-
Net	**R0300**	-	-	-	-	-	-	-	-	-
Claims incurred										
Gross - Direct Business	**R0310**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0320**	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	**R0330**									
Reinsurers' share	**R0340**	-	-	-	-	-	-	-	-	-
Net	**R0400**	-	-	-	-	-	-	-	-	-
Changes in other technical provisions										
Gross - Direct Business	**R0410**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0420**	-	-	-	-	-	-	-	-	-
Gross - Non- proportional reinsurance accepted	**R0430**									
Reinsurers'share	**R0440**	-	-	-	-	-	-	-	-	-
Net	**R0500**	-	-	-	-	-	-	-	-	-
Expenses incurred	**R0550**	-	-	-	-	-	-	-	-	-
Other expenses	**R1200**									
Total expenses	**R1300**									

		Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)**			Line of business for: **accepted non-proportional reinsurance**				Total
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written									
Gross - Direct Business	**R0110**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0120**	-	-	-					-
Gross - Non-proportional reinsurance accepted	**R0130**				-	-	-	-	
Reinsurers' share	**R0140**	-	-	-	-	-	-	-	-
Net	**R0200**	-	-	-	-	-	-	-	-
Premiums earned									
Gross - Direct Business	**R0210**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0220**	-	-	-					-
Gross - Non-proportional reinsurance accepted	**R0230**				-	-	-	-	-
Reinsurers' share	**R0240**	-	-	-	-	-	-	-	-
Net	**R0300**	-	-	-	-	-	-	-	-
Claims incurred									
Gross - Direct Business	**R0310**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0320**	-	-	-					-
Gross - Non-proportional reinsurance accepted	**R0330**				-	-	-	-	-
Reinsurers' share	**R0340**	-	-	-	-	-	-	-	-
Net	**R0400**	-	-	-	-	-	-	-	-
Changes in other technical provisions		-	-	-	-	-	-	-	-
Gross - Direct Business	**R0410**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0420**	-	-	-					-
Gross - Non- proportional reinsurance accepted	**R0430**				-	-	-	-	-
Reinsurers'share	**R0440**	-	-	-	-	-	-	-	-
Net	**R0500**	-	-	-	-	-	-	-	-
Expenses incurred	**R0550**	-	-	-	-	-	-	-	-
Other expenses	**R1200**								7,823
Total expenses	**R1300**								7,823

S.05.01.02
Premiums, claims and expenses by line of business (EUR'000s)

		Line of Business for: **life insurance obligations**						**Life reinsurance obligations**		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health	Health reinsurance	Life reinsurance	
		C0210	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0300**
Premiums written										
Gross	**R1410**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1420**	-	-	-	-	-	-	-	-	-
Net	**R1500**	-	-	-	-	-	-	-	-	-
Premiums earned										
Gross	**R1510**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1520**	-	-	-	-	-	-	-	-	-
Net	**R1600**	-	-	-	-	-	-	-	-	-
Claims incurred										
Gross	**R1610**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1620**	-	-	-	-	-	-	-	-	-
Net	**R1700**	-	-	-	-	-	-	-	-	-
Changes in other technical provisions										
Gross	**R1710**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1720**	-	-	-	-	-	-	-	-	-
Net	**R1800**	-	-	-	-	-	-	-	-	-
Expenses incurred	**R1900**	-	-	-	-	-	-	-	-	-
Other expenses	**R2500**									-
Total expenses	**R2600**									-

S.05.02.01
Premiums, claims and expenses by country (EUR'000s)

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
	R0010		-	-	-	-	-	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written								
Gross - Direct Business	R0110	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	-	-
Premiums earned								
Gross - Direct Business	R0210	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	-	-
Claims incurred								
Gross - Direct Business	R0310	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	-	-
Changes in other technical provisions								
Gross - Direct Business	R0410	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	-
Gross - Non- proportional reinsurance accepted	R0430	-	-	-	-	-	-	-
Reinsurers'share	R0440	-	-	-	-	-	-	-
Net	R0500	-	-	-	-	-	-	-
Expenses incurred	R0550	-	-	-	-	-	-	-
Other expenses	R1200							7,823
Total expenses	R1300							7,823

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
	R1400		-	-	-	-	-	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
Gross	R1410	-	-	-	-	-	-	-
Reinsurers' share	R1420	-	-	-	-	-	-	-
Net	R1500	-	-	-	-	-	-	-
Premiums earned								
Gross	R1510	-	-	-	-	-	-	-
Reinsurers' share	R1520	-	-	-	-	-	-	-
Net	R1600	-	-	-	-	-	-	-
Claims incurred								
Gross	R1610	-	-	-	-	-	-	-
Reinsurers' share	R1620	-	-	-	-	-	-	-
Net	R1700	-	-	-	-	-	-	-
Changes in other technical provisions								
Gross	R1710	-	-	-	-	-	-	-
Reinsurers' share	R1720	-	-	-	-	-	-	-
Net	R1800	-	-	-	-	-	-	-
Expenses incurred	R1900	-	-	-	-	-	-	-
Other expenses	R2500							-
Total expenses	R2600							-

S.23.01.01

Own funds (EUR'000s)

		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 (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	3,000	3,000		-	
Share premium account related to ordinary share capital	R0030	9,000	9,000		-	
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	5,008	5,008			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
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	17,008	17,008	-	-	-
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	17,008	17,008	-	-	-
Total available own funds to meet the MCR	R0510	17,008	17,008	-	-	
Total eligible own funds to meet the SCR	R0540	17,008	17,008	-	-	-
Total eligible own funds to meet the MCR	R0550	17,008	17,008	-	-	
SCR	R0580	1,621				
MCR	R0600	3,600				
Ratio of Eligible own funds to SCR	R0620	10.49				
Ratio of Eligible own funds to MCR	R0640	4.72				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	17,008
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	12,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	5,008
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	-

S.25.01.21
Solvency Capital Requirement - for undertakings on Standard Formula (EUR'000s)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	1,411		-
Counterparty default risk	R0020	353		
Life underwriting risk	R0030	-	-	-
Health underwriting risk	R0040	-	-	-
Non-life underwriting risk	R0050	-	-	-
Diversification	R0060	(226)		
Intangible asset risk	R0070	-		
Basic Solvency Capital Requirement	R0100	1,538		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	316
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	(232)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency capital requirement excluding capital add-on	R0200	1,621
Capital add-on already set	R0210	-
Solvency capital requirement	R0220	1,621
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 Requirement for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (EUR'000s)

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCR_{NL} Result	R0010	-

		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	-	-
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	-
SCR	R0310	1,621
MCR cap	R0320	730
MCR floor	R0330	405
Combined MCR	R0340	405
Absolute floor of the MCR	R0350	3,600
		C0070
Minimum Capital Requirement	R0400	3,600

APPENDIX 2 – QUANTITATIVE REPORTING TEMPLATES – 31 DECEMBER 2016

S.02.01.02
Balance sheet (EUR'000s)

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	-
Deferred tax assets	**R0040**	-
Pension benefit surplus	**R0050**	-
Property, plant & equipement held for own use	**R0060**	-
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	363,124
Property (other than for own use)	**R0080**	-
Holdings in related undertakings, including participations	**R0090**	-
Equities	**R0100**	-
Equities - listed	**R0110**	-
Equities - unlisted	**R0120**	-
Bonds	**R0130**	363,124
Government Bonds	**R0140**	-
Corporate Bonds	**R0150**	-
Structured notes	**R0160**	363,124
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**	-
Loans on policies	**R0240**	-
Loans and mortgages to individuals	**R0250**	-
Other loans and mortgages	**R0260**	-
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**	-
Reinsurance receivables	**R0370**	-
Receivables (trade, not insurance)	**R0380**	296
Own shares (held directly)	**R0390**	-
Amounts due in respect of own fund items or initial fund called up but not yet	**R0400**	-
Cash and cash equivalents	**R0410**	3,575
Any other assets, not elsewhere shown	**R0420**	-
Total assets	**R0500**	**366,995**

S.02.01.02
Balance sheet (EUR'000s)

		Solvency II value
Liabilities		**C0010**
Technical provisions – non-life	**R0510**	-
Technical provisions – non-life (excluding health)	**R0520**	-
TP calculated as a whole	**R0530**	-
Best Estimate	**R0540**	-
Risk margin	**R0550**	-
Technical provisions - health (similar to non-life)	**R0560**	-
TP 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**	-
TP calculated as a whole	**R0620**	-
Best Estimate	**R0630**	-
Risk margin	**R0640**	-
Technical provisions – life (excluding health and index-linked and unit-linked)	**R0650**	-
TP calculated as a whole	**R0660**	-
Best Estimate	**R0670**	-
Risk margin	**R0680**	-
Technical provisions – index-linked and unit-linked	**R0690**	-
TP 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**	382
Derivatives	**R0790**	-
Debts owed to credit institutions	**R0800**	-
Financial liabilities other than debts owed to credit institutions	**R0810**	343,480
Insurance & intermediaries payables	**R0820**	-
Reinsurance payables	**R0830**	-
Payables (trade, not insurance)	**R0840**	162
Subordinated liabilities	**R0850**	-
Subordinated liabilities not in BOF	**R0860**	-
Subordinated liabilities in BOF	**R0870**	-
Any other liabilities, not elsewhere shown	**R0880**	1,801
Total liabilities	**R0900**	**345,825**
Excess of assets over liabilities	**R1000**	**21,170**

S.05.01.02
Premiums, claims and expenses by line of business (EUR'000s)

		Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional**								
		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
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**
Premiums written										
Gross - Direct Business	**R0110**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0120**	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	**R0130**									
Reinsurers' share	**R0140**	-	-	-	-	-	-	-	-	-
Net	**R0200**	-	-	-	-	-	-	-	-	-
Premiums earned										
Gross - Direct Business	**R0210**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0220**	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	**R0230**									
Reinsurers' share	**R0240**	-	-	-	-	-	-	-	-	-
Net	**R0300**	-	-	-	-	-	-	-	-	-
Claims incurred										
Gross - Direct Business	**R0310**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0320**	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	**R0330**									
Reinsurers' share	**R0340**	-	-	-	-	-	-	-	-	-
Net	**R0400**	-	-	-	-	-	-	-	-	-
Changes in other technical provisions										
Gross - Direct Business	**R0410**	-	-	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	**R0420**	-	-	-	-	-	-	-	-	-
Gross - Non- proportional reinsurance accepted	**R0430**									
Reinsurers'share	**R0440**	-	-	-	-	-	-	-	-	-
Net	**R0500**	-	-	-	-	-	-	-	-	-
Expenses incurred	**R0550**	-	-	-	-	-	-	-	-	-
Other expenses	**R1200**									
Total expenses	**R1300**									

		Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)**			Line of business for: **accepted non-proportional reinsurance**				Total
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written									
Gross - Direct Business	**R0110**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0120**	-	-	-					-
Gross - Non-proportional reinsurance accepted	**R0130**				-	-	-	-	-
Reinsurers' share	**R0140**	-	-	-	-	-	-	-	-
Net	**R0200**	-	-	-	-	-	-	-	-
Premiums earned									
Gross - Direct Business	**R0210**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0220**	-	-	-					-
Gross - Non-proportional reinsurance accepted	**R0230**				-	-	-	-	-
Reinsurers' share	**R0240**	-	-	-	-	-	-	-	-
Net	**R0300**	-	-	-	-	-	-	-	-
Claims incurred									
Gross - Direct Business	**R0310**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0320**	-	-	-					-
Gross - Non-proportional reinsurance accepted	**R0330**				-	-	-	-	-
Reinsurers' share	**R0340**	-	-	-	-	-	-	-	-
Net	**R0400**	-	-	-	-	-	-	-	-
Changes in other technical provisions									
Gross - Direct Business	**R0410**	-	-	-					-
Gross - Proportional reinsurance accepted	**R0420**	-	-	-					-
Gross - Non- proportional reinsurance accepted	**R0430**				-	-	-	-	-
Reinsurers'share	**R0440**	-	-	-	-	-	-	-	-
Net	**R0500**	-	-	-	-	-	-	-	-
Expenses incurred	**R0550**	-	-	-	-	-	-	-	-
Other expenses	**R1200**								4,280
Total expenses	**R1300**								4,280

S.05.01.02

Premiums, claims and expenses by line of business (EUR'000s)

		Line of Business for: **life insurance obligations**						**Life reinsurance obligations**		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	**C0220**	**C0230**	**C0240**	**C0250**	**C0260**	**C0270**	**C0280**	**C0300**
Premiums written										
Gross	**R1410**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1420**	-	-	-	-	-	-	-	-	-
Net	**R1500**	-	-	-	-	-	-	-	-	-
Premiums earned										
Gross	**R1510**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1520**	-	-	-	-	-	-	-	-	-
Net	**R1600**	-	-	-	-	-	-	-	-	-
Claims incurred										
Gross	**R1610**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1620**	-	-	-	-	-	-	-	-	-
Net	**R1700**	-	-	-	-	-	-	-	-	-
Changes in other technical provisions										
Gross	**R1710**	-	-	-	-	-	-	-	-	-
Reinsurers' share	**R1720**	-	-	-	-	-	-	-	-	-
Net	**R1800**	-	-	-	-	-	-	-	-	-
Expenses incurred	**R1900**	-	-	-	-	-	-	-	-	-
Other expenses	**R2500**									-
Total expenses	**R2600**									-

S.05.02.01
Premiums, claims and expenses by country (EUR'000s)

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
	R0010		-	-	-	-	-	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written								
Gross - Direct Business	R0110	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	-	-
Premiums earned								
Gross - Direct Business	R0210	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	-	-
Claims incurred								
Gross - Direct Business	R0310	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	-	-
Changes in other technical provisions								
Gross - Direct Business	R0410	-	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0420	-	-	-	-	-	-	-
Gross - Non- proportional reinsurance accepted	R0430	-	-	-	-	-	-	-
Reinsurers'share	R0440	-	-	-	-	-	-	-
Net	R0500	-	-	-	-	-	-	-
Expenses incurred	R0550	-	-	-	-	-	-	-
Other expenses	R1200							4,280
Total expenses	R1300							4,280

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
	R1400		-	-	-	-	-	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
Premiums written								
Gross	R1410	-	-	-	-	-	-	-
Reinsurers' share	R1420	-	-	-	-	-	-	-
Net	R1500	-	-	-	-	-	-	-
Premiums earned								
Gross	R1510	-	-	-	-	-	-	-
Reinsurers' share	R1520	-	-	-	-	-	-	-
Net	R1600	-	-	-	-	-	-	-
Claims incurred								
Gross	R1610	-	-	-	-	-	-	-
Reinsurers' share	R1620	-	-	-	-	-	-	-
Net	R1700	-	-	-	-	-	-	-
Changes in other technical provisions								
Gross	R1710	-	-	-	-	-	-	-
Reinsurers' share	R1720	-	-	-	-	-	-	-
Net	R1800	-	-	-	-	-	-	-
Expenses incurred	R1900	-	-	-	-	-	-	-
Other expenses	R2500							-
Total expenses	R2600							-

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Own funds (EUR'000s)

		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 (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	3,000	3,000		-	
Share premium account related to ordinary share capital	R0030	9,000	9,000		-	
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	9,170	9,170			
Subordinated liabilities	R0140	-		-	-	-
An amount equal to the value of net deferred tax assets	R0160	-				-
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	-	-	-	-	-
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	21,170	21,170	-	-	-
Total available own funds to meet the MCR	R0510	21,170	21,170	-	-	
Total eligible own funds to meet the SCR	R0540	21,170	21,170	-	-	-
Total eligible own funds to meet the MCR	R0550	21,170	21,170	-	-	
SCR	R0580	1,935				
MCR	R0600	3,600				
Ratio of Eligible own funds to SCR	R0620	10.94				
Ratio of Eligible own funds to MCR	R0640	5.88				

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	21,170
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	12,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	9,170
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	-

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Solvency Capital Requirement - for undertakings on Standard Formula (EUR'000s)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	1,729		-
Counterparty default risk	R0020	312		
Life underwriting risk	R0030	-	-	-
Health underwriting risk	R0040	-	-	-
Non-life underwriting risk	R0050	-	-	-
Diversification	R0060	(209)		
Intangible asset risk	R0070	-		
Basic Solvency Capital Requirement	R0100	1,832		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	379
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	(276)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency capital requirement excluding capital add-on	R0200	1,935
Capital add-on already set	R0210	-
Solvency capital requirement	R0220	1,935
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 Requirement for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

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Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (EUR'000s)

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCR_{NL} Result	R0010	-

		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	-	-
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	-
SCR	R0310	1,935
MCR cap	R0320	871
MCR floor	R0330	484
Combined MCR	R0340	484
Absolute floor of the MCR	R0350	3,600
		C0070
Minimum Capital Requirement	R0400	3,600