GRINGOLET Company Limited

4th Floor
20 Old Broad Street
London EC2N 1DP
t: +44 (0)20 7382 2000
f: +44 (0)20 7382 2001

Solvency and Financial Condition Report – December 2017

Author Gringolet Company Limited
Date 26/04/2018
Version 05

Executive Summary

This report forms part of the annual submission to the Prudential Regulatory Authority under the annual submission requirements following the implementation of Solvency II. It outlines the financial condition of Gringolet Company Limited ("Gringolet" or the "Company"), relative to the requirements under Solvency II.

As Gringolet ceased underwriting in 1974 and completed a successful scheme of arrangement on the majority of its portfolio of risks in September 2010, there is very little inherent risk associated with the historic underwriting. Following the Solvent Scheme of arrangement the company commuted policies, notably with Equitas, and various other London market cedants in 2003,the Company's only remaining open liabilities relate to direct UK Employer Liability ("EL").

The company's current activity is driven by regulatory and administrative reporting requirements, given the lack of claims activity since its change of control. Therefore, the majority of the risk associated with Gringolet is driven as a result of the remaining duration to extinguish all remaining insurance liabilities.

As of 31st December 2017 the Solvency position can be summarised by the following table:

USD	Own Funds	SCR	MCR
Amount	$4,474,913	$298,778	$4,306,060
Ratio to Own Funds	100%	1498%	104%

The company currently has eligible Tier 1 Own Funds of $4,474,913 relative to the standard formula calculation of the Solvency Capital Requirement ("SCR") of $298,778 resulting in a solvency ratio of 1498%.

The European Minimum Capital Requirement ("MCR") for insurance entities is €3.7m. At the prescribed rate of exchange for 31st December 2017 this amounts to $4,306,060, so the eligible Tier 1 Own Funds of $4,474,913 give a MCR Solvency Ratio of 104%. This is a relatively low ratio and is being closely monitored by the Board. The Board plans to execute a strategic transaction which will lead to additional liabilities being transferred into the company, along with the requisite capital.

During the year the company changed its Reporting Currency from GBP to USD, in order to bring it into line with its parent, ILS Property & Casualty Insurance Limited. Hence Solvency II returns are now prepared in USD.

Following a comprehensive review of the Company's governance arrangements, concluded in April 2017, a revised structure has been implemented.

Although the Company's operating model remains unchanged the Board composition has been revised. The Company successfully concluded recruitment of its Chairman and Chair of the Audit and Risk Committee, with both positions receiving regulatory approval in quarter 3. Sadly the Chair of the Audit and Risk Committee passed away in March 2018. The company is now in the process of recruiting a suitable replacement.

A. Business and Performance

A.1 Business

Gringolet Company Ltd ("Gringolet") commenced underwriting general insurance business in 1952 and underwrote business in the UK through the following different distribution channels:

- The Minster, Reliance and Iron Trades ("MRI") stamp, which was placed by Robert Bradford, a major underwriting agency, for three insurance companies; Gringolet (formerly known as The Reliance Fire and Accident Insurance Corporation Limited), Minster and Iron Trades;
- Participation in the Cullum Underwriting Agency writing business on a subscription basis co-(re)insuring with Lloyd's syndicates and other insurance companies; and
- Direct general insurance through insurance brokers, including Products Liability and Employers Liability.

Following discussions with the Department of Trade in 1974 the Company's authorization to effect new business was withdrawn on 31st December 1974. As the Company only wrote annual policies the Company's liability ceased when the final risks expired in 1975.

The remaining risks and liabilities were significantly reduced following a Scheme of Arrangement of all MRI policies and commutation of certain Cullum policies. The MRI Scheme of Arrangement had a claims submission bar date of September 2010 extinguishing all liabilities. Gringolet commuted policies with notably Equitas, and various other London market cedants in 2003. The Company's only remaining liabilities relate to direct UK Products Liability ("PL") and UK Employer Liability ("EL") and a very small amount of non-MRI London market business.

In September 2014 Gringolet was acquired by ILS P&C Re. The administration has been subcontracted to Armour Risk Management Limited ("Armour Risk") since this time. There were no material changes to the company's business during the year.

Gringolet is a private limited company registered in the UK which is limited by shares, it has no related undertakings.

The Owner of Gringolet Company Limited is ILS Property & Casualty Re Limited; a Bermuda licensed and incorporated reinsurer. The Owner is an indirect wholly owned subsidiary of ILS Property & Casualty Fund Limited, a Cayman based passive investment vehicle ("ILS Fund"). As the Fund is a passive investment vehicle, all day to day activities, including all investment decisions of the ILS Fund and of the Owner reside in the sub advisor to the Fund, ILS Investment Management Limited, a Bermuda based company ("ILS IM"). The controller of the Owner is ILS IM via a sub-advisory agreement. ILS IM is a wholly owned subsidiary of Trebuchet Group Holdings Limited; a Bermuda incorporated company ("Trebuchet Holdings"). Trebuchet Holdings is the ultimate controller of licenced (re)insurers in Bermuda, the Cayman Islands, Ireland, Mexico, the United Kingdom and the USA. Trebuchet Holdings is controlled by Mr B S Huntington.

As of 21 December 2017 economic interest in ILS IM was assigned to a new ultimate controlling party, Aquiline Holdings GP (Offshore) Limited, an entity controlled by Mr J W Greenberg. This transaction is subject to obtaining regulatory approvals and other consents.

Gringolet (FRN 202792) is authorised and regulated by the Prudential Regulation Authority ("PRA"), which is part of the Bank of England, 20 Moorgate, London EC2R 6DA (enquiries@bankofengland.co.uk, 020 3461 4878) and the Financial Conduct Authority ("FCA"), 25 The North Colonnade, Canary Wharf, London E14 5HS.

The company's independent auditors are PricewaterhouseCoopers LLP, 7 More London Riverside London SE1 2RT.

A.1A Objectives and strategies

The Company plans to continue with the orderly run off of the remaining book of business, settling claims as they become due. The board anticipates that in time, and by the effective and efficient management of the Company, a small surplus can be achieved thereby providing a return on the capital employed.

The Company considers the possibility of the remaining claims reaching their maximum policy limits, and therefore an impact on solvency, to be extremely low.

The Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

A.2 Underwriting Performance

The UK GAAP financial results for 2017 and 2016 were as follows:

Local GAAP Profit and Loss Account (USD)	2017 $'000	Restated 2016 $'000
Earned premiums, net of reinsurance	-	-
Claims incurred movement	-	-
Net Operating expenses	(150)	(92)
Non - Technical Account	1	(7)
Currency translation differences	26	(61)
Profit/(loss) attributable to the owners of the parent	**(123)**	**(160)**

A.3 Investment Performance

As part of running off its general insurance and reinsurance business, the Company operates a cautious investment strategy and all funds are held as bank deposits, thus expected returns are minimal.

The company holds surplus assets in US dollars in order to reduce currency risk for its stakeholders.

All investment income and expenses are recognised through the Profit and Loss Account.

Non - Technical Account	2017 $'000	Restated 2016 $'000
Investment income	-	1
Other income	-	-
Foreign exchange on monetary assets	3	-
Investment return for period	**3**	**1**

A.4 Performance of other activities

Responsibility for the day to day management of the Company has been outsourced to Armour Risk. The board monitors performance against the SLA and ensures costs are commensurate with the services provided and proportionate to the size of the entity. For 2016 Armour's fee was $53k. The only other material expense was audit fees of $54k.

The company did not generate any income from other activities.

A.5 Any other information

None at this time.

B. System of governance

B.1 General information on the system of governance

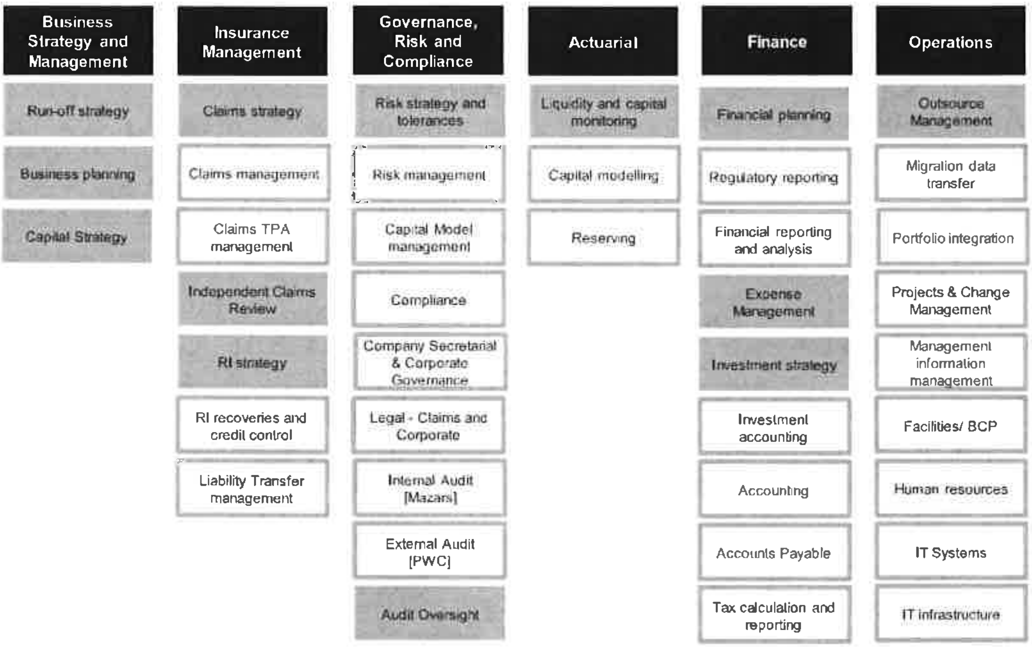
Following a comprehensive review of the Company's governance arrangements, concluded in April 2017, a revised structure has been implemented.

Although the Company's operating model remains unchanged (see diagram below) the Board composition has been revised. The Company has successfully concluded recruitment of its Chairman and Chair of the Audit and Risk Committee, with both positions receiving regulatory approval in quarter 3. Sadly the Chair of the Audit and Risk Committee passed away in March 2018. The company is now in the process of recruiting a suitable replacement.

Operating Model

The company's Operating Model

Key: Activity of the company | Activity outsourced to ARM (except where noted)



The majority of administrative functions are undertaken by an outsource provider, with the selected partner being ARM.

Revised Board Composition

The following table summarises the Board composition post implementation of the Board changes.

Director	Approved Function
Mr A Thompson*	Chairman – SIMF9
Mr A Brereton	Chair of Audit and Risk Committee – SIMF10 & 11
Mr S Ryland	CEO – SIMF 1
Mr K McAtee	CFO – SIMF 2
Mr S Wrenn**	CRO – SIMF 4 Chief Actuary – SIMF 20 Compliance Oversight – CF10
Mr B S Huntington	Shareholder NED – SIMF7
Mr J C Williams	Shareholder NED – SIMF7
Mrs D P E Richards	Resigned 16th August 2017

** Deceased 2 March 2018*
***awaiting regulatory approval CF10*

New Governance Chart

The revised Governance model has been designed to continue to support effective Board and management decision making.

The Board retains ownership of the ORSA, Capital Model (currently Standard Formula) and business planning process. This includes the setting of strategic risk appetites and the definition of the short and medium term business strategy. Similarly, whilst the Board has delegated monitoring the evolution of the company's risk profile for all risk categories, to Armour Risk the Board remains responsible for monitoring and acting.

Whilst the Board retains ownership, it has delegated oversight responsibilities for; risk, capital, financial reporting and expense management, to the Board's Audit and Risk Committee. The role of this committee is to constructively and independently challenge the activities of the service providers. This approach will provide independent assurance to the Board about the capability of the business to achieve its objectives and management's ability to manage the business to achieve overall business objectives.

Overall, the objective of the governance process is designed to create an environment that supports improvement and which drives Internal Model development cycle, thus improving decision making processes, strategy and capital management.

**Subject to regulatory approval*

<u>Role of the Shareholder NEDs</u>

The parent company is ILS Property and Casualty Re Limited, Bermuda, acting through its segregated cell account D.

Representatives of the parent company are present on the UK Board to ensure alignment with corporate objectives and to provide access to group resources where necessary.

<u>Executive responsibilities</u>

Reflecting the nature of the business and the need to maintain active decision-making and ownership within the company, whilst acknowledging a number of activities are outsourced, each executive Board Member has assumed direct responsibility for a number of areas, adopting the structure defined within the operating model. This split produces independence of control and the size of ARM relative to Gringolet ensures an adequate resource pool.

<u>Key Functions</u>

The following table contains details of the key functions of the company as determined by the Board.

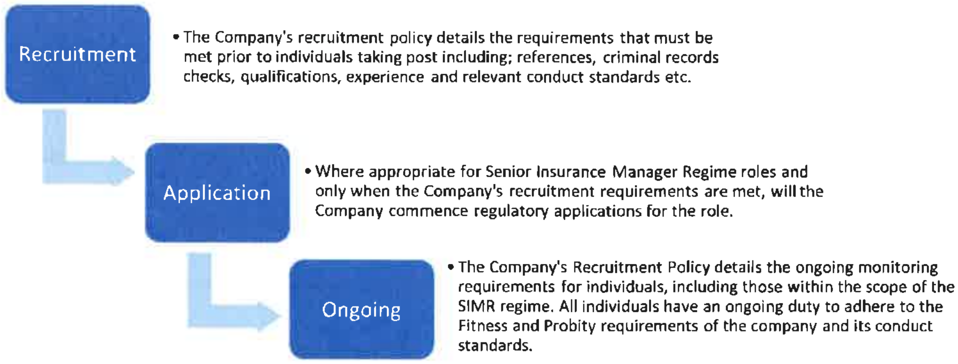
Key Function	Rationale
Actuarial & Claims	As a Non Life insurance company which has been in run-off since 1974, actuarial reserving is considered a key function that enables both the Board and key stakeholders to effectively monitor the remaining portfolio and ensure an efficient run-off for the policyholders. Being a company in run-off, a primary focus is on the accurate and timely payment of all valid claims. Therefore this is a key focus for the Board to ensure an efficient operation. Reserve reviews are carried out by a Fellow of the Institute & Faculty of Actuaries (FIA). The Head of the Actuarial Function is also a FIA and a Director of the company.
Finance	Finance is considered a key function to ensure the company effectively manages capital requirements and liquidity in line with regulatory requirements. Further, future run-off costs are a key consideration and as such the financial management, including expense cost control, is critical to the continued operation. The accounting function is supervised by the Chief Financial Officer, who is an Associate of the Chartered Institute of Management Accountants and a Director of the company. Support is provided by an accountant with over 30 years of experience in the insurance industry.
Risk	The management of risks facing the company is important. The ability to identify, quantify, manage and anticipate outcomes and their potential effects on the company and its remaining run-off. Given the very conservative investment policy of the Company most of the risk is derived from the claims liabilities. Therefore close monitoring of claims activity is a key function. The Chief Risk Officer is a FIA and a Director of the company.
Internal Audit	Internal audit is considered a key control point to provide comfort to the Board and key stakeholders that statutory and regulatory operating thresholds and requirements are met and that the operation is being run in the optimum way so as to protect policyholders. Both the Internal and External Functions report directly to the Audit and Risk Committee, which is chaired by an Independent Non Executive Director.
Compliance	Fit and proper, regulatory and statutory requirements are desirable and required to be met for the protection of policyholders. The Compliance Function is headed by a qualified solicitor.

<u>Outsourcing</u>
All operational activities are outsourced via robust, third party service agreements. Further details on the nature, including; requirements, management reporting and oversight of outsourced service providers is provided in section B.7 Outsourcing, below.

<u>Remuneration</u>
The outsourcing contracts remunerate for services provided and these include effective risk management. There is no incentive structure that could encourage risk taking.

B.2 Fit and proper requirements

The Company is satisfied its framework for fitness and propriety is appropriate to ensure that individuals fulfilling controlled functions meet all relevant regulatory requirements



The Board's review of the continued suitability of directors to continue is evidenced by;

- Annual performance and development reviews, including training,
- Approval of directors appointments and approved persons,
- Oversight of outsource service providers.

The Outsource Service Provider, under the instruction of the governing Board, is responsible for ensuring individuals meet the regulators' fit and proper tests at the point of application. Further, approved persons are required to complete an annual attestation confirming that the fit and proper requirements for the role have been met and that they continue to adhere to the Company's conduct standards.

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

The Company is committed to a robust Risk Management Culture and seeks to ensure that every member, officer or outsource service provider, has regard for the management of risks both in the decision making process and everyday work situations.

The Company's risk management process undertakes a best practice approach and focuses on understanding the key risks and managing them within acceptable levels in the interests of the protection and safety of assets for policyholders. It is a collaborative process where risk response plans are developed in concert with the stakeholders who understand the risks and are best able to manage them.

The company's Risk function is led by the Audit and Risk Committee ("**ARC**"). The Board requires its ARC to ensure the business is operating within approved risk appetites.

ARC has more specifically been delegated the following high level statements.

- Responsibility to monitor the financial reporting process, the systems of internal control supporting the financial reporting process, accounting compliance and the audit of financial statements, and where appropriate report its findings to the Board.
- Responsibility to monitor the findings of internal audit plans prepared by outsourced functions.
- Responsibility to receive and consider risk issues reported by the CRO that in the CRO's view require independent consideration
- To challenge and oversee the process of developing capital models by the business to support the production outputs for active decision making to achieve

business objectives and the long term strategy of the business. This includes the forward looking assessment of the ORSA.

- Recommend the appointment and removal of external auditors and approve any related fees.
- Ensure outsourced functions are subject to Internal Audit.
- Consider the findings of any regulatory reviews and audits of the company, and any audits conducted on service providers, and determine and monitor any remediation activities required.
- Gain assurance that all aspects of the company are compliant with local and where relevant, international regulations and legal requirements.
- Gain assurance that the views of the shareholders have been sought and taken into account where appropriate.
- Challenge and review the annual financial statements before submission to the Board
- Review annually the independence, objectivity, effectiveness, resources and remuneration of the external auditors taking into account the relevant regulatory requirements.
- Assess the effectiveness and independence of internal audit functions in its outsource service providers.

Risk Appetite

The Company reviews its risk appetite annually, at minimum, and this is set to reflect the Company strategy. Appetite is considered within the following areas; capital, earnings, liquidity, market, operational and conduct risk.

As a company in run-off, it is considered inappropriate to measure risk tolerance against premium income or market reputation and therefore the Company has chosen to primarily focus the measurement of risk tolerances against impact on capital.

Management Policy

The Risk Management Policy describes the way the Company oversees risk management and the method by which risks are reviewed; including their mitigation, escalation and testing.

Register

Key data contained in the register is;

- Risk Category; e.g. earnings, market
- Risk Description
- Likelihood and impact
- Controls
- Residual rating
- Action Plan(s)
- Risk Owner

Own Risk and Solvency Assessment

The Company's ORSA Policy outlines the processes, procedures, timing and approval requirements for the production of the Company's ORSA.

ORSA Policy

This ORSA Policy provides the purpose of the ORSA and guidelines for the Company to develop the ORSA Report, outlining a comprehensive risk management framework that will enable the Company to:

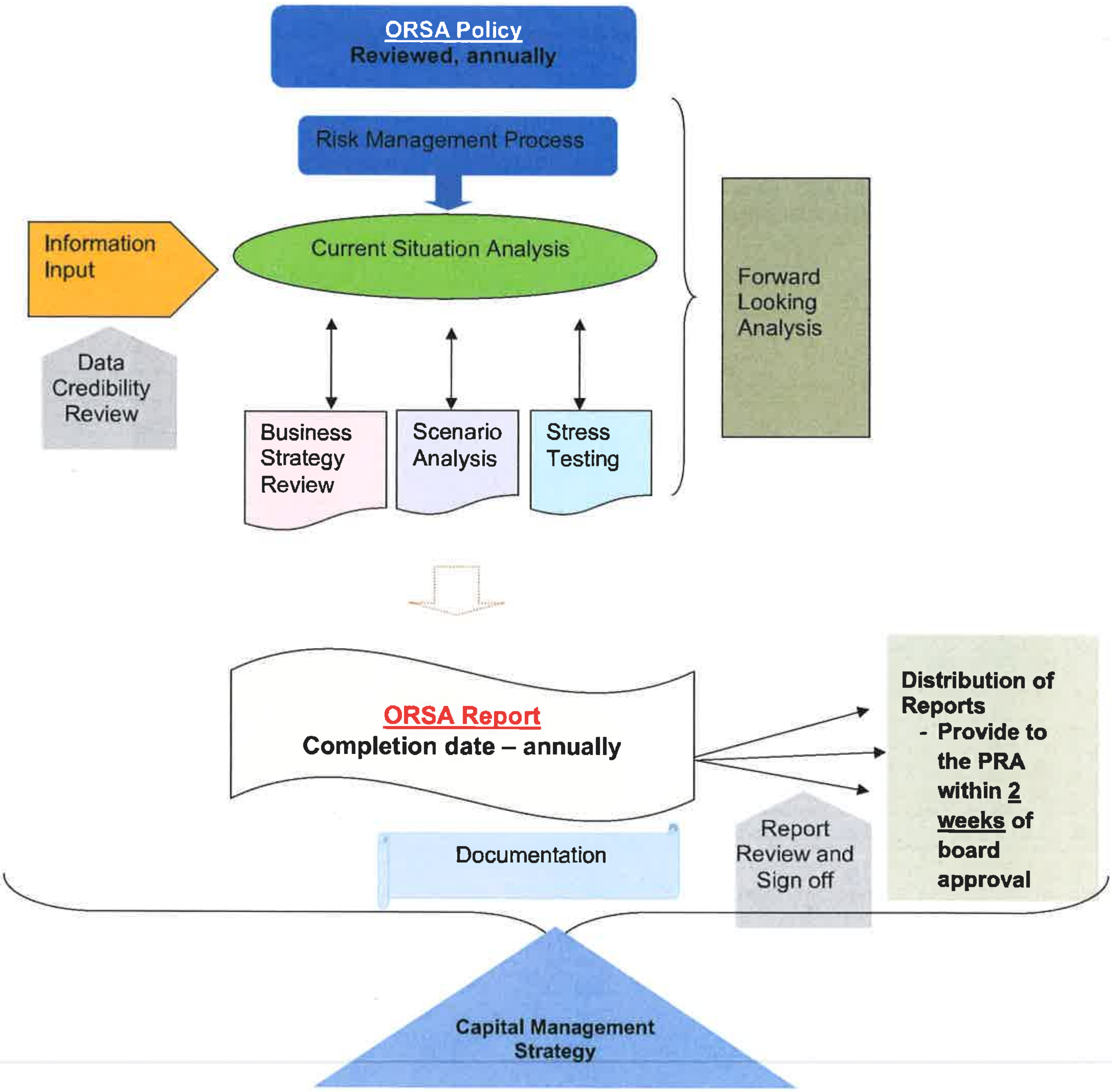
- Manage risks and capital with forward-looking perspectives;

- Implement risk management and control processes appropriate for the Company's business nature, objectives and complexity;
- Integrate risk management with capital actions to support the business strategy and planning; and
- Coordinate company-level risk management with group-level considerations.

ORSA Process

The ORSA process encourages the Company to develop continuous, forward-looking assessments of Company-level risks, as well as an assessment of potential risks the Company can face based on the Company's business plan under either normal or stress scenarios. It also links the Company's risk assessment and capital views to the Company's financial solvency.

The company has adopted a modular approach for the conducting of an ORSA process as shown in the diagram below, which provides an overview of the processes conducted.



ORSA Report
The ORSA policy directs that the ORSA report include, at a minimum, the following components:

- Executive Summary
- Confirmation Statements
- Strategy and Business Plan
- Risk Management Overview
- Risk Profile (including any breaches in appetite/tolerance)
- Capital Requirement and Solvency Assessment
- Stress and Scenario Analysis
- Forward Looking Assessment
- Governance
- Appendices

Audience
The final ORSA Report will be distributed to various parties and stakeholders of the Company including; regulators, shareholders, board of directors, management and service providers

The report distribution criteria depend on the requirements of different parties/stakeholders (such requirements are usage of reports for decision making process and/or monitoring of solvency capital requirements).

Timing
Given the scale and complexity of the Company the main ORSA process will be performed at least once a year. However the process will be triggered in the event of a material change in the Company's risk profile.

Whilst the ORSA process will be completed once a year, the goal for the ORSA is continuous use within the Company. It is meant to become an integral piece of the operations in an effort to decrease risk. A new ORSA process would be also be triggered by a significant change in circumstances, for example the transfer of a portfolio or policies into the company.

The ORSA inputs are produced and monitored on an on-going basis by the outsource service provider, throughout the year.

The ORSA also determines the company's economic capital requirements, which may differ from its regulatory capital requirements. Due to the MCR being substantially higher than the SCR, the companies capital needs are dictated by the MCR. The company closely monitors Own Funds to ensure that a margin above the MCR is maintained at all times.

The Company is in the process of conducting an ORSA as at 31 December 2017, which will be circulated to regulators and other key stakeholders within two weeks of being approved by the Board.

B.4 Internal control system

The Company operates a robust system of controls over the compliance with laws and regulations, recognition and reporting of transactions, safeguarding of assets and the recording of liabilities.

Claim Services

Subject to delegation authorities and/or limits specified by ILS P&C Re, Armour Risk will negotiate, accept, reject, and settle any and all claims made in respect of insurance /reinsurance business of the Company.

Compliance Services
Armour Risk will provide compliance services to the company, including monitoring regulatory and statutory requirements, maintaining compliance policies, monitoring compliance and reporting on complaints.

Financial Services
Subject to delegation authorities and/or limits specified by ILS P&C Re, Armour Risk administers bank accounts, cash management, processing of cash receipts and disbursements, and any related to treasury services on behalf of the company. Dual signatures are the minimum requirement on all payments.
Bank account reconciliations are undertaken on a monthly basis. Other control accounts are reconciled quarterly. All reconciliations are subject to review by management.

Financial reports are prepared on a quarterly basis, with explanatory statements for key movements in the period for management review. Regulatory and statutory reporting will be subject to the review and approval of the board.

IT Services
As part of the services provided by Armour Risk, the company has in place disaster recovery plans and systems as required by the regulator or the board.

B.5 Internal audit function

Internal audit is vital to determining whether the risk program for the Company is operating the way it is intended and documented. A strong, independent internal audit function is the hallmark of the "third line of defence" for ERM, designed to enhance the Company's risk governance framework by providing independent verification of risk management.

Key features have to be respected in order to ensure an appropriate working of the function within the framework of Solvency II and in compliance with the Institute of Internal Auditing (IIA) standards. These key features are the following:

Independence and objectivity
Internal audit will be, at all times, operationally independent of the activities it audits. Such independence will allow the internal audit function to perform its work freely and objectively. In addition the Internal Audit function reports directly to the Audit and Risk Committee, which is chaired by an Independent Non Executive Director.

Proficiency and due professional care
In parallel, all internal audit engagements must be performed with proficiency and due professional care. This means that internal auditors must have or must acquire, where necessary, skills and any other competencies needed to perform their individual responsibilities.

Professional ethics
In order to comply with professional ethics, the internal audit function must adhere to the IIA's mandatory guidance including the IIA's Definition of Internal Auditing, Code of Ethics and its Standards. This mandatory guidance constitutes the principles of the fundamental requirements for the professional practice of internal auditing and for evaluating the effectiveness of the internal auditing function's performance.

Current year

The Company presently outsources its internal audit function to Mazars, Ireland. As a result of the revised Governance structure, the future strategy of the function is under review. The Board is considering options of in-house or continued outsource provision however the aim is to centralise the service in the UK to ensure maximum effectiveness.

Internal Audit reports have been reviewed by the Board who has had oversight of relevant action plans.

B.6 Actuarial function

The Actuarial function is outsourced to Armour Risk and subsequently carried out by a consultant. The work is supervised and peer reviewed by the Chief Risk Officer.

The work carried out includes:

- Quarterly and annual Solvency calculations
- Annual Reserve review
- Quarterly reserve monitoring process
- Production of the Actuarial Function Report

B.7 Outsourcing

Oversight of the Company's service providers is overseen and managed in accordance with the Company's Third Party Service Agreement and Use of Service Provider Policy ("USP"). The USP contains detailed requirements regarding;

- Relationship management
- Due diligence and third party selection
- Contract negotiation
- Ongoing monitoring
- Termination
- Oversight and accountability
- Documentation and reporting
- Independent review requirements

The USP is subject to regular review and approval by the Company's Board.

The Service Provider shall provide a quarterly report providing the following:

- Statutory management accounts, prepared in accordance with Solvency II regulation;
- A written management report, benchmarked against the strategy and service agreement as determined and agreed by the Board of Directors of the company and the Service Provider;
- Any movement in assets or liabilities that negatively affects the statutory capital of the company by more than 5% is to be reported to the Board of Directors of the Company immediately;
- The Service Provider will be available to attend the quarterly Board meetings to provide a verbal report and answer any question the Board of Directors may have;
- At all time the Service Provider will co-operate with the internal audit team and implement all reasonable requests immediately.

In addition responsibility for specific Outsourced functions have been delegated to Executive Directors, see B.1 above. The outsourced functions are subject to both internal and external audit scrutiny. The auditors' findings are reported directly to the Audit and Risk Committee.

The primary Outsourced service provider is Armour Risk, which is based in the UK.

B.8 Any other information

None at this time.

C. Risk Profile

The following section outlines the areas of risk as calculated under the EIOPA guidance around the standard formula model as well as providing narrative around the specific application to Gringolet Company Limited.

Assets have been invested in accordance with the prudent person principle.

Details of stress testing are provided in section "C.7 Any other information".

C.1 Underwriting Risk

Underwriting risk under Solvency II is derived through a combination of risk associated with the unearned and earned business. The company has not accepted any new business since 1974 therefore there is no future event risk associated with unearned premium.

The company has had 3 or fewer claims reported annually since 2012 and the current outstanding loss reserves are $17,628.

The current Underwriting Risk BSCR values are as follows:

	Standalone	Diversified
Underwriting Risk BSCR	$134,421	$116,041

Underwriting risk is mitigated by claims management controls. The risk is small relative to the company's MCR, so there would be no capital benefit from using reinsurance to mitigate this risk.

C.2 Market Risk

Currency Risk, arises where there is a mismatch between assets and liabilities by currency. During 2017, the company changed its Reporting Currency from GBP to USD, to bring it into line with its parent. As a result Currency Risk has reduced substantially and is now immaterial; previously surplus assets held in USD attracted a substantial Currency Risk charge.

There is also a small Interest Rate Risk associated with the timing mismatch between cash and liabilities, however, this is also immaterial. Hence overall Market Risk is low.

The current Market Risk BSCR values are as follows

	Standalone	Diversified
Market Risk BSCR	$4,259	$3,676

The investment strategy is in accordance with the Prudent Person Principle.

- The Standalone Market Risk SCR is less than 0.1% of Own Funds.
- Counterparty Default Risk is mitigated by the use of rated assets, see C.3 below.
- Currency Risk arises from mismatches between assets and liabilities by currency. Mismatches are relatively small as evidenced by the low Currency Risk SCR of $2,021.
- Liquidity Risk is largely eliminated by holding funds as cash.
- Holding funds as cash also means that liabilities are not being matched by assets of a similar duration. This exposes the company to Interest Rate Risk. However, this risk is low as evidenced by the Interest Rate Risk SCR of $3,277.

C.3 Counterparty Default Risk

The company holds all its cash assets in 2 banks; as a result there is an element of counterparty default risk should one of these companies become bankrupt. This risk is mitigated by holding deposits with large 'A' rated banks. There are no other assets.

The current counterparty Risk BSCR values are as follows:

	Standalone	Diversified
Market Risk BSCR	$193,266	$166,840

C.4 Liquidity Risk

As the company holds all its assets as cash there is no liquidity risk.

C.5 Operational Risk

As the company no longer writes ongoing business the operational risk associated with the company is in relation to any fraudulent activity where cash may be stolen from the company and or any risk of regulatory fines associated as a result of any potential non-compliance.

There are a number of processes in place to ensure that no one person may access funds without a second signatory and therefore we believe there is limited risk associated with fraudulent cash payments.

The current Operational Risk BSCR is 3% of Gross Best Estimate Reserves:

	Standalone
Operational Risk BSCR	$12,220

C.6 Other material risks

There is a risk that the company will not be able to settle its known losses in the expected time frames and therefore would need to increase its expense reserves.

In order to reduce this risk, the board have put in place a plan to combine these liabilities with another group owned portfolio through a Part VII transfer. This would ensure the provision of future expenses going forward.

C.7 Any other information

Assessments of future risk are subject to material uncertainty due to the inherent unpredictability of future events and the difficulty of choosing and parameterising a suitable risk model. The two most significant risks facing the company are Counterparty Default Risk and Non Life Risk. The following table shows the impact of stressing these assumptions.

Scenario Testing	Challenge MCR	Challenge SCR	Threaten Solvency	1 in 200 Movement
Increase in Reserves	41%	1025%	1099%	33%
Default of Cash Balances	3%	84%	90%	4%

This shows that a very substantial increase in reserves would be needed to threaten viability of the company's business model. Expenses represent roughly 90% of reserves, so the company carefully monitors expense forecasts.

A bank default could cause the company a significant loss, although this is considered a very unlikely scenario.

Note that the exchange rate used to convert the Absolute MCR from EUR to USD is revised annually on the 31st December. The new rate is based on the rate as at the previous 31st October, so the company has three months in which to assess the impact of the change and to take any necessary steps. An exchange rate of 1.21 would reduce the MCR coverage ratio to 100%.

D. Valuation for Solvency Purposes

This section outlines the methodology used to calculate the Solvency II balance sheet items relative to the local accounting methods.

D.1 Assets

The only assets in the company are cash balances therefore valuation of these amounts under Solvency II has been taken to be the values under the local reporting requirements, i.e. their nominal value.

There are no receivables. At present the cash balances are:

Issuer Name	LEI Code	Currency	Total Solvency II amount
HSBC BANK PLC	MP6I5ZYZBEU3UXPYFY54	USD	$2,199,810
BARCLAYS BANK PLC	G5GSEF7VJP5I7OUK5573	USD	$2,283,601
HSBC BANK PLC	MP6I5ZYZBEU3UXPYFY54	GBP	$467,135
BARCLAYS BANK PLC	G5GSEF7VJP5I7OUK5573	GBP	$7,391

Due to their nature, no judgement is required in their valuation and no changes have been made during the period to their recognition and valuation basis.

D.2 Technical Provisions

The company has determined the technical provisions as per the EIOPA guidance as the discounted best estimate of reserves plus the risk margin. The company has elected to use method 2 for the calculation of the risk margin.

Technical Provisions consist of Direct UK General Liability business. Their value as at 31/12/2017 was:

	2017	2016
Best Estimate	$407,336	$394,561
Risk margin	$16,582	$22,395

The Best Estimate has been calculated based on Reported But Not Settled claims and Incurred But Not Reported claims using a frequency severity approach, based on previous experience.

The following table shows the differences between UK GAAP and Solvency II Technical Provisions:

Technical Provisions Reconciliation	31/12/2017 $	31/12/2016 $
GAAP Technical Provisions	**141,207**	**129,225**
Remove prudence margin	-89,958	-81,156
Expense Provisions	362,244	352,625
Discounting	-6,156	-6,133
Risk Margin	16,582	22,395
Solvency II Technical Provisions	**423,918**	**416,956**

The company has not taken advantage of any of the transitional provisions under Solvency II or for a Matching or Volatility Adjustment.

The valuation basis is consistent with the prior year.

Technical Provisions are based on forecasts of future claims, which are inherently uncertain. Ultimate claims could be either higher or lower than the amounts assumed. Section C.1 provides a quantification of the risk of Technical Provisions being understated.

There are no recoverables from reinsurance or Special Purpose Vehicles ("SPVs"). No transitional provisions have been used. No Simplifications have been used except for calculation of the Risk Margin.

D.3 Other liabilities

Other liabilities consist of Expense Accruals of $59k. There were no Sundry Creditors. These liabilities have been valued on an identical basis for both UK GAAP accounts and for Solvency II.

Expense Accruals have been valued on a historic cost basis. Sundry creditors are held at their nominal value. Sundry Creditors are recognised when they fall due. Expense Accruals are recognised when the expense is incurred and amortised over the period during which the associated good or services are received. There has been no change to the recognition and valuation bases during the period.

D.4 Alternative methods for valuation

Not applicable.

D.5 Any other information

None at this time.

E. Capital Management

E.1 Own funds

This section describes the solvency requirements of Gringolet and the level of own funds in relation to the indicated required solvency requirements.

Under the Solvency II guidance, the indicated eligible own funds of Gringolet are currently $4,474,913 (2016: $4,602,236); there are no ineligible own funds.

The company's objective is to hold the minimum Own Funds consistent with its Risk Appetite. Own Funds are monitored on a quarterly basis.

Own Funds consist of Tier 1 Share Capital of $2,609,637 (2016: 2,609,637) plus a Tier 1 Reconciliation Reserve of $1,865,277 (2016: $1,992,599). This compares to $2,147,988 (2016: $2,271,054) of capital contributions and accumulated profits and losses in the UK GAAP accounts. The difference is primarily caused by the higher expense provisions in the Solvency II Technical Provisions.

There were no material changes to Own Funds during the period, other than income disclosed on the Profit and Loss Account (see Section A.2).

The SCR based on the expected liabilities is currently $298,778 (2016: $1,246,330).
As described above, $4,474,913 (2016: $4,602,236) of eligible Tier 1 Own Funds are available to cover this.

The EIOPA guidelines indicate that all insurance entities must operate with a minimum capital of €3.7m. The prescribed rate of exchange is 1.1638 as at 31st October 2017 and is applicable with effect from 31st December 2017 (2016: 1.0946). Hence the MCR equates to $4,306,060 (2016: $4,050,020). As described above, $4,474,913 (2016: $4,602,236) of eligible Tier 1 Own Funds are available to cover this.

Eligible Tier 1 Own Funds are 1498% of the SCR and 104% of the MCR.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The SCR is $298,778, which is below the Absolute Minimum Capital Requirement ("AMCR") of $4,306,060. Hence the MCR is equal to the AMCR, which is €3.7m multiplied by the exchange rate specified by the Bank of England (1.1638).

The table shows the components of the SCR:

Analysis of SCR	**$**
Market risk	$4,259
Counterparty default risk	$193,266
Non-life underwriting risk	$134,421
Diversification	-$45,387
Basic Solvency Capital Requirement	**$286,558**
Operational risk	$12,220
Solvency Capital Requirement	**$298,778**
Minimum Capital Requirement	**$4,306,060**
Solvency Ratio	1498%
MCR Coverage Ratio	104%

No simplifications or Undertaking Specific Parameters ("USPs") have been used in the calculation of the SCR.

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

Not applicable.

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

Not applicable.

E.5 Non-compliance with the minimum capital requirement and significant non-compliance with the solvency capital requirement

Not applicable.

E.6 Any other information

Not applicable.

Director's statement

We acknowledge our responsibility for preparing the SFCR in all material respects in accordance with the PRA Rules and the Solvency II Regulations.

We are satisfied that:

a) throughout the financial year in question, the insurer has complied in all material respects with the requirements of the PRA Rules and the Solvency II Regulations as applicable to the insurer; and

b) it is reasonable to believe that the insurer has continued so to comply subsequently and will continue so to comply in future.

Director

Report of the external independent auditors to the Directors of Gringolet Company Limited ('the Company') pursuant to Rule 4.1 (2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms

Report on the Audit of the relevant elements of the Solvency and Financial Condition Report

Opinion

We have audited the following documents prepared by the Company as at 31 December 2017:

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Solvency and Financial Condition Report of the Company as at 31 December 2017, (**'the Narrative Disclosures subject to audit'**); and

- Company templates S.02.01.02, S.17.01.02, S.23.01.01, S.25.01.21 and S.28.01.01 (**'the Templates subject to audit'**).

The Narrative Disclosures subject to audit and the Templates subject to audit are collectively referred to as the **'relevant elements of the Solvency and Financial Condition Report'**.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the **Other Information** which comprises:

- The 'Summary', 'Business and performance', 'System of governance' and 'Risk profile' elements of the Solvency and Financial Condition Report;

- Company templates S.05.01.02, S.05.02.01 and S.19.01.21;

- The written acknowledgement by management of their responsibilities, including for the preparation of the Solvency and Financial Condition Report (**'the Responsibility Statement'**).

In our opinion, the information subject to audit in the relevant elements of the Solvency and Financial Condition Report of the Company as at 31 December 2017 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) including ISA (UK) 800 and ISA (UK) 805, and applicable law. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Solvency and Financial Condition Report in the UK, including the FRC's Ethical Standard as applied to public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the Solvency and Financial Condition Report is not appropriate; or
- the directors have not disclosed in the Solvency and Financial Condition Report any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Solvency and Financial Condition Report is authorised for issue.

Emphasis of Matter - Basis of Accounting

We draw attention to the 'Valuation for solvency purposes' and 'Capital Management' of the Solvency and Financial Condition Report, which describe the basis of accounting. The Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. The Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The Directors are responsible for the Other Information.

Our opinion on the relevant elements of the Solvency and Financial Condition Report does not cover the Other Information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the Solvency and Financial Condition Report, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the relevant elements of the Solvency and Financial Condition Report, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the relevant elements of the Solvency and Financial Condition Report or a material misstatement of the Other Information. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA rules and Solvency II regulations.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the relevant elements of the Solvency and Financial Condition Report

It is our responsibility to form an independent opinion as to whether the information subject to audit in the relevant elements of the Solvency and Financial Condition Report is

prepared, in all material respects, in accordance with financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based.
Our objectives are to obtain reasonable assurance about whether the relevant elements of the Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decision making or the judgement of the users taken on the basis of the Solvency and Financial Condition Report.

A further description of our responsibilities for the audit is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

This report, including the opinion, has been prepared for the Directors of the Company to comply with their obligations under External Audit rule 2.1 of the Solvency II firms Sector of the PRA Rulebook and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose save where expressly agreed by our prior consent in writing.

Report on Other Legal and Regulatory Requirements

In accordance with Rule 4.1 (3) of the External Audit Part of the PRA Rulebook for Solvency II firms we are also required to consider whether the Other Information is materially inconsistent with our knowledge obtained in the audit of the Company's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PricewaterhouseCoopers LLP.

PricewaterhouseCoopers LLP
Chartered Accountants
London
26 April 2018

Annex 1 – Quantitative reporting templates

The following templates are provided on pages 29 onward.

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Gringolet Co Ltd

Solvency and Financial Condition Report

Disclosures

31 December

2017

(Monetary amounts in USD thousands)

General information

Undertaking name	Gringolet Co Ltd
Undertaking identification code	2138008NT9GGAJ2LZH21
Type of code of undertaking	LEI
Type of undertaking	Non-life undertakings
Country of authorisation	GB
Language of reporting	en
Reporting reference date	31 December 2017
Currency used for reporting	USD
Accounting standards	Local GAAP
Method of Calculation of the SCR	Standard formula
Matching adjustment	No use of matching adjustment
Volatility adjustment	No use of volatility adjustment
Transitional measure on the risk-free interest rate	No use of transitional measure on the risk-free interest rate
Transitional measure on technical provisions	No use of transitional measure on technical provisions

List of reported templates

S.02.01.02 - Balance sheet
S.05.01.02 - Premiums, claims and expenses by line of business
S.05.02.01 - Premiums, claims and expenses by country
S.17.01.02 - Non-Life Technical Provisions
S.19.01.21 - Non-Life insurance claims
S.23.01.01 - Own Funds
S.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01 - Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02

Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	
R0040	Deferred tax assets	
R0050	Pension benefit surplus	
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	0
R0080	*Property (other than for own use)*	0
R0090	*Holdings in related undertakings, including participations*	0
R0100	*Equities*	0
R0110	*Equities - listed*	
R0120	*Equities - unlisted*	
R0130	*Bonds*	0
R0140	*Government Bonds*	0
R0150	*Corporate Bonds*	0
R0160	*Structured notes*	0
R0170	*Collateralised securities*	0
R0180	*Collective Investments Undertakings*	0
R0190	*Derivatives*	
R0200	*Deposits other than cash equivalents*	0
R0210	*Other investments*	0
R0220	Assets held for index-linked and unit-linked contracts	
R0230	Loans and mortgages	0
R0240	*Loans on policies*	0
R0250	*Loans and mortgages to individuals*	
R0260	*Other loans and mortgages*	
R0270	Reinsurance recoverables from:	0
R0280	*Non-life and health similar to non-life*	0
R0290	*Non-life excluding health*	0
R0300	*Health similar to non-life*	0
R0310	*Life and health similar to life, excluding 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	0
R0360	Insurance and intermediaries receivables	
R0370	Reinsurance receivables	
R0380	Receivables (trade, not insurance)	
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	4,958
R0420	Any other assets, not elsewhere shown	0
R0500	**Total assets**	4,958

S.02.01.02
Balance sheet

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	424
R0520	*Technical provisions - non-life (excluding health)*	424
R0530	*TP calculated as a whole*	0
R0540	*Best Estimate*	407
R0550	*Risk margin*	17
R0560	*Technical provisions - health (similar to non-life)*	0
R0570	*TP calculated as a whole*	0
R0580	*Best Estimate*	0
R0590	*Risk margin*	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	*Technical provisions - health (similar to life)*	0
R0620	*TP calculated as a whole*	
R0630	*Best Estimate*	
R0640	*Risk margin*	
R0650	*Technical provisions - life (excluding health and index-linked and unit-linked)*	0
R0660	*TP calculated as a whole*	
R0670	*Best Estimate*	
R0680	*Risk margin*	
R0690	Technical provisions - index-linked and unit-linked	0
R0700	*TP calculated as a whole*	
R0710	*Best Estimate*	
R0720	*Risk margin*	
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	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	
R0830	Reinsurance payables	
R0840	Payables (trade, not insurance)	
R0850	Subordinated liabilities	0
R0860	*Subordinated liabilities not in BOF*	
R0870	*Subordinated liabilities in BOF*	0
R0880	Any other liabilities, not elsewhere shown	59
R0900	**Total liabilities**	483
R1000	**Excess of assets over liabilities**	4,475

S.05.01.02

Premiums, claims and expenses by line of business

Non-life

		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
		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	Misc. financial loss	Health	Casualty	Marine, aviation and transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
	Premiums written																	
R0110	Gross - Direct Business																	0
R0120	Gross - Proportional reinsurance accepted																	0
R0130	Gross - Non-proportional reinsurance accepted																	0
R0140	Reinsurers' share																	0
R0200	Net								0									0
	Premiums earned																	
R0210	Gross - Direct Business																	0
R0220	Gross - Proportional reinsurance accepted																	0
R0230	Gross - Non-proportional reinsurance accepted																	0
R0240	Reinsurers' share																	0
R0300	Net								0									0
	Claims incurred																	
R0310	Gross - Direct Business																	0
R0320	Gross - Proportional reinsurance accepted																	0
R0330	Gross - Non-proportional reinsurance accepted																	0
R0340	Reinsurers' share																	0
R0400	Net								0									0
	Changes in other technical provisions																	
R0410	Gross - Direct Business																	0
R0420	Gross - Proportional reinsurance accepted																	0
R0430	Gross - Non-proportional reinsurance accepted																	0
R0440	Reinsurers' share																	0
R0500	Net								0									0
R0550	**Expenses incurred**								150									150
R1200	**Other expenses**																	
R1300	**Total expenses**																	150

S.05.02.01

Premiums, claims and expenses by country

Non-life

		C0010	C0020	C0030	C0040	C0050	C0060	C0070
		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations			Top 5 countries (by amount of gross premiums written) - non-life obligations		Total Top 5 and home country
R0010								
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business							0
R0120	Gross - Proportional reinsurance accepted							0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share							0
R0200	Net	0	0	0	0	0	0	0
	Premiums earned							
R0210	Gross - Direct Business							0
R0220	Gross - Proportional reinsurance accepted							0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share							0
R0300	Net	0	0	0	0	0	0	0
	Claims incurred							
R0310	Gross - Direct Business							0
R0320	Gross - Proportional reinsurance accepted							0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share							0
R0400	Net	0	0	0	0	0	0	0
	Changes in other technical provisions							
R0410	Gross - Direct Business							0
R0420	Gross - Proportional reinsurance accepted							0
R0430	Gross - Non-proportional reinsurance accepted							0
R0440	Reinsurers' share							0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**							0
R1200	**Other expenses**							
R1300	**Total expenses**							0

S.17.01.02
Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	Total Non-Life obligation
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
R0010	Technical provisions calculated as a whole								0									0
R0050	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																	0
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross								0									0
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0150	Net Best Estimate of Premium Provisions								0									0
	Claims provisions																	
R0160	Gross								407									407
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default																	0
R0250	Net Best Estimate of Claims Provisions								407									407
R0260	**Total best estimate - gross**								407									407
R0270	**Total best estimate - net**								407									407
R0280	**Risk margin**								17									17
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole																	0
R0300	Best estimate																	0
R0310	Risk margin																	0
R0320	**Technical provisions - total**								424									424
R0330	**Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total**								0									0
R0340	**Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total**								424									424

S.19.01.21

Non-Life insurance claims

Total Non-life business

Z0020 Accident year / underwriting year: Underwriting Year

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

		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
	Year	0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)
		Development year												
R0100	Prior											0	0	0
R0160	2008	0	0	0	0	0	0	0	0	0	0		0	0
R0170	2009	0	0	0	0	0	0	0	0	0			0	0
R0180	2010	0	0	0	0	0	0	0	0				0	0
R0190	2011	0	0	0	0	0	0	0					0	0
R0200	2012	0	0	0	0	0	0						0	0
R0210	2013	0	0	0	0	0							0	0
R0220	2014	0	0	0	0								0	0
R0230	2015	0	0	0									0	0
R0240	2016	0	0										0	0
R0250	2017	0											0	0
R0260												Total	0	0

Gross Undiscounted Best Estimate Claims Provisions
(absolute amount)

		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
	Year	0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)
		Development year											
R0100	Prior											413	407
R0160	2008	0	0	0	0	0	0	0	0	0	0		0
R0170	2009	0	0	0	0	0	0	0	0	0			0
R0180	2010	0	0	0	0	0	0	0	0				0
R0190	2011	0	0	0	0	0	0	0					0
R0200	2012	0	0	0	0	0	0						0
R0210	2013	0	0	0	0	0							0
R0220	2014	0	0	0	0								0
R0230	2015	0	0	0									0
R0240	2016	0	0										0
R0250	2017	0											0
R0260												Total	407

S.23.01.01

Own Funds

		Total	Tier 1 unrestricted	Tier 1 restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35					
R0010	Ordinary share capital (gross of own shares)	2,610	2,610		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Initial funds, members' contributions or the equivalent basic own-fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	1,865	1,865			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
R0220	**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**	0				
R0230	**Deductions for participations in financial and credit institutions**	0				
R0290	**Total basic own funds after deductions**	4,475	4,475	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0				
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0				
R0320	Unpaid and uncalled preference shares callable on demand	0				
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0				
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0				
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0				
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0				
R0390	Other ancillary own funds	0				
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	4,475	4,475	0	0	0
R0510	Total available own funds to meet the MCR	4,475	4,475	0	0	
R0540	Total eligible own funds to meet the SCR	4,475	4,475	0	0	0
R0550	Total eligible own funds to meet the MCR	4,475	4,475	0	0	
R0580	**SCR**	299				
R0600	**MCR**	4,306				
R0620	**Ratio of Eligible own funds to SCR**	1497.74%				
R0640	**Ratio of Eligible own funds to MCR**	103.92%				

		C0060
	Reconciliation reserve	
R0700	Excess of assets over liabilities	4,475
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	
R0730	Other basic own fund items	2,610
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	1,865
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	
R0790	**Total Expected profits included in future premiums (EPIFP)**	0

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	4		0
R0020	Counterparty default risk	193		
R0030	Life underwriting risk	0		0
R0040	Health underwriting risk	0		0
R0050	Non-life underwriting risk	134		0
R0060	Diversification	-45		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	287		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	12
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	0
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency Capital Requirement excluding capital add-on**	299
R0210	Capital add-ons already set	0
R0220	**Solvency capital requirement**	299
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

S.28.01.01

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

	Linear formula component for non-life insurance and reinsurance obligations	C0010
R0010	MCR_{NL} Result	42

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expense insurance and proportional reinsurance	0	
R0030	Income protection insurance and proportional reinsurance	0	
R0040	Workers' compensation insurance and proportional reinsurance	0	
R0050	Motor vehicle liability insurance and proportional reinsurance	0	
R0060	Other motor insurance and proportional reinsurance	0	
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	
R0080	Fire and other damage to property insurance and proportional reinsurance	0	
R0090	General liability insurance and proportional reinsurance	407	
R0100	Credit and suretyship insurance and proportional reinsurance	0	
R0110	Legal expenses insurance and proportional reinsurance	0	
R0120	Assistance and proportional reinsurance	0	
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	
R0140	Non-proportional health reinsurance	0	
R0150	Non-proportional casualty reinsurance	0	
R0160	Non-proportional marine, aviation and transport reinsurance	0	
R0170	Non-proportional property reinsurance	0	

	Linear formula component for life insurance and reinsurance obligations	C0040
R0200	MCR_L Result	0

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

	Overall MCR calculation	C0070
R0300	Linear MCR	42
R0310	SCR	299
R0320	MCR cap	134
R0330	MCR floor	75
R0340	Combined MCR	75
R0350	Absolute floor of the MCR	4,306
R0400	**Minimum Capital Requirement**	4,306