Martinsurance Designated Activity Company

Solvency & Financial Condition Report (SFCR)

Reporting Period Ended 31 March 2018

Contents

SUMMARY 1

A. BUSINESS AND PERFORMANCE 2

A.1 Business 2

A.2 Underwriting Performance 3

A.3 Investment Performance 3

A.4 Performance of other activities 4

A.5 Any Other Information 4

B. SYSTEM OF GOVERNANCE 5

B.1 General Information on the System of Governance 5

B.2 Fit & Proper Requirements 5

B.3 Risk management system including the own risk and solvency assessment 6

B.4 Internal Control System 9

B.5 Internal Audit Function 10

B.6 Actuarial Function 11

B.7 Outsourcing 12

B.8 Any Other Information 12

C. RISK PROFILE 13

C.1 Underwriting Risk 13

C.2 Market Risk 13

C.3 Credit Risk 14

C.4 Liquidity Risk 14

C.5 Operational Risk 15

C.6 Other Material Risk 15

C.7 Any other information 15

D. VALUATION FOR SOLVENCY PURPOSES 16

D.1 Assets 16

D.2 Technical Provisions 17

D.3 Other Liabilities 19

D.4 Alternative Methods of Valuation 19

D.5 Any Other Information 19

E. CAPITAL MANAGEMENT 20

E.1 Own Funds 20

E.2 Solvency Capital Requirement & Minimum Capital Requirement 21

E.3 Use of Duration Based Equity Risk Sub Model in calculation of the SCR 22

E.4 Differences between the Standard Model & Any Internal Model 22

E.5 Non-Compliance with MCR and SCR 22

E.6 Any Other Information 22
ANNEX I – QUANTITATIVE REPORTING TEMPLATES 23

SUMMARY

This Report refers to the business of Martinsurance DAC ('Martinsurance', '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 March 2018.

Martinsurance 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.

Martinsurance financial statements are prepared to 31 March 2018 and it reports its results in USD (United States Dollar).

The Company has not renewed any (re)insurance policies since 1 April 2016. However, the Directors have taken no further decision as to the cessation of the remaining operations of the undertaking. On this basis, the Directors consider the Company as a going concern. Investment of Company funds is in line with the documented investment strategy, reflecting a 'prudent person' approach to the management of counterparty, concentration, interest rate and currency risk.

The Board has identified the key risks to which Martinsurance 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 Martinsurance 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.

There were no material changes to Martinsurance business and performance, system of governance, risk profile, valuation for solvency purposes and capital management over the reporting period.

As at 31 March 2018, the Company had eligible own funds of $6,329,667 available to meet its Solvency Capital Requirement ('SCR') of $1,703,326; resulting is a Solvency Ratio of 372% 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') of $4,558,770 was also satisfactorily met at the period-end. There were no instances of non-compliance with the capital requirements during the period.

A. BUSINESS AND PERFORMANCE

A.1 Business

Martinsurance DAC was incorporated in Ireland in 1991 and in line with the requirements of the Companies Act 2014 converted to a Designated Activity Company ('DAC'), limited by shares, effective 07 September 2016. The Company is a captive (re)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.

Martinsurance is authorised by the Central Bank of Ireland ('the CBI'), under the European Union (Insurance and Reinsurance) Regulations 2015 (SI 485), to carry out the business of non-life (re)insurance. The Company received a licence from the Central Bank of Ireland to write the following classes of business;

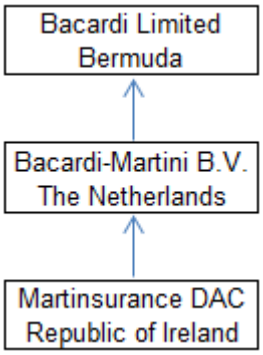
- Class 7 – Goods in Transit
- Class 8 – Fire and Natural Forces
- Class 9 – Other damage to Property
- Class 13 – General Liability
- Class 16 – Miscellaneous Financial Loss

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

PricewaterhouseCoopers is the appointed external auditor of the Company and is located at One Spencer Dock, North Wall Quay, Dublin 1, Ireland.

The Company's immediate parent undertaking is Bacardi-Martini B.V., a company incorporated in the Netherlands. The Company's ultimate parent undertaking is Bacardi Limited, a private, Bermudian domiciled company. The Company's ownership structure is as below:

Martinsurance DAC Ownership Structure



The Company has not renewed any insurance policies since 01 April 2016. When actively trading, the Company is engaged exclusively in the underwriting of insurance risks of various subsidiaries of Bacardi Group.

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

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

The Company has no employees and no remuneration was therefore paid.

A.2 Underwriting Performance

Martinsurance has not renewed any insurance policies since 01 April 2016. However, the Directors have taken no further decision as to the cessation of the remaining operations of the undertaking. On this basis, the Directors consider the Company as a going concern.

Provision is made for notified losses on all underwriting years. Provisions are calculated gross of any reinsurance recoveries, with a separate estimate being made of amounts recoverable from the reinsurers. The Directors adopt an appropriately prudent approach to the provision and valuation of adequate (re)insurance reserves, with annual support and certification being provided by an external actuary who serves as the Head of Actuarial Function.

The Company's underwriting performance by line of business for the reporting period ended 31 March 2018 and the comparative period is set out below:

	2018 USD'000	2017 USD'000
Gross Premiums Written	-	11,781
Reinsurers' Share	-	(10,501)
Net Premiums Written	-	1,280
Net Premiums Earned	-	1,280
Net Claims Paid	(524)	(844)
Net Change in Provision for Claims	1,007	1,584
Net Operating Expenses	(398)	(513)
Underwriting Result	(85)	1,507

As noted above, with effect from 1 April 2017, Martinsurance no longer actively trades, hence the reduction in the Gross Premiums Written for the period. The claims incurred, split by line of business is outlined below. It should be noted that the claims expenses paid are included in this table, whereas they are excluded from the Claims Incurred on Quantitative Reporting Template S.05.01.01, which is appended to this report, and are instead allocated to Claims Management Expenses.

	2018 USD'000	2017 USD'000
Marine, Aviation and Transport	164	48
Fire and other damage to Property	(12)	397
General Liability	(331)	(1,186)
Net Claims Incurred	**(179)**	(741)

A.3 Investment Performance

The Company allocates its investment portfolio as described below;

- Cash and cash equivalents - Comprise cash in hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

The Company has no investments in securitised asset classes and all investment income is recognised in the Company's income statement. The investment income for the year amounted to $423k and includes interest income as well as amortisation expense, accretion income and gains and losses on investments as at 31 March 2018, compared to €157k in 2017.

A.4 Performance of other activities

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

A.5 Any Other Information

Aon Insurance Managers (Dublin) Limited ('AIMD') acted as manager to the company during the year. A

management fee is paid by Martinsurance to Aon for services provided.

B. SYSTEM OF GOVERNANCE

B.1 General Information on the System of Governance

In aiming to meet the requirements for sound corporate governance, ensuring 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.

It is the responsibility of the Board of Directors to ensure that risks are fully understood and appropriately managed in accordance with this framework. Risk management, reporting and auditing processes reflect the requirements set out in the Governance Manual.

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 escalating and reporting channels;
2. Risk Management System 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 since the prior reporting period. Martinsurance implemented the above framework in advance of the inception of Solvency II.

Given the limited scale and complexity of the Company, and having reviewed the risks facing the Company thoroughly, the Board are satisfied that the system of governance in place is adequate.

The various functions assisting the Board, including the Compliance Function, have defined lines of reporting directly to the Board. In relation to any violation of relevant law by the Company, the Compliance Function, as well as reporting to the Board, will, in certain circumstances, also be required to report to outside bodies such as the Central Bank of Ireland.

B.2 Fit & Proper Requirements

The 'Fit and Proper' requirement is the standard required by the Central Bank of Ireland when appointing pre-approved controlled function holders. Martinsurance is satisfied that appointed individuals performing controlled functions meet all relevant regulatory requirements and have a suitable level of training and qualification in order to enable them to carry out their respective duties.

The Compliance function adopts appropriate controls in the registration of individuals across the Group ensuring that identified individuals meet the regulator's fit and proper criteria at the point of registration.

Roles and Responsibilities Detail

Key Roles	Outsourcing	Responsible
Board of Directors	No	James Kelly (Chairperson) Mark Smith Aidan Pyke
Risk Management Function	Yes (External)	TBA
Compliance Function	Yes (External)	Aon Insurance Managers (Dublin) Limited John McNamara, Head of Compliance Function

Operations - Underwriting/Claims Management	Yes (External)	Aon Insurance Managers (Dublin) Limited
Operations - Finance and Accounting	Yes (External)	Aon Insurance Managers (Dublin) Limited
Operations – Investment	Yes (External)	Aon Insurance Managers (Dublin) Limited
Operations – Administration	Yes (External)	Aon Insurance Managers (Dublin) Limited
Internal Audit Function	Yes (External)	Aon Commercial Services Ireland Limited. Mark Smith, Acting Head of Internal Audit Function
Actuarial Function	Yes (External)	Aon Global Risk Consulting. Sinéad Browne, Head of Actuarial Function

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 Risks
- Reinsurance and Other Risk Mitigation Techniques

Information as to how the Company invests its assets in accordance with the prudent person principle is provided in Section C2 below. In addition to these policies, an outsourcing policy defining the key rules and criteria to be followed by each service provider has been determined.

In order to set out how the Risk Management Strategy, the Risk Appetite and the specific controls are implemented, the Company's risk management policies are documented and reviewed on a regular basis. Limits and operational checkpoints as well as functional identification, mitigation and monitoring processes are all documented.

The purpose of the risk policies is to ensure a common understanding and to specify risk definitions and related approaches in order to secure the robustness of the Company's Risk Management System, i.e.:

- identify risks that may impact the Company's strategic and business objectives;
- assess the risk exposure level, defined as the product between the probability of the risk occurrence and the impact of the risk for the Company and compare it to the Risk Appetite Framework;
- manage risks by identifying the appropriate risk response with which to develop a plan to mitigate, transfer or resolve with actions assigned to stakeholders;
- implement the actions defined in the response to the risk; and
- monitor and update on progress of actions undertaken to mitigate the impact of risks and escalate through reporting.

Policies are approved by the Board of Directors and must be reviewed at least once a year or at any time when an external or internal event occurs with a significant impact on the Risk Management System.

Outlined below is a summary of the key risk categories of the Company detailing the risk definition from the Company's documented polices:

Risk Category	Policy Definition
Insurance - Underwriting	Underwriting risk refers to the risk of loss, or of adverse change in the value of insurance liabilities; loss from exposure to risk concentrations; and the risk of inadequacy of premium income to cover expected claims and expenses. It can be broken down into: • Premium risk: risk of inadequacy of premiums income to cover expected claims and expenses; • Catastrophic risk: risk resulting from extreme (severity) or irregular events (frequency).
Insurance – Reserving	Reserving risk refers to the risk of loss or of adverse change in the value of insurance liabilities due to inadequate reserving assumptions. This mainly concerns the risk of loss from inadequate reserving to cover reported and/or expected claims.
Asset-Liability Management	Asset–liability management is the risk of loss arising from a failure to hold sufficient investments of an appropriate nature, duration and currency to meet the insurance obligations as they fall due.
Investments	Investment risk (or Market risk) is the risk of loss arising from adverse change and volatility of market prices of investments and assets.
Liquidity and Concentration	Liquidity risk is the risk that the Company is unable to realise investments and other assets in order to settle its financial obligations when they fall due. Concentration risk includes the risk of additional losses incurred by the Company due either to a lack of diversification in its portfolio of assets (e.g. concentration of investments in a geographical area or industry) or from a large exposure to the risk of default of a single issuer of securities or a group of related issuers. The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This will be accomplished by structuring the portfolio in a way so that investments meet anticipated cash needs.
Operational Risks	Operational risk refers to the risk of loss arising from inadequate or failed internal processes, or from personnel and systems or from external events. This is agreed to exclude risks arising from strategic decisions.
Reinsurance and other mitigation techniques	Reinsurance and other mitigation techniques are used to keep the Company's insurance risks within the scope of the Company's risk tolerance levels. However, a further risk of loss thereby arises from the potential for the reinsurance or mitigation to not properly operate, in particular the risk of the reinsuring counterparty defaulting.
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 standard formula used by the Company in calculating its solvency needs reflects the above risks with the exception that it does not explicitly allow for strategic and liquidity risk as it pertains to asset/liability management. The Board of Directors is cognisant of this in determining the level of capital to hold and in setting its risk appetite and tolerances.

Own Risk and Solvency Assessment ("ORSA")

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. Three year business projections, stresses and scenarios are compiled by the Operations and Risk Management 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 and 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 Martinsurance DAC 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 Martinsurance 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 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 and 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.

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, who coordinates the activities of the Compliance Function. The mission of the Compliance Function is:

Assisting in ensuring the long term sustainability of the Company through the effective identification, qualification and management of compliance risks faced by the business.

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.

The Company has a Compliance Charter and Compliance Plan in place for the 2017/18 period which was reviewed and approved by the Board. This is subject to annual review for continued applicability. There were no significant changes to the charter during the reporting period. The charter sets out:

- the objectives of the Compliance Function
- structure, roles and responsibilities within the Compliance Function
- interaction with other key functions
- authority emanating from the Board
- reporting and annual review

The plan outlines the areas of focus for the year in question and is updated annually to take account of any changes to the Company's compliance and business operations.

B.5 Internal Audit Function

The Board of Directors has established an Internal Audit policy as part of its governance documentation and this is reviewed annually for continued applicability. There were no significant changes to the policy during the reporting period. The policy sets out:

- The purposes and objectives of the Internal Audit Function
- Requirements in relation to independence and objectivity
- Scope and responsibilities including specific areas for assessment and review
- Authority of Internal Audit in the performance of their duties
- Reporting lines

Purpose & Objectives

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

It assists the Company in accomplishing its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of the 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 and must also be independent from 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.

Activities

During the reporting period, the Internal Audit Function carried out a review of the Company's internal control framework and overall system of governance. Based on the assessment performed, the resultant rating assigned was 'Satisfactory' and the review indicated a well-structured system of governance and internal control framework.

Internal audit work is performed in line with a three year risk based internal audit planning matrix which has been submitted to the Board of Directors. A more detailed internal audit plan is then developed by the Head of Internal Audit for each year setting out the specific scope and timing of each internal audit review.

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:

- co-ordination 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 (claims 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 Martinsurance's 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, nor impede effective supervision by regulators;
- Conflicts of Interest;
- Breach of the Company's data protection obligations;
- 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 Crawford & Company Adjustors UK Limited	Ireland United Kingdom
Finance and accounting	AIMD	Ireland
Compliance Function	AIMD	Ireland
Risk Management Function	AIMD	Ireland
Actuarial Function	Aon Risk Solutions	United Kingdom
Internal Audit Function	Aon Commercial Services Ireland Limited	Ireland
Claims handling	A&L Goodbody Zurich (fronted policies) 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 01 April 2016. 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 insures 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 Company does not have any plans to write any further business.

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. The Company does not anticipate changing the manner in which it assesses and manages underwriting risk over the business planning period.

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.

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.

Martinsurance 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 is the risk that the value of future cash flows of a financial instrument will fluctuate because of changes in interest rates. The company manages interest rate risk, in accordance with its policy on managing credit risk (above).

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 and GBP.

The Company does not anticipate materially changing its exposure to market risk over the business planning period. The manner in which the Board of Directors assesses and manages market risk over the business planning period is not expected to change.

C.3 Credit Risk

Credit risk is the risk that one party to a financial instrument or financial arrangement 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
- (Re)insurers' share of insurance liabilities
- Amounts due from (re)insurers

The Company utilises custodians deemed to be of high credit quality to hold its cash and cash equivalents and deposits with credit institutions.

The Company cedes a portion of risk to reinsurers in the normal course of business. The purchase of reinsurance cover does not relieve the Company of its obligation to its policyholders and accordingly a credit risk exists to the extent that any reinsurer is unable to meet the obligations assumed under such reinsurance agreements.

The Company does not anticipate materially changing its exposure to credit risk or the manner in which the Board of Directors assesses and manages this risk over the business planning 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 cash may not be available to pay obligations when they are due without incurring an unreasonable cost.

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.

The Company does not anticipate materially changing its exposure to liquidity risk or the manner in which the Board of Directors assesses and manages this risk over the business planning period.

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, Martinsurance is subject to Internal and External Audit review.

Martinsurance 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, Martinsurance puts in place service level agreements outlining key performance indicators against which its outsourced service providers can be monitored and assessed.

The Company does not anticipate materially changing its exposure to operational risk or the manner in which the Board of Directors assesses and manages this risk over the business planning period.

C.6 Other Material Risk

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, and;
- 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.

Significant transactions within the shareholder group

All inwards premiums adjustments during the period and claims paid and payable relate to companies that are members of the shareholder group.

C.7 Any other information

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

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

Martinsurance 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 Martinsurance has total assets valued at $10,246,488 (2016: $21,821,296) for solvency purposes. This total comprises the following categories of assets:

- Deferred tax assets $0.00 (2017: $89,875)

Deferred taxation is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date, except to the extent that deferred tax assets are recognised only when it is more probable than not that there will be future taxable income streams against which such assets can be offset.

Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes.

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 substantively enacted by the balance sheet date. Deferred tax is not discounted. The Deferred tax adjustment has been calculated at the tax rate applicable.

- Investments and deposits with credit institutions $0.00 (2017: $17,957,916)

Investments and deposits with credit institutions were used to fund a $10m dividend to Bacardi Martini B.V. and the balance was invested in cash and cash equivalents.

- Non-Life reinsurance recoverable; $2,431,336 (2016: $3,322,088)

The valuation of the reinsurers' share of insurance liabilities is detailed in the subsequent section, "Technical Provisions."

- Cash and cash equivalents $7,815,152 (2017: $451,416)

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.

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 Martinsurance relate to the Marine, Aviation and Transport Insurance (Marine), Fire & Other Damage to Property (Property) & General Liability lines of business and amounts at 31 March 2018, 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	91,190	-	58,000	62,000	120,000
Property	56,391	-	(51,000)	23,000	(28,000)
GL	3,286,109	-	3,165,341	499,536	3,664,777
Gross	**3,433,690**	**-**	**3,172,341**	**584,536**	**3,756,777**
Net	**723,729**	**-**	**741,005**	**584,436**	**1,325,441**

The increase in the technical provisions from the financial statements amount of $3,433,690 relates to the provision of events not in data, allowance for discounting and the calculated risk margin.

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. The DFM assumes that past development patterns will continue to be appropriate for the future. The BF method 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.

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

Estimates are "best estimates" in the sense that they are intended to be a probability-weighted average of all possible outcomes. Martinsurance 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 Martinsurance 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 March 2018 are shown below (USD'000):

	Gross	**Premium Provisions**	**Net**
Claims provisions on financial statements basis	3,433,690	-	723,729
Provision for Events Not In Data	1,934	-	1,817
Counterparty default			226,706
Unpaid premium cash flows	(192,981)	-	(192,981)
Allowance for Discounting	(70,301)	-	(18,265)
Solvency II claims provisions (ex. Risk Margin)	3,172,342	-	741,005
Risk Margin	584,435	-	584,435
Solvency II claims provisions	**3,756,777**	**-**	**1,325,440**

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

Aside from Technical provisions, the valuation of which is detailed above, Martinsurance has one other principal class of liabilities:

• Accrued expenses of $114,197 (2017: $6,765)

D.4 Alternative Methods of 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.

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

- Called up Share Capital;
- General Reserve; and
- Retained Earnings;

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:

Authorised (USD'000)	**2018**	**2017**
15,000,000 ordinary shares of €.45378 each	8,631	8,631
Allotted, called-up and fully paid 3,500,000 ordinary shares of €.45378 each	2,014	2,014
General Reserve	486	486
Retained earnings Opening and closing balance	4,624	14,168

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 $6,329,667, comprised of Tier 1 capital. Eligible own funds available to meet the Company's MCR are $6,329,667, comprised solely of Tier 1 capital.

The equity position as shown in the Company's 2018 period-end financial statements can be reconciled to the basic own funds balance under Solvency II as follows:

	2018 USD
Equity per the Company's financial statements	7,124,360
Adjustments to technical provisions	(601,711)
Derecognisition of debtors	(192,981)
Own Funds	**6,329,668**

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

E.2 Solvency Capital Requirement & Minimum Capital Requirement

At the end of the current reporting period, Martinsurance' SCR and MCR have been calculated as $1,703,325 and $4,558,770.

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 $6,329,668 (Tier 1 Capital), the Company has a solvency ratio at 31 March 2018 of 139%.

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 Item		31/03/2018 $'000	31/03/2017 $'000	Change $'000
Non-Life Risk	Premium-Reserve Risk	894	1,341	(447)
Default Risk		935	1,696	(761)
	Interest Rate Risk	8	669	(661)
	Spread Risk	-	1,172	(1,172)
	Currency Risk	76	449	(373)
	Diversification Benefit	(5)	(729)	(722)
Market Risk		**78**	**1,560**	**(1,482)**
	Diversification Benefit	(299)	(1,169)	870
BSCR		1,608	3,428	(1,819)
Operational Risk		95	353	(258)
MCR		4,559	3,956	603
SCR		**1,703**	**3,781**	**(2,078)**
Solvency Ratio		**139%**	**424%**	**(285)%**

Martinsurance' SCR has decreased by $2.1m since the previous year end. The key drivers of the movement in the SCR are:

- **Non-life Underwriting Risk -** The reduction in reserves over the year has led to a reduced Non-Life Underwriting risk charge.

- **Counterparty Default Risk and Market Risk –** Reductions in investments and cash have led to decreases in Counterparty Default risk and Market risk.
- **Available Capital –** $10m dividend payment has reduced available capital by a corresponding amount.

E.3 Use of Duration Based Equity Risk Sub Model in calculation of the SCR

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

E.4 Differences between the Standard Model & Any Internal Model

Martinsurance used the Standard Model in determining the SCR and MCR and did not rely on any internal model.

E.5 Non-Compliance with MCR and SCR

There are no issues with 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

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)	0
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	
R0210	Other investments	
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	Loans on policies	
R0250	Loans and mortgages to individuals	
R0260	Other loans and mortgages	
R0270	Reinsurance recoverables from:	2,431
R0280	Non-life and health similar to non-life	2,431
R0290	Non-life excluding health	2,431
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	
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
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	7,815
R0420	Any other assets, not elsewhere shown	
R0500	**Total assets**	10,246

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

		C0010 Solvency II value
Liabilities		
R0510	Technical provisions – non-life	3,757
R0520	Technical provisions – non-life (excluding health)	3,757
R0530	Technical provisions calculated as a whole	
R0540	Best Estimate	3,172
R0550	Risk margin	584
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	160
R0900	Total liabilities	3,917
R1000	**Excess of assets over liabilities**	6,330

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									
Gross - Non-Prop reinsurance accepted	R0130									
Reinsurers' share	R0140									
Net	R0200	0	0	0	0	0	0	0	0	0
Premiums earned										
Gross - Direct Business	R0210									
Gross - Prop reinsurance accepted	R0220									
Gross - Non-Prop reinsurance accepted	R0230									
Reinsurers' share	R0240									
Net	R0300	0	0	0	0	0	0	0	0	0
Claims incurred										
Gross - Direct Business	R0310						-217	-84	-1,334	
Gross - Prop reinsurance accepted	R0320									
Gross - Non-Prop reinsurance accepted	R0330									
Reinsurers' share	R0340						-43	-84	-969	
Net	R0400	0	0	0	0	0	-173	0	-366	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						61	245	150	
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								0
Gross - Non-Prop reinsurance accepted	R0130								0
Reinsurers'share	R0140								0
Net	R0200	0	0	0	0	0	0	0	0
Premiums earned									
Gross - Direct Business	R0210								0
Gross - Prop reinsurance accepted	R0220								0
Gross - Non-Prop reinsurance accepted	R0230								0
Reinsurers'share	R0240								0
Net	R0300	0	0	0	0	0	0	0	0
Claims incurred									
Gross - Direct Business	R0310								-1,635
Gross - Prop reinsurance accepted	R0320								0
Gross - Non-Prop reinsurance accepted	R0330								0
Reinsurers'share	R0340								-1,096
Net	R0400	0	0	0	0	0	0	0	-539
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								456
Other expenses	R1200								1
Total expenses	R1300								457

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
			FR	GB	IT	ES	DE	
		C0080	C0090	C0090	C0090	C0090	C0090	C0140
Premiums written								
Gross - Direct Business	R0110							0
Gross - Proportional reinsurance accepted	R0120							0
Gross - Non-proportional reinsurance accepted	R0130							0
Reinsurers' share	R0140							0
Net	R0200	0	0	0	0	0	0	0
Premiums earned								
Gross - Direct Business	R0210							0
Gross - Proportional reinsurance accepted	R0220							0
Gross - Non-proportional reinsurance accepted	R0230							0
Reinsurers' share	R0240							0
Net	R0300	0	0	0	0	0	0	0
Claims incurred								
Gross - Direct Business	R0310		-433	-386	-233	-222	-71	-1,344
Gross - Proportional reinsurance accepted	R0320							0
Gross - Non-proportional reinsurance accepted	R0330							0
Reinsurers' share	R0340		-351	-310	-181	-80	-65	-987
Net	R0400	0	-81	-76	-52	-141	-6	-356
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		128	113	66	30	24	360
Other expenses	R1200							1
Total expenses	R1300							361

S.12.01.02 - Life and Health SLT Technical Provisions (In thousands of USD)

		Insurance with profit participation		Other life insurance			Annuities stemming from non-life insurance contracts and relating to insurance obligation other than health insurance obligations	Accepted reinsurance	Total (Life other than health insurance, incl. Unit-Linked)
				Contracts without options and guarantees	Contracts with options or guarantees				
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0150
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	R0020										0
Technical provisions calculated as a sum of BE and RM											
Best Estimate											
Gross Best Estimate	R0030										0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080										0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090	0		0	0		0	0	0	0	0
Risk Margin	R0100										0
Amount of the transitional on Technical Provisions											
Technical Provisions calculated as a whole	R0110										0
Best estimate	R0120										0
Risk margin	R0130										0
Technical provisions - total	R0200	0	0			0			0	0	0

S.12.01.02 - Life and Health SLT Technical Provisions (In thousands of USD)

		Health insurance (direct business)			Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Health reinsurance (reinsurance accepted)	Total (Health similar to life insurance)
			Contracts without options and guarantees	Contracts with options or guarantees			
		C0160	C0170	C0180	C0190	C0200	C0210
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	R0020						0
Technical provisions calculated as a sum of BE and RM							
Best Estimate							
Gross Best Estimate	R0030						0
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0080						0
Best estimate minus recoverables from reinsurance/SPV and Finite Re - total	R0090		0	0	0	0	0
Risk Margin	R0100						0
Amount of the transitional on Technical Provisions							
Technical Provisions calculated as a whole	R0110						0
Best estimate	R0120						0
Risk margin	R0130						0
Technical provisions - total	R0200	0			0	0	0

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						58	-51	3,165				
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240							10	2,422				
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	0	58	-60	743	0	0	0	0
Total Best estimate - gross	R0260	0	0	0	0	0	58	-51	3,165	0	0	0	0
Total Best estimate - net	R0270	0	0	0	0	0	58	-60	743	0	0	0	0
Risk margin	R0280						62	23	499				
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	120	-28	3,664	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	10	2,422	0	0	0	0
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	0	120	-37	1,242	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					3,172
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240					2,431
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	741
Total Best estimate - gross	R0260	0	0	0	0	3,172
Total Best estimate - net	R0270	0	0	0	0	741
Risk margin	R0280					584
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	3,757
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	0	0	0	0	2,431
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	0	0	0	0	1,325

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	23	1,675	-848	28	-90		-66					0	721
N-8	R0170	70	125	16		37	6						0	255
N-7	R0180	448	20	-6	-383	-50							0	28
N-6	R0190	279	176	245	9	-118							0	591
N-5	R0200	8	88	-69			44						44	71
N-4	R0210	132	4										0	136
N-3	R0220	288	-234										0	54
N-2	R0230	104	19	-75									-75	48
N-1	R0240	773	494										494	1,267
N	R0250												0	0
	R0260											Total	462	3,171

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												
N-9	R0160												
N-8	R0170								1				
N-7	R0180												
N-6	R0190						1	0					0
N-5	R0200					196	3						3
N-4	R0210												
N-3	R0220			31	5								5
N-2	R0230		105	20									20
N-1	R0240	5,037	3,214										3,144
N	R0250												
	R0260											Total	3,172

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	2,014	2,014			
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	486	486			
Preference shares	R0090	0				
Share premium account related to preference shares	R0110	0				
Reconciliation reserve	R0130	3,830	3,830			
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	0				
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	6,330	6,330	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	0				
Total ancillary own funds	R0400	0			0	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	6,330	6,330	0	0	0
Total available own funds to meet the MCR	R0510	6,330	6,330	0	0	
Total eligible own funds to meet the SCR	R0540	6,330	6,330	0	0	0
Total eligible own funds to meet the MCR	R0550	6,330	6,330	0	0	
SCR	R0580	1,703				
MCR	R0600	4,559				
Ratio of Eligible own funds to SCR	R0620	3.716063748				
Ratio of Eligible own funds to MCR	R0640	1.388459606				

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	6,330
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	2,500
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	3,830
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	78		
Counterparty default risk	R0020	935		
Life underwriting risk	R0030			
Health underwriting risk	R0040			
Non-life underwriting risk	R0050	894		
Diversification	R0060	-299		
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	1,608		

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	95
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	1,703
Capital add-on already set	R0210	
Solvency capital requirement	R0220	1,703
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	83

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	58	
Fire and other damage to property insurance and proportional reinsurance	R0080		
General liability insurance and proportional reinsurance	R0090	743	
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	83
SCR	R0310	1,703
MCR cap	R0320	766
MCR floor	R0330	426
Combined MCR	R0340	426
Absolute floor of the MCR	R0350	4,559
Minimum Capital Requirement	R0400	4,559