



Millennium Insurance Company Ltd.

SOLVENCY & FINANCIAL CONDITION REPORT **SFCR**

For year ending 31TH December 2016

The background of the page is composed of several organic, torn-paper-like shapes in two shades of brown. A lighter tan shape occupies the upper left and middle right areas, while darker brown shapes fill the lower left, bottom right, and a central irregular area. The word "CONTENTS" is centered in white, uppercase letters.

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Executive Summary

Millennium Insurance Company Limited (or 'MIC' or 'the Company' or 'Millennium'), is an insurance company licensed in Gibraltar.

The purpose of this report is to satisfy the public disclosure requirements under the Financial Services (Insurance Companies) (Solvency II Directive) Act ("the Solvency II Act in Gibraltar") including the Delegated Regulations of the European Parliament. The elements of the disclosure relate to business performance, governance, risk profile, solvency and capital management.

The Company has performed well during the year 2016 and has recorded profits for the year per the management accounts of **3.022.435€** and Gross Assets of **149.459.710€**. The profits have been driven from strong underwriting performance and investment returns.

The Company has continuously complied with all aspects of the Solvency II regulations from the date of first implementation on 1 January 2016. As part of this, the company has taken advantage of the transitional provisions available in the Solvency II Act in Gibraltar and continues to work closely with the Gibraltar Financial Services Commission during the transitional period.

The Company's business plans forecast shows that own funds will exceed in the next years solvency capital requirement.

Antonio Morera Vallejo
Chairman



Business & Performance

A1. Business

Millennium Insurance Company Ltd is authorized to carry out non-life insurance in the classes below in all the European Union market:

- Accident & health
- Property
- Liability
- Credit & Suretyship
- Legal expenses
- Miscellaneous

At the day, the company is writing business in Spain, Portugal, Italy, France, UK, Lithuania, Hungary, Luxembourg, Poland, Romania, Belgium and Ireland.

Business is written through selected brokers, underwriters or producers (from now “intermediaries”) in a number of European countries. The principals behind the Company have been operating in this market for a number of years initially as brokers and Lloyds cover holders and have considerable experience of this area.

The Company's core strategy is to build a profitable multi-line insurance company which provides capacity to both group and independent intermediaries and builds long-term shareholder value.

The company pursues the objective of doing business in those countries of the European Union where there are market niches where MIC can contribute with its experience and knowledge.

This same strategy is the one which has been used in the past to allow the Company to achieve its current strong position. The Company expects to achieve carefully controlled growth and underwrite quality business, while always thinking of the needs of its customers.

The Board is committed to managing the business in a risk-focused manner at all times and this philosophy is an integral part of the business culture and the decision-making processes. The ultimate goal of this is to ensure the achievement of the Company's strategic objectives.

Millennium Insurance Company Ltd is regulated by:

Gibraltar Financial Services Commission PO Box 940
Suite 3, Atlantic Suites Gibraltar
Tel: +350 200 40283
www.fsc.gi

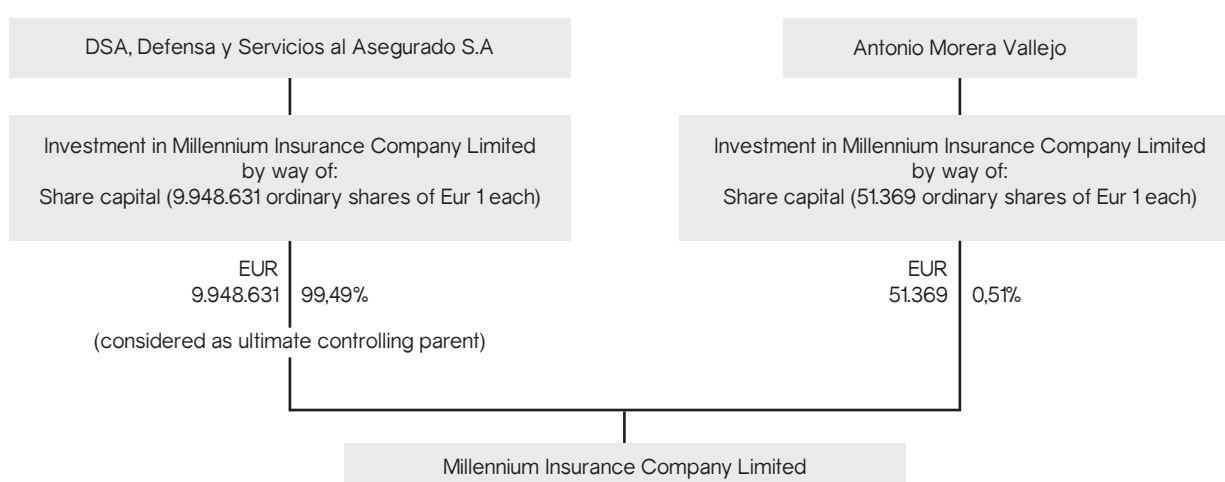
MIC accounts external auditor are:

BDO Limited
5.20 World Trade Center
6 Bayside Road
P.O. Box 1200
Gibraltar
www.bdo.gi/

Shareholders:

| | |
|---|--------|
| DSA, Defensa y Servicios al Asegurado S.A | 99,49% |
| Antonio Morera Vallejo | 0,51% |
| | 100% |

Group Structure:



A2. Underwriting Performance

Millennium operates in the non-life insurance market in different countries like Spain, Portugal, Italy, France, UK, Lithuania, Hungary, Luxemburg, Poland, Romania, Belgium and Ireland.

In 2015, the Company finished the year with a premium volume over 72 million, maintaining its leadership in the field of suretyship in Spain and working in most countries of the European Union and with assets over 114 million Euro.

In 2016, the company has achieved a consolidation in the figures of last years, with a financial strategy more focused on Solvency II and a growth in assets than can make the company grow consistently in the next years. At the year end the company had 149 million in assets and gross premiums of 74 million; this represents an increase of 31% and 3% respectively.

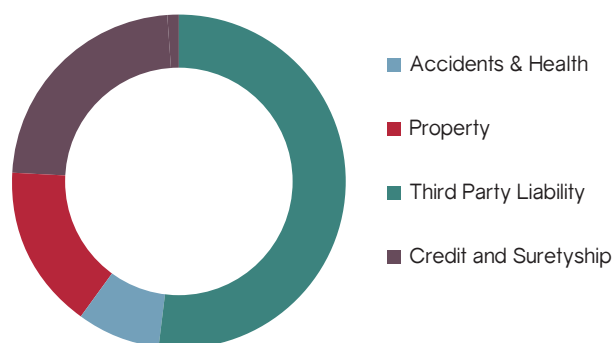
MIC has issued 13.004.610, 42€ of premiums with a market share of 20.91%. With these data the company reaffirms as leader in the Surety class in Spain for the fourth year in a row. It has surpassed other recognized companies in the sector.

For 2017 and beyond, MIC expects to open new markets in the EU with new opportunities that the different markets and together with new agencies and brokers with a knowledge and experience which will enable Millennium to grow not only in premiums and profits, but also in quality and adaptation to the needs of our insureds.

The premium written by class and by territory for the year ended 2016 is as follows:

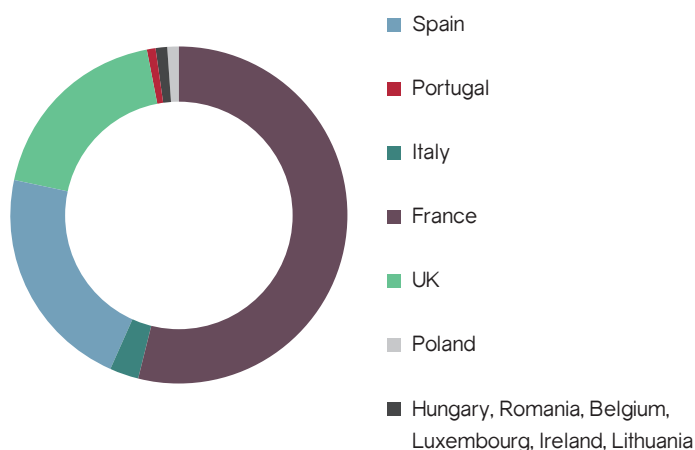
Classes:

| | |
|------------------------------|---------------------|
| Third Party Liability | 38.378.261 € |
| Credit and Suretyship | 17.384.530 € |
| Property | 12.319.784 € |
| Accidents & Health | 6.076.927 € |
| Legal expenses | 109.587 € |
| Miscellaneous Financial Loss | 63.114 € |
| Total | 74.332.203 € |



Territory:

| | |
|-----------------|---------------------|
| France | 40.617.233 € |
| Spain | 16.561.292 € |
| UK | 14.125.921 € |
| Italy | 2.241.793 € |
| Portugal | 405.359 € |
| Poland | 216.218 € |
| Other countries | 164.387 € |
| Total | 74.332.203 € |



Underwriting performance has been positive with a technical profit reported for the year ended 2016 in the management accounts of 2.944.869 €.

| | 2016 | 2015 |
|------------------------|--------------|--------------|
| Gross Premiums written | 74.332.203 € | 72.287.021 € |
| Gross Claims incurred | 29.745.865 € | 31.825.799 € |
| % Claims / Premiums | 40,02% | 44,03% |

Regarding the claims incurred, the company has improved its figures in the last year, from 31,825,799 € in 2015 to 29,745,865 € in 2016, this means a decrease of 4% in its overall loss ratio compared to premiums written. This is due to the continuous improvement in the collaboration by the company together with its agencies to write risks in the different markets with the lowest risk possible and always based on the experience and knowledge of the different markets in which the company operates.

A3. Investment Performance

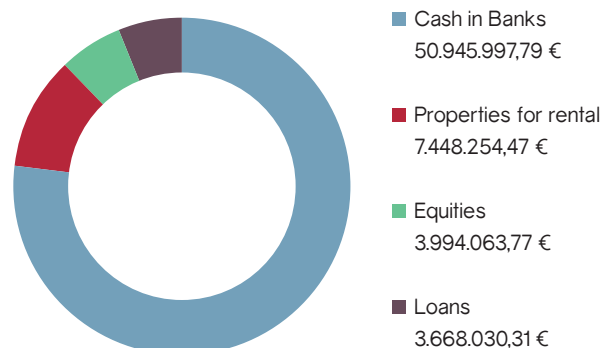
MIC's investment policy is limited to relatively standard and easily-understood investments. Derivatives are not utilised and the company does not undertake any non-routine investment activity or invest in unusual or complex investments including any investments in securities instruments.

The Investment assets held by the Company are as follows:

MIC has investments assets in a diversified portfolio where most of cash is held in banks with a rating higher than "A". Due to solvency II, the company handles very low risky investments trying always to have a balance between profitability and liquidity risk comfort.

MIC's equities portfolio is composed of shares in the Spanish regulated market and most of them are blue chips.

The company has granted loans to third companies with the objective of obtaining an interesting profitability. Most of these loans are guaranteed with properties for a much higher amount than the total loaned and the company can request the refund of these amounts in any moment.



Gains and losses of Investments:

Equities (annual)

| | |
|------------------------|-------------|
| Investment | 3,994.064 € |
| Gains/Loss | 335.006 € |
| Equities Bank Expenses | 3.352 € |
| Profitability % | 8,30% |

Loans (annual)

| | |
|-------------------|-------------|
| Investment | 3,668.030 € |
| Interest received | 115.526 € |
| Profitability % | 3,15% |

Properties (from 4Q 2016)

| | |
|-------------------|-------------|
| Investment | 7,448.254 € |
| Interest received | 19.400 € |
| Profitability % | 0,26% |

A4. Performance of Other Activities

There have been no other significant activities undertaken by the Company other than its insurance and related activities.

A5. Performance of Other Activities

There are no other material matters in respect to the business or performance of the Company.



System of Governance

B1. General Information on System of Governance

The company retains the majority of its key functions in-house either via the Board and Sub-Committees or through directly-employed individuals.

MIC sources its business through a network of carefully selected intermediaries and relies on these intermediaries to provide appropriate policy administration and claims handling services, overseen by the Board, Sub-Committees and other members of the management team.

MIC is committed to ensuring that its business is managed in a risk-focused manner at all times. All directors are closely involved in the day-to-day management thus ensuring that the risk management philosophy is an integral part of MIC's business culture and the decision-making processes and drives the manner in which the company seeks to achieve its objectives. The company holds regular Underwriting Committee, Claims Committee and Board meetings in Gibraltar at which all key decisions are made.

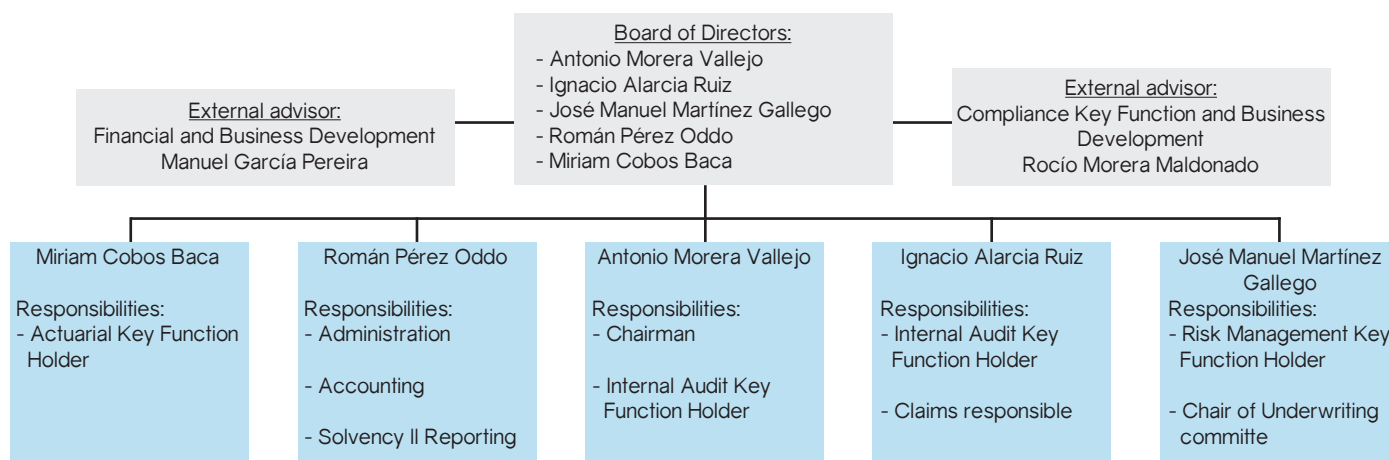
As part of its overall risk management framework, the Company has decided to make use of the Standard Model in the calculation of its regulatory solvency requirement and to use this as the basis, with appropriate consideration of other risk factors and mitigations, together with appropriate stress tests, in the completion of its ORSA. This is considered to be appropriate for the company, as it does not underwrite unusual risks or exposures which could require the use of an internal model.

This document has been approved and adopted by the Board of Directors and is applicable to all functions of the company.

As in previous years, no dividends have been distributed to shareholders and profit has been destined entirely for the increase of own funds of the company.

| MIC Board of directors: | |
|------------------------------|--|
| Antonio Morera Vallejo | (Chairman and Shareholder) |
| Ignacio Alarcia Ruiz | (Resp. Claims) |
| Jose Manuel Martinez Gallego | (Resp. Risk Management) |
| Román Pérez Oddo | (Resp. Admin, Accounting & Solv II) |
| Miriam Cobos Baca | (Resp. Actuarial, Accounting & Adm) |
| External Advisors: | |
| Manuel García Pereira | (Financial & Business development) |
| Rocío Morera Maldonado | (Compliance Function & Business development) |

Roles and Responsibilities:



Due to its size, the Board of MIC retains responsibility for the Company's remuneration policy.

MIC ensures that it uses service providers who have the required skill and experience. An ongoing dialogue with service providers is maintained and audits are carried out.

Remuneration of service providers does not depend on performance, volume or other measures. Performance is monitored through the audit process and regular, ongoing dialogue. Accordingly, the manner in which service providers are paid does not expose Millennium to any additional risk, impact on the Company's risk profile or threaten its capital base.

At least two of the five MIC directors are permanently at headquarters. This team is increased weekly with visits and support from other managers and workers, up to about ten people. All of them are remunerated according to agreement by the Board and according to their skills, knowledge, experience, qualification and function within the company. The bonds that are granted are based on the overall performance of the Company in the period in question.

Given the philosophy of the Company and its work in the free provision of services, it has about 100 people who are in charge of a directive work in favor of these, and controlled by the permanent audits that the Company oversees.

MIC has one of the most cutting-edge IT platforms in the European insurance sector, which allows real-time insurers to carry out insurance work from anywhere in the world, as well as being able to be connected to any intermediary.

Accordingly, the remuneration of employees does not expose MIC to any additional risk or impact on the Company's risk profile or threaten its capital base.

In order to achieve its strategic objectives, MIC must ensure that it is able to attract and retain individuals and service providers of the quality required to run the company successfully. It therefore must ensure that the necessary skill, qualifications, knowledge and experience are in place and that the rewards offered are appropriate.

There have been no Directors remuneration, and in case of remuneration, it will be approved by the Board, or if it is inappropriate to discuss at board level, it will be discussed and approved by shareholders. A Director shall abstain from discussion and decisions regarding his/her own remuneration to avoid conflicts of interest.

B2. Fit and Proper Requirements

MIC ensures that the individuals running the business or fulfilling key functions have the appropriate knowledge and skills to do so. The company ensures that such individuals are both fit and proper and also have the attitude that is required.

This assessment takes place prior to appointment to a role and is reviewed annually by the Board. Additionally, the Board reviews fitness and propriety on an ad hoc basis when becoming aware of a potential issue.

Members of the Board and sub-committees and those carrying out other significant functions have extensive knowledge and experience across a variety of areas. This ensures that there is an appropriate spread of skills for managing the business.

Individuals are required to ensure their skills and knowledge is kept up-to-date. On an annual basis, each individual involved in the company will be required to complete a self-certification form to evidence ongoing professional development. The Compliance function is responsible for monitoring this process and reporting thereon to the Board at least annually.

B3. Risk Management System including ORSA

Policy

MIC aims to ensure that the business is managed at all times in a risk-focused manner. The policy is intended to identify all material risks, minimize risks wherever possible and manage and control all significant risks within acceptable parameters. The ultimate goal is to ensure policyholder protection, both now and in the future and for the company to achieve its overall strategic objectives.

MIC underwrites a diversified portfolio of business across a number of license classes and in a number of European jurisdictions. The Company operates through carefully selected intermediaries and ensures that there is sufficient expertise both within MIC and the intermediaries in the relevant business segments. The Company only moves into new areas once it is comfortable as to the historic track record and has satisfied itself that the necessary knowledge and expertise exist.

Responsibility

Risk management is the responsibility of the Board, although consideration realized during 2016 as to whether the establishment of a separate Risk Committee will enable the process to run more effectively. In addition, expertise is sought from other the key intermediaries.

MIC's approach to risk management is communicated to all directors, officers, managers, and employees, as well as any others assisting with the management of the company. All such individuals have a duty to observe and comply with the Company's risk management philosophy.

It is the responsibility of all Directors, Officers, Managers and Employees of the company to consider any issues that may give rise to a risk event that may in turn impact on the Risk Strategy of the business. This is accomplished by full and detailed discussion of a wide range of issues at Board and Committee meetings, which are held on a quarterly basis.

MIC has formally documented the Company's risk profile, including appetite and tolerances, and has established a risk register to assess key risks. The Company's risk profile is considered at every Board meeting, together with an assessment of any decisions taken and any actions that may be required as a result.

In addition to this, the risk register will be formally reviewed on a six-monthly basis.

Risk categories

MIC categorizes its risks as follows:

- Strategic Risk
- Insurance Risk
- Investment Risk
- Liquidity Risk
- Credit Risk
- Concentration Risk
- Operational Risk
- Reputational Risk

Risk Management

Risks are identified and recorded in a risk register, which is discussed formally on at least a six-monthly basis. Additionally, at each Board meeting consideration is given to whether the Company's risk profile or risk exposure has changed due to decisions taken.

Once identified, risks are assessed as to their likely impact and the likelihood of their occurrence according to the following matrices:

| Impact Rating | Impact | Financial Impact | Operational Impact | Reputational Impact |
|---------------|------------------|-----------------------------------|--|--|
| 1 | Negligible | Less than €25,000 | No impact | No negative publicity |
| 2 | Low | Between €25,000 and €100,000 | Disruption less than 1 day | Negligible negative publicity |
| 3 | Moderate | Between €100,000 and €500,000 | Disruption less than 1 week | Negative publicity for a short period of time |
| 4 | Significant | Between €500,000 and €1,000,000 | Disruption more than 1 week | Negative publicity for up to 1 week |
| 5 | Very significant | Between €1,000,000 and €2,500,000 | Disruption up to 1 month and needing significant resources to rectify | Negative publicity for more than 1 week, but not permanent |
| 6 | Severe | Greater than €2,500,000 | Disruption greater than 1 month and needing significant resources to rectify | Negative publicity that creates permanent damage |

| Probability Rating | Description of Probability |
|--------------------|---|
| 1 | Negligible - almost certain not to occur |
| 2 | Remote - very unlikely to occur |
| 3 | Low - will occur very occasionally |
| 4 | Possible - equally likely to occur or not |
| 5 | Probable - likely to occur |
| 6 | Highly likely - almost certain to occur |

This is done both on an inherent basis, i.e. without taking account of controls, and on a residual risk basis, i.e. the risk remaining after the mitigating effect of controls.

Risks are then be allocated a significance based on the combined effect of these ratings:

| Impact | Probability | | | | | |
|--------|-------------|----|----|----|----|----|
| | 1 | 2 | 3 | 4 | 5 | 6 |
| 1 | 1 | 2 | 3 | 4 | 5 | 6 |
| 2 | 2 | 4 | 6 | 8 | 10 | 12 |
| 3 | 3 | 6 | 9 | 12 | 15 | 18 |
| 4 | 4 | 8 | 12 | 16 | 20 | 24 |
| 5 | 5 | 10 | 15 | 20 | 25 | 30 |
| 6 | 6 | 12 | 18 | 24 | 30 | 36 |

■ Low risk
■ Medium risk
■ High risk

Company management structure

MIC operates through a Board of Directors and various management committees, including:

Overall Management

Board of Directors – Overall management and strategic direction of the company; meetings held at least quarterly

Underwriting and Claims Management and Oversight

Underwriting and Claims Committee – Review of performance, setting of rates, control and monitoring of claims; meetings held quarterly.

Investment Management Oversight

Responsibility is retained by the Board of Directors – Setting of investment objectives and parameters, review of investment performance; meetings held monthly

Policy Acquisition, Processing and Record-keeping

Underwriting Agencies – Acquisition and processing of policies, provision of accounting information and other monthly reports/information, which are reviewed internally by MIC.

Provision of Management Information

MIC staff/Underwriting Agencies – Provision of Management Information and portfolio analysis as requested by the Board. It is checked by the agency and by MIC's team.

Accounting and Financial Reporting

MIC Team – The team checks that all information received from the agencies is correct and is responsible for managing and controlling receipts and payments, day-to-day accounting, production of monthly management accounts, production of solvency returns, and liaison with auditors

Claims Handling

MIC Team /Intermediaries – Management and oversight of claims on a day-to-day basis, setting of reserves, payment of claims. Independent actuarial review of reserves by external actuaries

External legal advisory services – Legal advisory services support with regards to claims and premium recoveries in the market.

Due to its size, MIC has decided not to operate via a separate risk management committee. Instead, responsibility for and ownership of the risk management framework rests entirely with the Board of Directors working together with senior members of management.

Although responsibility for various areas has been delegated, the Board retains overall responsibility for risk management and for ensuring at all times that the company is managed in a risk-focused manner.

Risk Management Information

Key Risks

MIC is currently working on improving the granularity of its risk management system and in particular the identification and description of risks, together with related controls and mitigations. This work will be carried out during 2017. However, it is noted that all the directors are closely involved in the day-to-day operations of the Company and therefore the management of risks is integral to the running of the business.

The highest risks currently faced by MIC arise from various sources. As at the last full review of the risk register the highest-rated risks (by residual risk) are:

| Risk Description | Risk Category | Residual Risk Rating |
|--|-------------------|----------------------|
| Poor reputation of Gibraltar | Reputational | 15 |
| Brexit | Reputational | 12 |
| Significant drop in value of investments | Investment | 12 |
| Inappropriate claims handling | Reserving | 10 |
| Poor reputation of key intermediaries | Reputational | 8 |
| Higher than expected claims frequency | Operational Risks | 8 |

Risk Categories

| Risk Category | Risk Strategy |
|----------------|--|
| Strategic Risk | MIC aims to operate an appropriate framework for limiting the possibility of strategic risk which could arise from inappropriate business decisions or manner in which such decisions are implemented or a lack of consideration of the wider markets in which the Company operates. |
| Insurance Risk | <p>MIC's business is diversified across a number of business lines – accident & health, property, liability, credit & suretyship, and legal expenses – and across a number of European jurisdictions. The Company operates through carefully selected intermediaries and ensures that there is sufficient expertise both within MIC and the intermediaries in the relevant business segments.</p> <p>Claims are handled by Decennium Investments, we receive the information and forward it to them, they have lawyers that analyze the information and tell us how to proceed. Claims performance is discussed and monitored at the regular Underwriting and Claims Committee meetings.</p> <p>The company ensures it maintains optimum reinsurance protection by acquiring both proportional and non-proportional cover from reinsurers with financial strength rating of A or better as measured by risk rating agencies.</p> <p>MIC policy regarding reserves is to perform the best actuarial estimate. Thus MIC conducts a review with an independent actuary to avoid deviations.</p> |

| | |
|--------------------|---|
| Investment Risk | <p>MIC aims to maintain a balance between capital preservation and investment return. Investment management is retained in-house. The investments are proposed by the directors and discussed in committee. The conclusion is manifested by a signing document to make the movement.</p> <p>MIC does not pledge or lend investments. It is the company's policy is to hold investments that are traded regularly and therefore have a ready market value and are highly liquid.</p> <p>MIC's investment policy is limited to relatively standard and easily-understood investments. The company does not undertake any non-routine investment activity or invest in unusual or complex investments. No derivatives have been utilized by the company.</p> |
| Liquidity Risk | <p>MIC aims to build and maintain liquid assets at a level sufficient for ongoing requirements. The requirement for liquidity is balanced with the goal of achieving adequate investment returns while ensuring that additional funds are available should they be required. The majority of investments held is therefore highly liquid and held with banks.</p> |
| Credit Risk | <p>Premium risk arises from the brokers producing the business and this is closely monitored in-house.</p> <p>Risk with regard to reinsurers is managed through the careful selection of reinsurance counterparties.</p> |
| Concentration Risk | <p>MIC aims to minimize concentration risk where possible. The Company operates across a number of business lines, European jurisdictions, and intermediaries and have a range of reinsurance counter-parties. However, a higher level of concentration risk is accepted as a result of reliance on a small number of key individual and other companies within the wider group.</p> |
| Operational Risk | <p>The Company aims to minimize operational risk wherever possible. However, controls and processes are in place and concentrated in the hands of the senior members of the management team.</p> |
| Reputational Risk | <p>MIC's reputation is of key significance in the overall strategy. This covers consumers / policyholders, the markets in which the company operates distributors & intermediaries, and regulatory authorities.</p> <p>The Company aims to manage adverse perceptions via active and ongoing dialogue with all relevant counterparties.</p> |

Risk Mitigations

MIC has in place a number of controls and other risk mitigations to assist in the management of risks. These are set out in detail in the risk register, together with identifying the risks which are mitigated by the controls.

Insurance Risk

Key controls in place are:

- Diverse classes of business.
- Different policy with reinsurances depending of the class of business.
- Detailed review of monthly MI to monitor underwriting and claims performance.
- Close oversight/management of the claims handler.
- Periodic audits of the claims handler.
- In-house oversight and control of large claims.

In addition, a further risk transfer mechanism is used in the form of Excess of Loss Reinsurance and Quota Share reinsurance arrangements. These are set at a level consistent with a company of MIC's risk profile.

Investment Risk

The key controls in place are:

- Monthly review of investment performance.
- Use of multiple banking counterparties: Diversity of cash in important banks.
- Diversification in the portfolio: Diversify our shares in important companies of the financial market.

Liquidity Risk

The key controls in place are:

- No loans for our own financing.
- No external creditors.
- Monthly review of investment performance.
- Use of multiple banking counterparties.
- Diversification in the portfolio.

Credit Risk

The key controls in place are:

- Continuous control to the agencies.
- Monthly feedback.
- Periodic visits.
- Quarterly control and settlement (Reinsurers).
- Distribution through multiple intermediaries.
- Appropriate rating for reinsurance counterparties.
- Use of an experienced reinsurance brokers.

Concentration Risk

The key controls in place are:

- Range of individuals involved in key areas of the business: Final decisions are taken by the board of directors.
- Multiple product lines and geographical markets: Different countries with a different agency in each of them.
- Various distribution channels utilized by intermediaries: Our business is divided between different intermediaries.
- Reinsurance placed with a panel of counterparties.

Operational Risk

The key controls in place are:

- Data integrity and other IT controls: IT team makes periodic security copies.
- All is double checked by different levels. Four eyes control: MI production and analysis, financial information, payments.
- Detailed analysis and review of monthly MI: Continuous control & feedback from the different agencies.
- Oversight, monitoring and audits of claims handler.
- Disaster Recovery and Business Continuity plans.

Reputational Risk

The key controls on which reliance is placed are:

- Monitoring and notification by the Compliance function.
- Dialogue with relevant counterparts: Positive feedback from MIC policyholder and a good geographic location.
- Monitoring and control of service providers: MIC is very strict with the agencies in that matter.

ORSA:

The objective of the ORSA policy is to ensure that the Board has a thorough understanding of the risks faced by MIC and that the Company maintains appropriate levels of capital to manage and mitigate these risks.

MIC's Own Risk and Solvency Assessment should be carried out in an effective, consistent and reliable manner and should provide the management of the company with the information needed to make appropriate decisions.

The ORSA/ORSA will be carried out by various members of the management team with appropriate skills and knowledge of the relevant areas. However, the Board of MIC maintains oversight and control at all times, steering how the assessment is performed and challenging the results to ensure they properly take account of the Company's material risks.

Timing and frequency

MIC has been trading for a number of years, with the principals having been involved in the portfolio of risks written for a considerable time.

As a result, the Board believes that it is sufficient for a formal Own Risk and Solvency Assessment to be carried out on an annual basis. This will take place during the final month of the company's financial year, thus ensuring that the timing is aligned with the business planning process.

In addition, the Board will formally assess on a monthly basis, through accounts, whether any decisions taken, risk events, market factors or other similar items affect MIC's risk profile, risk appetite, free reserves or other relevant matters. In such a case, the impact on the Company's own assessment of its capital needs will be considered and, if required, a further ORSA together with an SCR calculation will be carried out.

ORSA processes and procedures

The ORSA will be conducted as follows:

- Production of annual business plan or revision/re-forecast of existing business plan
- Forecast or re-forecast of business for the two subsequent years
- Calculation from historical data for relevant patterns/assumptions
- Calculation of the SCR based on the business plan and assumptions
- Discussion by the Board of the business plan, assumptions and other details underlying the SCR calculation
- Revision of the business plan, assumptions and/or SCR calculation where required following such discussion
- Consideration of specific risks, MIC's specific risk profile, limits and tolerances as to their impact on the business plan, assumptions and/or SCR calculation
- Stress and scenario testing of the business plan, assumptions and SCR calculations

Final discussion and sign-off by the Board

B4. Internal control System:

MIC is committed to managing its business in a risk-focused manner. In order to achieve this, appropriate controls have been put in place to reduce risks where possible. Risk management and the adherence to the internal controls are an integral part of the business culture.

Responsibility for establishing an appropriate internal control environment rests with the Board as a whole and its Directors individually. Responsibility for adherence to internal controls rests with all individuals involved in the management of the business.

The internal control policy is targeted at ensuring that:

- Procedures exist for the identification and assessment of risks.
- Appropriate processes and procedures are in place to control identified risks.
- Individuals involved in the business are trained and aware of their role with regard to internal controls.
- Appropriate monitoring and review processes are in place.

Compliance Function:

MIC's Compliance Officer is responsible for ensuring that the Company complies with all relevant rules, regulations, and legislation with regard to both Gibraltar requirements and applicable UK requirements. Among other responsibilities this will include:

- Carrying out KYC procedures on new counterparties where required
- Review of policy wordings
- Monitoring of complaints
- Monitoring of any relevant industry reporting requirements
- Monitoring of reporting to the FSC
- Maintenance of compliance monitoring programme
- Monitoring of legislative or regulatory changes
- Carrying out annual fitness and propriety checks on all board members and those responsible for key functions
- Ensuring reviews of the company's risk register are conducted in accordance with the agreed review schedule
- Monitoring of audit schedules covering broker, MGAs, any outsourced service providers and others as needed and reporting audit results to risk and audit committee

B5. Internal Audit Function:

Internal Audit is an objective and independent activity, whose role is to help management achieve the Company's objectives by constantly improving the effectiveness of the Company's operations.

It is responsible for evaluating management's approach to risk management and governance, with particular emphasis on systems of internal control. It investigates the manner in which the Company's processes and control operate in order to assess their effectiveness in ensuring compliance with strategy and policies.

Internal Audit aims to assist management by identifying areas of significant risk and proposing improvements where required.

B6. Actuarial Function:

The role of the Actuarial function is to provide the Board with an independent perspective on key insurance aspects of the Company's operations. This will ensure that the Board is fully informed of matters that may impact the business.

MIC employs an in-house actuary carries out large elements of the actuarial function tasks. In addition, in order to cover specific requirements which require an independent view, MIC utilize the services of external actuaries and aims to expand the internal actuarial staff in 2017.

B7. Outsourcing:

Outsourcing Policy

This sets out the processes and procedures that will be followed when deciding to outsource a particular activity. This includes details on risk management and the contractual arrangements. The individual's allocated oversight of the relevant outsourced functions has the appropriate level of knowledge, skills and experience to oversee the provision of the services.

In addition, it is the Company's policy that all significant outsourced functions should be subject to fitness and propriety requirements; this will be demonstrated following the procedures previously set out and via a separate self-assessment questionnaire.

Material Service Providers in the Reporting Period:

| Service Provider | Service Provided | Jurisdiction Located |
|---|--|----------------------|
| DSA, Defensa y Servicios al Asegurado S.A | Day by day administration support | Spain |
| Decennium Investments S.L | Claims handling in Spain | Spain |
| Talamon Advocats | Legal advice and claims handling in France and Italy | France |
| Control habitat S.L | Expert loss evaluation | Spain |
| Cunningham Lindsey | Expert loss evaluation | France |
| Fiscal Reps Limited | IPT compliance and Fiscal representation | All E.U. |
| Quest Insurance Management Services | Solvency II consulting and reporting | Gibraltar |
| Knowles Loss Adjusters Limited | Claims and complaints handling in UK | UK & Ireland |
| BDO Gibraltar Limited | Accounts External audit | Gibraltar |
| Ernst & Young S.L | Internal control tasks & reserving report | Spain |
| Line Management Limited | Secretary and Legal advice | Gibraltar |
| Price Waterhouse Coopers | Solvency II Quality Assurance Review | Gibraltar |
| Grupo Morera & Vallejo S.L. | Financial Support, compliance function & internal audit (2016) | Spain |

Due to its size, the Board of MIC retains responsibility for the Company's outsourcing policy.

B8. Adequacy of the system of Governance:

MIC aims to continuously improve its compliance and governance systems by ensuring that they are reviewed, evaluated, and recommendations are made to the Board regarding enhancing and developing systems. It also considers relevant industry advice and guidelines, for example, from being part of the Gibraltar Insurance Association (GIA), implementing these as appropriate for the size and complexity of the company.

Internal audits and external audits provide independent evaluation of MIC's systems of governance. Recommendations from these audits are considered by the Board and implemented proportionate to the business' risks.



Risk Profile

C1. Underwriting Risk

MIC takes a conservative approach to underwriting risk, prioritizing the financial security of the Company, adherence to regulatory requirements, and protection of its policyholders; however it is open to investigating and developing innovative insurance products within these bounds.

Underwriting risk is comprised of underwriting and reserving risk and is the primary risk in the business. Appropriate underwriting and risk selection/pricing are directly linked in a continuous feedback cycle to reserving and claims development and is the fundamental driver in enabling business performance to be managed.

Control over insurance risk is directly linked to the strategy in the need to deliver sustainable underwriting profit through the market cycle.

MIC underwrites a number of different business lines including accident & health, property, liability, credit and suretyship, and legal expenses business in Spain, Portugal, Italy, the UK, France, Belgium, Romania, Lithuania, Hungary, Luxembourg, Poland and Ireland.

The primary segmentation of business is into:

- Business lines
- Country

Within these segments, further detailed analysis is carried out based on individual risk factors.

The Company operates through carefully selected intermediaries and ensures that there is sufficient expertise both within MIC and the intermediaries in the relevant business segments.

Claims are outsourced to third party handlers with the guidance of expertise advice, giving to MIC the best way to proceed. Claims performance is discussed and monitored at the regular Underwriting and Claims Committee meetings.

Reserving approach and practices are set by MIC, based on own experience and market conditions and based on results arising from the independent external actuarial review.

Developing trends within the industry and the market are kept under constant review to enable an early assessment of any likely impact on performance and ensure changes are promptly reflected in reserving practice and underwriting decisions. The company employs an in-house actuary to monitor and carry out detailed analysis of data.

Responsibility for implementing the insurance risk strategy rests with the Underwriting and Claims Committee, which reports directly to the Board. This Committee meets on a quarterly basis and considers detailed performance data and decides upon monthly rating actions to be taken on the basis of this data. The underwriting process is systems based, and decisions taken are performance led rather than market driven. A profitable result is the key goal at all times.

The company ensures it maintains optimum reinsurance protection by acquiring both proportional and non-proportional cover from reinsurers with financial strength rating of A- or better as measured by Standard and Poors.

Reserves are determined by the in-house actuaries and are further reviewed by an independent actuary. It is MIC's policy to reserve to at least actuarial best estimate and, where appropriate, carry a further management load to allow for uncertainty.

The adequacy of premium income to cover expected claims and expenses is the responsibility of the Board based on recommendations from the Underwriting Committee and is achieved by following the company's agreed pricing mechanism.

At a high level, the company's risk appetite measure, in line with the standard SCR calculation, is that existing net reserves should not deteriorate by more than 30% of the value at the previous financial year end. This is slightly more conservative than the standard premium and reserve volatility parameters for the business written and equates approximately to a 1 in 200 year event.

The Company reserves to at least actuarial best estimate. In addition, the Directors will consider from time to time whether the internal view of ultimate loss ratios differs significantly from that of the external actuary and, if appropriate will assess the need for an additional management load. The Directors will also consider whether an additional management load is required to allow for potential volatility or uncertainty in the result. It is not MIC's policy to set a pre-defined level of management load to be held.

Within these high level risk appetite measures, the Board has set further detailed operational limits and tolerances with regard to specific elements of insurance risk. These limits are triggers for review and action by management.

The key operational metrics used to control the above risks are:

Performance measures

- Loss ratios
- Frequency
- Average cost per claim
- Business volumes
- Business mix
- Deterioration in claims experience
- Significant differences between claims settlements and reserves

Operational claims measures

- Legislative changes
- Market changes
- Process changes at claims

The measures above are monitored, controlled and tracked in the forums below. Regular monitoring is essential to respond to emerging issues and control insurance risk.

C2. Market Risk

MIC aims to maintain a balance between capital preservation and investment return. Investment management is retained in-house. The investments are proposed by the directors and discussed in committee. The conclusion is manifested by a signing document to make the movement.

The company does not pledge or lend investments and it is the company's policy is to hold investments that are traded regularly and therefore have a ready market value and are highly liquid.

MIC investment policy is limited to relatively standard and easily-understood investments. The company does not undertake any non-routine investment activity or invest in unusual or complex investments. Derivatives are not utilized by the company.

Currency

MIC is exposed to two currencies, the Euro ("EUR") and British Sterling ("GBP"). All investments are held in Euro and therefore present no currency risk to the Company. The Company holds a GBP cash account for GBP premium funds and claims payments, to minimize the number of currency exchanges necessary, however it is exposed to currency risk as its accounting currency is Euro and the exchange rate will affect the value of transactions and balances. MIC has most of cash held in banks with a rating higher than "A".

Property

MIC has a property investment portfolio, the majority of which consists of commercial properties which are then leased to provide a return on capital. Given the tenant covenants in place, these commercial properties are not subject to the same market fluctuations as residential properties, and therefore are considered to be lower risk. Properties, while all based in the Spain, are still geographically spread to mitigate catastrophe risk, and all have insurance to cover damage.

The property portfolio presents a liquidity risk in that it may take time to sell and realize cash.

The Investment Policy is reviewed at least annually to ensure that the mitigating guidelines in place are still appropriate for the Company and the risk environment in which it operates.

Concentration

The board reviews the investment portfolio and assesses the concentration risk that the Company is exposed to, to ensure that it is within MIC's risk appetite and in accordance with the Investment Policy. The concentration exposure arises in respect of positions taken in the Company secured loans and property exposure and counterparties in respect of its cash holdings and reinsurance recoveries.

C3. Credit Risk

MIC's credit risk appetite is medium, and it is exposed from only three sources – premium receipts from brokers and policyholders, loans provided and reinsurance recoveries. While these areas are tightly controlled, past leeway given to various parties could potentially result in a loss.

The management of credit risk is important in ensuring that the Company minimises the possibility of losses from non-payment of amounts due to it. This area is therefore important in building a profitable and sustainable business.

MIC aims to minimise credit risk arising from its operations. Premium risk arises from the brokers producing the business and this is closely monitored in-house. Risk with regard to reinsurers is managed through the careful selection of reinsurance counterparties. In addition, the company lends loans to companies which achieve an investment return, but do give rise to an element of credit risk. The company provides loans to different companies, which achieve a rather profitability return and with measured credit risk element given the knowledge of the companies.

Key business control thresholds are:

- No premiums to be overdue
- Regular audit of underwriting agencies
- Reinsurance recoveries to be received promptly and within contract terms
- Interest and capital amounts due on loans to be received within contract terms
- Minimum rating for XOL reinsurance counterparty to be A.
- Minimum rating for QS reinsurance counterparty to be A.

If any debts due to the company fall overdue, this will trigger a review by management.

C4. Liquidity Risk

The company has very limited appetite for illiquid assets.

MIC aims to build and maintain liquid assets at a level sufficient for ongoing requirements. The requirement for liquidity is balanced with the goal of achieving adequate investment returns while ensuring that additional funds are available should they be required. The majority of investments held is therefore highly liquid and held with banks.

Managing the Company's liquidity is necessary in order to ensure that it is able to meet its liabilities as they fall due, while balancing this with achieving returns on the less liquid, invested assets.

Control over this area is therefore linked directly to achieving both profitable growth and continuing to ensure the ability to protect policyholder interests.

At the year end, MIC held in banks more than 50 million in cash and equities of almost 4 million, this is due to the policy of the company to have the most liquid assets as possible.

C5. Operational Risk

Operational risk has the potential to impact all areas of the business and thus result in a loss of either profits or capital or both. This area therefore needs to be well controlled if the Company is to achieve its overall strategic aims.

The Company aims to minimise operational risk wherever possible. However, while controls and processes are in place, due to MIC's small size these are concentrated in the hands of a small number of senior members of the management team. It is the Company's policy to record its actual and potential risks in a risk register. This sets out the key risks to which the company is exposed and the controls in place to mitigate this risk. Additionally, a log is maintained to monitor risk events when they occur, recording the cause of the event, the impact and any remedial actions that have been taken.

MIC has various controls in place, as set out in the risk register, to mitigate operational risk.

The key controls are:

- Four-eyes processes for review and analysis
- Detailed analysis and review of monthly accounts
- Four-eyes processes for financial information
- Four-eyes processes for payments
- Oversight, monitoring and audits of claims handler
- Data integrity and other IT controls
- Disaster Recovery and Business Continuity plans

C6. Other Material Risks

Brexit:

The UK voted to leave the EU in the referendum which took place on the 23rd June 2016; since Gibraltar is a member of the EU through its relationship with the UK, it will also leave the EU if/when the UK does. This presents the Company with the risk that it will be unable to passport into EU jurisdictions from Gibraltar, and therefore unable to continue these lines of business.

The terms of the exit and arrangements for continued trade with the EU are not known and are unlikely to be clarified for a substantial period of time, which makes the risk very difficult to assess and respond to at this time, including stress testing. There is confidence that there will be no issue with trade between Gibraltar and the UK. Otherwise, the company is analyzing different relocation alternatives to be able to continue operating with total normality within the European Union.

The board continues to monitor events to ensure that they are able to take any required actions.



Valuation for Solvency Purposes

D1. Assets

Cash and cash equivalents

As at the reporting date of the financial statements, the company held 50.945.997€ as cash and cash equivalents in bank accounts in Spain and the United Kingdom. The balances held in Spanish banks accounts are in Euros ("EUR"). No estimation methods, adjustments for future value or valuation judgements are required for these balances. UK bank accounts are kept in pounds sterling ("GBP"); translated into Euros at the end of the period for reporting purposes.

Cash and cash equivalents are valued at fair value by the relevant financial institution and the company's accounting statement confirms the balances held daily. There are no significant estimates or judgements used in valuing cash holdings due to the nature of the asset. For Solvency II, total cash and cash equivalents (Included in reference S.02.01 of the Quantitative Information Template ("QRT")) includes the balances held in accounts.

Properties

Properties are measured based on the most recent external valuation report or acquisition cost if they were acquired less than three years ago. Properties are valued at least every three years.

MIC has a portfolio of property investments aimed at obtaining profitability for its rent and others for its own use.

Properties for rental are commercial properties that are then leased to provide a return on capital. The properties, although established in Spain, are geographically distanced to mitigate the risk of catastrophe, and all have insurance to cover the damages. These properties are valued in the Solvency II balance sheet of the company at 7.448.254€

MIC headquarters are in Gibraltar; this is located in Queensway Quay, one of the best areas of the city. This office is valued in the Solvency II balance sheet of the company at 412.331€

Listed Equities

MIC has a diversified portfolio of shares in the main Spanish stock market (IBEX 35). This portfolio is made up of shares of major companies of Spanish economy.

Within the investment policy of the company, it is contemplated to always invest in shares with lower volatility in order to reduce risk, even if the profitability is lower than if it were invested in other, more volatile shares. That is why the company always tries to invest in the so-called "blue chips".

The total value in the company's Solvency II balance sheet for investments in listed shares is 3.994.063€

Loans

The company has granted loans to third-party companies amounting to 3.686.849€. Most of these loans are secured with properties that are much larger than the loans granted and MIC has complete freedom to request the full repayment of capital when necessary. During 2016, the company decided to repay about 60% of the capital borrowed due to the high capital charge that it represents for the company due to solvency II.

D2. Technical Provisions

MIC accounts include provisions for claims incurred based on earned premiums that consider the best reasonably foreseeable estimates. These include the claims reserves incurred plus a provision for Incurred But Not Reported (IBNR) claims. MIC also considers the reinsurance recoveries contracts with respect to its claims and IBNR reserves.

The technical provisions by line of business are as follows:

| | Accident | Property | Liability | Credit & Suretyship | Legal expenses | Total |
|--|--------------|---------------|---------------|---------------------|----------------|---------------|
| Gross Best estimate | 761.300,73 | 1.194.884,39 | 413.614,48 | 4.778.745,04 | - | 39.519.402,90 |
| Risk Margin | 486.924,36 | 2.690.193,66 | 4.200.330,14 | 1.245.257,15 | - | 6.105.651,53 |
| Technical Provisions | 2.226.165,10 | 12.299.272,15 | 19.203.451,52 | 5.693.179,95 | -61.561,27 | 45.625.054,43 |
| Recoverables | 984.762,71 | 1.259.127,90 | 1.198.567,56 | 8.302.379,61 | - | 16.217.729,25 |
| Technical Provisions allowing for Recoverables | 1.241.402,39 | 11.040.144,24 | 18.004.883,97 | -2.609.199,66 | -61.561,27 | 29.407.325,18 |

The estimates used to calculate the technical provisions are as follows:

MIC has the following items that make up its technical provisions: Claims reserves, unearned premiums (UPR) and IBNR.

The estimation of losses related to claims incurred but not reported ("IBNR"), since the nature of the claims is not known at the time the reserve is applied. This estimate is calculated by the company's actuarial department and, at the close of the financial year, an external and independent actuarial analysis is made on the reserves and changes are applied if necessary to adjust the IBNR.

Unearned premium reserves (UPR) are internally calculated by the company's actuarial department and reviewed during the audit of the financial statements. These are calculated in a coherent and proportional way using the duration of each policy.

Unearned premium reserves (UPR) are internally calculated by the company's Internal actuarial department and reviewed during the audit of the financial statements. These are calculated in a coherent and proportional way using the duration of each policy.

The estimates of claims reserves are calculated by the company's staff with extensive experience and backed by expert reports and expert valuations.

The estimate of general expenses is calculated taking into account the historical data of the company and these have remained stable in last years.

MIC manages the risks associated with these estimates through the following actions:

- Permanent monitoring of claims.
- Maintaining a number of reinsurance agreements to limit the impact of the development of the claims.
- Internal controls through the underwriting committee and actuarial function that monitor the development of claims and reinsurance agreements.
- Review and adaptation of claims reserves annually by independent actuaries.

D3. Other Liabilities

In addition to technical provisions, MIC only has one category in its liability under the Solvency II regulations:

Payables (trade, not insurance)

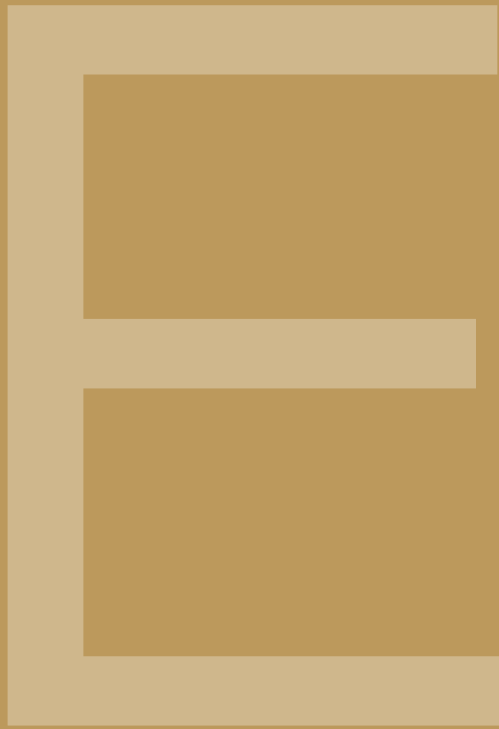
The “payables (trade, not insurance)” section includes the balances for accruals during the year and taxes generated at the end of the year; no estimation methods, adjustments for future value or valuation judgements are required for these balances. The total for payables (trade, not insurance) as at 31 December 2016 was 3.268.816€

D4. Alternative Methods for Valuation

Not applicable for the Company.

D5. Any Other Information

Not applicable for the Company.



Capital Management

E1. Own Funds

Management of Own Funds

Objectives, Policies and Processes in Managing Own Funds

MIC has in place a Capital Management Policy to ensure that the Company has the appropriate levels and quality of capital to meet both the SCR and the internal view of capital as determined by the ORSA. The intention is for capital requirements to be met in both the immediate and medium-term future.

While MIC's ORSA process is carried out formally on an annual basis, the capital requirements and own funds to meet these requirements are considered at least quarterly as part of the quarterly regulatory reporting process. The Board reviews the Company's capital position at all meetings as part of its risk management processes and monitors ongoing performance through monthly management accounts.

There have been no changes in capital management policies or processes during the period.

Time Horizon for Business Planning and Material Changes

MIC's business planning period for capital management encompasses a three year time horizon, with emphasis on the current and next year. There have been no changes in the planning time horizon over the year.

Description of Own Funds

Structure, Amount and Quality of own funds

MIC currently only has basic own funds and no ancillary own funds. Own funds are comprised entirely of Share Capital and the Reconciliation Reserve and therefore all qualify as Tier 1 funds. The table below set out MIC's own funds at 31 December 2016, together with movements during the period:

| | 01/01/2016 | 31/12/2016 | Movement |
|--|------------------|------------------|-----------------|
| Reconciliation reserve | | | |
| Excess of assets over liabilities | 30,029.77 | 36,029.34 | 5,999.57 |
| Own shares (held directly and indirectly) | | | |
| Foreseeable dividends, distributions and charges | | | |
| Other basic own fund items | 10,000.00 | 10,000.00 | 0.00 |
| Adjustment for restricted own fund items in respect of ring fences funds due to ring fencing | | | |
| Reconciliation reserve | 20,029.77 | 26,029.34 | 5,999.57 |

The Company's Reconciliation Reserve effectively represents retained earnings on a Solvency II valuation basis. In the interest of continuing to invest in the Company, dividends are not expected to be distributed.

Terms and Conditions of Own Funds

MIC's own funds are fully comprised of Tier 1 funds and have no terms or conditions attached and there are no restrictions affecting the availability and transferability of the Company's own funds. The own funds are not redeemable and do not carry any guaranteed dividend or other return.

Difference in Own Funds between Financial Statements and Solvency II Valuation

The difference in the valuation of own funds as shown in the Financial Statements compared to the Solvency II valuation is due to the valuation differences in the underlying assets and liabilities, as set out in the table below:

| | Total €'000 |
|---|-------------|
| Excess of assets over liabilities-attribution of valuation differences | |
| Difference in the valuation of assets | -60,622 |
| Difference in the valuation of technical provisions | -65,513 |
| Difference in the valuation of other liabilities | -6,093 |
| Total of reserves and retained earnings from financial statements | 15,045 |
| Reserves from financial statements adjusted for Solvency II valuation differences | 26,029 |
| Excess of assets over liabilities attributable to basic own fund items (excluding the reconciliation reserve) | 10,000 |
| Excess of assets over liabilities | 36,029 |

E2. Solvency Capital Requirements & Minimum Capital Required

SCR and MCR

MIC's SCR and MCR coverage is set out below:

| | Total €'000 |
|--|-------------|
| Total available own funds to meet the SCR | 36,029 |
| Total available own funds to meet the MCR | 36,029 |
| Total eligible own funds to meet the SCR | 36,029 |
| Total eligible own funds to meet the MCR | 36,029 |
| SCR | 35,483 |
| MCR | 9,173 |
| Ratio of Eligible own funds to SCR | 102% |
| Ratio of Eligible own funds to MCR | 393% |

As it is shown in the table above, the company exceeds the Solvency Capital Requirement marked by Solvency II, in quantitative terms, this means a capital surplus of about 546,000 € on the required capital.

Regarding the MCR, which is the Minimum Capital Required, MIC exceeds this capital by almost 300%, in quantitative terms, this means a surplus over the MCR of about 26,856,000 €.

All capital is Tier 1 and therefore fully eligible to cover the SCR and MCR.

SCR by Risk Module

| | Solvency Capital Requirement €'000 |
|---|---------------------------------------|
| Market risk | 3,565.97 |
| Counterparty default risk | 9,164.60 |
| Life underwriting risk | 0.00 |
| Health underwriting risk | 0.00 |
| Non-life underwriting risk | 27,090.15 |
| Diversification | -6,005.12 |
| Intangible asset risk | 0.00 |
| Basic Solvency Capital Requirement | 33,815.59 |
| Operational risk | 1,667.75 |
| Solvency capital requirement | 35,483.34 |

Simplifications

No material simplifications have been used in the calculation of the SCR and MCR.

Inputs used to Calculate the MCR

The following inputs have been used to calculate the Company's MCR:

| | Total €'000 | |
|---|--|---|
| | Net (of reinsurance/ SPV) best estimate and TP calculated as a whole | Net (of reinsurance) written premiums in the last 12 months |
| Medical expense insurance | 754.48 | 5,673.67 |
| Fire and other damage to property insurance | 8,349.95 | 9,382.12 |
| General liability insurance | 13,804.55 | 37,918.66 |
| Credit and suretyship insurance | 0.00 | 8,728.97 |
| Legal expenses insurance | 0.00 | 109.59 |

Overall MCR calculation

| | |
|------------------------------------|-----------------|
| Linear MCR | 9,173.50 |
| SCR | 35,433.34 |
| MCR cap | 15,967.50 |
| MCR floor | 8,870.84 |
| Combined MCR | 9,173.50 |
| Absolute floor of the MCR | 3,700.00 |
| Minimum Capital Requirement | 9,173.50 |

Changes over the Period

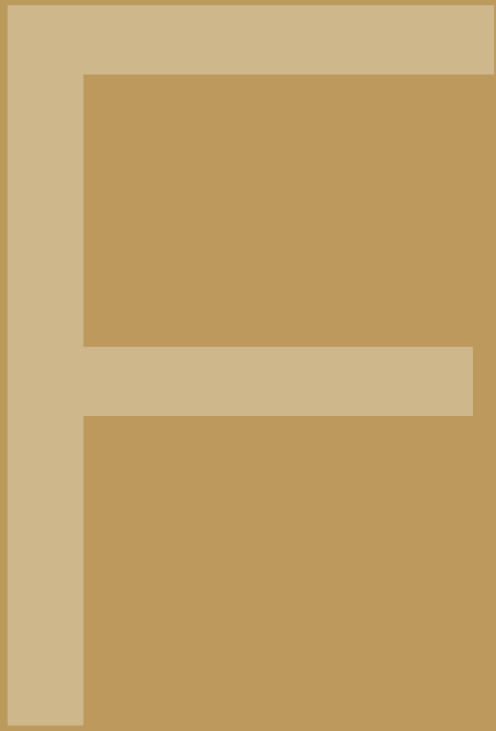
This is the first period over which the SCR and MCR have been reported.

E3. Non-Compliance with Minimum Capital Requirement or Solvency Capital Requirement

The company has reached its SCR and is projected to achieve it in the future, which has not had to take measures to mitigate a capital shortage.

E.4 Any other information

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



Quantitative Reporting Templates (QRT's)

Balance sheet

S.02.01.01.01

| | | Solvency II value | Statutory accounts value |
|--|--------------|----------------------|--------------------------|
| | | C0010 | C0020 |
| Assets | | | |
| Goodwill | R0010 | | 0,00 |
| Deferred acquisition costs | R0020 | | 16.514.162,52 |
| Intangible assets | R0030 | | 0,00 |
| Deferred tax assets | R0040 | | 0,00 |
| Pension benefit surplus | R0050 | | 0,00 |
| Property, plant & equipment held for own use | R0060 | 412.331,76 | 0,00 |
| Investments (other than assets held for index-linked and unit-linked contracts) | R0070 | 11.431.564,24 | 11.843.896,00 |
| Property (other than for own use) | R0080 | 7.437.500,47 | 7.849.832,23 |
| Holdings in related undertakings, including participations | R0090 | | 0,00 |
| Equities | R0100 | 3.994.063,77 | 3.994.063,77 |
| Equities - listed | R0110 | 3.994.063,77 | 3.994.063,77 |
| Equities - unlisted | R0120 | | 0,00 |
| Bonds | R0130 | 0,00 | 0,00 |
| Government Bonds | R0140 | | 0,00 |
| Corporate Bonds | R0150 | | 0,00 |
| Structured notes | R0160 | | 0,00 |
| Collateralised securities | R0170 | | 0,00 |
| Collective Investments Undertakings | R0180 | | 0,00 |
| Derivatives | R0190 | | 0,00 |
| Deposits other than cash equivalents | R0200 | | 0,00 |
| Other investments | R0210 | | 0,00 |
| Assets held for index-linked and unit-linked contracts | R0220 | | 0,00 |
| Loans and mortgages | R0230 | 3.686.849,76 | 4.123.929,03 |
| Loans on policies | R0240 | | 4.123.929,03 |
| Loans and mortgages to individuals | R0250 | | 0,00 |
| Other loans and mortgages | R0260 | 3.686.849,76 | 0,00 |
| Reinsurance recoverables from: | R0270 | 11.744.837,78 | 20.350.525,81 |
| Non-life and health similar to non-life | R0280 | 11.744.837,78 | 20.350.525,81 |
| Non-life excluding health | R0290 | 11.744.837,78 | 20.350.525,81 |
| Health similar to non-life | R0300 | | 0,00 |
| Life and health similar to life, excluding health and index-linked and unit-linked | R0310 | 0,00 | 0,00 |
| Health similar to life | R0320 | | 0,00 |
| Life excluding health and index-linked and unit-linked | R0330 | | 0,00 |
| Life index-linked and unit-linked | R0340 | | 0,00 |
| Deposits to cedants | R0350 | | 0,00 |
| Insurance and intermediaries receivables | R0360 | | 30.817.178,10 |
| Reinsurance receivables | R0370 | | 4.674.357,30 |
| Receivables (trade, not insurance) | R0380 | | 0,00 |
| Own shares (held directly) | R0390 | | 0,00 |
| Amounts due in respect of own fund items or initial fund called up but not yet paid in | R0400 | | 0,00 |
| Cash and cash equivalents | R0410 | 50.945.997,79 | 50.945.997,79 |
| Any other assets, not elsewhere shown | R0420 | 437.079,27 | 10.754,00 |
| Total assets | R0500 | 78.658.660,60 | 139.280.800,55 |
| Liabilities | | | |
| Technical provisions – non-life | R0510 | 39.360.507,45 | 104.873.620,62 |
| Technical provisions – non-life (excluding health) | R0520 | 39.360.507,45 | 104.873.620,62 |
| Technical provisions calculated as a whole | R0530 | | |
| Best Estimate | R0540 | 30.737.802,14 | |
| Risk margin | R0550 | 8.622.705,31 | |
| Technical provisions - health (similar to non-life) | R0560 | 0,00 | 0,00 |
| Technical provisions calculated as a whole | R0570 | | |
| Best Estimate | R0580 | | |
| Risk margin | R0590 | | |
| Technical provisions - life (excluding index-linked and unit-linked) | R0600 | 0,00 | 0,00 |
| Technical provisions - health (similar to life) | R0610 | 0,00 | 0,00 |
| Technical provisions calculated as a whole | R0620 | | |
| Best Estimate | R0630 | | |
| Risk margin | R0640 | | |
| Technical provisions – life (excluding health and index-linked and unit-linked) | R0650 | 0,00 | 0,00 |
| Technical provisions calculated as a whole | R0660 | | |
| Best Estimate | R0670 | | |
| Risk margin | R0680 | | |
| Technical provisions – index-linked and unit-linked | R0690 | 0,00 | 0,00 |
| Technical provisions calculated as a whole | R0700 | | |
| Best Estimate | R0710 | | |
| Risk margin | R0720 | | |
| Other technical provisions | R0730 | | 0,00 |
| Contingent liabilities | R0740 | | 0,00 |
| Provisions other than technical provisions | R0750 | | 0,00 |
| Pension benefit obligations | R0760 | | 0,00 |
| Deposits from reinsurers | R0770 | | 0,00 |
| Deferred tax liabilities | R0780 | | 0,00 |
| Derivatives | R0790 | | 0,00 |
| Debts owed to credit institutions | R0800 | | 0,00 |
| Financial liabilities other than debts owed to credit institutions | R0810 | | 0,00 |
| Insurance & intermediaries payables | R0820 | | 834.846,68 |
| Reinsurance payables | R0830 | | 5.258.350,93 |
| Payables (trade, not insurance) | R0840 | 3.268.816,44 | 2.473.693,88 |
| Subordinated liabilities | R0850 | 0,00 | 0,00 |
| Subordinated liabilities not in Basic Own Funds | R0860 | | 0,00 |
| Subordinated liabilities in Basic Own Funds | R0870 | | 0,00 |
| Any other liabilities, not elsewhere shown | R0880 | | 795.122,56 |
| Total liabilities | R0900 | 42.629.323,88 | 114.235.634,66 |
| Excess of assets over liabilities | R1000 | 36.029.336,72 | 25.045.165,88 |

Non-life obligations for home country

S.05.02.01.01

| | Home country | Country (by amount of gross premiums written) | | | | | Country (by amount of gross premiums written) | | | | | Country (by amount of gross premiums written) | | | | |
|---|--------------|---|----|-------|----|-------|---|-------|----|-------|--|---|-------|----|-------|--|
| | | ES | PT | CO090 | IT | CO090 | FR | CO090 | GB | CO090 | | FR | CO090 | GB | CO090 | |
| Premiums written | | | | | | | | | | | | | | | | |
| Gross - Direct Business | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | R0110 | | | | | | | | | | | | | | | |
| Gross - Non-proportional reinsurance accepted | R0120 | | | | | | | | | | | | | | | |
| Reinsurers' share | R0130 | | | | | | | | | | | | | | | |
| Net | R0140 | | | | | | | | | | | | | | | |
| | R0200 | | | | | | | | | | | | | | | |
| Premiums earned | | | | | | | | | | | | | | | | |
| Gross - Direct Business | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | R0210 | | | | | | | | | | | | | | | |
| Gross - Non-proportional reinsurance accepted | R0220 | | | | | | | | | | | | | | | |
| Reinsurers' share | R0230 | | | | | | | | | | | | | | | |
| Net | R0240 | | | | | | | | | | | | | | | |
| | R0300 | | | | | | | | | | | | | | | |
| Claims incurred | | | | | | | | | | | | | | | | |
| Gross - Direct Business | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | R0310 | | | | | | | | | | | | | | | |
| Gross - Non-proportional reinsurance accepted | R0320 | | | | | | | | | | | | | | | |
| Reinsurers' share | R0330 | | | | | | | | | | | | | | | |
| Net | R0340 | | | | | | | | | | | | | | | |
| | R0400 | | | | | | | | | | | | | | | |
| Changes in other technical provisions | | | | | | | | | | | | | | | | |
| Gross - Direct Business | | | | | | | | | | | | | | | | |
| Gross - Proportional reinsurance accepted | R0410 | | | | | | | | | | | | | | | |
| Gross - Non-proportional reinsurance accepted | R0420 | | | | | | | | | | | | | | | |
| Reinsurers' share | R0430 | | | | | | | | | | | | | | | |
| Net | R0440 | | | | | | | | | | | | | | | |
| | R0500 | | | | | | | | | | | | | | | |
| Expenses incurred | | | | | | | | | | | | | | | | |
| Other expenses | R0550 | | | | | | | | | | | | | | | |
| Total expenses | R1200 | | | | | | | | | | | | | | | |
| | R1300 | | | | | | | | | | | | | | | |

Non-Life Technical Provisions - By country
Gross TP calculated as a whole and Gross BE for different countries - Home country and countries outside the materiality threshold
S.17.02.01

| Home country | Medical expense Insurance CO020 | Income protection Insurance CO030 | Workers' compensation Insurance CO040 | Motor vehicle liability Insurance CO050 | Other motor Insurance CO060 | Marine, aviation and transport Insurance CO070 | Fire and other damage to property Insurance CO080 | General liability Insurance CO090 | Credit and suretyship Insurance CO100 | Legal expenses Insurance CO110 | Assurance CO120 | Miscellaneous financial loss CO130 |
|--|------------------------------------|--------------------------------------|--|--|--------------------------------|---|--|--------------------------------------|--|-----------------------------------|--------------------|---------------------------------------|
| EU countries outside the materiality threshold - not reported by country | -6,855.08 | | | | | | 32,718.62 | -5,444.62 | -306,859.78 | -32,697.04 | | |
| EU countries outside the materiality threshold - not reported by country | | | | | | | | | | | | |
| Non-EU countries outside the materiality threshold - not reported by country | | | | | | | | | | | | |

Gross TP calculated as a whole and Gross BE for different countries - Countries in the materiality threshold

| | | | | | | | | | | | | |
|--|----|-------|--------------|--|--|--|--------------|---------------|--------------|--|------------|--|
| Countries in the materiality threshold | EU | EU040 | 1,233,707.64 | | | | 130,214.74 | 1,823,787.37 | 4,866,951.61 | | -28,894.27 | |
| Countries in the materiality threshold | GB | EU041 | 681,129.25 | | | | 5,369,242.35 | | -37,466.17 | | | |
| Countries in the materiality threshold | FR | EU042 | -138,387.16 | | | | 4,676,927.74 | 13,084,798.65 | -184,572.84 | | | |

Non-life insurance claims
S.19.01.01.01

Gross Claims Paid (non-cumulative) - Development year (absolute amount)

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 & + |
|-------|---------------|--------------|--------------|--------------|------------|------------|--------------|------------|-----------|------------|-----------|-----------|----------|-------|-------|--------|
| | C0010 | C0020 | C0030 | C0040 | C0050 | C0060 | C0070 | C0080 | C0090 | C0100 | C0110 | C0120 | C0130 | C0140 | C0150 | C0160 |
| Prior | | | | | | | | | | | | | | | | |
| R0100 | | | | | | | | | | | | | | | | |
| R0110 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 19,653.62 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0120 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0130 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,923.26 | 5,925.61 | 633.35 | 0.00 | 1,390.83 | 1,391.16 | | | |
| R0140 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,037,392.34 | 196,388.46 | 30,036.00 | 288,489.91 | 15,617.29 | 589.67 | | | | |
| R0150 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 66,076.78 | 337,248.49 | 76,406.64 | 219,525.51 | 19,761.29 | 3,356.17 | | | | |
| R0160 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 197,350.57 | -1,986.57 | 68,883.86 | 228,503.65 | 90,027.74 | 49,333.17 | | | | |
| R0170 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 13,197.45 | 17,553.38 | 64,859.36 | | | | | | | |
| R0180 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 198,664.06 | 7,313.33 | 64,859.36 | | | | | | | |
| R0190 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 485,046.20 | -52,832.72 | | | | | | | | |
| R0200 | 2,268,207.72 | 3,922,426.86 | 433,767.85 | 646,807.18 | 198,664.06 | 240,557.41 | 62,040.10 | 30,883.31 | | | | | | | | |
| R0210 | 4,664,300.08 | 6,206,897.28 | 1,683,002.94 | 770,853.65 | 67,027.00 | | | | | | | | | | | |
| R0220 | 7,927,884.18 | 6,004,479.46 | 1,501,849.61 | 1,182,077.22 | | | | | | | | | | | | |
| R0230 | 10,612,906.85 | 7,858,968.74 | 2,582,025.46 | | | | | | | | | | | | | |
| R0240 | 9,346,042.72 | 6,904,897.94 | | | | | | | | | | | | | | |
| R0250 | 10,714,552.87 | | | | | | | | | | | | | | | |
| N | | | | | | | | | | | | | | | | |
| Total | 10,714,552.87 | | | | | | | | | | | | | | | |

Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)

| | In Current year | Sum of all years (cumulative) |
|-------|-----------------|-------------------------------|
| | C0170 | C0180 |
| Prior | | |
| R0100 | | |
| R0110 | | 19,653.62 |
| R0120 | | 0.00 |
| R0130 | 1,391.16 | 11,294.21 |
| R0140 | 589.67 | 1,569,473.67 |
| R0150 | 3,356.17 | 712,377.88 |
| R0160 | 49,333.17 | 630,112.42 |
| R0170 | 64,859.36 | 207,963.32 |
| R0180 | 65,086.43 | 1,302,905.49 |
| R0190 | 30,683.31 | 1,590,788.55 |
| R0200 | -218,088.96 | 8,569,754.65 |
| R0210 | 67,027.00 | 13,331,980.94 |
| R0220 | 1,182,077.22 | 16,616,299.47 |
| R0230 | 2,582,025.46 | 21,053,934.04 |
| R0240 | 6,904,897.94 | 16,250,910.68 |
| R0250 | 10,714,552.87 | 10,714,552.87 |
| Total | 21,477,780.90 | 92,611,921.78 |

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

| | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 & + |
|-------|---------------|---------------|--------------|--------------|------------|------------|------------|----------|------------|-------|-------|-------|-------|-------|-------|--------|
| | C0200 | C0210 | C0220 | C0230 | C0240 | C0250 | C0260 | C0270 | C0280 | C0290 | C0300 | C0310 | C0320 | C0330 | C0340 | C0350 |
| Prior | | | | | | | | | | | | | | | | |
| R0100 | | | | | | | | | | | | | | | | |
| R0110 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0120 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0130 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0140 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0150 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0160 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0170 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -42,298.71 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| R0180 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8,710.21 | | | | | | | | |
| R0190 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -84,982.15 | | | | | | | | | |
| R0200 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -64,348.74 | | | | | | | | | | |
| R0210 | 0.00 | 0.00 | 0.00 | 0.00 | 441,773.58 | | | | | | | | | | | |
| R0220 | 0.00 | 0.00 | 0.00 | 2,582,107.75 | | | | | | | | | | | | |
| R0230 | 0.00 | 0.00 | 4,990,131.62 | | | | | | | | | | | | | |
| R0240 | 0.00 | 12,769,928.33 | | | | | | | | | | | | | | |
| R0250 | 18,316,446.01 | | | | | | | | | | | | | | | |

Gross undiscounted Best Estimate Claims Provisions - Current year, Claims Provisions (discounted data)

| | Year end (discounted data) |
|-------|----------------------------|
| | C0360 |
| Prior | |
| R0100 | |
| R0110 | |
| R0120 | |
| R0130 | |
| R0140 | |
| R0150 | |
| R0160 | |
| R0170 | |
| R0180 | |
| R0190 | 0.00 |
| R0200 | 0.00 |
| R0210 | 0.00 |
| R0220 | 0.00 |
| R0230 | 0.00 |
| R0240 | 0.00 |
| R0250 | 38,951,467.90 |
| Total | 38,951,467.90 |

Own funds

S.23.01.01

| | | 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 | 10.000.000,00 | 10.000.000,00 | | | |
| Share premium account related to ordinary share capital | R0030 | 0,00 | | | | |
| Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings | R0040 | 0,00 | | | | |
| Subordinated mutual member accounts | R0050 | 0,00 | | | | |
| Surplus funds | R0070 | 0,00 | | | | |
| Preference shares | R0090 | 0,00 | | | | |
| Share premium account related to preference shares | R0110 | 0,00 | | | | |
| Reconciliation reserve | R0130 | 26.029.336,72 | 26.029.336,72 | | | |
| Subordinated liabilities | R0140 | 0,00 | | | | |
| An amount equal to the value of not deferred tax assets | R0160 | 0,00 | | | | |
| Other own fund items approved by the supervisory authority as basic own funds not specified above | R0180 | 0,00 | | | | |
| 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 | 0,00 | | | | |
| Total basic own funds after deductions | R0290 | 36.029.336,72 | 36.029.336,72 | 0,00 | 0,00 | 0,00 |
| Ancillary own funds | | | | | | |
| Unpaid and uncalled ordinary share capital callable on demand | R0300 | 0,00 | | | | |
| Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand | R0310 | 0,00 | | | | |
| Unpaid and uncalled preference shares callable on demand | R0320 | 0,00 | | | | |
| A legally binding commitment to subscribe and pay for subordinated liabilities on demand | R0330 | 0,00 | | | | |
| Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC | R0340 | 0,00 | | | | |
| Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC | R0350 | 0,00 | | | | |
| Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0360 | 0,00 | | | | |
| Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC | R0370 | 0,00 | | | | |
| Other ancillary own funds | R0390 | 0,00 | | | | |
| Total ancillary own funds | R0400 | 0,00 | | | 0,00 | 0,00 |
| Available and eligible own funds | | | | | | |
| Total available own funds to meet the SCR | R0500 | 36.029.336,72 | 36.029.336,72 | 0,00 | 0,00 | 0,00 |
| Total available own funds to meet the MCR | R0510 | 36.029.336,72 | 36.029.336,72 | 0,00 | 0,00 | |
| Total eligible own funds to meet the SCR | R0540 | 36.029.336,72 | 36.029.336,72 | 0,00 | 0,00 | 0,00 |
| Total eligible own funds to meet the MCR | R0550 | 36.029.336,72 | 36.029.336,72 | 0,00 | 0,00 | |
| SCR | R0580 | 35.483.342,82 | | | | |
| MCR | R0600 | 9.173.497,82 | | | | |
| Ratio of Eligible own funds to SCR | R0620 | 1,015367330 | | | | |
| Ratio of Eligible own funds to MCR | R0640 | 3,927546224 | | | | |

Reconciliation reserve

| | | C0060 |
|---|-------|---------------|
| Reconciliation reserve | | C0060 |
| Excess of assets over liabilities | R0700 | 36.029.336,72 |
| Own shares (held directly and indirectly) | R0710 | |
| Foreseeable dividends, distributions and charges | R0720 | |
| Other basic own fund items | R0730 | 10.000.000,00 |
| Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds | R0740 | |
| Reconciliation reserve | R0760 | 26.029.336,72 |
| Expected profits | | |
| Expected profits included in future premiums (EPIFP) - Life business | R0770 | |
| Expected profits included in future premiums (EPIFP) - Non-life business | R0780 | 11.484.246,26 |
| Total Expected profits included in future premiums (EPIFP) | R0790 | 11.484.246,26 |

Solvency Capital Requirement - for undertakings on Standard Formula

S.25.01.01

(*) Closed list :
1 : Article 112(7) reporting
2 : Regular reporting

| | | |
|-----------------|-------|---|
| Article 112 (*) | Z0010 | 2 |
|-----------------|-------|---|

Basic Solvency Capital Requirement

| | | Net solvency capital requirement | Gross solvency capital requirement | Allocation from adjustments due to RFF and Matching adjustments portfolios |
|---|--------------|----------------------------------|------------------------------------|--|
| | | C0030 | C0040 | C0050 |
| Market risk | R0010 | 3.565.965,36 | 3.565.965,36 | |
| Counterparty default risk | R0020 | 9.164.599,02 | 9.164.599,02 | |
| Life underwriting risk | R0030 | 0,00 | 0,00 | |
| Health underwriting risk | R0040 | 0,00 | 0,00 | |
| Non-life underwriting risk | R0050 | 27.090.151,14 | 27.090.151,14 | |
| Diversification | R0060 | -6.005.123,89 | -6.005.123,89 | |
| Intangible asset risk | R0070 | | 0,00 | |
| Basic Solvency Capital Requirement | R0100 | 33.815.591,63 | 33.815.591,63 | |

0,

Calculation of Solvency Capital Requirement

| | | Value |
|---|-------|---------------|
| | | C0100 |
| Adjustment due to RFF/MAP nSCR aggregation | R0120 | |
| Operational risk | R0130 | 1.667.751,20 |
| 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 | 35.483.342,82 |
| Capital add-on already set | R0210 | |
| Solvency capital requirement | R0220 | 35.483.342,82 |
| 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 | |
| Method used to calculate the adjustment due to RFF/MAP nSCR aggregation (*) | R0450 | 4 |
| Net future discretionary benefits | R0460 | |

(*) Closed list of values :
1 (Full recalculation),
2 (Simplification at risk sub-module level)
3 (Simplification at risk module level)
4 (No adjustment)

0

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

S.28.01.01

Linear formula component for non-life insurance and reinsurance obligations

| | | MCR components |
|--------------|-------|----------------|
| | | C0010 |
| MCRNL Result | R0010 | 9.173.497,82 |

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 | 754.478,03 | 5.673.672,46 |
| Income protection insurance and proportional reinsurance | R0030 | | |
| Workers' compensation insurance and proportional reinsurance | R0040 | | |
| Motor vehicle liability insurance and proportional reinsurance | R0050 | | |
| Other motor insurance and proportional reinsurance | R0060 | | |
| Marine, aviation and transport insurance and proportional reinsurance | R0070 | | |
| Fire and other damage to property insurance and proportional reinsurance | R0080 | 8.349.950,59 | 9.382.118,33 |
| General liability insurance and proportional reinsurance | R0090 | 13.804.553,83 | 37.918.664,37 |
| Credit and suretyship insurance and proportional reinsurance | R0100 | 0,00 | 8.728.971,04 |
| Legal expenses insurance and proportional reinsurance | R0110 | 0,00 | 109.586,55 |
| 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 | 0,00 |

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 | 9.173.497,82 |
| SCR | R0310 | 35.483.342,82 |
| MCR cap | R0320 | 15.967.504,27 |
| MCR floor | R0330 | 8.870.835,71 |
| Combined MCR | R0340 | 9.173.497,82 |
| Absolute floor of the MCR | R0350 | 3.700.000,00 |
| Minimum Capital Requirement | R0400 | 9.173.497,82 |