# Navillus Insurance Company Dac

## Solvency and Financial Condition Report

## Reporting period ended 31 December 2017

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# SUMMARY

This Report refers to the business of Navillus Insurance Company Dac ('NICDAC', 'the Company'), a captive insurer, authorised and supervised by the Central Bank of Ireland. It provides the reader with information on the Company's business and performance, system of governance, risk profile, valuation for solvency purposes and capital management for the reporting period ended 31 December 2017.

NICDAC has prepared this report in accordance with the relevant articles of the Commission Delegated Regulation (EU) 2015/35, together with the Guidelines on reporting and public disclosure issued by EIOPA.

NICDAC financial statements are prepared to 31 December 2017 in line with its parent group reporting requirements and it report its results in USD (United States Dollar).

The Company's business strategy was to provide coverage for the Baxalta Incorporated Group (Baxalta Incorp) which subsequently merged with the Shire Plc group in June 2016, creating a leading global biotechnology company focused on serving patients with rare diseases and other highly specialized conditions. As part of the integration of Baxalta Incorp into the Shire Group the risks previously written by NICDAC were placed under a new programme with the Group's other captive Company during 2016 and 2017. NICDAC did not renew or write any new business in 2017.

The Board has identified the key risks to which NICDAC is exposed and established appropriate corporate governance, risk management and reporting mechanisms to ensure that the identified risks remain relevant, and that they are managed and reported on with appropriate levels of detail and frequency. The Company has established a comprehensive suite of risk policies and implemented a series of internal controls to ensure that NICDAC can be managed in accordance with its governance and risk management systems. Documented escalation mechanisms are in place to ensure that any breaches in risk limits and tolerances, internal controls and governance requirements can be reported promptly to the appropriate individuals.

Risks to which the Company is exposed are well understood and are used to determine the level of solvency and capital required over a forward looking three year business planning period. The results of this exercise are used to better inform decision making within the Company.

Other than the fact that no new business was underwritten by the Company in 2017, there were no material changes to NICDAC business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period.

As at 31 December 2017, the Company had eligible own funds of USD 53,565,080 available to meet its Solvency Capital Requirement (SCR) of USD 22,219,663; resulting is a Solvency Ratio of 241% which is in line with the Company's risk appetite. The Board of Directors is satisfied that the Company has adequate and appropriate capital to support its business plans. The Minimum Capital Requirement (MCR) was also satisfactorily met at the period-end. There were no instances of non-compliance with the capital requirements during the period.

# A. BUSINESS & PERFORMANCE

## A.1 Business

Navillus Insurance Company DAC was incorporated in Ireland in 1998 and in line with the requirements of the Companies Act 2014 converted to a designated activity company (DAC), limited by shares, effective 22 August 2016. The Company is a captive insurance undertaking, underwriting only the risks of its parent group.

The Company's business address and registered office is 3rd Floor, The Metropolitan Building, James Joyce Street, Dublin 1, Ireland.

NICDAC is authorised by the Central Bank of Ireland ('CBI'), under the European Union (Insurance and Reinsurance) Regulations 2015 (SI 485), to carry out the business of non-life insurance.

It has received a licence from the Central Bank of Ireland to write the following classes of business;

3 – Land Vehicles
7 – Goods in Transit
8 – Fire and Natural Forces
9 – Other Damage to Property
11- Aircraft Liability
12 – Liability for Ships
13- General Liability
16 – Miscellaneous Financial Loss

The insurance supervision division at the CBI may be contacted at their offices in New Wapping Street, North Wall Quay, Dublin 1, Ireland.

Deloitte is the appointed external auditor of the Company and is located at Deloitte & Touche House, Earlsfort Terrace, Dublin 2, Ireland.

The Company's immediate parent undertaking is Baxalta World Trade LLC which is incorporated in United States. The ultimate parent undertaking is Shire PLC, incorporated in Jersey. The Company's ownership structure is as follows:




Details on other Group subsidiaries and related undertakings are published within the Shire plc Annual Report and Financial Statements, 2017, which is available to download at

http://investors.shire.com/presentations-and-reports/annual-and-interim-reports/year-2018.aspx

The Company did not write any new business during 2017. The acquisition of Baxalta Incorporated into the Shire Group was completed in June 2016 and the Marine, Property and Liability risks that were currently written by NICDAC was cancelled and underwritten by the Group's other Captive Company, Pharma International Insurance Dac on a phased basis during 2016 & 2017.

The operation of the Company is subject to the local regulatory requirements in Ireland. Such regulations not only prescribe approval and monitoring of activities but also impose certain restrictive provisions, for example capital adequacy to minimise the risk of default and insolvency on the part of the Company to meet unforeseen liabilities as they arise.

NICDAC conducts all of its significant business activities from its office in Ireland, including:

- underwriting;
- premium invoicing and collection;
- claims reserving and payments; and
- investing.

There have been no significant events during the reporting period which have had a material impact on the Company.

## A.2 Underwriting Performance

The Company holds a license to write risks under five regulatory lines of business, Other Motor, Marine, Aviation and Transport, Fire and other Damage to Property, General Liability & Miscellaneous Financial loss. The Company did not write any Miscellaneous Financial Loss during the period.

The Company's underwriting performance for the reporting period ended 31 December 2017 and the comparative period is set out below. Amounts are presented in United States Dollars (USD), which is the Company's functional currency:

| | 2017<br>USD | 2016<br>USD |
|---|---|---|
| **Gross premiums written** | | |
| - General Liability Insurance | 171,282 | 68,699 |
| - Marine Aviation and Transport Insurance | 180,463 | 161,307 |
| - Fire & Other damage to property Insurance | 95,481 | 839,122 |
| | 447,226 | 1,069,128 |
| **Change in Unearned Premium** | | |
| - General Liability Insurance | 331,034 | 687,007 |
| - Marine Aviation and Transport Insurance | - | 257,116 |
| - Fire & Other damage to property Insurance | | 1,502,512 |
| | 331,034 | 2,446,635 |
| **Gross premiums earned** | | |
| - General Liability Insurance | 502,316 | 755,706 |
| - Marine Aviation and Transport Insurance | 180,463 | 418,423 |
| - Fire & Other damage to property Insurance | 95,481 | 2,341,634 |
| | 778,260 | 3,515,763 |
| **Outward reinsurance premiums written and earned** | | |
| - General Liability Insurance | - | - |
| - Marine Aviation and Transport Insurance | (257,870) | (161,818) |
| - Fire & Other damage to property Insurance | - | - |
| | (257,870) | (793,465) |
| | | (955,283) |
| **Earned premiums, net of reinsurance** | 244,446 | |
| - General Liability Insurance | 180,463 | 593,888 |
| - Marine Aviation and Transport Insurance | 95,481 | 418,423 |
| - Fire & Other damage to property Insurance | 520,390 | 1,518,169 |
| | | 2,560,480 |
| **Gross claims incurred** | (1,869,620) | |
| - General Liability Insurance | 654,119 | (357,282) |
| - Marine Aviation and Transport Insurance | 139,585 | 298,576 |
| - Fire & Other damage to property Insurance | (1,075,916) | 111,279 |
| | | 52,573 |
| **Claims incurred – recoverable from reinsurers** | - | - |
| **Claims incurred, net of reinsurance** | (1,075,916) | 52,573 |

| | | |
|---|---|---|
| Expenses incurred | (1,325,802) | (515,258) |
| **Underwriting profit** | **(1,881,328)** | **2,097,795** |

During the year, the Company carried out an assessment of gross premium estimates recorded in prior years and against which amounts had not been received. As a result of this exercise, a total premium adjustment of US$447,226 in gross written premium and US$257,870 in outward reinsurance has been recorded to reflect the downward revision of prior estimates which are no longer considered appropriate.

Movement in the unearned premium reserve relates to the liability business incepted during the 2015/16 renewal. All premiums were fully earned at the period end.

Provision is made for notified losses on all underwriting years and calculated gross of any reinsurance recoveries.

Better than expected incurred claims experience for all classes since the previous year with the exception of General Liability Insurance program. In particular, the 2009 and 2011 accident years for General Liability Insurance have had adverse claim experience movement over the last year driven by movements in individual large claims. These two adverse claims are partially offset by generally favourable experience for Fire & Other Damage to property and Marine, Aviation and Transport Insurance.

## A.3 Investment Performance

In line with the Company's documented investment policy, investments during the period included an intercompany loan with Dyax Corp and cash and deposits with Danske Bank Ireland credit institution. Income arising from investment activities for the reporting period was USD 433,122 (2016: USD 195,163), the Increase being the interest earned on the Intercompany loan for the 12 month period ending 31 December 2017 (2016 Pro-rated) and an increase in market interest rates during the period.

The Company has no investments in securitised asset classes and all investment income is recognised in the Company's income statement.

## A.4 Performance of other activities

NICDAC does not engage in any activities other than those associated with captive insurance and has not entered into any leasing agreements.

## A.5 Any other information

There are no other material items to report in this section.

# B. SYSTEM OF GOVERNANCE

## B.1 General information on the system of governance

In order to meet the requirements for sound corporate governance, ensure efficient conduct of business and to protect the interests of the Company's stakeholders, the Company has a comprehensive Governance and Risk Management system in place.

The Board of the Company acknowledges its responsibility to ensure that risks are fully understood and appropriately managed and has taken appropriate steps to ensure that risk management,

reporting and control processes have been put in place in a manner which reflects the nature and scale of the captive's activities.

The Governance and Risk Management System of the Company may be described as relying on four cornerstones:

1) Governance Framework, aligned with the Company's strategic objectives, providing top level oversight by the Board, clear ownership and accountability for risks, as well as clear escalation and reporting channels.

2) Risk Management Framework which details the Company's strategic objectives in documented Risk Policies. For each risk, limits and operational checkpoints as well as functional identification, mitigation and monitoring processes are documented.

3) A series of Internal Controls, defining the architecture of processes required to manage the Company in accordance with its governance and risk management framework.

4) A Risk Register combining operational and risk management processes to deliver a descriptive analysis of material risks threatening at least one of the Company's global strategy objectives.

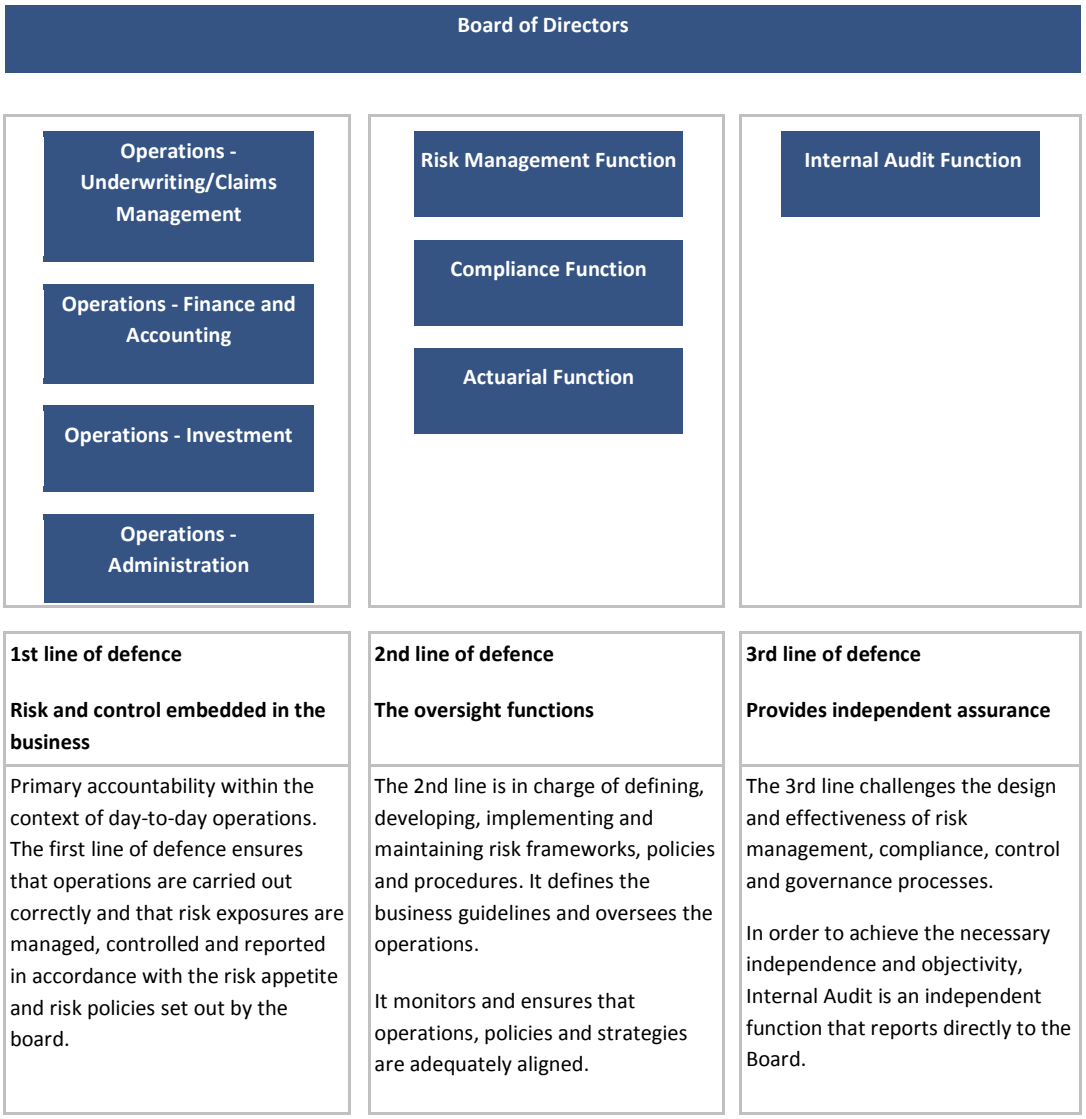
There have been no material changes to this structure in the period. NICDAC implemented the above system in advance of the inception of Solvency II.

In order to achieve the Company's objectives, the Board has established a system of governance with the following core components:

- the Board of Directors is the focal point of the governance system and is ultimately accountable and responsible for the performance and conduct of the Company and, as such, must have at its disposal all required capabilities to achieve its duties;
- all authority emanates from the Board of Directors and responsibilities are delegated in such a manner so as to ensure that no one individual has unfettered powers of decision;
- an embedded Compliance Function aiming to ensure the continuous compliance of the Company with all applicable legal, regulatory and administrative requirements;
- an appropriate segregation of duties in order to enable the Risk Management, Internal Audit, Actuarial and Compliance Function to perform independent risk and business control mitigation, monitoring and reporting tasks;
- a meaningful and practical approach in documenting policies and strategies to formalise all processes in an efficient and fit-for-purpose manner; and

- structured reporting processes to enable an appropriate escalation of risks and issues to the Board of Directors in order to ensure a clear and comprehensive information process allowing the Board to conduct business in an efficient and prudent manner in line with the strategic objectives.

According to these principles, the chosen governance model is one of "three lines of defence" which is illustrated as follows:




**Key Functions**

The key functions of Risk Management, Internal Audit, Actuarial, Compliance and Operations have clear and defined lines of reporting directly to the Board. This is facilitated by the straightforward nature of the Company's structure and fit-for-purpose documented policies and procedures which are clearly communicated and well understood by all relevant parties. The Board has ensured that the key functions are appropriately resourced and have the necessary authority and operational independence to perform their roles. The Company has engaged Aon Insurance Managers (Dublin) Limited ('AIMD') for the provision of management services, under the terms of an outsourced service and management agreement which is overseen by the Board of Directors.

**Remuneration and material transactions**

The members of the Board of Directors with the exception of the Independent Non-Executive Directors receive no remuneration for their services as directors to the Company. There are no employees and consequently no remuneration is paid.

As a captive insurer, all NICDAC inward premium flows and claims payments relate to insured risks of the Baxalta Incorporated Group. The Company also has an Inter-Company Loan with Dyax Corp, a subsidiary of the Ultimate parent Company, Shire Plc. Other than these transactions which arise in the normal course of business, the Company had no material transactions during the reporting period with members of the shareholder group and none with members of the Board of Directors.

## B.2 Fit and proper requirements

NICDAC has documented its Fitness & Probity policy setting out the Company's approach to the selection and assessment of the persons who effectively run the Company or are responsible for other key functions.

In selecting individuals as directors or function holders, the Company takes account of the following factors:

- specific requirements of the role
- the skills, experience and relevant qualifications of the proposed individual
- results of due diligence enquiries
- conflicts of interest
- time requirements and other commitments
- competence and integrity
- financial soundness

Consideration is given to ensuring an appropriate mix of knowledge, skills and experience across the Board of Directors and for those roles where specialist skills are required e.g. Head of Actuarial Function, only those individuals possessing the pertinent qualifications and expertise will be considered.

For those roles which are prescribed by the CBI as Controlled Functions (CFs) and Pre-approval Controlled Functions (PCFs), the Compliance function adopts appropriate control and due diligence processes in the selection and vetting of such individuals to ensure that they meet the regulator's fit and proper criteria. Written approval from the CBI is obtained prior to the appointment of PCFs. Appointed individuals are required to maintain on-going compliance with the Standards of Fitness & Probity and the guidance issued by the CBI. This is assessed by the Company on an annual basis.

## B.3 Risk Management System including the own risk and solvency assessment

The Company's Risk Management System:

- sets out the level of risk acceptable by the Company (Risk Appetite and risk tolerance);
- identifies the risks which represent a threat to the achievement of its strategic objectives;
- identifies, defines and regularly measures key risk indicators enabling an efficient monitoring of risks;
- defines the appropriate actions to reduce the Company's risk exposure;
- ensures the risk management framework is implemented in day-to-day business processes; and
- regularly reviews controls and mitigation actions to ensure that they remain relevant and effective.

In order to achieve these objectives, the Risk Management System of the Company has been clearly documented and specified through specific risk management policies for each key risk category. The key risk categories for which the Company has set up specific control and monitoring mechanisms are:

- Underwriting/Reserving
- Asset Liability Management ("ALM")
- Investment
- Liquidity and concentration
- Operational
- Reinsurance and other risk mitigation techniques
- Strategic

In addition to these, an outsourcing policy defining the key rules and criteria to be followed by each service provider has been determined.

**Own Risk and Solvency Assessment**

The Company performs an Own Risk and Solvency Assessment ('ORSA') process annually in order to provide its Board of Directors with a forward looking risk and capital assessment. The adequacy of the available capital, the Risk Appetite Framework and the appropriateness of the risk limits is assessed for the business planning period, considering the evolving risk profile. To this end, risks and scenarios to which the Company is exposed during the business planning period and which may affect the capacity to meet its insurance obligations or pose a threat to the achievement of its business objectives are taken into account.

Stress testing and scenario analysis are used to assess whether the available and future capital are sufficient in both expected and stressed situations. 3 year business projections, stresses and scenarios are compiled by the Operations Functions with input and agreement from the Board of Directors to ensure that these are appropriate for the Company.

Capital and solvency projections are conducted by the Actuarial Function and validated by the Risk Management Function. Where applicable, any future additional capital needs will be identified and aligned to the Company's capital management plan i.e. defining the measures to restore the Company's solvency margin should the assumed scenarios occur.

In line with CBI requirements, the Head of Actuarial Function provides an actuarial opinion to the Board of Directors in respect of the ORSA process. The results of the ORSA process are presented to the Board for review and challenge. Following feedback and approval from the Board, the Company's ORSA report is finalised and results submitted to the CBI within 2 weeks.

The ORSA report provides clarity over projected risk assessments and solvency needs to three different stakeholders:

| Stakeholder | Expectation | ORSA Report |
|---|---|---|
| Board of Directors | Matching projected risks vs the Risk Appetite framework. | Provides a clear and prospective understanding of critical risk exposures and their relationship with Risk Appetite boundaries. |

| | | |
|---|---|---|
| Shareholders | Detailed and prospective understanding about the risk of bankruptcy and potential need for future additional capital. | Provides a plan for capital needs on the time horizon of the financial planning. |
| Supervisory Authority | Detailed and prospective understanding of potential ORSA deviations compared to solvency capital requirements | Gathers information about: projected Solvency ratios; - explanations about deviations due to specific critical risks exposures. |

The ORSA process described above ensures that the ORSA is integrated in the Company's decision-making and business planning process. Furthermore, monitoring procedures as set out in the risk management policies ensure that risk exposures are measured on a regular basis triggering exception reports to the Board.

The capital risk appetite for NICDAC is to sustain its capital at a level sufficient to meet the Regulatory Solvency Capital Requirement at all times. The Board of Directors maintains a prudent approach to capital to ensure that NICDAC is in a comfortable position to meet this obligation.

## B.4 Internal Control System

The Internal Control System embedded in the Company's operations is a mix of processes undertaken by all stakeholders within the Company to provide reasonable assurance that the strategic objectives will be achieved.

In order to achieve the aforementioned objectives, the Internal Control framework of the Company is structured around five complementary components.

| Component | Contents |
|---|---|
| 1) Control environment | A strong "risk and control" culture is embedded within the Company's operations through the continuous oversight of the Board of Directors and the communication to all internal stakeholders of all governance and risk principles through the Company's governance manual. |
| 2) Risk assessment | Procedures and policies are detailed and formalised in order to disclose the way of identifying, managing, controlling, mitigating and reporting issues relating to each risk category. |
| 3) Reporting channels | Clear and structured reporting processes are in place enabling the Board of Directors to have access to relevant, complete, reliable, correct and timely communication related to internal as well as external events. |
| 4) Monitoring process | The appropriate escalation of significant issues to the Board of Directors, the ongoing involvement of all internal stakeholders as well as the Internal Audit process enables the Company to continuously monitor and adapt when necessary its Internal Control System. |
| 5) Control activities | The Company has developed a comprehensive set of preventive, detective or corrective control actions embedded in its daily operations. |

In order to set out how the Internal Control System is implemented, the Company's processes and related control activities are documented, monitored and reviewed on a regular basis.

These items are designed by the Risk Management Function, approved by the Board of Directors and evaluated by the Internal Audit Function. They are reviewed as often as necessary but at least annually.

**Compliance Function**

The Compliance Function is an integral component of the Company's governance system. The Company has a dedicated Head of Compliance reporting to the Board of Directors, supported by a Compliance Officer who coordinates the activities of the Compliance Function.

The responsibilities of the Compliance Function include:

- utilisation of compliance management practices that contribute to the use of sound, responsible and sustainable business practices by the Company;
- presentation of an annual compliance plan to the Board of Directors, outlining specific areas which it will focus on during a particular year;
- promotion of a culture of compliance within the organisation;
- maintenance of a comprehensive compliance risk management control and reporting system in conjunction with the Risk Management Function to assist in managing the compliance risk faced by the Company;
- consideration of possible future changes in the legal environment and their potential effect on the Company as well as providing regular compliance and regulatory updates to the Board of Directors;
- identification and communication throughout the Company the laws, regulations and codes of conduct to which the Company is subject and assisting to embed compliance with these in the way the Company does business; and
- investigation and follow up of compliance breaches, ensuring timely reporting to the Board and in certain circumstances to outside bodies such as the CBI.

## B.5 Internal Audit Function

**Purpose and Objectives**

The purpose of the Internal Audit Function is to serve as an independent function that objectively evaluates and recommends improvements with respect to the Company's Internal Control System by facilitating an objective and independent assessment of the processes and controls in place.

It assists the Company in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes employed by the Company. The audit approach is risk based and in line with an annual audit plan which is provided by the Head of Internal Audit to the Board of Directors.

The Internal Audit Function and the appointed Head of Internal Audit report directly to the Board of Directors.

**Independence and Impartiality**

The Company's Internal Audit Function has been established to be independent of the activities audited, the operational functions and the Board of Directors.

The Internal Audit Function is free to report its findings and appraisals and to disclose them to the Board as required. This principle of independence ensures that the Internal Audit Function reports directly to the Board of the Company.

## B.6 Actuarial Function

The Company has established an effective Actuarial Function, including a nominated Head of Actuarial Function ('HoAF') approved by the CBI, which carries out the following key tasks:

- coordination of the calculation of technical provisions.
- ensuring the appropriateness of the methodologies, underlying models and assumptions made in the calculation of technical provisions;
- assessment of the sufficiency and quality of the data used in the calculation of technical provisions. Where relevant, the Actuarial Function will provide recommendations on internal procedures to improve data quality;
- estimation of Solvency II technical provisions (both claims and premium provisions)
- comparison of best estimates against experience;
- reporting to the Board of Directors on the calculation, reliability and adequacy of technical provisions;
- calculation of the Solvency and Minimum Capital Requirements at the balance sheet date;
- ensuring results of technical provisions can efficiently feed into solvency capital calculations and Quantitative Reporting Templates (QRTs) on both a quarterly and annual basis;
- contributing to the effective implementation of the Risk Management System, in particular:
    i. with regard to risk modelling underlying the calculation of the Solvency and Minimum Capital Requirements; and
    ii. the application of stress scenarios to the solvency calculations as part of the Company's ORSA process.
- provision of opinions on:
    - Technical provisions
    - Solvency position
    - Underwriting Policy
    - Reinsurance arrangements
    - ORSA

The HoAF reports to the Board of Directors and issues a report in writing at least annually documenting all of the material tasks that have been undertaken by the Actuarial Function during the reporting period.

In establishing the Company's Actuarial Function, the Board of Directors has ensured that the persons involved have the requisite qualifications and demonstrable experience in the area of non-life reserving and are fully conversant with the Solvency II requirements for the calculation of Technical Provisions.

## B.7 Outsourcing

All functions and activities of the Company are eligible to be outsourced provided that specific criteria are satisfied in each instance.

The Board is responsible for the approval and termination of all outsourcing arrangements of critical or important functions or activities. Critical or important functions or activities include key functions relating to the Company's System of Governance and all functions within the Company that are fundamental to carry out its core business. The Board is responsible for ensuring notification to the CBI is made in a timely manner prior to the outsourcing of critical or important functions or activities, and thereafter where there have been material developments in relation to the service provider.

The objectives of NICDAC Outsourcing Policy are to ensure that the outsourcing of critical or important operational functions or activities does not lead to:

- Reduction in the Board's responsibility for, or influence over, key functions of the Company;
- Material impairment of the quality of the Company's System of Governance;
- Any impairment of the Company's ability to meet its regulatory requirements;
- Non adherence to the Company's approved policies and procedures;
- Undue increases in operational risk or cost;
- Material impairment of the Company's ability to fulfil its obligations to stakeholders;
- Conflicts of Interest;
- Breach of the Company's data protection obligations.

The Board is responsible for assessing the risks associated with the outsourcing of critical or important functions or activities, carrying out the appropriate due diligence on the outsourced service provider and for reviewing the performance of outsourced service providers against their agreed and documented Service Level Agreements ('SLA').

The management of the Company is coordinated and carried out at its place of business in Ireland. NICDAC engages outsourced service providers in order to access the expertise and strength and depth of resources necessary to manage the specific requirements of a regulated captive insurance company operating on a global basis.

The following critical or important functions / activities are outsourced:

| Critical or important function | Outsourced Service Provider | Jurisdiction |
|---|---|---|
| Underwriting administration | Aon Insurance Managers (Dublin) Limited (AIMD) | Ireland |
| Claims administration | AIMD | Ireland |
| Finance and accounting | AIMD | Ireland |
| Compliance Function | AIMD | Ireland |
| Risk Management Function | AIMD | Ireland |
| Actuarial Function | Willis Towers Watson | United Kingdom and Ireland |
| Internal Audit Function | Aon Commercial Services Ireland Limited | Ireland |
| Claims handling | A&L Goodbody<br>Zurich (fronted policies)<br>ACE (fronted policies) | United Kingdom and global based on location of claims |

## B.8 Any other information

The Board is satisfied, based on its assessment of the frameworks which have been established and are in use, that the Company's system of governance is appropriate and adequate for the nature, scale and complexity of the risks inherent in its business operations.

There are no other material items to report in this section.

# C. RISK PROFILE

The Risk Appetite Framework adopted by the Board sets out the level of risk that the Company is prepared to accept in the pursuit of its strategic objectives. It sets out:

- the Company's overall philosophy to risk taking and the expectations of shareholders;
- the Company's tolerance to loss of capital, profit volatility and other specified measures; and
- the risk limits that are acceptable in terms of exposures to different types of risk.

The Company's Risk Register combines operational and risk management processes to deliver a descriptive analysis of material risks threatening at least one of the Company's strategic objectives.

The Board's annual ORSA process is based on the company's current and expected risk profile over the business planning period and supports the Board in achieving its strategic objectives by taking a structured and combined approach of strategy, risk management and capital management.

## C.1 Underwriting risk

The Company has not written any business since the expiry of the Marine, Aviation and Transport Insurance programme on 1 July 2016, Fire and other damage to Property Insurance programme on 30 September 2016 and the General Liability programme on 30 June 2017. The Company seeks to ensure that it has sufficient assets to meet the costs of potential claims over time, but the uncertainty surrounding the severity and frequency of claims can lead to variation in the Company's performance over the short term. Whilst considerable judgment is involved, the Directors ensure that suitable processes are in place to ensure the reliability, sufficiency and adequacy of the statistical and accounting data to be considered on the loss reserving exercises.

As the Company is a captive insurer, it is effectively insured the risks of one customer, its parent group, and thus is exposed to risk concentration. However, diversification is achieved through the varying geographical locations of the underlying risks.

The principal assumptions underlying the Company's estimation of liabilities is that the Company's future claims development will follow a similar pattern to past claims development experience.

The Company manages these risks through arranging for an external qualified actuary to review reserve adequacy of the Company on an annual basis. The Company also monitors emerging issues and factors in their potential impact on the Company's claims reserving.

The Company takes all reasonable steps to ensure that it has appropriate information regarding its underwriting exposures.

Annual support and certification is provided by the Company's Actuarial Function.

As part of the Company's ORSA process, stress and scenario tests incorporating differing claims experience are considered. The impact of the Company experiencing an additional US$6 million large loss was considered as part of the ORSA carried out in the reporting period. While this scenario resulted in a reduction in the Company's available capital, the regulatory solvency requirements were still achieved.

Sensitivity analysis is also performed for underwriting risks by selecting conservative movements in the ultimate loss ratios ('ULRs') used in the estimation of claims reserves for financial statements purposes and holding all other assumptions constant.

## C.2 Market risk

The risk of future changes in market prices, which would result in devaluation of investable assets, may result from several factors, including, but not limited to, value, liquidity, duration, composition, interest rates, foreign exchange rates and market fluctuations. The Company diversifies its portfolio to reduce the exposure to market fluctuations and market risk concentrations.

NICDAC has an investment strategy in place in line with its Risk Appetite Framework and the related 'Prudent Person' regulatory requirements. The Company endeavours to:

- prudently invest with consideration of the prevailing financial market environment;
- ensure the Company invests appropriately so as not to result in the Company failing to meet its Solvency Capital Requirements;
- ensure that the Company holds assets of sufficient value and liquidity to meet all liabilities as they become due;
- maximise investment return within the levels of risk as defined by the Company's Risk Appetite;
- ensure compliance with the Liquidity Strategy and Policy;
- ensure compliance with the Asset-Liability Management Strategy and Policy; and
- ensure effective risk management of investments at all times, with due consideration of the risks associated with investments and procedures to monitor, manage and report these risks in a timely manner as part of the Company's overall Risk Management System.

Interest rate risk arises on the return on the Company's investments including cash and deposits with credit institutions. The sensitivity analysis of net income to fluctuation in interest rate is shown below:

| | *2017* *US$* | *2016* *US$* |
|---|---|---|
| 0.5% increase in market interest rates | | |
| - Pre-tax profit | 225,544 | 75,148 |
| - Shareholders' equity | 197,351 | 65,755 |
| 0.5% decrease in market interest rates | | |
| - Pre-tax profit | (225,544) | (75,148) |
| - Shareholders' equity | (197,351) | (65,755) |

The Company is exposed to currency risk to the extent its assets and liabilities are denominated in a currency different from its functional currency. The Company seeks to mitigate currency risk by matching the assets and liabilities which arise in different currencies. The ultimate settlement of loss reserves may be in currencies other than the USD. The Company's exposure to foreign exchange risk arises with respect to Euro.

## C.3 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The assets that are exposed to credit risk are:

- Cash and cash equivalents
- Investments and deposits with credit institutions
- Board approved Intercompany loan with Dyax Corp
- Amounts due from fronting insurers

The Company utilises custodians deemed to be of high credit quality to hold its cash and cash equivalents and deposits with credit institutions and additionally has limits in place in relation to the amount of cash which can be held by any one financial institution.

The Company has Standby Letters of Credit (SLOC's) in place that are used to support technical provisions due to various third party insurance companies (the beneficiaries) under the reinsurance contracts entered into by the Company. The SLOC's are Non-Collateralised and do not constitute the assets of the Company.

The Company did not purchase any reinsurance business in the period.

## C.4 Liquidity risk

The Company is exposed if proceeds from financial assets are not sufficient to fund obligations arising from its insurance contracts. The Company can be exposed to daily calls on its available investment assets, principally from insurance claims. Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet cash commitments associated with financial obligations.

The Company has determined that liquidity risk does not represent a significant exposure to its business. This assessment is based on the fact that the Company has its investments held in highly liquid assets which it can access immediately or within a very short time frame without incurring material costs or penalties. Investments are in compliance with the Company's investment guidelines.

## C.5 Operational risk

Operational risk is the risk of loss arising from system failure, human error, fraud, or external events. When controls fail to perform, operational risk can cause damage to reputation, have legal or regulatory implications, or can lead to financial loss. The Company have a rigorous control framework and monitoring process in place to manage operational risk. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education, and assessment processes. Outsourced activities are monitored and managed in the same manner in line with the Outsourcing policy.

The Company cannot expect to eliminate all operational risk, but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Company is able to manage the risk.

In addition, NICDAC is subject to Internal and External Audit review.

NICDAC maintains a regulatory dialogue with the CBI to mitigate the risk of any potential sanction or compliance breach as well as using expert, industry leading, service providers to provide its outsourced functions which helps avoid any material error or delay. In order to ensure the quality of

the outsourced functions is as high as possible, NICDAC puts in place service level agreements outlining key performance indicators against which its outsourced service providers can be monitored and assessed.

## C.6 Other material Risks

**Strategic Risk**

Strategic risk is the risk of loss arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to industry changes i.e. the risk associated with implementing the wrong strategy or failing to correctly implement the chosen strategy.

The control and monitoring actions/principles underlying the strategic risk management of the Company are:

- Review at least annually of the appropriateness of the high level overall objectives for the Company; the major risks facing the Company; the Risk Appetite for each of these major risks identified. The Board of Directors will ensure continuing appropriateness, at least annually and revisions shall be affected where necessary.
- Ensure the Company strategy is implemented correctly including approval, review and, monitoring of agreed Key Performance Indicators for the Company.
- Ensure all plans are regularly reviewed to ensure that Risk Tolerances are not exceeded individually or in total.

**Sensitivity Risk**

The Actuarial Function assesses annually the sensitivity of its estimate of the Company's unpaid claim liabilities of varying the key assumptions underlying its analysis. Given the nature of the Company's exposures, the key assumptions underlying the actuarial analysis are subject to a range of reasonable interpretations.

No other material risks have been identified.

## C.7 Any other information

There are no other material items to report in this section.

# D. VALUATION FOR SOLVENCY PURPOSES

## D.1 Assets

NICDAC prepares its financial statements on a going concern basis in accordance with the Financial Reporting Council of the UK, including financial reporting standard applicable in UK and Republic of Ireland (FRS 102 & FRS 103), the provisions of the Companies Act 2014 and the European Union (Insurance Undertakings: Financial Statements) Regulations 2015. There are a number of differences between the financial statement basis and the Solvency II valuation rules. Most of these differences are driven by the requirement for all assets and liabilities to be valued on a market consistent fair value basis under Solvency II.

At the end of the current reporting period NICDAC has total assets valued at USD 47,816,446 for solvency purposes. This total comprises the following categories of assets:

- Deposits other than cash equivalents USD 15,186,931

  This amount represents short term deposits with an original maturity of three months or less and is stated at market value for both solvency and financial statement purposes, the only difference being the inclusion of accrued interest in the above balance. Accrued interest is disclosed as a separate line item in the financial statements.

- Board approved Intercompany Loan USD 30,009,498

  The investment in group undertakings represents an intercompany loan to Dyax Corp, a subsidiary of the ultimate parent, Shire Plc registered in the United States. The loan agreement was effective as of 23rd September 2016 and renews automatically for successive one year periods unless terminated by either party by a prior written notice to the other party of at least 30 days in advance. The amount is stated at market value for both the Solvency II and financial statements purposes, the only difference being the inclusion of accrued interest in the above balance. Accrued Interest is disclosed as a separate line item in the financial statements.

- Non-life reinsurance receivables USD 77,112

  Amounts due from reinsurers are held at the market value for both Solvency II and Financial statements purposes. There are no valuation adjustments for solvency purposes.

- Cash and cash equivalents USD 2,397,994

  Cash and cash equivalents comprise cash at banks. Carrying amounts approximate fair value due to the liquid nature of the assets. There are no valuation adjustments for solvency purposes.

- Receivable (trade, not Insurance) USD 144,911

  The receivable asset arises as a result of an overpayment of preliminary tax paid in respect of the 2017 financial year. The amount is stated using the EURO:USD FX conversion rate at 31 December 2017 and is reported at same value for both solvency and financial statements purposes.

Information on how the Company invests its assets and manages risk in this area, including how it achieves compliance with the 'prudent person principle', is set out in Sections C2 – C4 above.

Operational risks relating to the Company's assets are managed according to the control framework described in Section B4 above.

## D.2 Technical Provisions

The technical provisions of NICDAC relate to the Marine, Aviation and Transport Insurance (Marine), Fire & Other Damage to Property (Property) & General Liability (GL) lines of business and amounts at 31 December 2017, gross and net of reinsurance, are set out below in USD:

| | **Claims Provision Statutory** | **Premium Provision** | **Best Estimate** | **Risk Margin** | **Technical Provisions Solvency II** |
|---|---|---|---|---|---|
| Marine | 159,000 | - | 214,988 | 14,973 | 229,961 |
| Property | 26,000 | - | 34,223 | 2,420 | 36,642 |
| GL | 3,675,427 | - | 4,646,941 | 333,687 | 4,980,678 |
| **Gross** | **3,860,427** | - | **4,896,152** | **351,080** | **5,247,232** |
| **Net** | **3,860,427** | - | **4,896,152** | **351,080** | **5,247,232** |

The increase in the technical provisions from the financial statements amount of USD 3,860,427 relates to the provision of events not in data, ULAE and expenses, allowance for discounting and the calculated risk margin. The technical provisions do not include any outwards reinsurance business therefore the gross technical provisions are equal to the net technical provisions.

These amounts comply in all material respects with the relevant Solvency II requirements.

The starting point for the calculation of the Solvency II technical provisions is the amounts which have been calculated for the financial statements reserving basis. Within the financial statements, full provision is made for the estimated cost of all claims notified but not settled at the period-end using the best information available at that time. Provision is made for the cost of claims incurred but not reported and at the period-end, and potential development on outstanding claims estimates (together regarded as IBNR reserves). In addition, an estimate is made for future claims handling expenses relating to claims outstanding at the period-end.

The Company takes all reasonable steps to ensure that it has appropriate information regarding its claims exposures. In estimating the cost of claims notified but not paid, the Company has regard to claims circumstances as reported, any information available from loss adjusters and information on the cost of settling claims with similar characteristics in previous periods. IBNR provisions are established having regard for the results of a valuation on a best-estimate basis by an independent actuary together with a margin for uncertainty which has been determined by management.

Claims projections have been carried out using a range of standard actuarial methods, including the Development Factor Method (DFM), the Bornhuetter-Ferguson method (BF) and the expected claims ratio method (ELR). DFM involves the calculation of loss development factors from historical data, these factors are then used to estimate the ultimate cost for years in which claims are still open. DFM assumes that past development patterns will continue to be appropriate for the future. BF involves a

blend of DFM and an expected loss ratio method and is used for long-tail lines of business where data may be insufficient or immature. The frequency/severity method calculates ultimate losses by separately projecting ultimate claim frequency and severity and in this way avoids distortions that may be present in other methodologies as well as providing additional insight on the true drivers of loss experience. For the ELR method, estimated ultimate losses are based upon a prior measure of the anticipated losses, usually relative to a measure of exposure such as premiums, revenues or payroll.

Solvency II requires undertakings to hold technical provisions which correspond to the amount they would have to pay to transfer their (re)insurance obligations immediately to another undertaking. This value comprises a **best estimate** and a **risk margin**, intended to represent a market consistent valuation**.** The technical provisions take account of the time value of money by discounting using a risk-free interest rate term structure as at the valuation date. There is no allowance for prudence in the calculation of best estimates.

The best estimate is calculated by considering all future cash inflows and outflows required to settle the existing (re)insurance obligations over their lifetime. It represents the mean outcome of all possible scenarios, taking account of how likely they are to occur and their potential variability. In this regard, the best estimate is a probability-weighted average of future cash flows, allowing for the time value of money.

The Solvency II best estimate is calculated gross. The best estimate is made up of a claims provision relating to past and future exposures respectively. Claims payments in the claim provisions have been projected at annual intervals using annual paid development patterns.

The Solvency II claims provision is equivalent to the expected net present value of the best estimate claims reserve, with additional allowances to allow for all possible outcomes through the inclusion of provisions for Events Not in Data (ENID) and the future expenses that will be incurred in servicing the existing reinsurance obligations. The claims provision also includes all unpaid premium relating to earned exposures that are within payment terms.

NICDAC has not included a calculation for the premium provision for the current reporting period as the Company is not expecting to write any business for the foreseeable future.

Estimates are “best estimates” in the sense that they are intended to be a probability-weighted average of all possible outcomes. NICDAC has employed techniques and assumptions that are appropriate for the purpose of calculating its Solvency II technical provisions. The actual amounts required to meet future claim payments may differ from estimates for a number of reasons, such as model specification error, parameter error and random error due to the inherent uncertainty in insurance. External environment risk factors may cause material deviations in estimates of technical provisions, including persistent negative interest rates, inflation and currency exchange rate fluctuations.

The Solvency II risk margin is intended to represent an amount that NICDAC would be required to pay, in excess of the best estimate of the liabilities, for a third party to assume the risk of running of the existing liabilities. The actuarial calculation of the risk margin is consistent with the Solvency II regulations, applying a 6% cost of capital to the amount of capital required at the beginning of each year to support the run-off of the insurance obligations. These future costs of capital are then discounted to the valuation date and summed to calculate the amount of risk margin required.

The resultant differences between the value of technical provisions for solvency purposes and the financial statements at 31 December 2017 are shown below (USD'000):

| | Gross | Premium Provisions | Net |
|---|---|---|---|
| **Claims provisions on financial statements basis** | **3,860,427** | - | **3,860,427** |
| Removal of Future Profits | - | - | - |
| Provision for Events Not In Data & ULAE | 1,363,417 | - | 1,363,417 |
| Allowance for Discounting | (327,692) | - | (327,692) |
| **Solvency II claims provisions (ex. Risk Margin)** | **4,896,153** | **-** | **4,896,153** |
| Risk Margin | 351,080 | - | 351,080 |
| **Solvency II claims provisions** | **5,247,233** | **-** | **5,247,233** |

Information on how the Company manages risk in the area of underwriting and reserving is set out in Section C1 above. Operational risks relating to the Company's technical provisions and claims data are managed using the Control Framework described in Section B4 above.

The Company is satisfied that it has access to sufficient historical claims data on an annual basis for the calculation of its technical provisions and that this data is accurate and appropriate for the Company's needs. Claims management processes by the Company are appropriate and adequate given the nature of the underlying risks. Significant reporting delays are not experienced.

In calculating its technical provisions on a Solvency II basis, NICDAC has not applied any of the following items:

- matching adjustment referred to in Article 77b of Directive 2009/138/EC;
- volatility adjustment referred to in Article 77d of Directive 2009/138/EC;
- transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC; and
- transitional deduction referred to in Article 308d of Directive 2009/138/EC.

## D.3 Other liabilities

Other liabilities of USD 113,964 are classified as any other liabilities, not elsewhere shown for solvency purposes and solely relates to accrued expenses. There are no valuation adjustments for solvency purposes.

## D.4 Alternative methods for valuation

No alternative methods were used.

## D.5 Any other information

There is no other information to report.

# E. CAPITAL MANAGEMENT

## E.1 Own funds

The Company has put in place a Capital Management policy to ensure that 'Own Fund' items, both at issue and subsequently, meet the requirements of the Solvency II capital regime. The objectives of the policy are to ensure that on an on-going basis the Company has:

- own fund items available to meet its capital requirements; and
- developed processes to ensure the appropriateness of its own fund items.

As part of the annual review of the medium-term capital plan, the Company reviews the level, composition and classification of own fund items to ensure they continue to meet its own solvency needs, and its regulatory obligations in respect of Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR). A 3 year forward looking time horizon is used for business planning purposes and any anticipated changes to the Company's business and risk profile are factored into the ORSA process to assess the solvency and capital needs over this business planning period. It is intended that the Company's capital needs will be managed out of its existing pool of own funds and the efficient management of the Company's insurance business. Should additional funds be required outside of that, they will be advanced by the shareholder.

There is a capital commitment deed in place between NICDAC & Baxalta Incorporated which allows the company to use the capital commitment deed as a Tier 2 ancillary own funds item to meet 50% of the solvency capital requirement as calculated under the standard formula.

The Company's own funds consist of the following items:

- Called up Share Capital;
- Capital Contribution;
- Retained Earnings; and
- Other Ancillary own funds.

Any change to the share capital requires the approval of the Shareholder and the Board. Retained earnings are adjusted on a quarterly basis to take account of the profits/losses earned in the period together with any Solvency II valuation adjustments.

The payment of dividends is considered on an annual basis by the Board as part of its medium-term capital assessment. Potential dividends will be considered as part of the Company's ORSA process to ensure that the Company will continue to meet its solvency needs over the business planning period.

Any other qualifying own fund item requires the review and approval of the Board. In such instances, the Board must ensure that the terms and conditions of any own fund item are clear and unambiguous in relation to the capital classification.

Own fund items at the end of reporting period and the prior year comparative period are as follows:

| | 2017<br>USD | 2016<br>USD |
|---|---|---|
| Ordinary called up share capital | 1,250,000 | 1,250,000 |
| Other own fund Items (Capital Contribution) | 7,000,000 | 7,000,000 |
| Reconciliation reserve | 34,205,249 | 36,908,722 |
| Total Tier 1 capital | 42,455,249 | 45,158,722 |
| Other ancillary own funds – Tier 2 capital | 11,109,831 | 11,111,569 |
| Total basic own funds | 53,565,080 | 56,270,291 |

The reconciliation reserve represents the Company's retained profits as adjusted for Solvency II valuation principals. The adjustments which arise in the application of these principles are shown in the equity reconciliation below.

At the end of the current reporting period eligible own funds available to meet the Company's SCR are USD 53,565,080, comprised of USD 42,455,249 Tier 1 capital and USD 11,109,831 Tier 2 capital. Eligible own funds available to meet the Company's MCR are USD 42,455,249, comprised solely of Tier 1 capital.

The equity position as shown in the Company's 2017 period-end financial statements can be reconciled to the basic own funds balance under Solvency II as follows:

| | 2017<br>USD |
|---|---|
| Equity per the Company's financial statements | **43,842,055** |
| Adjustments to technical provisions | (1,386,806) |
| Other ancillary own funds – Tier 2 capital | 11,109,831 |
| Own funds | **53,565,080** |

Adjustments are made to technical provisions in line with the valuation methodologies set out in section D.2 above.

NICDAC has ancillary own funds (Tier 2) which impacts the capital calculations by increasing the eligible own funds by 50% of the calculated SCR.

## E.2 Solvency capital requirement and minimum capital requirement

At the end of the current reporting period, NICDAC SCR and MCR have been calculated as USD 22,219,663 and USD 5,554,916.

The SCR is intended to correspond to the capital the Company needs to hold in order to limit the probability of ruin, in the following 12 months, to 0.5%, i.e. ruin would occur less than once in every 200 years. The SCR calculated at the end of the current reporting period, relates to the capital required to support the business over the prospective 12 months; covering both existing liabilities and business written during 2018. Based on the Company's eligible own funds of USD 53,565,081 (Tier 1 and Tier 2 Capital) , the Company has a solvency ratio at 31 December 2017 of 241%.

The SCR has been calculated using the standard formula and without the application of any undertaking specific parameters.

The split of SCR by risk modules is shown below, together with the prior year comparative:

| Risk Charge | 2017 USD'000 | 2016 USD'000 | Change USD'000 |
|---|---|---|---|
| **Non-Life Underwriting Risk** | **1,365** | **952** | **413** |
| **Counterparty Default Risk** | **218** | **855** | **(637)** |
| Interest Rate Risk | 172 | 192 | (20) |
| Equity Risk | - | - | - |
| Spread Risk | 1,112 | 1,110 | 2 |
| Currency Risk | 2 | 20 | (18) |
| Property Risk | - | - | - |
| Concentration Risk | 21,601 | 21,599 | 2 |
| *Diversification Benefit* | *(1,256)* | *(1,293)* | *37* |
| **Market Risk** | **21,631** | **21,628** | **3** |
| *Diversification Benefit* | *(1,141)* | *(1,304)* | *163* |
| **BSCR** | **22,073** | **22,131** | **(58)** |
| **Operational Risk** | **147** | **92** | **55** |
| **SCR** | **22,220** | **22,223** | **(3)** |
| Available Capital | 53,565 | 56,270 | (2,705) |
| **Surplus/Deficit** | **31,345** | **34,047** | **(2,702)** |
| **Solvency Ratio** | 241% | 253% | (12%) |
| **MCR** | **5,550** | 5,556 | (6) |

The key component of the SCR (after diversification effect) is concentration risk at USD 19.4m, which makes up 87% of the total SCR. This is due to USD 30M unrated intercompany loan with Dyax Corp. Other than the concentration risk, the most significant risks are, premium and reserve risk USD 1.3m (6% of total) and spread risk USD 1.0m (5% of total).

The MCR is calculated through a prescribed formula based on the net technical provisions (excluding the risk margin) and net written premium. It is also constrained to be between 25% and 45% of the SCR. Further to this, SI 485 sets out absolute minimum MCR values for non-life and life insurers, reinsurers and captives. In the case of NICDAC, as a non-life captive insurer this absolute floor is EUR 3,700,000. Having carried out the calculations and applied the relevant limits, the resultant MCR for the Company is USD 5,554,916.

## E.3 Use of duration-based equity risk sub module in calculation of the solvency capital requirement

There was no use of duration based equity risk sub module in the calculation of the SCR.

## E.4 Differences between the standard formula and any internal model used

NICDAC used the standard formula in determining its SCR and MCR and did not rely on any internal model.

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

There are no instances of non-compliance with the MCR and SCR.

## E.6 Any other information

There is no other information to report.

*Note: Tables within this report contain minor rounding differences in certain instances due to amounts being displayed as whole numbers or in thousands while the source workings underlying the annual reporting templates are calculated to two decimal places. These differences are immaterial.*

## ANNEX I – QUANTITATIVE REPORTING TEMPLATES

The following reporting templates are appended to this report:

S.02.01.02 – Balance sheet*

S.05.01.02 – Premiums, claims and expenses

S.05.02.01 - Premiums, claims and expenses by country

S.17.01.02 – Non Life technical provisions*

S.19.01.21 – Claim development triangles*

S23.01.01 – Own funds*

S25.01.21 – SCR using standard formula*

S28.01.01 – MCR*

*templates subject to external audit.

Amounts are in USD'000

# ANNEX I - QUANTITATIVE REPORTING TEMPLATES

The following reporting templates are appended to this report:

S.02.01.02 - Balance Sheet

S.05.01.02 - Premiums, claims and expenses

S.05.02.01 - Premiums, claims and expenses by country

S.17.01.02 - Non Life technical provisions

S.19.01.21 - Claim development triangles

S.23.01.01 - Own funds

S.25.01.21 - SCR using standard formula

S.28.01.01 - MCR

## S.02.01.02 - Balance Sheet (In thousands of USD)

| | | C0010 |
|---|---|---|
| | | **Solvency II value** |
| **Assets** | | |
| R0030 | Intangible assets | |
| R0040 | Deferred tax assets | |
| R0050 | Pension benefit surplus | |
| R0060 | Property, plant & equipment held for own use | |
| R0070 | Investments (other than assets held for index-linked and unit-linked contracts) | 15,187 |
| R0080 | Property (other than for own use) | |
| R0090 | Holdings in related undertakings, including participations | |
| R0100 | Equities | 0 |
| R0110 | Equities - listed | |
| R0120 | Equities - unlisted | |
| R0130 | Bonds | 0 |
| R0140 | Government Bonds | |
| R0150 | Corporate Bonds | |
| R0160 | Structured notes | |
| R0170 | Collateralised securities | |
| R0180 | Collective Investments Undertakings | |
| R0190 | Derivatives | |
| R0200 | Deposits other than cash equivalents | 15,187 |
| R0210 | Other investments | |
| R0220 | Assets held for index-linked and unit-linked contracts | |
| R0230 | Loans and mortgages | 30,009 |
| R0240 | Loans on policies | |
| R0250 | Loans and mortgages to individuals | 30,009 |
| R0260 | Other loans and mortgages | |
| R0270 | Reinsurance recoverables from: | 0 |
| R0280 | Non-life and health similar to non-life | 0 |
| R0290 | Non-life excluding health | |
| R0300 | Health similar to non-life | |
| R0310 | Life and health similar to life, excluding health and index-linked and unit-linked | 0 |
| R0320 | Health similar to life | |
| R0330 | Life excluding health and index-linked and unit-linked | |
| R0340 | Life index-linked and unit-linked | |
| R0350 | Deposits to cedants | |
| R0360 | Insurance and intermediaries receivables | 77 |
| R0370 | Reinsurance receivables | |
| R0380 | Receivables (trade, not insurance) | 145 |
| R0390 | Own shares (held directly) | |
| R0400 | Amounts due in respect of own fund items or initial fund called up but not yet paid in | |
| R0410 | Cash and cash equivalents | 2,398 |
| R0420 | Any other assets, not elsewhere shown | |
| R0500 | **Total assets** | 47,816 |

## S.02.01.02 - Balance Sheet (In thousands of USD)

| | | C0010<br>Solvency II value |
|---|---|---|
| **Liabilities** | | |
| R0510 | Technical provisions – non-life | 5,247 |
| R0520 | Technical provisions – non-life (excluding health) | 5,247 |
| R0530 | Technical provisions calculated as a whole | |
| R0540 | Best Estimate | 4,896 |
| R0550 | Risk margin | 351 |
| R0560 | Technical provisions - health (similar to non-life) | 0 |
| R0570 | Technical provisions calculated as a whole | |
| R0580 | Best Estimate | |
| R0590 | Risk margin | |
| R0600 | Technical provisions - life (excluding index-linked and unit-linked) | 0 |
| R0610 | Technical provisions - health (similar to life) | 0 |
| R0620 | Technical provisions calculated as a whole | |
| R0630 | Best Estimate | |
| R0640 | Risk margin | |
| R0650 | Technical provisions – life (excluding health and index-linked and unit-linked) | 0 |
| R0660 | Technical provisions calculated as a whole | |
| R0670 | Best Estimate | |
| R0680 | Risk margin | |
| R0690 | Technical provisions – index-linked and unit-linked | 0 |
| R0700 | Technical provisions calculated as a whole | |
| R0710 | Best Estimate | |
| R0720 | Risk margin | |
| R0730 | Other technical provisions | |
| R0740 | Contingent liabilities | |
| R0750 | Provisions other than technical provisions | |
| R0760 | Pension benefit obligations | |
| R0770 | Deposits from reinsurers | |
| R0780 | Deferred tax liabilities | |
| R0790 | Derivatives | |
| R0800 | Debts owed to credit institutions | |
| R0810 | Financial liabilities other than debts owed to credit institutions | |
| R0820 | Insurance & intermediaries payables | |
| R0830 | Reinsurance payables | |
| R0840 | Payables (trade, not insurance) | |
| R0850 | Subordinated liabilities | 0 |
| R0860 | Subordinated liabilities not in Basic Own Funds | |
| R0870 | Subordinated liabilities in Basic Own Funds | |
| R0880 | Any other liabilities, not elsewhere shown | 114 |
| R0900 | Total liabilities | 5,361 |
| R1000 | **Excess of assets over liabilities** | 42,455 |

## S.05.01.02 - Premiums, claims and expenses (In thousands of USD)

| | | Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance |
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 |
| **Premiums written** | | | | | | | | | | |
| Gross - Direct Business | R0110 | | | | | | | | | |
| Gross - Prop reinsurance accepted | R0120 | | | | | | 180 | 95 | 171 | |
| Gross - Non-Prop reinsurance accepted | R0130 | | | | | | | | | |
| Reinsurers' share | R0140 | | | | | | 258 | | | |
| Net | R0200 | 0 | 0 | 0 | 0 | 0 | -78 | 95 | 171 | 0 |
| **Premiums earned** | | | | | | | | | | |
| Gross - Direct Business | R0210 | | | | | | | | | |
| Gross - Prop reinsurance accepted | R0220 | | | | | | 180 | 95 | 502 | |
| Gross - Non-Prop reinsurance accepted | R0230 | | | | | | | | | |
| Reinsurers' share | R0240 | | | | | | 258 | | | |
| Net | R0300 | 0 | 0 | 0 | 0 | 0 | -78 | 95 | 502 | 0 |
| **Claims incurred** | | | | | | | | | | |
| Gross - Direct Business | R0310 | | | | | | -257 | -172 | 1,997 | |
| Gross - Prop reinsurance accepted | R0320 | | | | | | -403 | | -211 | |
| Gross - Non-Prop reinsurance accepted | R0330 | | | | | | | | | |
| Reinsurers' share | R0340 | | | | | | | | | |
| Net | R0400 | 0 | 0 | 0 | 0 | 0 | -660 | -172 | 1,786 | 0 |
| **Changes in other technical provisions** | | | | | | | | | | |
| Gross - Direct Business | R0410 | | | | | | | | | |
| Gross - Prop reinsurance accepted | R0420 | | | | | | | | | |
| Gross - Non-Prop reinsurance accepted | R0430 | | | | | | | | | |
| Reinsurers' share | R0440 | | | | | | | | | |
| Net | R0500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Expenses incurred** | R0550 | | | | | | 1,032 | 96 | 325 | |
| **Other expenses** | R1200 | | | | | | | | | |
| **Total expenses** | R1300 | | | | | | | | | |

## S.05.01.02 - Premiums, claims and expenses (In thousands of USD)

| | | 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 | | | | | | | | 0 |
| Gross - Prop reinsurance accepted | R0120 | | | | | | | | 446 |
| Gross - Non-Prop reinsurance accepted | R0130 | | | | | | | | 0 |
| Reinsurers' share | R0140 | | | | | | | | 258 |
| Net | R0200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 188 |
| **Premiums earned** | | | | | | | | | |
| Gross - Direct Business | R0210 | | | | | | | | 0 |
| Gross - Prop reinsurance accepted | R0220 | | | | | | | | 777 |
| Gross - Non-Prop reinsurance accepted | R0230 | | | | | | | | 0 |
| Reinsurers' share | R0240 | | | | | | | | 258 |
| Net | R0300 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 519 |
| **Claims incurred** | | | | | | | | | |
| Gross - Direct Business | R0310 | | | | | | | | 1,568 |
| Gross - Prop reinsurance accepted | R0320 | | | | | | | | -614 |
| Gross - Non-Prop reinsurance accepted | R0330 | | | | | | | | 0 |
| Reinsurers' share | R0340 | | | | | | | | 0 |
| Net | R0400 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 954 |
| **Changes in other technical provisions** | | | | | | | | | |
| Gross - Direct Business | R0410 | | | | | | | | 0 |
| Gross - Prop reinsurance accepted | R0420 | | | | | | | | 0 |
| Gross - Non-Prop reinsurance accepted | R0430 | | | | | | | | 0 |
| Reinsurers' share | R0440 | | | | | | | | 0 |
| Net | R0500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Expenses incurred** | R0550 | | | | | | | | 1,453 |
| **Other expenses** | R1200 | | | | | | | | |
| **Total expenses** | R1300 | | | | | | | | 1,453 |

## S.05.01.02 - Premiums, claims and expenses (In thousands of USD)

| | | 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 | | | | | | | | | 0 |
| Reinsurers' share | R1420 | | | | | | | | | 0 |
| **Net** | R1500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Premiums earned** | | | | | | | | | | |
| Gross | R1510 | | | | | | | | | 0 |
| Reinsurers' share | R1520 | | | | | | | | | 0 |
| **Net** | R1600 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Claims incurred** | | | | | | | | | | |
| Gross | R1610 | | | | | | | | | 0 |
| Reinsurers' share | R1620 | | | | | | | | | 0 |
| **Net** | R1700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Changes in other technical provisions** | | | | | | | | | | |
| Gross | R1710 | | | | | | | | | 0 |
| Reinsurers' share | R1720 | | | | | | | | | 0 |
| **Net** | R1800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Expenses incurred** | R1900 | | | | | | | | | 0 |
| **Other expenses** | R2500 | | | | | | | | | |
| **Total expenses** | R2600 | | | | | | | | | 0 |

## S.05.02.01 - Premiums, claims and expenses by country (In thousands of USD)

| | | Home country | Country (by amount of GWP) | | | | | Total for top 5 countries and home country |
|---|---|---|---|---|---|---|---|---|
| | | | US | BM | GR | NO | SE | |
| | | C0080 | C0090 | C0090 | C0090 | C0090 | C0090 | C0140 |
| **Premiums written** | | | | | | | | |
| Gross - Direct Business | R0110 | | | | | | | 0 |
| Gross - Proportional reinsurance accepted | R0120 | | 276 | 171 | | | | 447 |
| Gross - Non-proportional reinsurance accepted | R0130 | | | | | | | 0 |
| Reinsurers' share | R0140 | | 258 | | | | | 258 |
| Net | R0200 | 0 | 18 | 171 | 0 | 0 | 0 | 189 |
| **Premiums earned** | | | | | | | | |
| Gross - Direct Business | R0210 | | | | | | | 0 |
| Gross - Proportional reinsurance accepted | R0220 | | 276 | 502 | | | | 778 |
| Gross - Non-proportional reinsurance accepted | R0230 | | | | | | | 0 |
| Reinsurers' share | R0240 | | 258 | | | | | 258 |
| Net | R0300 | 0 | 18 | 502 | 0 | 0 | 0 | 520 |
| **Claims incurred** | | | | | | | | |
| Gross - Direct Business | R0310 | 1,796 | | | | | | 1,796 |
| Gross - Proportional reinsurance accepted | R0320 | | -403 | -211 | | | | -614 |
| Gross - Non-proportional reinsurance accepted | R0330 | | | | | | | 0 |
| Reinsurers' share | R0340 | | | | | | | 0 |
| Net | R0400 | 1,796 | -403 | -211 | 0 | 0 | 0 | 1,182 |
| **Changes in other technical provisions** | | | | | | | | |
| Gross - Direct Business | R0410 | | | | | | | 0 |
| Gross - Proportional reinsurance accepted | R0420 | | | | | | | 0 |
| Gross - Non-proportional reinsurance accepted | R0430 | | | | | | | 0 |
| Reinsurers' share | R0440 | | | | | | | 0 |
| Net | R0500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Expenses incurred** | R0550 | 839 | | | -2 | 1 | 2 | 840 |
| **Other expenses** | R1200 | | | | | | | |
| **Total expenses** | R1300 | | | | | | | 840 |

## S.17.01.02 - Non Life technical provisions (In thousands of USD)

| | | Direct business and accepted proportional reinsurance | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Medical expense insurance | Income protection insurance | Workers' compensation insurance | Motor vehicle liability insurance | Other motor insurance | Marine, aviation and transport insurance | Fire and other damage to property insurance | General liability insurance | Credit and suretyship insurance | Legal expenses insurance | Assistance | Miscellaneous financial loss |
| | | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 |
| **Technical provisions calculated as a whole** | R0010 | | | | | | | | | | | | |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole | R0050 | | | | | | | | | | | | |
| **Technical provisions calculated as a sum of BE and RM** | | | | | | | | | | | | | |
| **Best estimate** | | | | | | | | | | | | | |
| Premium provisions | | | | | | | | | | | | | |
| Gross | R0060 | | | | | | | | | | | | |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0140 | | | | | | | | | | | | |
| Net Best Estimate of Premium Provisions | R0150 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Claims provisions | | | | | | | | | | | | | |
| Gross | R0160 | | | | | | 215 | 34 | 4,647 | | | | |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0240 | | | | | | | | | | | | |
| Net Best Estimate of Claims Provisions | R0250 | 0 | 0 | 0 | 0 | 0 | 215 | 34 | 4,647 | 0 | 0 | 0 | 0 |
| **Total Best estimate - gross** | R0260 | 0 | 0 | 0 | 0 | 0 | 215 | 34 | 4,647 | 0 | 0 | 0 | 0 |
| **Total Best estimate - net** | R0270 | 0 | 0 | 0 | 0 | 0 | 215 | 34 | 4,647 | 0 | 0 | 0 | 0 |
| **Risk margin** | R0280 | | | | | | 15 | 2 | 334 | | | | |
| **Amount of the transitional on Technical Provisions** | | | | | | | | | | | | | |
| Technical Provisions calculated as a whole | R0290 | | | | | | | | | | | | |
| Best estimate | R0300 | | | | | | | | | | | | |
| Risk margin | R0310 | | | | | | | | | | | | |
| **Technical provisions - total** | | | | | | | | | | | | | |
| Technical provisions - total | R0320 | 0 | 0 | 0 | 0 | 0 | 230 | 36 | 4,981 | 0 | 0 | 0 | 0 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | R0330 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | R0340 | 0 | 0 | 0 | 0 | 0 | 230 | 36 | 4,981 | 0 | 0 | 0 | 0 |

## S.17.01.02 - Non Life technical provisions (In thousands of USD)

| | | Accepted non-proportional reinsurance | | | | TOTAL |
|---|---|---|---|---|---|---|
| | | Non-proportional health reinsurance | Non-proportional casualty reinsurance | Non-proportional marine, aviation and transport reinsurance | Non-proportional property reinsurance | |
| | | C0140 | C0150 | C0160 | C0170 | C0180 |
| **Technical provisions calculated as a whole** | R0010 | | | | | 0 |
| Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole | R0050 | | | | | 0 |
| **Technical provisions calculated as a sum of BE and RM** | | | | | | |
| **Best estimate** | | | | | | |
| Premium provisions | | | | | | |
| Gross | R0060 | | | | | 0 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0140 | | | | | 0 |
| Net Best Estimate of Premium Provisions | R0150 | 0 | 0 | 0 | 0 | 0 |
| Claims provisions | | | | | | |
| Gross | R0160 | | | | | 4,896 |
| Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default | R0240 | | | | | 0 |
| Net Best Estimate of Claims Provisions | R0250 | 0 | 0 | 0 | 0 | 4,896 |
| **Total Best estimate - gross** | R0260 | 0 | 0 | 0 | 0 | 4,896 |
| **Total Best estimate - net** | R0270 | 0 | 0 | 0 | 0 | 4,896 |
| **Risk margin** | R0280 | | | | | 351 |
| **Amount of the transitional on Technical Provisions** | | | | | | |
| Technical Provisions calculated as a whole | R0290 | | | | | 0 |
| Best estimate | R0300 | | | | | 0 |
| Risk margin | R0310 | | | | | 0 |
| **Technical provisions - total** | | | | | | |
| Technical provisions - total | R0320 | 0 | 0 | 0 | 0 | 5,247 |
| Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total | R0330 | 0 | 0 | 0 | 0 | 0 |
| Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total | R0340 | 0 | 0 | 0 | 0 | 5,247 |

## S.19.01.21 - Claim development triangles (In thousands of USD)

### Gross Claims Paid (non cumulative absolute amount)

| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10+ | Current year | All years |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0170 | C0180 |
| Prior | R0100 | | | | | | | | | | | | 0 | 0 |
| N-9 | R0160 | | | | | | | | | | | | 0 | 0 |
| N-8 | R0170 | | | | | | | | | | | | 0 | 0 |
| N-7 | R0180 | | | | | | | | | | | | 0 | 0 |
| N-6 | R0190 | | | | | | 16 | | | | | | 0 | 16 |
| N-5 | R0200 | | | | | 8 | 27 | | | | | | 27 | 35 |
| N-4 | R0210 | | | | | | | | | | | | 0 | 0 |
| N-3 | R0220 | | | 46 | -56 | | | | | | | | -56 | -10 |
| N-2 | R0230 | | 20 | 39 | | | | | | | | | 39 | 59 |
| N-1 | R0240 | | 2 | | | | | | | | | | 2 | 2 |
| N | R0250 | | | | | | | | | | | | 0 | 0 |
| | | | | | | | | | | | | Total | 12 | 102 |

### Gross undiscounted Best Estimate Claims Provisions - Development year (non cumulative absolute amount)

| | | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Year End (discounted data) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 | C0360 |
| Prior | R0100 | | | | | | | | | | | 1 | 322 |
| N-9 | R0160 | | | | | | | | | 7 | 4 | | 4 |
| N-8 | R0170 | | | | | | | | 18 | 1,472 | | | 1,392 |
| N-7 | R0180 | | | | | | | 300 | 440 | | | | 413 |
| N-6 | R0190 | | | | | | 48 | 842 | | | | | 788 |
| N-5 | R0200 | | | | | 87 | 151 | | | | | | 142 |
| N-4 | R0210 | | | | 208 | 197 | | | | | | | 184 |
| N-3 | R0220 | | | 338 | 310 | | | | | | | | 290 |
| N-2 | R0230 | | 874 | 531 | | | | | | | | | 496 |
| N-1 | R0240 | 919 | 655 | | | | | | | | | | 608 |
| N | R0250 | 285 | | | | | | | | | | | 257 |
| | | | | | | | | | | | | Total | 4,896 |

## S.23.01.01 - Own funds (In thousands of USD)

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35** | | | | | | |
| Ordinary share capital (gross of own shares) | R0010 | 1,250 | 1,250 | | | |
| Share premium account related to ordinary share capital | R0030 | 0 | | | | |
| Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | R0040 | 0 | | | | |
| Subordinated mutual member accounts | R0050 | 0 | | | | |
| Surplus funds | R0070 | 0 | | | | |
| Preference shares | R0090 | 0 | | | | |
| Share premium account related to preference shares | R0110 | 0 | | | | |
| Reconciliation reserve | R0130 | 34,205 | 34,205 | | | |
| Subordinated liabilities | R0140 | 0 | | | | |
| An amount equal to the value of net deferred tax assets | R0160 | 0 | | | | |
| Other own fund items approved by the supervisory authority as basic own funds not specified above | R0180 | 7,000 | 7,000 | | | |
| **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 | 0 | | | | |
| **Total basic own funds after deductions** | R0290 | 42,455 | 42,455 | 0 | 0 | 0 |
| **Ancillary own funds** | | | | | | |
| Unpaid and uncalled ordinary share capital callable on demand | R0300 | 0 | | | | |
| Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | R0310 | 0 | | | | |
| Unpaid and uncalled preference shares callable on demand | R0320 | 0 | | | | |
| A legally binding commitment to subscribe and pay for subordinated liabilities on demand | R0330 | 0 | | | | |
| Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC | R0340 | 0 | | | | |
| Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC | R0350 | 0 | | | | |
| Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0360 | 0 | | | | |
| Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0370 | 0 | | | | |
| Other ancillary own funds | R0390 | 11,110 | | | 11,110 | |
| **Total ancillary own funds** | R0400 | 11,110 | | | 11,110 | 0 |

## S.23.01.01 - Own funds (In thousands of USD)

| | | Total | Tier 1 - unrestricted | Tier 1 - restricted | Tier 2 | Tier 3 |
|---|---|---|---|---|---|---|
| | | C0010 | C0020 | C0030 | C0040 | C0050 |
| **Available and eligible own funds** | | | | | | |
| Total available own funds to meet the SCR | R0500 | 53,565 | 42,455 | 0 | 11,110 | 0 |
| Total available own funds to meet the MCR | R0510 | 42,455 | 42,455 | 0 | 0 | |
| Total eligible own funds to meet the SCR | R0540 | 53,565 | 42,455 | 0 | 11,110 | 0 |
| Total eligible own funds to meet the MCR | R0550 | 42,455 | 42,455 | 0 | 0 | |
| **SCR** | R0580 | 22,220 | | | | |
| **MCR** | R0600 | 5,555 | | | | |
| **Ratio of Eligible own funds to SCR** | R0620 | 2.4106661 | | | | |
| **Ratio of Eligible own funds to MCR** | R0640 | 7.6426643 | | | | |

### Reconciliation reserve

| | | C0060 |
|---|---|---|
| **Reconciliation reserve** | | |
| Excess of assets over liabilities | R0700 | 42,455 |
| Own shares (held directly and indirectly) | R0710 | |
| Foreseeable dividends, distributions and charges | R0720 | |
| Other basic own fund items | R0730 | 8,250 |
| Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | R0740 | |
| **Reconciliation reserve** | R0760 | 34,205 |
| **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 | 0 |

## S.25.01.21 - SCR using standard formula (In thousands of USD)

### Basic Solvency Capital Requirement

| | | Gross solvency capital requirement | USP | Simplifications |
|---|---|---|---|---|
| | | C0040 | C0090 | C0100 |
| Market risk | R0010 | 21,631 | | |
| Counterparty default risk | R0020 | 218 | | |
| Life underwriting risk | R0030 | | | |
| Health underwriting risk | R0040 | | | |
| Non-life underwriting risk | R0050 | 1,365 | | |
| Diversification | R0060 | -1,141 | | |
| Intangible asset risk | R0070 | | | |
| **Basic Solvency Capital Requirement** | R0100 | 22,073 | | |

### Calculation of Solvency Capital Requirement

| | | Value |
|---|---|---|
| | | C0100 |
| Operational risk | R0130 | 147 |
| Loss-absorbing capacity of technical provisions | R0140 | |
| Loss-absorbing capacity of deferred taxes | R0150 | |
| Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC | R0160 | |
| **Solvency Capital Requirement excluding capital add-on** | R0200 | 22,220 |
| Capital add-on already set | R0210 | |
| Solvency capital requirement | R0220 | 22,220 |
| **Other information on SCR** | | |
| Capital requirement for duration-based equity risk sub-module | R0400 | |
| Total amount of Notional Solvency Capital Requirements for remaining part | R0410 | |
| Total amount of Notional Solvency Capital Requirements for ring fenced funds | R0420 | |
| Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios | R0430 | |
| Diversification effects due to RFF nSCR aggregation for article 304 | R0440 | |

## S.28.01.01 - MCR (In thousands of USD)

| Linear formula component for non-life insurance and reinsurance obligations | | MCR components |
|---|---|---|
| | | C0010 |
| MCRNL Result | R0010 | 504 |

| Background information | | Background information | |
|---|---|---|---|
| | | 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 | 215 | |
| Fire and other damage to property insurance and proportional reinsurance | R0080 | 34 | |
| General liability insurance and proportional reinsurance | R0090 | 4,647 | |
| 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 |
|---|---|---|
| MCRL Result | R0200 | 0 |

| Total capital at risk for all life (re)insurance obligations | | 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 | 504 |
| SCR | R0310 | 22,220 |
| MCR cap | R0320 | 9,999 |
| MCR floor | R0330 | 5,555 |
| Combined MCR | R0340 | 5,555 |
| Absolute floor of the MCR | R0350 | 4,306 |
| **Minimum Capital Requirement** | R0400 | 5,555 |