CG Holdings (Gibraltar) Limited

Casualty & General Insurance Company (Europe) Limited

Solvency & Financial Condition Report
Year ended 31st December 2018

Contents

Executive Summary

HIGHLIGHTS
✓ Casualty & General Insurance Company (Europe) Limited ('CGICE' or 'the Company') covered its SCR by 120% as at 31 December 2018 following a strengthening of run-off reserves during the year.
✓ CG Holdings (Gibraltar) Limited ('CGH' or 'the Group') covered its SCR by 109% as at 31 December 2018. This was lower due to the inclusion and netting of an external royalty cash flow stream.
✓ The decrease in buffer over the SCR is caused by the Company deciding to strengthen its reserves on the classes of business in run-off and ongoing business classes having a higher capital charge under SII.
✓ The Board of CGICE has agreed measures to ensure it can continue to write new, and administer existing, EU business after the UK exits the EU.

The Group is an insurance group made up of CGH as an insurance holding company, CGICE as an insurance company, and various other entities which operate businesses which are ancillary to the insurance operations. 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.

CGICE is the main driver of the Group's performance. The Board is satisfied with the performance of the Company during the year, which has achieved strong underwriting profits in the lines of business in which the Company continues to be active, albeit offset by the strengthening of the reserves in the classes that the Company has ceased writing, the revaluation and sales of the properties the Company owns, and an increase in expenses. During 2018 CGH also sold Hawkwell Motor Limited ('HML') improving the Holding Company's Solvency Ratio.

A material risk to CGICE's strategy is the UK's exit from the European Union. Uncertainties remain around the (potentially temporary) arrangements in place from that date and, as it is assumed that the UK will exit the Single Market, the Company is in the process of implementing alternative structures and arrangements to ensure that it can continue writing insurance in the EU. The Company continues to monitor the situation closely.

The governance and risk frameworks of the Group and the Company are detailed in this report. There have been no significant changes in the reporting period.

The Company has continuously complied with all aspects of the Solvency II regulations from the date of first implementation on 1 January 2016 and the most recent solvency position of the Company is presented above. During the reporting period there have been no changes to the capital structure.

Daniel Gibson **Date: 3rd June 2019**
Chief Executive Officer
Casualty & General Insurance Company (Europe) Limited

A. Business & Performance

1. Business

1.1. This report relates to CG Holdings (Gibraltar) Limited ('CGH') and its subsidiary companies (collectively 'the Group'), specifically Casualty and General Insurance Company (Europe) Limited ('CGICE' or 'the Company'), an insurance company licensed in Gibraltar and limited by shares.

1.2. CGH is a non-regulated holding company domiciled in Gibraltar. Group supervision is carried out by CGICE's regulator:

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

1.3. CGH and CGICE's external auditor is:

EY Limited
Regal House
Queensway
GX11 1AA
Gibraltar
http://www.ey.com/gi/en/home

CGH and CGICE prepare their audited financial statements in accordance with Generally Accepted Accounting Principles in the United Kingdom ('GAAP').

1.4. CGH shareholders with qualifying holdings at 31 December 2018:

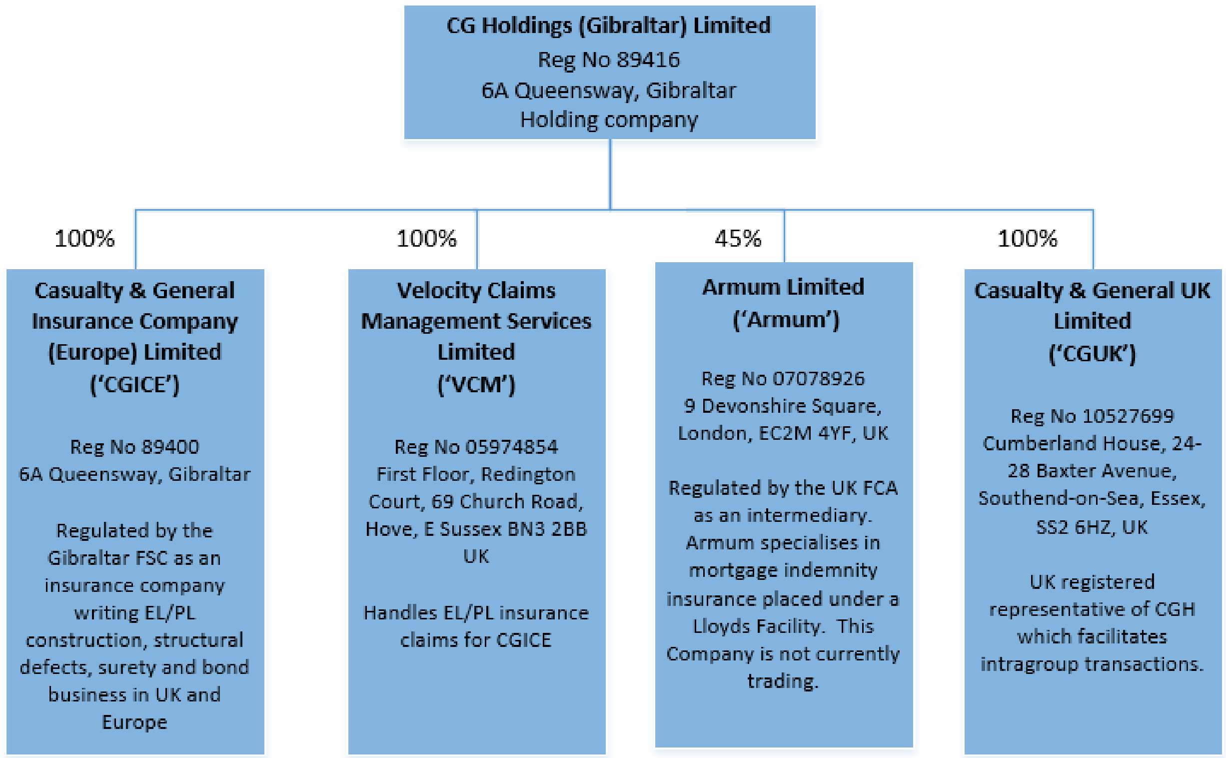
Daniel Gibson
Philippe Azoulay (through gIce Limited and g Reinsurance Limited)

CGICE is 100% owned by CG Holdings (Gibraltar) Limited.

1.5. The CGH Group of companies is shown overleaf.

CGICE

CGH Group Structure at 31st December 2018



1.6. CGICE is authorised to carry out insurance business in the following jurisdictions:

Class	Type of insurance business	Jurisdiction
3	Land vehicles	UK
7	Goods in transit	France, Germany, Ireland, Netherlands
8	Fire and natural forces	Belgium, France, Germany, Ireland, Netherlands, UK
9	Damage to property	Belgium, France, Germany, Ireland, Netherlands, UK
10	Motor vehicle liability	UK
12	Liability for ships	France, Germany, Ireland, Netherlands
13	General liability	Belgium, France, Germany, Ireland, Netherlands, UK
15	Suretyship	France, Ireland, Italy, Norway, Spain, UK
16	Miscellaneous financial loss	France, Germany, Ireland, Netherlands, UK
17	Legal expenses	UK

The majority of business written in other EU jurisdictions is via freedom of services, except for classes 8, 9, 13, 15 and 16 in France, and 8, 9, 13, 15 and 17 in the UK, which are written via branches in France and the UK respectively.

1.7. The material undertakings in the Group are CGH, as the insurance holding company, and CGICE, as the insurance company. The results and net assets of each of the material undertakings are as follows:

Undertaking	Profit/(Loss) (£'000)	Net Assets (£'000)
CGH	(655)	9,917
CGICE	(833)	11,110

The activities and sources of profit for each of these entities is covered further below:

1.7.1. CGH is a non-trading insurance holding company.

1.7.2. CGICE's source of profit is from underwriting activities and investment income, which is explained in further detail in this report.

1.8. In addition to the above material undertakings, whose contribution to the achievement of the Group strategy is via their core roles in the provision of insurance related undertakings, the Group also has VCM, Armum and CGUK as operating subsidiaries, which provide ancillary insurance services to the Group.

2. On 24th January 2018, CGH purchased the remaining shares in HML, changing its status from a joint venture to a fully owned subsidiary of the Group. CGH then sold HML in December 2018.

2. Underwriting Performance

2.1. CGH's underwriting performance follows CGICE's as the only insurance entity in the Group.

2.2. The premium written in the year ended 31 December 2018 is shown below by class of business and jurisdiction:

	France	Ireland	Italy	Norway	Spain	UK
	£'000	£'000	£'000	£'000	£'000	£'000
Motor	-	-	-	-	-	(53)
Fire and property	(78)	-	-	494	-	(10)
Liability	(207)	(20)	-	-	-	(47)
Credit & surety	3,031	-	2,673	-	3,900	626
Legal expenses	-	-	-	-	-	(12)
Totals	**2,746**	**(20)**	**2,673**	**494**	**3,900**	**484**

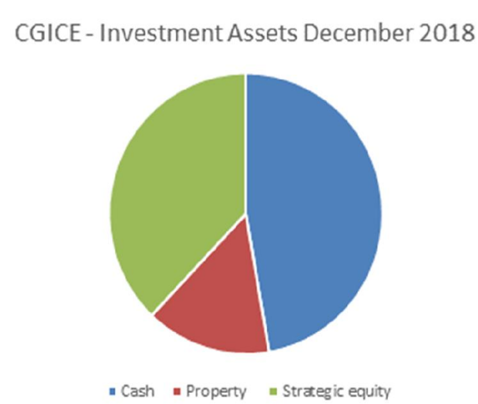
2.3. The majority of premiums written are single premium policies (i.e. one single premium to cover the life of the policy).

2.4. Underwriting performance has been positive with technical profits reported in the management accounts for the year ended 31 December 2018 being £239k (compared to a profit of £1,285k in 2017).

3. Investment Performance

3.1. CGH's investments comprise the equity holdings in subsidiaries and a joint venture only. There have been no distributions received from subsidiaries during the period of this report.

3.2. The investment assets held by the Company are illustrated overleaf:



4. Performance of Other Activities

4.1. There have been no other significant activities undertaken by the Group or the Company other than their insurance and related activities.

5. Any Other Information

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

B. System of Governance

1. General Information on System of Governance

CG Holdings (Gibraltar) Limited

CGH retains ultimate responsibility for the governance of itself and its subsidiaries, however it is not prescriptive in how any subsidiary should meet its obligations. CGH takes a risk-based approach to the system of governance it expects to be implemented, depending on the complexity, nature, size of the business, whether it is subject to regulation, and the level of risk it presents to Group. The level of reporting required is also proportional to these factors.

Governance requirements are largely set by regulatory and legal requirements, however CGH also considers any additional measures it considers necessary to manage the risk of the subsidiary and will implement these on a case by case basis, for example establishing additional governance meetings, requesting additional reporting, or intervening by placing managers or directors in the subsidiary to further safeguard CGH's interests.

There are CGH directors on all subsidiary Boards. CGH has no Committees.

CGH has no employees. Directors' services are included in the fee paid by CGICE.

There have been no dividends paid to the shareholders during the reporting period.

The CGH Board of Directors is comprised of one executive director and three non-executive directors (one of which is the Chair).

<u>CGICE System of Governance at 31/12/2018</u>

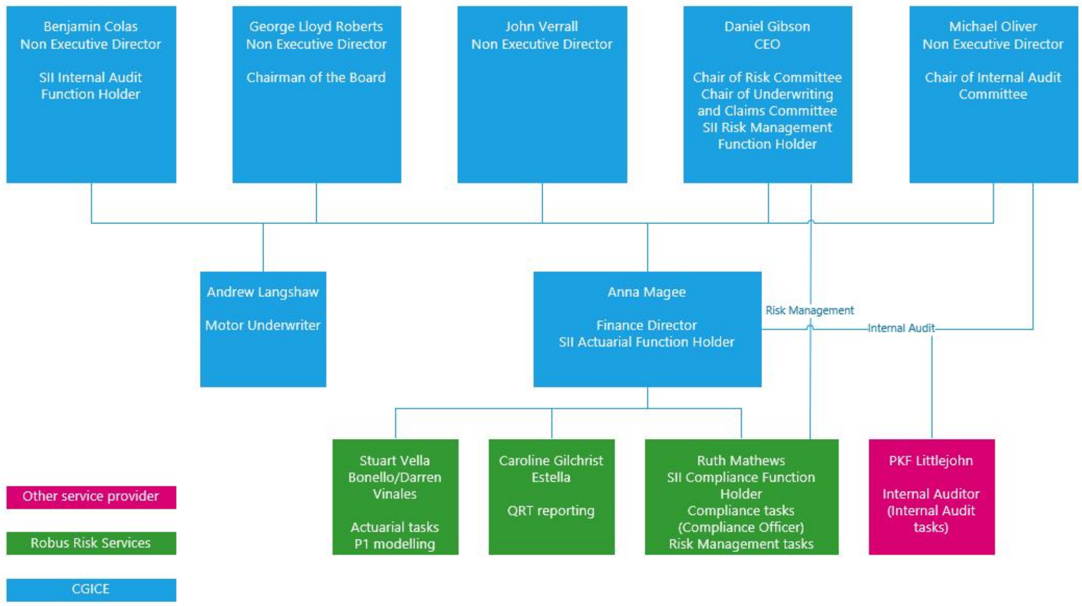
Board and Committee Structure at 31 December 2018

Terms of Reference describe the purpose, responsibilities, membership and authority delegated from the Board for each Committee. Relevant attendees are invited to Committees as determined by the Committee.

The Underwriting and Claims Committee was established in the last quarter of 2018.

During 2018 one of the NEDs retired and therefore resigned from the Board. He has not been replaced and there are now four NEDs

Roles and Responsibilities at 31 December 2018



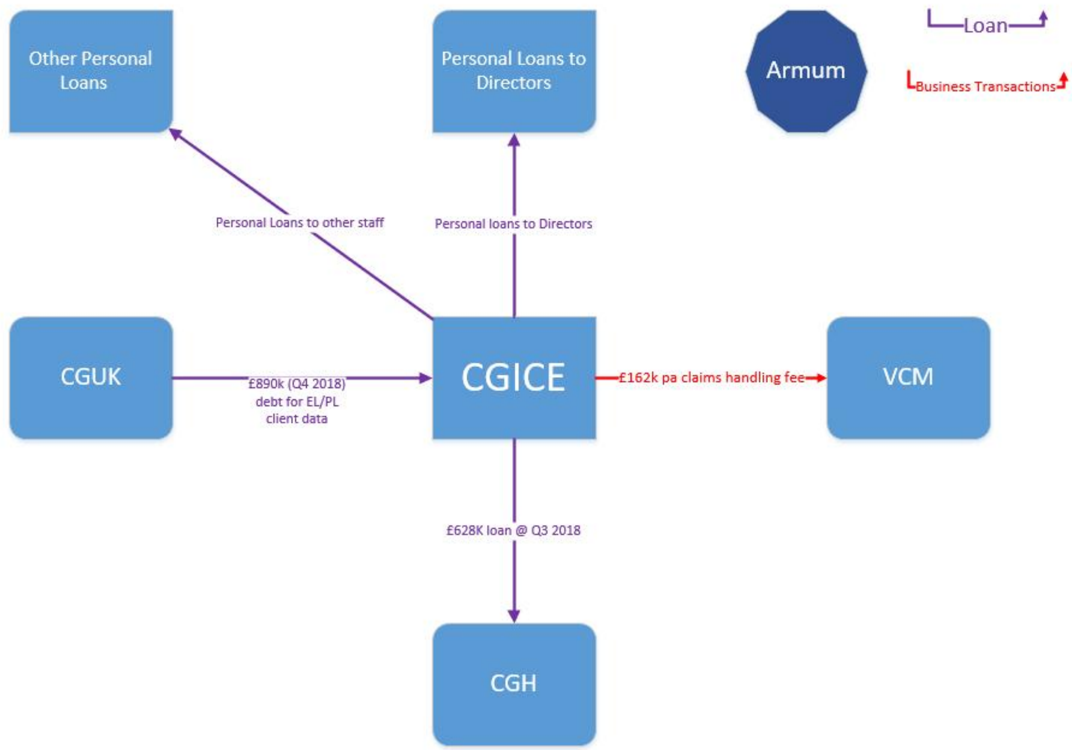
CGICE has seven employees including the CEO. Employees' remuneration (bar the CEO's) is set by the CEO and approved by the Board as part of the budget. At least three Directors approve the remuneration of any other Director; no Director is involved in decisions relating to their own remuneration. The Company has a Remuneration Policy.

Directors fees or salaries were paid to the Non-Executive and Executive Directors during the reporting period.

There have been no dividends paid to the parent company during the reporting period.

Material Intra-Group Transactions

Material intra-group transactions are described by the diagram below:



2. Fit and Proper Requirements

The Group recognises the value of the fit and proper requirements in that a company run in a fit and proper manner, by fit and proper directors and other individuals holding key functions or roles, will benefit from the knowledge and experience brought to the company and is more likely to be successful. In addition, the risks associated with a badly run business (largely regulatory, financial or reputational risks) will be diminished.

There is no definition for ‘fit and proper’, however the term includes amongst other considerations the concepts of honesty, solvency and competence.

The basic elements of the fit and proper assessment are:

- honesty, integrity and reputation (e.g. treating customer fairly, proper respect of legal, regulatory and professional obligations, prudent approach to business);
- competence, ability to conduct business and organisation (e.g. adherence to ‘four-eyes’ principle, having a robust corporate governance structure, declaration of conflicts of interest, Directors having appropriate skills, knowledge and experience);
- financial position (e.g. ensuring the Company has sufficient financial resources to meet commitments on a continuous basis, and is robust enough to withstand business risks)

The Group Boards ensure that any candidates for a position on a Board, or for other key functions or roles, shall be assessed to ensure that they fulfil fit and proper requirements. This includes reviewing the CV of the candidate, an in-depth interview, obtaining references (both personal and professional), and carrying out due diligence checks. Due diligence checks include verification of identification and address, and searches on due diligence databases. The candidate is also asked to declare any interests, so the relevant Board can review whether they conflict with the Company's interests. All conflicts of interest identified are recorded on a Log and reviewed at each board meeting.

3. Risk Management System including ORSA

CG Holdings (Gibraltar) Limited

CGH is responsible for ensuring that risk management is implemented within each subsidiary at a level proportionate to the complexity, nature, size of the business, whether it is subject to regulation, and the level of risk it presents to Group.

As a minimum, all regulated companies will have a Risk Register which will be reported on in subsidiaries' reports to the CGH Board. CGH will also identify any risks specific to Group or aggregated at Group level through the interdependencies between the subsidiaries including intra-group transactions, and considering risk concentration, through the Own Risk and Solvency Assessment ('ORSA') process.

CGICE completes the Group solvency calculation and monitors Group solvency on behalf of CGH and will liaise with the Group Board as necessary to ensure that the Group SCR is met and that risks to Group solvency are monitored and managed.

CGICE is responsible for completing an Own Risk Solvency Assessment ('ORSA') for the Group, incorporating CGH and a solo ORSA on CGICE. One supervisory report on both ORSAs is collated.

CGICE Risk Management System

Risk Management Roles and Responsibilities

The CGICE Board delegates its risk management function to the risk management key function holder and to the Risk Committee, which oversee all risk related activity and ensure the Board is kept informed or is consulted as required.

Should any risk management tasks be outsourced, the function holder is also responsible for the outsourced relationship, including monitoring the scope of work, service levels and for challenging the results.

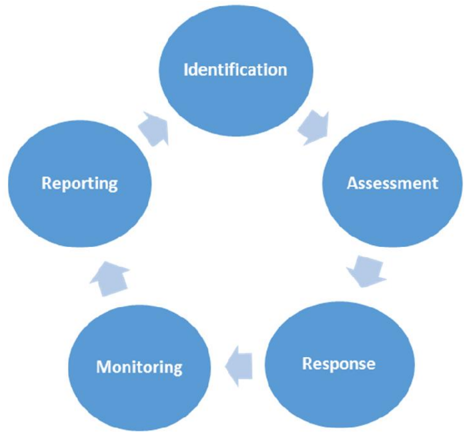
The key function holder and RC review, monitor and update as required, all the components of the Framework, engaging other members of the Board, key function or key role holders, as necessary, and oversee the ORSA process. However, the Board collectively are responsible for the implementation of the Frameworks components.

The Risk Register is a central log of all risks identified in the business. It is owned by and is the responsibility of the RC and risk management key function holder to maintain and review the document. It includes the risk owner, risk description, risk factors, mitigating controls and measures and risk appetite.

The Board sets its risk appetites and tolerances; the actual risk in the business, compared to risk appetite and tolerance, is monitored by the RC and escalated to the Board if required.

The Risk Management Process

The process of risk management is a continuous and systematic one, comprising 5 elements:



Own Risk Solvency Assessment ('ORSA') Policy

The ORSAs' main purpose is to ensure that the Group and CGICE assess all the risks inherent to their businesses and determine the corresponding capital needs, or identify other means needed to mitigate these risks. The Boards are responsible for conducting the ORSA.

In particular the ORSA considers situations in which the Group or Company may be stressed, and the capital needs and mitigation measures necessary in these scenarios, to ensure that the business is prepared for, and robust enough to weather, adverse conditions without detriment to stakeholders.

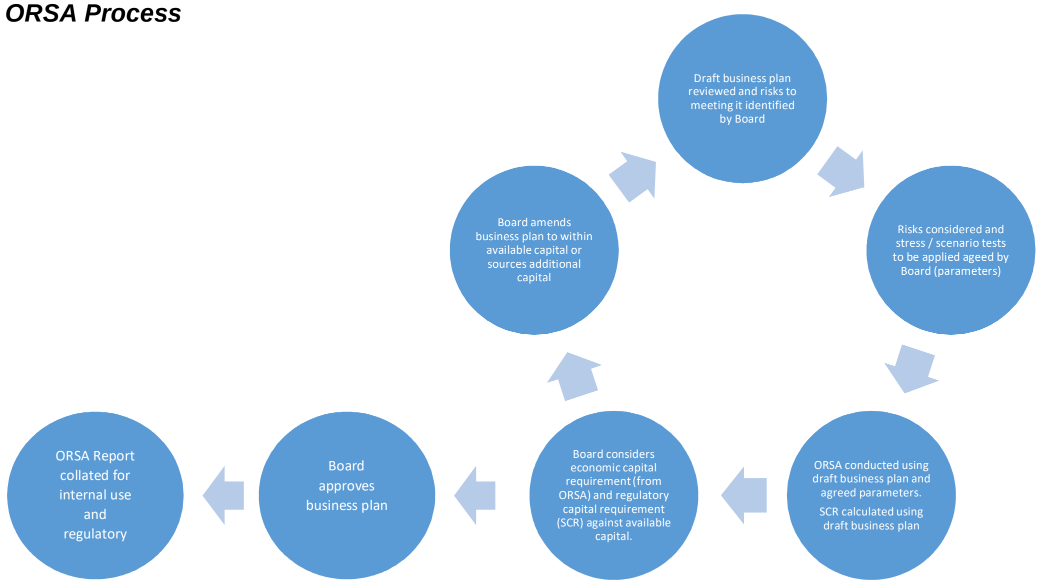
While the Risk Register focusses on risks from a bottom-up viewpoint, the ORSA takes a top-down approach, linking business objectives, business risks, business planning and capital planning. The results of the ORSA also feed back into the risk management process, ensuring that all risks identified are incorporated into the assessment, management, monitoring and reporting cycle.

The Boards will also use the output of the ORSA to review its overall risk profile, and whether the profile exceeds or approaches the risk tolerance limits set by the Boards.

The Boards carry out an ORSA at least annually; however, they will also carry out an ORSA if there is any material change to the risk profile or business plan, in particular:

- Cessation of a class or entering into a new class worth >£2.5m GWP
- If the SCR changes by >10% (which includes the impact of changes to investments)
- If there are any significant changes to Group structure e.g. new subsidiaries/liquidation of subsidiaries

ORSA Process



4. Internal Control System

CG Holdings (Gibraltar) Internal Control System

CGH Board is responsible for the Group Internal Control System. Internal controls are implemented within each subsidiary at a level proportionate to the complexity, nature, size of the business, whether it is subject to regulation, and the level of risk it presents to Group.

As a minimum, all companies will have sound reporting and accounting procedures to enable the respective Boards to adequately monitor their business. The majority of subsidiaries are subject to statutory audit which independently reviews their internal control systems.

CGICE Internal Control System

The Company's internal controls are part of its compliance framework, being the first line of defence in the 'three lines of defence' model the Company has implemented.

The Company has implemented policies which describe the Board's approach to key areas of the business, and procedures, where appropriate, which describe how the Board fulfils its policies. The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the internal control system, however day-to-day oversight is provided by the compliance key function holder and Compliance Officer. In practice, the Audit Committee ('AC'), other Directors and key role holders also necessarily participate in the management of the system.

The Compliance Officer is responsible for ensuring that all company policies are reviewed at least annually to make certain that they are still fit for purpose, in liaison with the Directors as appropriate. The relevant area of the business is responsible for ensuring that their procedure(s) are up to date and reflect how the business operates.

There is a risk-based Compliance Monitoring Programme ('CMP') in place to check that CGICE fulfils all its legislative and regulatory requirements. This is completed by the Compliance Officer on a quarterly basis and forms part of the Compliance Report to the AC.

Compliance Function

The Compliance key function holder is responsible for the completion of compliance tasks, although the tasks may be outsourced to the Company's insurance manager. The function holder is also the Compliance Officer and has direct access to both the Board and the AC.

The Compliance Officer is responsible for identifying and evaluating compliance risk, overseeing the implementation of controls for the risks identified, and monitoring their efficacy through the Compliance Monitoring Programme. The Compliance Officer reports to the key function holder and AC at each meeting and will provide advice to the business when requested.

The Compliance Function also liaises with regulatory bodies and authorities and provides updates on changes in legislation and regulatory requirements.

The Board supports the Compliance Function and shall make available such resource as is necessary and provide access to all relevant documentation and information from the business, for the Compliance Function to fulfil its aims.

5. Internal Audit Function

CGH Internal Audit Function

All Group companies that are service providers to CGICE are considered by CGICE's internal audit function and subject to CGICE's internal audit activity, which is described below.

CGICE Internal Audit Function

Internal Audit exists to provide the Company with independent assessments of the quality of internal controls and administrative processes and provide recommendations and suggestions for continuous improvement. It provides advisory services to management, will conduct investigations on an ad hoc basis as requested by management, and has responsibility for assisting in the development and operation of the risk management framework. It will also audit providers of material services to ensure that the agreements governing these relationships are being adhered to.

The Board appointed Internal Audit Key Function Holder has responsibility for the internal audit function and reports into the AC. Internal audit tasks are outsourced to a third-party provider selected by the AC; the key function holder also has responsibility for co-ordinating this outsourcing and challenging the results.

The third-party provider prepares an internal audit plan for the following year which is based on a three-year plan and is developed using a risk-based approach to prioritise high risk areas and the extent and frequency of audits. The plan is approved by the AC and provided to the Board for formal adoption. The plan is subject to change throughout the year depending on the business and changing risk environment.

Audit reports are produced after each internal audit and provided to the AC for review with management responses. Any actions coming out of the audits are monitored to completion by the AC.

Internal Audits will be conducted by appropriately skilled, experienced and independent persons to carry out the audit to the AC's standards.

To carry out its work effectively and to retain integrity of the function, Internal Audit acts independently of line management. The internal audit function holder is responsible to the AC for the planning, management and performance of Internal Audit; the AC consists of Non-Executive Directors.

The AC provides a quarterly report to the Board.

Internal Audit reports may be requested by appointed External Auditors, these requests are considered by the AC for approval.

6. Actuarial Function

CGICE is the only insurance entity in the Group and therefore the only one for which it is relevant to have an Actuarial Function as set out in the SII Directive.

CGICE's actuarial function is the responsibility of the key function holder, who reports directly to the Board.

The actuarial function is responsible for:

a) Coordination of the calculation of technical provisions;

b) ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;

c) assessing the sufficiency and quality of the data used in the calculation of technical provisions;

d) comparing best estimates against experience;

e) informing the Board of the reliability and adequacy of the calculation of technical provisions;

f) expressing an opinion on the overall underwriting policy;

g) expressing an opinion on the adequacy of reinsurance arrangements; and

h) contributing to the effective implementation of the risk-management system.

Each of these activities is undertaken on an at least annual basis and the outcome reported to the Board in an internal actuarial report.

7. Outsourcing

Outsourcing is the use of a third party (either an affiliated entity within the same group or an external entity) to perform activities on a continuing basis that would normally be undertaken by the company. The third party to whom an activity is outsourced is a ‘service provider’.

Each Board shall ensure that an outsourcing arrangement shall not diminish the company’s ability to fulfil its obligations to customers or its regulator, nor impede effective supervision by its regulator (should it be regulated).

Fundamental responsibilities such as the setting of strategies and policies, the oversight of the operation of the company’s processes, and the final responsibility for customers, shall not be outsourced.

The respective Boards consider outsourcing where they believe that there is an advantage to the company and customer by using a service provider e.g. access to specialist resource, provision of services in the same jurisdiction as the customer, cost benefits.

CGH Outsourcing

CGH is a holding company and has little operational activity. The company’s management is outsourced to RRS, primarily consisting of the provision of the accounting function. Company Secretarial services are outsourced to GT Fiduciary Services Limited.

CGICE Outsourcing

CGICE is reliant on a number of material service providers; due to the risk this presents, CGICE has an outsourcing policy which describes how it takes the decision to outsource, how a service provider is selected, and how the relationship is defined, managed and monitored. The Company takes a risk-based approach to all of these activities.

Material Service Providers in the Reporting Period:

Service Provider	Service Provided	Jurisdiction Located
Robus Risk Services (Gibraltar) Limited	Insurance Management (compliance tasks, risk management tasks, accounting, banking & investments, regulatory reporting, actuarial tasks)	Gibraltar
iWCL Consultancy Limited	UK EL/PL policy administration software system	UK
Hawkwell Motor Limited	UK motor policy sales and administration and complaints handling	UK
Endsleigh Insurance Services Limited (t/a TCS)	UK motor claims handling (from 04/01/2017)	UK
European Brokers Alliance Limited (Nexus)	Policy sales and administration for French construction and Italian and Spanish bond lines	UK
CRL Management Limited	Policy sales and administration, and claims handling, for UK structural defects line.	UK
SARL DEKATRIA (SARL EKWI)	French Dommages Ouvrages (DO) and Decennale liability claims handling and administration	France
Velocity Claims Management Limited	UK & ROI EL/PL claims handling Oversees Motor Claims run-off	UK
IAM Insurance AS	Policy sales and administration, and claims handling, for Norwegian bond line.	Norway
Juno Fiduciary Services Limited	Company secretarial	Gibraltar
SWIM/Advantage	Provision of policy sales & administration and claims handling for UK Structural Defects and Bonds	UK
HR Space	Provision of HR services	Gibraltar

8. Adequacy of the System of Governance

The Group aims to continuously improve its compliance and governance systems by ensuring that they are reviewed, evaluated, and recommendations are made to the Board(s) regarding enhancing and developing the systems, including the outcomes from compliance monitoring programmes, root cause analysis from complaints, breaches and risk events, and incremental development as the systems mature. It also considers relevant industry advice and guidelines, for example the UK Financial Reporting Council's Corporate Governance Code, implementing these as appropriate for the size and complexity of the Group companies.

Internal audits and external audits provide independent evaluation of the Group's and individual companies' system of governance. Recommendations from these audits are considered by the relevant Boards and implemented proportionate to the business' risks.

C. Risk Profile

1. Underwriting Risk

CGICE is the only company in the CGH Group which is exposed to underwriting risk, the Group's underwriting risk is therefore the same as CGICE's.

CGICE

Underwriting risk is a key risk to CGICE.

Underwriting risk is monitored by the executive director who reports to the Board at least quarterly, and by the Risk Committee (RC) and Risk Management Key Function Holder, via the Risk Management Framework. It is assessed and monitored using key indicators such as Gross Written Premium, claims reserves, loss ratio and large loss claims details. The Board has set risk tolerances around these indicators, where relevant, which the RC monitors.

The Company sells its insurance through intermediaries who have been granted limited delegated authority by the Board. Intermediaries are monitored by the Executive Director on the basis of management information, and are also encompassed by the Internal Audit Plan, to ensure adherence to contractual requirements including delegated underwriting authority parameters. Broker reviews are also conducted on a risk assessed basis. The results are reported to the Board or Audit Committee, as appropriate.

There has been no change to the methodology for identifying, assessing, managing and reporting on underwriting risk over the reporting period.

The use of quota share and excess of loss reinsurance is CGICE's primary method of mitigating underwriting risk.

In 2018 the Company continued to manage and mitigate the business' risk exposure to within its risk appetite and capital capacity. There have been no material changes to underwriting risk in 2018. The Company continues to monitor future developments.

The Company is focussing on its European surety, bond and UK defects business over the next three years and has submitted an application to start writing UK motor business again.

The Company has written employer and public liability business in the UK as well as UK motor and therefore is exposed to the risk of structured settlements (sometimes called periodic payment orders or PPOs) in relation to large claims. The risk of PPOs to the Company is that they transfer the longevity (how long the PPO must be paid), inflation (how quickly the annual payments increase) and revision (possibility of future changes in legislation which may change PPO awards) risks to the Company. To date there have been no settled PPOs awarded to claimants against the Company. The Company reviews its large claims and assesses the risk of them developing into PPOs, but currently has no such claims which would typically develop into settled PPOs, and in any case is protected via the mitigation methods described below. The Company believes that the risk of PPOs has diminished further since the UK Lord Chancellor's announcement in February 2017 regarding the change in the personal injury discount rate to minus 0.75%, which is detailed further in section 7 below, and the Company has since ceased writing these lines of business.

Underwriting Risk Mitigation Measures

Line	Mitigation Measure
Employers Liability and Products Liability *(in run off from 01/01/17)*	• Excess of loss reinsurance • Quota share reinsurance
UK Motor *(in run off from 01/04/17)*	• Delegated authority limits • Excess of loss reinsurance • Quota share reinsurance
Dommages Ouvrages *(in run off from 01/01/2017)*	• Delegated authority limits • Variable quota share reinsurance • Excess of Loss Reinsurance • Recovery from decennale insurer • Quota share reinsurance
Decennial Liability *(in run off from Oct 2017)*	• Delegated authority limits • Maximum exposure limit per site of €500,000 • Quota share reinsurance
Norwegian Bonds *(in run off from 31/12/2018)*	• Quota share reinsurance
French Surety	• Recovery through counterparty guarantees • Control of project bank accounts and therefore cash flow • Excess of Loss Reinsurance • Option to take control of the project to completion • Quota share reinsurance
Italian Bonds	• Limited delegated authority limits • Quota share reinsurance
UK Structural Defects	• Excess of loss reinsurance • Quota share reinsurance
Spanish Surety/Bonds	• Limited delegated authority limits • Excess of Loss Reinsurance • Quota share reinsurance

There has been no material change to the risks that the Company is exposed to in the reporting period or to date other than as disclosed above.

2. Market Risk

CGH has no exposure to market risks as it holds funds in cash only.

CGICE

The Company provides detailed analysis of the investment portfolio, making recommendations to maximise investment returns within the Company's risk appetites and tolerances to the Board.

Currency

The Group and the Company are primarily exposed to two currencies, the Euro ("EUR") and British Sterling ("GBP"). Investments are held in GBP and EUR and therefore also present some currency risk to the Company. The Company holds a Euro cash account for Euro premium funds and claims payments, to minimise the number of currency exchanges necessary, however it is exposed to currency risk as its accounting currency is GBP and the exchange rate affects the value of transactions and balances. The Company also trades in a Norwegian Krone, but its exposure is not material.

The Finance Director monitors the EUR: GBP exchange rate on a monthly basis or more regularly where there are significant movements in the currency pair, assesses the currency risk on behalf of CGICE, and will make recommendations via consultation with representatives of the Board regarding when to make foreign exchange transactions to mitigate the risk.

Property

The Company has a commercial property portfolio of £2.2m; the property is leased on a long-term basis to a secure tenant. Following the UK's departure from the European Union, the property market could become more volatile and therefore increased liquidity risks may emerge. However, the material risks presented by the property portfolio have decreased over the reporting period as properties have been sold

The Board assesses and monitors the risks presented by the property portfolio, ensuring that they lay within, and are made in accordance with, the Company's risk appetite, and are balanced within the overall portfolio to ensure efficient use of capital and mitigation of liquidity risk.

Interest rate

Interest rate risk arises as a result of the impact of interest yield curves on future payments to be made in respect of claims and receipts from the Company's investments. The interest yield curves in the UK have decreased in the reporting period which reflects the decreases in base rates applied by the Bank of England. While interest yield curves were suppressed following the UK's referendum and the US Presidential election, recent increases in US Federal Reserve rates have seen interest yield curves increase moderately in the fourth quarter, although continuing economic uncertainty in the UK and Europe around Brexit negotiations continue to keep rate expectations low in the UK.

The Company's exposure to interest rates arises primarily from the settlement of future claims (as the discount rates applied to claims settlement projections are impacted by interest yield curves). The Company previously held a bond portfolio, but this was liquidated in June 2017.

Interest rate risk is assessed and monitored by the Board. The Company considers the prudent person principle (see [4]) in considering the investment assets and how they match to the expected payment profile of the Company's technical liabilities. The property portfolio assists in hedging against longer term changes in the interest rate yield curve. The Board reviews the effectiveness of the mitigating measures, considers how they could be improved, and makes recommendations as appropriate.

Concentration

The Board reviews the investment and assesses the concentration risk that the Company is exposed to, to ensure that it is within the risk appetite. The concentration exposure arises in respect of positions taken in the Company's property exposure and counterparties in respect of its cash holdings and reinsurance recoveries. Concentration exposure is assessed in respect to exposure to any single name. Concentration exposure is calculated based on the proportion of the single name exposure (or grouped property exposure) relative to the investment assets as a whole.

Concentration risk has changed over the reporting period due to the sale of property.

The Company also is exposed to concentration risk in respect of loans with other Group companies and to other related parties. Management monitors such exposures carefully and, where appropriate, obtain security via registered charges over assets.

Ongoing monitoring of concentration risk is undertaken by the Board and through the Risk Management Framework, including assessing the efficacy of controls and whether they require improvement or additional mitigating measures are required, to ensure the risk remains within risk appetite.

Concentration of counterparties in respect of cash and reinsurance exposures is considered with credit risk in section 3.

Spread

Spread risk is the sensitivity of the values of investments, primarily bonds and secured loans in respect of the Company, to changes in the level or in the volatility of credit spreads. As credit spreads will typically be narrower for well rated securities than for poorly rated securities (and for short duration rather than long duration securities), the Company considers credit quality limits on the conventional fixed income assets in their investment guidelines to the investment manager.

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

The Board reviews the investment portfolio and assesses a value-at-risk ("VaR") given the duration and rating of the underlying assets, based on the expected loss with a 99.5% level of confidence. This is therefore considered the likely loss in the portfolio in a 1-in-200-year event. The total amount of Spread risk is very low for the Company as it prefers to hold cash instead of portfolios of corporate or government bonds which typically create this risk.

Ongoing monitoring of spread risk is undertaken by the Board and through the Risk Management Framework, including assessing the efficacy of controls and whether they require improvement or additional mitigating measures are required, to ensure the risk remains within risk appetite.

Equity

The Company does not invest in listed market equities due to their potential volatility, especially at times of financial stress. Part of its portfolio is invested in strategic equity fully controlled by the Group, with a fixed remuneration based on preference shares.

3. Credit Risk

Credit risk is the risk that a counterparty will be unable to pay amounts in full when due.

CGH

CGH is exposed to very low levels of credit risk through amounts held with banks. This is mitigated by using financial counterparties with a credit rating of at least 'A', with the exception of operational bank accounts with The Royal Bank of Scotland International which is rated 'BBB'.

CGICE

Key areas where the Company is exposed to credit risk are:

- Reinsurers' share of insurance liabilities;
- amounts due from reinsurers in respect of claims already paid;
- amounts held with banks and other financial institutions;
- amounts on loan to connected parties; and
- amounts due from insurance intermediaries.

Reinsurance and Financial Institutions

All reinsurance and financial counterparties used have a credit rating of at least 'A-' where possible. The Company partners with a limited number of counterparties, reducing exposure and mitigating contagion risk. Other than the whole account QS mentioned in the next paragraph there is one other unrated reinsurer used on the 2006 and 2007 Dommages Ouvrages account (which was originally A rated).

CGICE has entered into a 50% whole account Quota Share agreement with a subsidiary of one of its Shareholders, a Guernsey based company. This company is currently unrated, so the transaction is fully collateralised.

Reinsurer credit ratings on the current and historic programmes are monitored on a quarterly basis and reported to the Risk Committee; any material deterioration is escalated to the Board.

Loans to Connected Parties

CGICE has made loans to CGH for investment in other Group subsidiaries (Armum), and to cover expenses. The default risk on these loans is linked with the success of these companies which is mitigated by the entities all being CGH subsidiaries in that the companies' interests align.

Personal loans have also been made to members of staff and Directors. Personal loans to staff are not a risk as they are of relatively low value and spread amongst a number of employees. Directors' loans also do not present a material risk in that they are secured on assets.

The total of these loans is less than 1% of the Company's balance sheet assets.

Amounts due from insurance intermediaries

Credit risk is presented by the use of insurance intermediaries as premiums have to be collected from the policyholder and paid to CGICE. Credit risk therefore occurs when the policy has incepted but the policyholder has not yet paid (so the intermediary cannot pay the insurer for time on risk), and when the policyholder has paid, and funds are due from the intermediary.

Intermediary credit risk is mitigated by all intermediary relationships being governed by contractual agreements which specify payment terms. The executive directors review amounts owed closely, and use these to monitor and manage intermediaries' performance, escalating to the Board where necessary. Relationships with intermediaries can be terminated if contractual payment terms are not met.

Credit risk is also identified, assessed and monitored through the Risk Management Framework (see above for further details), which also necessitates regular review and evaluation of the mitigation measures in place to ensure the risk remains within risk appetite, and by the Board.

4. Prudent Person Principle

The Group and the Company are required to invest the assets used to cover the minimum capital requirement and the solvency capital requirement in accordance with the 'prudent person principle'. The prudent person principle defines that the assets must be invested in a manner that a 'prudent person' would – that is that the decisions are generally accepted as being sound for the average person.

The Group and the Company forecast the cash needed over a three-year horizon based on the three-year business plan, taking into account liquidity of the assets.

The assets of the Company are distributed as disclosed in Section A 3 and transitions based on underlying exposure are detailed in Section D 1. There are no material other financial instruments held by other companies in the Group.

5. Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay the obligations when they are due.

CGH

CGH has liquid assets only so is not exposed to any liquidity risk.

CGICE

The Board is responsible for monitoring and managing liquidity risk, ensuring that CGICE has liquidity available to meet both immediate and foreseeable cash flow requirements. The Company keeps an amount in available cash equal to more than 75% of its net earned premium. The business is therefore cash flow positive which means that premium income will normally more than offset claims outflows. The investment portfolios do not therefore tend to be called upon to meet claims. However, in the interests of prudence, the majority of the portfolio is invested in very liquid instruments and funds.

The expected profit included in future premiums is £1,012k.

6. Operational Risk

CGH

CGH is exposed to a low level of operational risk, being a holding company; it outsources its operational functions to RRS and to CGICE. This risk is mitigated by RRS and CGICE having comprehensive Business Continuity Plans in place. It is also exposed to a low level of crime risk, which is mitigated through the operational procedures RRS and CGICE have in place around the finance function (e.g. two authorisers on payments) which are reviewed as part of CGH's external audit.

There have been no material changes to operational risk in the reporting period.

CGICE

CGICE's key operational risks are:

- Key person risk: the risk of losing knowledge, skills and leadership should a key person leave the Company. The risk of the CEO dying is mitigated by key person insurance and he is also tied into a long-term contract reducing volatility to the Company. This risk has been further mitigated by the appointment of a Finance Director and by some of the Board member's detailed involvement in their areas of expertise. There are other employees who would cause business interruption if they left and therefore this risk has been mitigated by an own assessed capital allocation to cover the cost of recruiting a replacement.

- Material service provider risk: the risk that a provider of key services is unable to operate, effecting CGICE's ability to service customers and sell policies. This risk is mitigated by having contracts in place which govern CGICE's relationships with service providers and include service levels which must be met, and an Outsourcing Policy which details the Company's approach to managing service providers. Should any service provider go into liquidation it is likely it would continue as a going concern for the immediate future, giving time for an alternative provider to be sourced. It is further mitigated by an own assessed capital allocation to cover the cost of replacing a service provider and any potential resultant loss of profit. This risk is further mitigated by this is mitigated by the Company's newly enhanced finance function as well as its contract with internal group companies which replicate the bulk of its capital work.

- Reputation risk: The Company has identified two types of reputational risk:

  Commercial reputation – CGICE sells insurance through brokers and it is the reputation with those brokers that is key to their business. This is protected, and the risk to it mitigated, by appropriate policies and procedures (e.g. complaints procedure) and by having the French and UK branches (a presence in the jurisdiction increases confidence). The cessation of the EL/PL book will also reduce CGICE's reputation risk. If this risk materialises it would likely be short to medium term in effect (the Company regaining brand confidence over time) but could result in reduced volume and potentially reduced profit.

  Company reputation – this is a more general reputation risk for the company as a regulated entity. For example, if Gibraltar insurers fail it impacts the reputation of all Gibraltar insurers. It is more intangible and largely out of the Company's control, so difficult to mitigate. The Company has also renewed its focus on its direct customer communications by launching a new website.
  Both types of reputation risk are further mitigated by an own assessed capital allocation to cover potential loss of profit caused by reputational risk materialising.

- Reinsurance risk: the remaining reinsurance risk, not encompassed above, is if expected reinsurance recoveries are not realised due to misinterpretation of contracts. An own assessed capital allotment has been made to mitigate this risk.

- Operational risk: since CGICE has a broker-based business model, many day-to-day activities are carried out by service providers. CGICE manages this risk by implementing an Outsourcing Policy, monitoring their performance, and reviewing their business contingency plans (BCP) to ensure they are adequate. CGICE also has its own BCP which is tested. Data can be restored very quickly with minimal impact on the business. The Company is reliant on bespoke software to administer EL/PL policies; an own assessed capital allocation has been made to mitigate the risk of this software failing and processes having to be done more manually.

- Distribution channel risk: The different lines of business sold through different intermediaries reduces CGICE's reliance on any one source of income and mitigates distribution concentration risk. Most intermediaries could be replaced quickly, but this could result in loss of income and associated profit, and therefore an own assessed solvency allocation has been made to mitigate this potential loss.

- Crime risk: All service providers are expected to have appropriate anti-financial crime policies and procedures in place and these are included in any internal audit. They would be liable for any cost related to crime that they were responsible for and affected the Company. The Company adheres to the 'four-eyes principle' which is that at least two people are required to sign off on significant business decisions. Training is provided to all relevant staff, including Directors. The most significant crime risk is from brokers issuing fraudulent policies or fraudulent loss adjusting on claims. These instances are mitigated by the screening and monitoring of intermediaries, and the professional indemnity insurance they have, and by the high degree of involvement CGICE has in claims handling. They have been further mitigated by allocating own assessed capital.

Operational risk within CGICE is identified, assessed and monitored through the Risk Management Framework which is overseen by the Risk Committee.

There have been no material changes to the operational risks the Company is exposed to over the reporting period.

7. Other Material Risks

'Brexit'

The risk of the UKs' exit from the EU resulting in CGICE no longer being able to sell insurance in the EU or be able to service previously incepted EU policies.

The terms of the UK's exit from the EU, and arrangements for continued trade with the EU have still not been clarified, however the draft legal text of the UK withdrawal from the EU, including transitional arrangements, has been published. It is assumed that the UK will exit the single market.

In March 2018, the UK government confirmed that Gibraltar would continue to have access to the UK market for financial services on the same basis as currently, until 2020. In the mean-time the two governments will work to design and implement a replacement framework for after 2020.

The Company is actively managing alternative structures or arrangements to ensure that it can continue writing insurance in the EU, it being heavily exposed to European business. At the time of writing, CGICE has applied to the Malta FSA to set up a new insurance Company and this application is being processed.

The Board continues to monitor this risk closely.

D. Valuation for Solvency Purposes

1. Assets

1.1. As at 31 December 2018, the Group held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Tangible and intangible assets	41	-	-	(41)		See [1.3.1]
Property	2,295	-	-	-	2,295	See [1.3.2]
Bonds and secured loans	413	-	3,244	-	3,657	See [1.3.3]
Collective investment schemes		-	-	-		See [1.3.4]
Equity investments	13,942	(6,994)	693		7,641	See [1.3.5]
Intermediary and reinsurance receivables	7,053	-	(3,392)		3,661	See [1.3.6]
Related company receivables	2,600	-	(2,600)	-		Not applicable
Reinsurers share of unearned premiums	4,025	-		(4,025)		See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	29,483	11,719	(11,728)	736	30,210	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-		See [1.3.7]
Cash and equivalents	8,667	(4,725)	-	-	3,942	See [1.3.8]
Prepayments and accrued income	775	-	-	-	775	See [1.3.9]
Deferred acquisition costs	1,085	-	(83)	(1,085)	(83)	See [1.3.10]
Other assets	1,833	-	(2,526)	-	(693)	See [1.3.11]
Deferred tax asset	-	-	-	213	213	See [1.3.12]
TOTAL	**72,212**	**-**	**(16,392)**	**(4,202)**	**51,618**	

As at 31 December 2017, the Group held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Tangible and intangible assets	42	-	-	(42)	-	See [1.3.1]
Property	6,555	-	-	-	6,555	See [1.3.2]
Bonds and secured loans	700	1,359	1,940	-	3,999	See [1.3.3]
Collective investment schemes	-	-	-	-	-	See [1.3.4]
Equity investments	6,922	-	70	-	6,992	See [1.3.5]
Intermediary and reinsurance receivables	10,908	(4,780)	(6,128)	-	-	See [1.3.6]
Related company receivables	1,230	-	(1,230)	-	-	Not applicable
Reinsurers share of unearned premiums	3,658	-	-	(3,658)	-	See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	35,915	17,384	(13,252)	(589)	39,458	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-	-	See [1.3.7]
Cash and equivalents	14,076	(13,963)	-	-	113	See [1.3.8]
Prepayments and accrued income	210	-	(210)	-	-	See [1.3.9]
Deferred acquisition costs	782	-	-	(782)	-	See [1.3.10]
Other assets	2,042	(1,919)	(118)	-	6	See [1.3.11]
Deferred tax asset	-	-	-	-	-	See [1.3.12]
TOTAL	**83,040**	**(1,919)**	**(18,928)**	**(5,071)**	**57,122**	

1.2. As at 31 December 2018, the Company held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Intangible assets	41	-	-	(41)		See [1.3.1]
Property	2,295	-	-	-	2,295	See [1.3.2]
Bonds and secured loans	1,968	-	3,021	-	4,989	See [1.3.3]
Collective investment schemes		-	-	-		See [1.3.4]
Equity investments	13,916	(6,994)	693		7,615	See [1.3.5]
Intermediary and reinsurance receivables	7,053	-	(3,392)		3,661	See [1.3.6]
Related company receivables	2,600	-	(2,600)	-		Not applicable
Reinsurers share of unearned premiums	4,025	-		(4,025)		See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	29,483	11,719	(11,728)	1,111	30,585	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-		See [1.3.7]
Cash and equivalents	8,633	(4,725)	-	-	3,908	See [1.3.8]
Prepayments and accrued income	775	-	-	-	775	See [1.3.9]
Deferred acquisition costs	1,085	-	(83)	(1,085)	(83)	See [1.3.10]
Other assets	1,507	-	(2,200)	-	(693)	See [1.3.11]
Deferred tax asset	-	-	-	192	192	See [1.3.12]
TOTAL	**73,381**	**-**	**(16,289)**	**(3,848)**	**53,244**	

As at 31 December 2017, the Company held the following assets:

Asset Class	GAAP Accounts Value (£'000)	Look Through (£'000)	Solvency reclassification (£'000)	Solvency Valuation Adj. (£'000)	Solvency Value (£'000)	Explanation of differences
Intangible assets	41	-	-	(41)	-	See [1.3.1]
Property	6,555	-	-	-	6,555	See [1.3.2]
Bonds and secured loans	700	1,359	3,532	-	5,591	See [1.3.3]
Collective investment schemes	-	-	-	-	-	See [1.3.4]
Equity investments	6,922	-	70	-	6,992	See [1.3.5]
Intermediary and reinsurance receivables	10,908	(4,780)	(6,128)	-	-	See [1.3.6]
Related company receivables	3,038	-	(3,038)	-	-	Not applicable
Reinsurers share of unearned premiums	3,658			(3,658)	-	See [1.3.7]
Reinsurance share of claims reserves / Reinsurance share of technical provisions	35,915	17,384	(13,252)	(589)	39,458	See [1.3.7] and [2.5.2]
Other technical provisions	-	-	-	-	-	See [1.3.7]
Cash and equivalents	13,963	(13,963)	-	-	-	See [1.3.8]
Prepayments and accrued income	210	-	(210)	-	-	See [1.3.9]
Deferred acquisition costs	782	-	-	(782)	-	See [1.3.10]
Other assets	2,364	(1,919)	(354)	-	91	See [1.3.11]
Deferred tax asset	-	-	-	124	124	See [1.3.12]
TOTAL	**85,056**	**(1,919)**	**(19,380)**	**(4,946)**	**58,811**	

1.3. The valuation principles applied to these assets are consistent with those used in the GAAP accounts, with the following exceptions:

1.3.1 Tangible and intangible assets – these are not recognised on the Solvency II balance sheet as they do not meet the valuation principles in Article 12 of the Commission Delegated Regulation (EU) 2015/35.

1.3.2 Property – property transactions which display debt-like features and are secured on underlying properties have been looked-through and considered with bonds and secured loans on the Solvency II balance sheet.

1.3.3 Bonds and secured loans – financial instruments displaying debt-like features have been looked through on the Solvency II balance sheet and recorded as bonds and secured loans. Further, the valuation has been adjusted to include accrued interest, which is included within accrued income in the GAAP balance sheet.

1.3.4 Collective investment schemes – investments in financial instruments for which a full look-through has been unavailable have been reclassified to collective investment schemes.

1.3.5 Equity investments – These have been adjusted to reflect investment returns.

1.3.6 Intermediary receivables – these have been reclassified to technical provisions.

1.3.7 Reinsurance share of unearned premiums and other technical provisions – these are not recognised on the Solvency II balance sheet as they are non-cash settled balances. Instead, the expected claims payable on unearned premiums are recorded within reinsurance share of technical provisions.

1.3.8 Cash and cash equivalents – financial instruments displaying features like debt or equity have been looked through on the Solvency II balance sheet and removed from cash and cash equivalents. The value of cash and cash equivalents has been adjusted to reflect accrued income.

1.3.9 Prepayments and accrued income – prepayments are not recognised on the Solvency II balance sheet as they are non-cash settled balances, whereas accrued income on cash and bonds have been reversed and included in the valuation of the underlying asset.

1.3.10 Deferred acquisition costs – these are not recognised on the Solvency II balance sheet as they are non-cash settled balances.

1.3.11 Other assets – other assets have been moved to technical provisions where they are technical in nature.

1.3.12 Deferred tax asset – valued based on the expected tax benefit once the valuation adjustments to transition to solvency valuations unwind.

2. Technical Provisions

2.1 The GAAP accounts of both the Group and the Company include provisions for claims incurred based on earned premiums which consider all reasonably foreseeable best estimates.

This includes reserves for claims incurred plus a provision for claims Incurred But Not yet Reported ('IBNR'). The Group and the Company also considers any amounts recoverable from reinsurance contracts in respect of its claims reserves and IBNR. All data in section [2] below relates to both the Group and the Company unless stated.

2.2 The technical provisions by line of business are as follows:

Company, as at 31 December 2018:

Line of business	Technical Provisions (exc. Risk Margin) (£'000)	Risk Margin (£'000)	Technical Provisions (£'000)
Motor Vehicle Liability	14,195	(195)	**14,000**
Other Motor Insurance	71	(1)	**70**
Fire & Other Damage to Property	4,511	368	**4,880**
General Liability	17,454	934	**18,388**
Credit and Suretyship	1,967	(213)	**1,753**
Legal Expenses	66	1	**66**
TOTAL	**38,263**	**894**	**39,157**

Company, as at 31 December 2017:

Line of business	Technical provisions (excluding risk margin) (£'000)	Risk margin (£'000)	Technical provisions (£'000)
Motor vehicle liability insurance	11,942	66	**12,008**
Other motor insurance	2,597	3	**2,600**
Fire and other damage to property	3,899	688	**4,587**
General liability	22,190	496	**22,686**
Credit and suretyship	322	138	**460**
Legal expenses	68	-	**68**
Total	**41,018**	**1,372**	**42,389**

Group, as at 31 December 2018:

Line of business	Technical Provisions (exc. Risk Margin) (£'000)	Risk Margin (£'000)	Technical Provisions (£'000)
Motor Vehicle Liability	14,286	483	**14,769**
Other Motor Insurance	71	2	**73**
Fire & Other Damage to Property	3,866	131	**3,997**
General Liability	17,971	588	**18,559**
Credit and Suretyship	1,968	67	**2,035**
Legal Expenses	66	2	**68**
TOTAL	**38,228**	**1,273**	**39,501**

Group, as at 31 December 2017:

Line of business	Technical provisions (excluding risk margin) (£'000)	Risk margin (£'000)	Technical provisions (£'000)
Motor vehicle liability insurance	11,942	66	**12,008**
Other motor insurance	2,597	3	**2,600**
Fire and other damage to property	3,899	688	**4,587**
General liability	22,190	496	**22,686**
Credit and suretyship	322	138	**460**
Legal expenses	68	-	**68**
Total	**41,018**	**1,372**	**42,389**

Negative technical provisions arise where future premiums exceed provisions for claims.

2.3 The key areas of uncertainty around technical provisions are as follows:

2.3.1 Estimation of outstanding loss reserves ("OSLR") – while information about claims is generally available, assessing the cost of settling the claim is subject to some uncertainty.

2.3.2 Estimation of the losses relating to claims IBNR – this is generally subject to a greater degree of uncertainty than estimating the OSLR since the nature of the claims is not known at the time of reserving.

2.3.3 Estimation of claims arising on business which have not yet expired ("unexpired risks") – this is uncertain as the claims have not yet been incurred, but are expected to be incurred on the business which the Company has written.

2.3.4 Market environment – changes in the market environment increase the inherent uncertainty affecting the business. In particular, claims inflation, propensity for UK motor and liability claims to settle through periodic payment orders ('PPOs') and the Legal Aid, Sentencing and Punishment of Offenders ('LASPO') Act have all impacted the market environment in recent years.

2.3.5 Events not in data (‘ENID loading’) – estimating a provision for events not in data is subject to considerable uncertainty as the events being reserved have not been observed.

2.3.6 Run-off expenses – the estimation of the change in expense base for run-off of the Company is inherently uncertain due to the estimations around the period of the run-off, base costs and inflation.

2.3.7 Risk margin – the risk margin, being the margin payable to transfer the business to another insurance carrier, is uncertain due to the requirement to forecast future solvency capital requirements over the period of a run-off. This therefore shares the same uncertainties of the run off expenses provision considered at [2.3.6], as well as the inherent uncertainties around forecasting future solvency capital requirements.

2.4 The Company manages the risks around these uncertainties via the following actions:

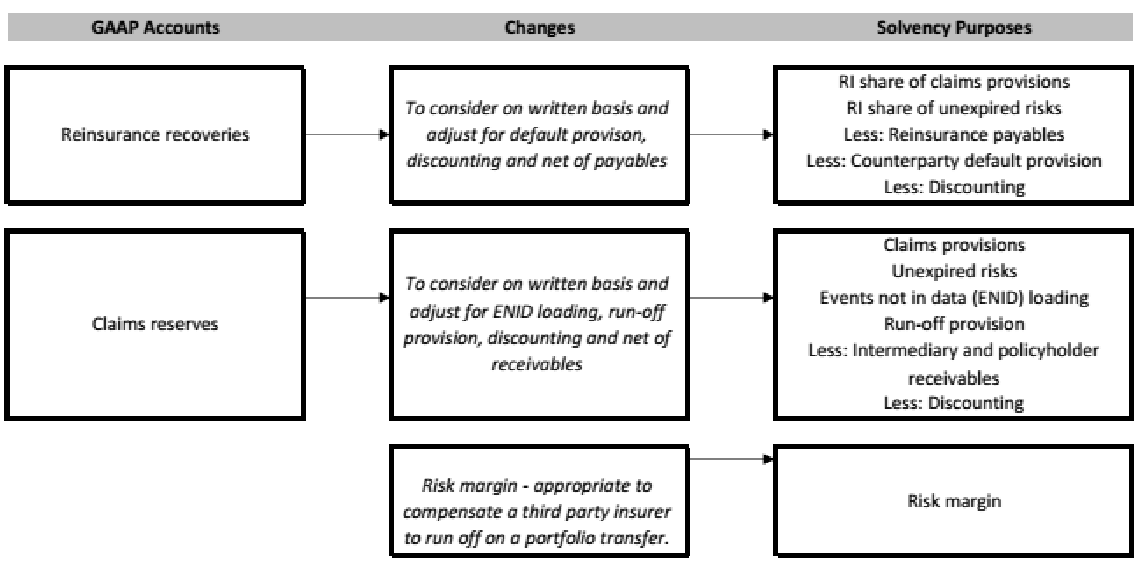
2.4.1 Ongoing monitoring of claims, including regular reviews of claims handling functions.

2.4.2 Maintaining a number of reinsurance arrangement to limit the impact of adverse claims development (see [2.8]).

2.4.3 Internal controls through the underwriting committee and actuarial function which monitor claims development and reinsurance arrangements.

2.4.4 Regular external actuarial reviews.

2.5 The changes required to transition from GAAP accounts to technical provisions for solvency purposes are consistent, and are noted below:



We shall consider each of these adjustments to transition from GAAP accounts to solvency technical provisions.

2.5.1 Claims provisions

The Company and Group has adjusted its claims provision in its GAAP accounts in recording the claims provisions for solvency purposes as at 31 December 2018 to reclassify balances of a technical nature from other debtors and creditors to technical provisions and to consider the impact of contract boundaries.

The claims provisions as at 31 December 2018 were £37,566k for the company and £37,587k (2017: £44,601k).

Other than reclassifications and adjustment as a result of consideration of contract boundaries, there have been no further adjustments resulting from reserving methodologies (2017: reduction in the GAAP gross reserves by £373k).

2.5.2 Reinsurance share of claims provision

The Company and Group has adjusted its reinsurance recoveries in its GAAP accounts in recording the reinsurance share of claims provisions for solvency purposes as at 31 December 2018 to reclassify balances of a technical nature from other debtors and creditors to technical provisions and to consider the impact of contract boundaries.

The reinsurance shares of claims provisions as at 31 December 2018 were £33,144k for the company and group (2017: £39,458k).

Other than reclassifications and adjustment as a result of consideration of contract boundaries, there have been no further adjustments resulting from reserving methodologies (2017: reduction in the GAAP gross reserves by £92k).

2.5.3 Unexpired risks

The Company and the Group have estimated the claims which will be payable on unexpired risks (sometimes termed ‘premium provisions’) based on the ultimate loss ratios and large loss experience from the claims provisions.

The premium provision as at 31 December 2018 is £1,984k (2017: £4,664).

2.5.4 Reinsurance share of unexpired risks

The Company and the Group have estimated the amounts recoverable on unexpired risks (sometimes termed ‘reinsurance share of premium provisions’) based on the ultimate loss ratios and large loss experience from the claims provisions.

The reinsurance share of premium provisions as at 31 December 2018 is £1,228k (2017: £2,433k).

2.5.5 Intermediary and policyholder receivables

Intermediary and policyholder receivables are netted off the technical provisions for solvency purposes.

There are no valuation differences between GAAP accounts and intermediary and policyholder receivables for solvency purposes other than to recognise additional recoverable amounts as a result of considering contract boundaries.

The insurance receivables as at 31 December 2018 are £3,392 (2017: £9,528k).

2.5.6 Other receivables and payables in technical provisions

Other receivables and payables, notably claims funds held by intermediaries and commissions payable to intermediaries, are netted off the technical provisions for solvency purposes.

The Company and the Group have estimated the other receivables and payables which will be payable on premium provisions and added these to those recorded in the GAAP accounts in respect of the claims provisions.

The net receivables as at 31 December 2018 were £nil (2017: £nil).

2.5.7 Reinsurance payables

Net reinsurance payables are netted off the reinsurance recoveries for solvency purposes.

There are no valuation differences between GAAP accounts and net reinsurance payables for solvency purposes other than to recognise additional recoverable amounts as a result of considering contract boundaries.

The reinsurance payables as at 31 December 2018 are £11,728k (2017: £1,189k).

2.5.8 Events not in data loading

Technical provisions for solvency purposes are required to allow for all possible events, including those that may not have been historically realised before. Such events not presented in a set of observable historical loss date are often called Events Not In Data ("ENID").

This is a difference in valuation methodology compared to the GAAP accounts which consider best estimates which can be reasonably foreseen, and therefore leads to a loading on the technical provisions to consider the probability weighted effect of events which have not previously been observed.

The Company and Group have undertaken an assessment of previously unobserved events for each line of business and sought to consider the probability weighted effect of such events and, given the business model, believe that such unobserved events are unlikely.

As such, the ENID loading applied by the Company and the Group as at 31 December 2018 was £253k (2017: £353k).

2.5.9 Counterparty default provision

The Company and the Group have considered a provision for default by one or more of its reinsurance providers. The provision is based on the total exposure to the counterparty, the rating of the counterparty and the existence of any collateral arrangements with the counterparty.

The Company and Group estimate the counterparty default provision and consider each of the exposures, net of collateral arrangements in existence, apply the estimated probability of default by rating and derive a weighted average probability of default.

The Company and Group have calculated the weighted average probability of default of reinsurers as 0.03% (2017: 0.20%), and thus the counterparty default adjustment is £10k for the Company and £17k for the Group (2017: £166k).

2.5.10 Run-off provision

Technical provisions for solvency purposes are required to take account of all expenses that will be incurred in servicing insurance obligations. This is commonly referred to as a 'run-off' provision as it therefore considers all future expenses which would be incurred to allow the existing obligations to run-off.

The Company and the Group have considered a run-off period of seven years and estimated the level of future expenses based on the current level of expenses, considering the decrease in activity in the period, underlying expense inflation and an estimated minimum level of costs which would be incurred in any one year.

The run-off provision applied by the Company and the Group as at 31 December 2018 was £2,041k (2017: £2,039k).

2.5.11 Discounting

Discounting has been applied in the technical provisions based on a weighted average of the yield curves as at 31 December 2018 as issued by the European Insurance and Occupational Pensions Authority ("EIOPA").

The impact of discounting on the technical provisions is £190k for the company and £833k for the group (2017: £1,111k), and on the reinsurance share of technical provisions the impact of discounting is £108k for the company and £476k for the group (2017: £166k).

2.5.12 Risk Margin

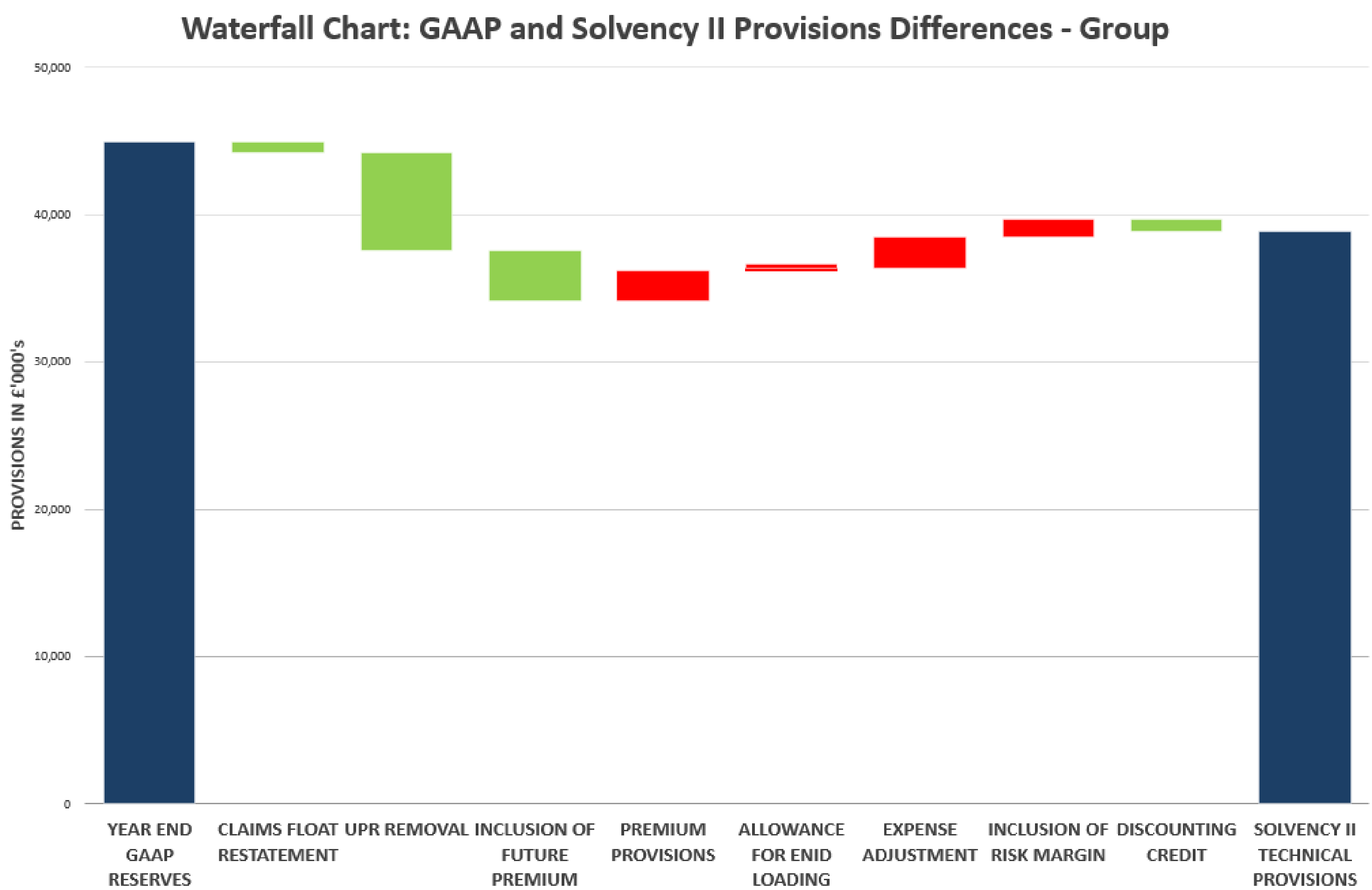
The risk margin has been considered to ensure that the value of the technical provisions is equivalent to the amount that would be expected to have to be paid to a third-party insurance company in order to take over and meet the insurance obligations of the Company.

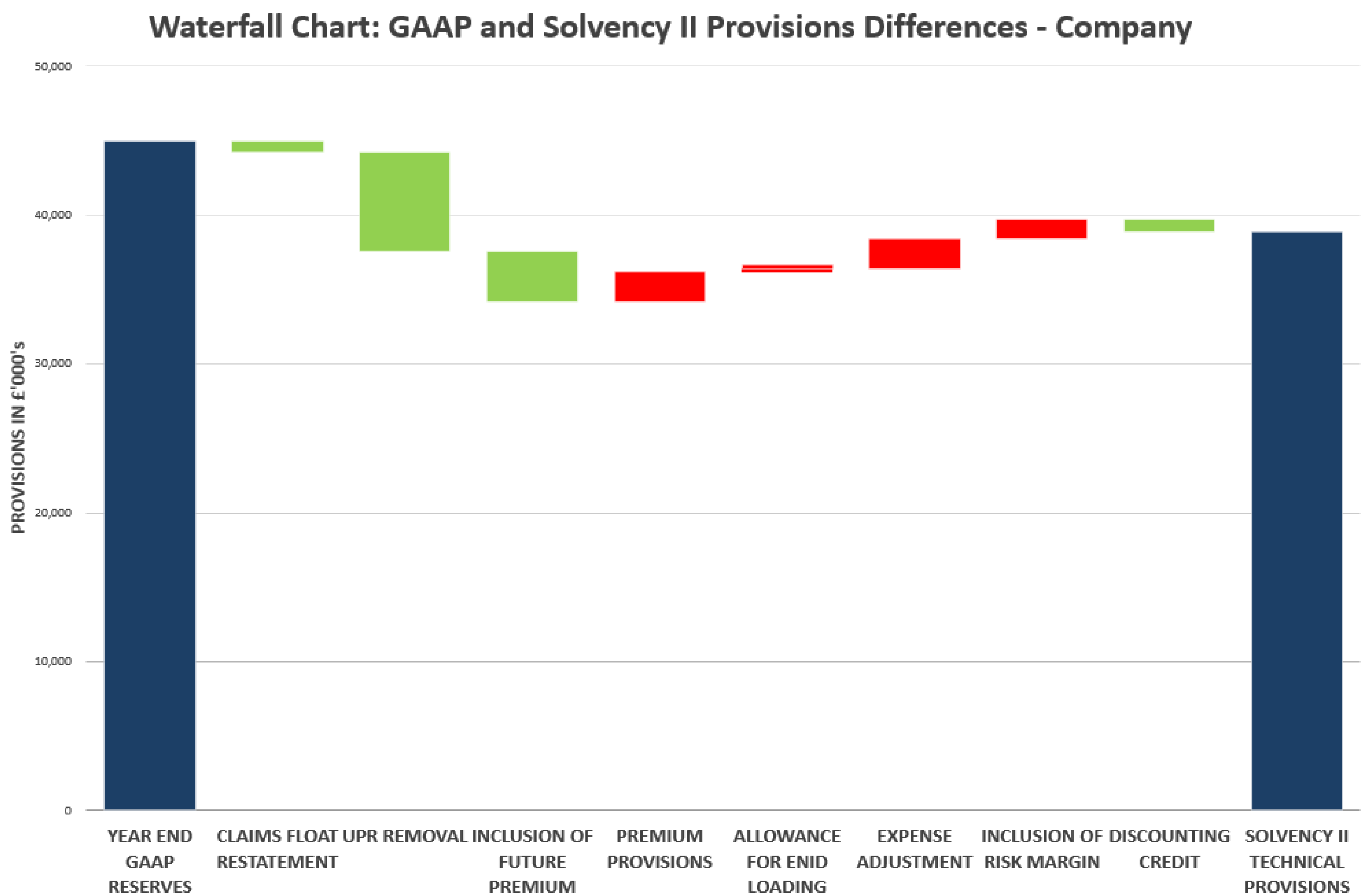
The risk margin has been calculated based on the estimated capital requirements to run off the Company's obligations and applying a cost of capital of 6%.

The capital required to run-off the portfolio is based on the future estimated SCRs, taking account of underwriting risk and reinsurance counterparty risk. This results in a risk margin of £894k for the company and £1,273k for the group (2017: £1,372k).

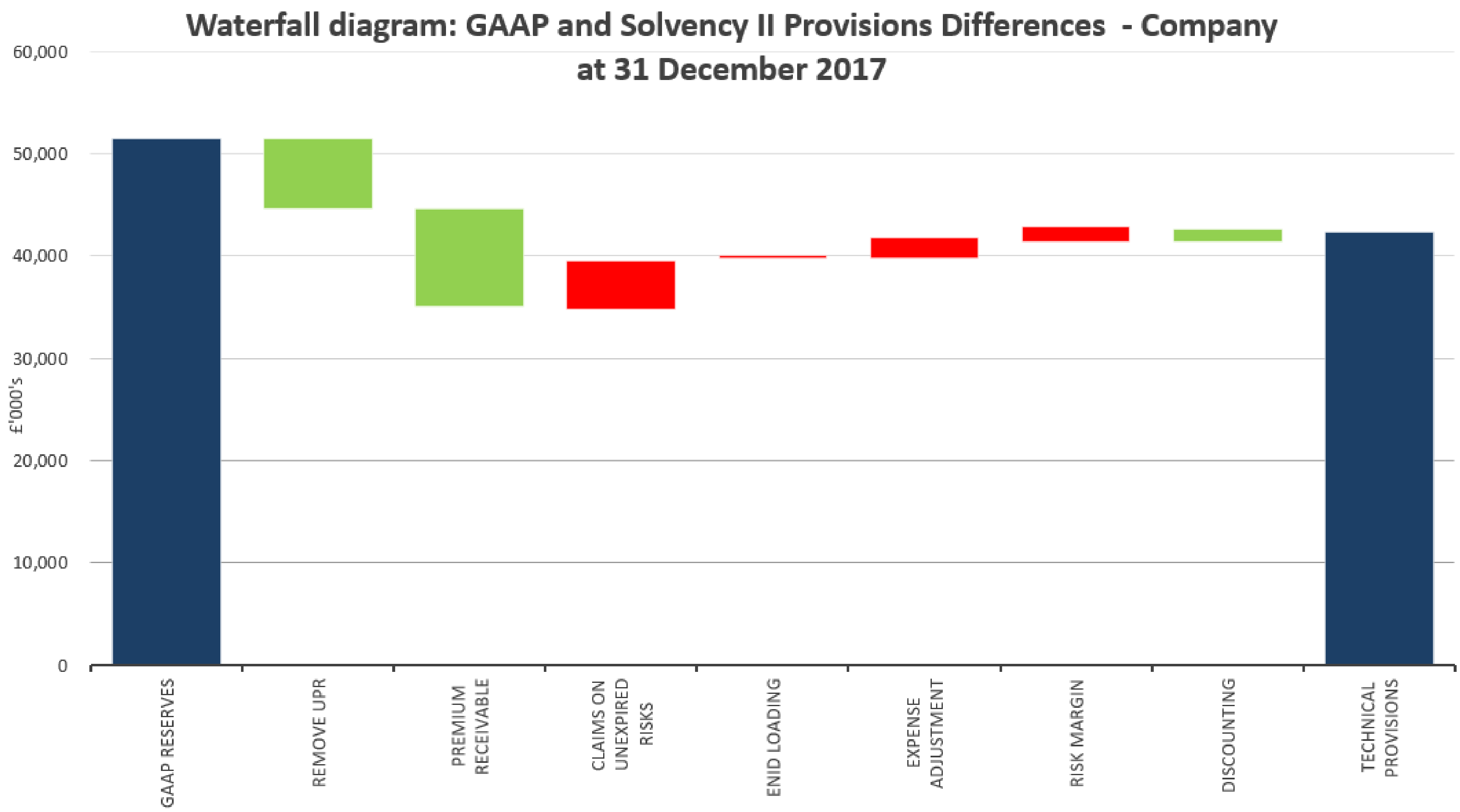
2.6 Neither the Group nor the Company have applied the matching adjustment, volatility adjustment, transitional risk-free interest term structure or the transitional deduction in calculating its technical provisions.

2.7 The changes to technical provisions as at 31 December 2018 highlighted above are reflected in the waterfall diagrams below:




Waterfall Chart: GAAP and Solvency II Provisions Differences - Company
PROVISIONS IN £'000's
50,000
40,000
30,000
20,000
10,000
0
YEAR END GAAP RESERVES
CLAIMS FLOAT RESTATEMENT
UPR REMOVAL
INCLUSION OF FUTURE PREMIUM
PREMIUM PROVISIONS
ALLOWANCE FOR ENID LOADING
EXPENSE ADJUSTMENT
INCLUSION OF RISK MARGIN
DISCOUNTING CREDIT
SOLVENCY II TECHNICAL PROVISIONS

The changes to technical provisions as at 31 December 2017 highlighted above are reflected in the waterfall diagram below:



2.8 The key reinsurance arrangements in place are as follows:

2.8.1 Motor vehicle liability and other motor insurance

The Company caps its underwriting risk at £750k for UK policies via a nonproportional ("XoL") treaty.

The panel of reinsurers in the XoL treaty are predominately counterparties with good ratings from a well-known rating agency.

The Company also has a proportional ("QS") treaty with two well rated counterparties, which limits the Company's underwriting risk to 25% of the total exposure, after large losses are recovered from the XoL treaty (i.e. "net losses").

2.8.2 Liability

The Company caps its underwriting risk at £500k for UK business or €650k for European business via an XoL treaty with well rated counterparties.

The Company also has a QS treaty in place which limits the Company's underwriting risk to 25% of the net losses.

2.8.3 Credit and suretyship

The Company has a QS treaty with a well rated counterparty in respect of its Italian bonds, limiting the Company's underwriting risk to 35% of the net losses.

There are no other reinsurance arrangements for this or any other line of credit and suretyship business, other than some variable QS placements on the Norwegian business.

2.8.4 Legal expenses

The Company has a QS treaty with a well rated counterparty, limiting the Company's underwriting risk of the net losses to nil.

3. Other Liabilities

3.1 As at 31 December 2018, the Group recorded the following classes of liabilities for solvency purposes:

Other Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of Differences
Subordinated Debt	5,000	-	Reclassified to tier 2 capital. See section E.
Accruals & Deferred Income	594	(251)	Reversal of deferred income and inclusion of accruals
Reinsurance Accounts payable	11,728	-	Commissions payable to intermediaries reclassified to technical provisions (see [2.5.7])
Other Creditors, Including Corporation Tax & IPT	(16)	-	Reclassification of technical balances to technical provisions

There have been no valuation adjustments for solvency purposes.

As at 31 December 2017, the Group recorded the following classes of liabilities for solvency purposes:

Liability	GAAP Accounts Value (£'000)	Solvency Value (£)	Explanation of Differences
Subordinated debt	5,000	-	Reclassified to tier 2 capital. See section E.
Accruals and deferred income	868	511	Reversal of deferred income
Reinsurance accounts payable	13,252	-	Commissions payable to intermediaries reclassified to technical provisions (see [2.5.6])
Other creditors, including corporation tax and IPT	647	233	Reclassification of technical balances to technical provisions

3.2 As at 31 December 2018, the Company recorded the following classes of liabilities for solvency purposes:

Other Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of Differences
Subordinated Debt	5,000	-	Reclassified to tier 2 capital. See section E.
Accruals & Deferred Income	594	(255)	Reversal of deferred income and inclusion of accruals

Reinsurance Accounts payable	11,728	-	Commissions payable to intermediaries reclassified to technical provisions (see [2.5.7])
Other Creditors, Including Corporation Tax & IPT	(41)	-	Reclassification of technical balances to technical provisions

There have been no valuation adjustments for solvency purposes.

As at 31 December 2017, the Company recorded the following classes of liabilities for solvency purposes:

Liability	GAAP Accounts Value (£'000)	Solvency Value (£'000)	Explanation of Differences
Subordinated debt	5,000	-	Reclassified to tier 2 capital. See section E.
Accruals and deferred income	957	498	Reversal of deferred income
Reinsurance accounts payable	13,252	-	Reclassified to technical provisions (see [2.5.6])
Other creditors, including corporation tax and IPT	647	135	Not applicable

There have been no valuation adjustments for solvency purposes.

4. Alternative Methods for Valuation

Not applicable for the Group or the Company.

5. Any Other Information

Not applicable for the Group or the Company.

E. Capital Management

1. Own Funds

1.1. The Group and the Company undertake an Own Risk and Solvency Assessment ('ORSA') exercise at least annually, or when the risk profile of the Group or the Company changes.

The ORSA exercise incorporates the business planning process which is typically considered over a three-year time horizon. There have been no significant changes in the reporting period.

1.2. The Company and Group classifies its own funds as tier 1, tier 2 or tier 3 depending on the characteristics of the capital. Tier 1 capital is the best form of capital for the purposes of absorbing losses.

The Group's own funds are as follows:

		2018		2017	
Own fund items	**Tier**	**£'000**	**%**	**£'000**	**%**
Share Capital and Share Premium	1	2,050	16	1,988	14
Reconciliation Reserve	1	5,692	44	7,000	50
Subordinated Debt	2	5,000	39	5,000	36
Deferred Tax Asset	3	213	2	-	-
		12,955	100	13,988	100

The Company's own funds are as follows:

		2018		2017	
Own fund items	**Tier**	**£'000**	**%**	**£'000**	**%**
Share Capital and Share Premium	1	2,000	14	2,000	13
Reconciliation Reserve	1	7,150	50	8,666	55
Subordinated Debt	2	5,000	35	5,000	31
Deferred Tax Asset	3	192	1	124	1
		14,342	100	15,790	100

The reconciliation reserve represents retained earnings and reconciliation adjustments from GAAP balance sheet to SII balance sheet.

1.3. The movement in own funds during the year ended 31 December 2018 is shown overleaf:

	GROUP		COMPANY	
	£'000	**£'000**	**£'000**	**£'000**
(Deficit)/surplus at 31 December 2017		**2,610**		**4,080**
Loss per management accounts	**(656)**		**(834)**	
Adjustments to reconcile GAAP to SII profit:				
Changes in disallowable assets	(697)		(704)	
Change in RI counterparty default provision	150		156	
Change in risk margin and expense adjust.	97		475	
Change resulting from discounting	201		(74)	
Net changes in premium provisions, ENIDs, etc.	(1,193)		964	
Other changes (including deferred tax)	1064		(1,432)	
Solvency II loss		**(1,032)**		**(1,447)**
Previous period SCR	11,378		11,710	
Current period SCR	11,861		11,933	
Decrease in SCR		(483)		(223)
Surplus as at 31 December 2018		**2,610**		**2,410**

1.4. The eligible capital which may be used towards meeting the Solvency Capital Requirement ('SCR') and Minimum Capital Requirement ('MCR') of the Group are as follows:

		2018		2017	
		Eligible capital for the		Eligible capital for the	
Own fund items	**Tier**	**SCR (£'000)**	**MCR (£'000)**	**SCR (£'000)**	**MCR (£'000)**
Share Capital and Share Premium	1	2,050	2,050	2,000	2,000
Reconciliation Reserve	1	5,692	5,692	8,666	8,666
Subordinated Debt	2	5,000	658	5,000	650
Deferred Tax Asset	3	213	-	124	-
		12,956	8,400	15,790	11,316

2. Solvency Capital Requirements & Minimum Capital Requirements

2.1. The SCR of the Company as at 31 December 2018 was £11,933k.

The MCR of the Company as at 31 December 2018 was £3,288k.

The SCR of the Group as at 31 December 2018 was £11,861k.

The SCR of the Company and Group is made up as follows:

2.1.1. The Company and the Group are exposed to market risks derived predominately from the assets held by the Company and the Group to meet its insurance liabilities, although exposures to shocks in interest rates and currency rates also considered in the exposure from underwriting risks.

	2018		2017	
Market Risk	**Company (£'000)**	**Group (£'000)**	**Company (£'000)**	**Group (£'000)**
Interest Rate	28	109	70	74
Spread	221	205	281	256
Equity	1,675	1,687	1,538	1,538
Currency	466	478	291	302
Property	574	574	1,639	1,639
Concentration	5,754	5,690	5,755	5,266
Diversification	(2,450)	(2,513)	(2,942)	(2,868)
TOTAL	**6,268**	**6,230**	**6,632**	**6,207**

2.2.2. The Company and Group are exposed to counterparty risks in the form of cash deposits and recoveries from reinsurers (type 1) and from receivables from intermediaries, policyholders and other debtors (type 2).

	2018		2017	
Counterparty Risk	**Company (£'000)**	**Group (£'000)**	**Company (£'000)**	**Group (£'000)**
Type 1	711	712	693	700
Type 2	-	-	-	-
Diversification	-	-	-	-
TOTAL	**711**	**712**	**693**	**700**

2.2.3. The Company and Group are exposed to non-life underwriting risk as a result of the insurance policies it sells. The risks are based on volatility around earned premiums and claims reserves, and to catastrophe events to which the Company and Group may be exposed.

	2018		2017	
Non-Life Underwriting Risk	**Company (£'000)**	**Group (£'000)**	**Company (£'000)**	**Group (£'000)**
Premium & Reserve	2,968	2,920	4,877	4,877
Catastrophe	5,540	5,540	2,776	2,766
Diversification	(1,600)	(1,582)	(1,468)	(1,468)
TOTAL	**6,908**	**6,878**	**6,185**	**6,185**

2.2.4. The final solvency capital requirement of the Company and the Group is the aggregation of the market, counterparty and non-life underwriting risks, less a credit for diversification, and then an additional charge to represent the operational risks faced by the Company and the Group.

	2018		2017	
Solvency Capital Requirement	**Company (£'000)**	**Group (£'000)**	**Company (£'000)**	**Group (£'000)**
Market	6,268	6,230	6,632	6,207
Counterparty	711	712	693	700
Non-life Underwriting	6,908	6,878	6,185	6,185
Basic SCR Diversification	(3,103)	(3,089)	(3,031)	(2,945)
Operational	1,148	1,129	1,231	1,231
TOTAL	**11,933**	**11,860**	**11,710**	**11,378**

2.3. Neither the Company nor the Group have utilised simplified calculations in applying the standard model and there has been no use of undertaking specific parameters in the non-life underwriting risk calculations.

2.4. The inputs used to calculate the MCR of the Company are as follows:

	Net (of Reinsurance) Best Estimate and Technical Provisions Calculated as a Whole		Net (of Reinsurance) Written Premiums in the Last 12 Months	
Line of business	**2018 (£'000)**	**2017 (£'000)**	**2018 (£'000)**	**2017 (£'000)**
Motor Vehicle Liability	-	104	-	317
Other Motor Insurance	-	-	-	69
Fire & Other Damage to Property	1,656	4,074	-	2,488
General Liability	4,198	5,496	-	490
Credit & Suretyship	-	1,334	3,819	3,028
Legal Expenses	4	3	-	-

3. Non-Compliance with the MCR and Non-Compliance with the SCR

3.1. The Company has maintained capital sufficient to meet its minimum capital requirement throughout the period covered by this report.

3.2. The Company has maintained capital sufficient to meet its solvency capital requirement throughout the period covered by this report.

4. Any Other Information

The Directors do not consider that there is any further information which should be disclosed regarding the capital management of the Company or the Group.

F. Quantitative Reporting Templates

CG Holdings (Gibraltar) Limited

Annual QRTs
Year ended 31st December 2018

G.02.01.02 - Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	213
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	12,083
R0080	Property (other than for own use)	2,295
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	7,641
R0110	Equities - listed	0
R0120	Equities - unlisted	7,641
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	0
R0200	Deposits other than cash equivalents	2,146
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	3,656
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	343
R0260	Other loans and mortgages	3,313
R0270	Reinsurance recoverables from:	33,871
R0280	Non-life and health similar to non-life	33,871
R0290	Non-life excluding health	33,871
R0300	Health similar to non-life	0
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	0
R0330	Life excluding health and index-linked and unit-linked	0
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	0
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	0
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	1,795
R0420	Any other assets, not elsewhere shown	468
R0500	**Total assets**	52,087

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions – non-life	38,913
R0520	Technical provisions – non-life (excluding health)	38,913
R0530	TP calculated as a whole	0
R0540	Best Estimate	37,640
R0550	Risk margin	1,273
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	0
R0630	Best Estimate	0
R0640	Risk margin	0
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	TP calculated as a whole	0
R0670	Best Estimate	0
R0680	Risk margin	0
R0690	Technical provisions – index-linked and unit-linked	0
R0700	TP calculated as a whole	0
R0710	Best Estimate	0
R0720	Risk margin	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	0
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	0
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	218
R0850	Subordinated liabilities	5,000
R0860	Subordinated liabilities not in Basic Own Funds	0
R0870	Subordinated liabilities in Basic Own Funds	5,000
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	44,131
R1000	**Excess of assets over liabilities**	7,956

G.05.01.02.01 - Premiums, claims and expenses by line of business - Table 1

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)						Total
		Motor vehicle liability insurance	Other motor insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	
		C0040	C0050	C0070	C0080	C0090	C0100	C0200
	Premiums written							
R0110	Gross - Direct Business	-53	-12	406	-275	10,230	0	10,298
R0120	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0130	Gross - Non-proportional reinsurance accepted							0
R0140	Reinsurers' share	-47	-10	602	-178	6,199	0	6,565
R0200	Net	-6	-1	-195	-97	4,032	0	3,733
	Premiums earned							
R0210	Gross - Direct Business	76	17	2,431	-94	8,192	-2	10,620
R0220	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0230	Gross - Non-proportional reinsurance accepted							0
R0240	Reinsurers' share	43	10	1,546	-88	4,701	-2	6,211
R0300	Net	33	7	885	-6	3,491	0	4,409
	Claims incurred							
R0310	Gross - Direct Business	3,820	837	3,412	8	1,181	0	9,258
R0320	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0330	Gross - Non-proportional reinsurance accepted							0
R0340	Reinsurers' share	3,437	753	1,803	61	727	0	6,780
R0400	Net	383	84	1,609	-53	454	0	2,478
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted							0
R0440	Reinsurers'share	0	0	0	0	0	0	0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	42	9	297	-12	3,833	0	4,168
R1200	**Other expenses**							0
R1300	**Total expenses**							4,168

G.05.02.01 - Premiums, claims and expenses by country

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
R0010			GB	FR	ES	NO	IT	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	0	505	2,746	3,900	494	2,673	10,318
R0120	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0130	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0140	Reinsurers' share	0	458	1,461	2,049	401	2,207	6,575
R0200	Net	0	47	1,285	1,851	93	466	3,743
	Premiums earned							
R0210	Gross - Direct Business	0	1,742	3,003	3,094	981	1,816	10,637
R0220	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0230	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0240	Reinsurers' share	0	1,010	1,485	1,555	674	1,495	6,219
R0300	Net	0	733	1,518	1,539	307	321	4,417
	Claims incurred							
R0310	Gross - Direct Business	0	6,537	790	340	1,644	468	9,779
R0320	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0330	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0340	Reinsurers' share	0	5,347	502	170	789	370	7,178
R0400	Net	0	1,191	288	170	855	98	2,601
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted	0	0	0	0	0	0	0
R0440	Reinsurers'share	0	0	0	0	0	0	0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	0	386	1,298	1,445	114	641	3,885
R1200	**Other expenses**							0
R1300	**Total expenses**							3,885

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
R1400			0	0	0	0	0	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	0	0	0	0	0	0	0
R1420	Reinsurers' share	0	0	0	0	0	0	0
R1500	Net	0	0	0	0	0	0	0
	Premiums earned							
R1510	Gross	0	0	0	0	0	0	0
R1520	Reinsurers' share	0	0	0	0	0	0	0
R1600	Net	0	0	0	0	0	0	0
	Claims incurred							
R1610	Gross	0	0	0	0	0	0	0
R1620	Reinsurers' share	0	0	0	0	0	0	0
R1700	Net	0	0	0	0	0	0	0
	Changes in other technical provisions							
R1710	Gross	0	0	0	0	0	0	0
R1720	Reinsurers' share	0	0	0	0	0	0	0
R1800	Net	0	0	0	0	0	0	0
R1900	**Expenses incurred**	0	0	0	0	0	0	0
R2500	**Other expenses**							0
R2600	**Total expenses**							0

G.23.01.22 - 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					
R0010	Ordinary share capital (gross of own shares)	28	28		0	
R0020	Non-available called but not paid in ordinary share capital at group level	0	0		0	
R0030	Share premium account related to ordinary share capital	2,022	2,022		0	
R0040	Iinitial 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
R0060	Non-available subordinated mutual member accounts at group level	0		0	0	0
R0070	Surplus funds	0	0			
R0080	Non-available surplus funds at group level	0	0			
R0090	Preference shares	0		0	0	0
R0100	Non-available preference shares at group level	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0120	Non-available share premium account related to preference shares at group level	0		0	0	0
R0130	Reconciliation reserve	5,692	5,692			
R0140	Subordinated liabilities	5,000		0	5,000	0
R0150	Non-available subordinated liabilities at group level	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	213				213
R0170	The amount equal to the value of net deferred tax assets not available at the group level	0				0
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	Non available own funds related to other own funds items approved by supervisory authority	0	0	0	0	0
R0200	Minority interests (if not reported as part of a specific own fund item)	0	0	0	0	0
R0210	Non-available minority interests at group level	0	0	0	0	0
	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
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				
	Deductions					
R0230	Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	0	0	0	0	0
R0240	whereof deducted according to art 228 of the Directive 2009/138/EC	0	0	0	0	
R0250	Deductions for participations where there is non-availability of information (Article 229)	0	0	0	0	0
R0260	Deduction for participations included by using D&A when a combination of methods is used	0	0	0	0	0
R0270	Total of non-available own fund items	0	0	0	0	0
R0280	**Total deductions**	0	0	0	0	0
R0290	**Total basic own funds after deductions**	12,956	7,743	0	5,000	213
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0			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			0	
R0320	Unpaid and uncalled preference shares callable on demand	0			0	0
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
R0380	Non available ancillary own funds at group level	0			0	0
R0390	Other ancillary own funds	0			0	0
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
R0410	Credit institutions, investment firms, financial institutions, alternative investment fund managers, UCITS management companies – total	0	0	0	0	
R0420	Institutions for occupational retirement provision	0	0	0	0	0
R0430	Non regulated entities carrying out financial activities	0	0	0	0	
R0440	Total own funds of other financial sectors	0	0	0	0	0
	Own funds when using the D&A, exclusively or in combination of method 1					
R0450	Own funds aggregated when using the D&A and combination of method	0	0	0	0	0
R0460	Own funds aggregated when using the D&A and a combination of method net of IGT	0	0	0	0	0
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	12,956	7,743	0	5,000	213
R0530	Total available own funds to meet the minimum consolidated group SCR	12,743	7,743	0	5,000	
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the	12,956	7,743	0	5,000	213
R0570	Total eligible own funds to meet the minimum consolidated group SCR	8,400	7,743	0	658	
	Consolidated Group SCR					
R0610	**Minimum consolidated Group SCR**	3,288				
R0630	**Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)**					
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	2.5546				
R0660	**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**	12,956	7,743	0	5,000	213
R0670	**SCR for entities included with D&A method**					
R0680	**Group SCR**	11,861				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	1.0923				

		C0060
	Reconciliation reserve	
R0700	Excess of assets over liabilities	7,956
R0710	Own shares (held directly and indirectly)	0
R0720	Forseeable dividends, distributions and charges	0
R0730	Other basic own fund items	2,264
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0750	Other non available own funds	0
R0760	**Reconciliation reserve before deduction for participations**	5,692
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	0
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	1,012
R0790	**Total Expected profits included in future premiums (EPIFP)**	1,012

G.25.01.22 - Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	6,230		
R0020	Counterparty default risk	712		
R0030	Life underwriting risk	0		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	6,878		
R0060	Diversification	-3,089		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	10,732		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	1,129
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**	11,861
R0210	Capital add-on already set	0
R0220	**Solvency capital requirement**	11,861
	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
R0470	Minimum consolidated group solvency capital requirement	3,288
	Information on other entities	
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510	Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	0
R0520	Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	0
R0530	Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial activities	0
R0540	Capital requirement for non-controlled participation requirements	0
R0550	Capital requirement for residual undertakings	0
	Overall SCR	
R0560	SCR for undertakings included via D and A	0
R0570	**Solvency capital requirement**	11,861

G.32.01.22 - Undertakings in the scope of the group

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
GI	213800FSQ29M4EK1L167	LEI	ty & General Insurance Company (Europe)	2	limited company	2	Financial Services Co	1.0000	1.0000	1.0000		1	1.0000	1		1
GB	3009LPIJXGN23JW66GB00C	SC	Casualty & General (UK) Limited	99	limited company	2	0	1.0000	1.0000	1.0000		1	1.0000	1		1
GB	8009LPIJXGN23JW66GB00V	SC	Velocity Claims Management Limited	10	limited company	2	0	1.0000	1.0000	1.0000		1	1.0000	1		1
GI	2138009LPIJXGN23JW66	LEI	CG Holdings (Gibraltar) Limited	5	limited company	2	0	0.0000	0.0000	0.0000		0	0.0000	1		1

Casualty & General Insurance Company (Europe) Limited

Annual QRTs

Year ended 31st December 2018

P.02.01.02 - Balance sheet

		Solvency II value
	Assets	C0010
R0030	Intangible assets	0
R0040	Deferred tax assets	192
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	9,910
R0080	Property (other than for own use)	2,295
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	7,615
R0110	Equities - listed	0
R0120	Equities - unlisted	7,615
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	0
R0200	Deposits other than cash equivalents	0
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	4,989
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	338
R0260	Other loans and mortgages	4,651
R0270	Reinsurance recoverables from:	34,246
R0280	Non-life and health similar to non-life	34,246
R0290	Non-life excluding health	34,246
R0300	Health similar to non-life	0
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	0
R0330	Life excluding health and index-linked and unit-linked	0
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	0
R0370	Reinsurance receivables	0
R0380	Receivables (trade, not insurance)	0
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	3,908
R0420	Any other assets, not elsewhere shown	473
R0500	**Total assets**	53,717

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions – non-life	39,157
R0520	Technical provisions – non-life (excluding health)	39,157
R0530	TP calculated as a whole	0
R0540	Best Estimate	38,263
R0550	Risk margin	894
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	0
R0630	Best Estimate	0
R0640	Risk margin	0
R0650	Technical provisions – life (excluding health and index-linked and unit-linked)	0
R0660	TP calculated as a whole	0
R0670	Best Estimate	0
R0680	Risk margin	0
R0690	Technical provisions – index-linked and unit-linked	0
R0700	TP calculated as a whole	0
R0710	Best Estimate	0
R0720	Risk margin	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	0
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	0
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	218
R0850	Subordinated liabilities	5,000
R0860	Subordinated liabilities not in Basic Own Funds	0
R0870	Subordinated liabilities in Basic Own Funds	5,000
R0880	Any other liabilities, not elsewhere shown	0
R0900	**Total liabilities**	44,375
R1000	**Excess of assets over liabilities**	9,342

P.05.01.02.01 - Premiums, claims and expenses by line of business - Table 1

		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	Miscellaneous financial loss	Health	Casualty	Marine, aviation, 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	0	0	-53	-12	0	406	-275	10,230	0	0	0					10,298
R0120	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0	0	0					0
R0130	Gross - Non-proportional reinsurance accepted													0	0	0	0	0
R0140	Reinsurers' share	0	0	0	-47	-10	0	602	-178	6,199	0	0	0	0	0	0	0	6,565
R0200	Net	0	0	0	-6	-1	0	-195	-97	4,032	0	0	0	0	0	0	0	3,733
	Premiums earned																	
R0210	Gross - Direct Business	0	0	0	76	17	0	2,431	-94	8,192	-2	0	0					10,620
R0220	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0	0	0					0
R0230	Gross - Non-proportional reinsurance accepted													0	0	0	0	0
R0240	Reinsurers' share	0	0	0	43	10	0	1,546	-88	4,701	-2	0	0	0	0	0	0	6,211
R0300	Net	0	0	0	33	7	0	885	-6	3,491	0	0	0	0	0	0	0	4,409
	Claims incurred																	
R0310	Gross - Direct Business	0	0	0	3,820	837	0	3,412	8	1,181	0	0	0					9,258
R0320	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0	0	0					0
R0330	Gross - Non-proportional reinsurance accepted													0	0	0	0	0
R0340	Reinsurers' share	0	0	0	3,437	753	0	1,803	61	727	0	0	0	0	0	0	0	6,780
R0400	Net	0	0	0	383	84	0	1,609	-53	454	0	0	0	0	0	0	0	2,478
	Changes in other technical provisions																	
R0410	Gross - Direct Business	0	0	0	0	0	0	0	0	0	0	0	0					0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0	0	0	0	0	0					0
R0430	Gross - Non- proportional reinsurance accepted													0	0	0	0	0
R0440	Reinsurers'share	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
R0500	Net	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
R0550	**Expenses incurred**	0	0	0	43	9	0	285	-4	3,545	0	0	0	0	0	0	0	3,879
R1200	**Other expenses**																	0
R1300	**Total expenses**																	3,879

P.05.02.01 - Premiums, claims and expenses by country

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
R0010			GB	FR	ES	NO	IT	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	0	505	2,746	3,900	494	2,673	10,318
R0120	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0130	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0140	Reinsurers' share	0	458	1,461	2,049	401	2,207	6,575
R0200	Net	0	47	1,285	1,851	93	466	3,743
	Premiums earned							
R0210	Gross - Direct Business	0	1,742	3,003	3,094	981	1,816	10,637
R0220	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0230	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0240	Reinsurers' share	0	1,010	1,485	1,555	674	1,495	6,219
R0300	Net	0	733	1,518	1,539	307	321	4,417
	Claims incurred							
R0310	Gross - Direct Business	0	6,537	790	340	1,644	468	9,779
R0320	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0330	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0340	Reinsurers' share	0	5,347	502	170	789	370	7,178
R0400	Net	0	1,191	288	170	855	98	2,601
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted	0	0	0	0	0	0	0
R0440	Reinsurers'share	0	0	0	0	0	0	0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	0	386	1,298	1,445	114	641	3,885
R1200	**Other expenses**							0
R1300	**Total expenses**							3,885

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
R1400			0	0	0	0	0	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	0	0	0	0	0	0	0
R1420	Reinsurers' share	0	0	0	0	0	0	0
R1500	Net	0	0	0	0	0	0	0
	Premiums earned							
R1510	Gross	0	0	0	0	0	0	0
R1520	Reinsurers' share	0	0	0	0	0	0	0
R1600	Net	0	0	0	0	0	0	0
	Claims incurred							
R1610	Gross	0	0	0	0	0	0	0
R1620	Reinsurers' share	0	0	0	0	0	0	0
R1700	Net	0	0	0	0	0	0	0
	Changes in other technical provisions							
R1710	Gross	0	0	0	0	0	0	0
R1720	Reinsurers' share	0	0	0	0	0	0	0
R1800	Net	0	0	0	0	0	0	0
R1900	**Expenses incurred**	0	0	0	0	0	0	0
R2500	**Other expenses**							0
R2600	**Total expenses**							0

P.17.01.02 - Non-Life Technical Provisions

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				
		Medical expense insurance	**Income protectioninsurance**	**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	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Technical provisions calculated as a sum of BE and RM																	
	Best estimate																	
	Premium provisions																	
R0060	Gross	0	0	0	800	0	0	-761	13	-327	0	0	0	0	0	0	0	-275
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0	0	0	0	0	97	0	1,123	0	0	0	0	0	0	0	1,219
R0150	Net Best Estimate of Premium Provisions	0	0	0	800	0	0	-858	13	-1,450	0	0	0	0	0	0	0	-1,494
	Claims provisions																	
R0160	Gross	0	0	0	13,395	71	0	5,273	17,440	2,294	66	0	0	0	0	0	0	38,538
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	0	0	15,072	76	0	2,759	13,256	1,803	62	0	0	0	0	0	0	33,027
R0250	Net Best Estimate of Claims Provisions	0	0	0	-1,677	-5	0	2,514	4,185	491	4	0	0	0	0	0	0	5,511
R0260	**Total Best estimate - gross**	0	0	0	14,195	71	0	4,511	17,454	1,967	66	0	0	0	0	0	0	38,263
R0270	**Total Best estimate - net**	0	0	0	-877	-5	0	1,656	4,198	-959	4	0	0	0	0	0	0	4,017
R0280	**Risk margin**	0	0	0	-195	-1	0	368	934	-213	1	0	0	0	0	0	0	894
	Amount of the transitional on Technical Provisions																	
R0290	Technical Provisions calculated as a whole	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
R0300	Best estimate	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
R0310	Risk margin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Technical provisions - total																	
R0320	Technical provisions - total	0	0	0	14,000	70	0	4,880	18,388	1,753	66	0	0	0	0	0	0	39,157
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	0	0	0	15,072	76	0	2,855	13,256	2,926	62	0	0	0	0	0	0	34,246
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	0	0	0	-1,072	-6	0	2,024	5,132	-1,172	4	0	0	0	0	0	0	4,911

P.19.01.21 - Non-life Insurance Claims Information (simplified template for the public disclosure)

Total Non-Life Business

Z0020	Accident year / Underwriting year	**Z0020**	Underwriting year [UWY]

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

Development year

	Year	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10 & +**		**In Current year**	**Sum of years (cumulative)**
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110		C0170	C0180
R0100	**Prior**											3,444		3,444	3,444
R0160	**N-9**	24	191	389	239	363	277	294	305	452	257			257	2,791
R0170	**N-8**	2	130	135	371	757	1,233	1,915	292	278				278	5,112
R0180	**N-7**	31	179	270	259	290	201	440	169					169	1,840
R0190	**N-6**	8	112	89	275	467	387	288						288	1,625
R0200	**N-5**	23	147	320	243	325	1,039							1,039	2,098
R0210	**N-4**	285	3,069	2,131	2,490	2,052								2,052	10,028
R0220	**N-3**	3,928	11,864	5,355	4,705									4,705	25,852
R0230	**N-2**	2,845	8,345	3,478										3,478	14,668
R0240	**N-1**	1,009	1,570											1,570	2,579
R0250	**N**	0												0	0
R0260													**Total**	17,280	70,037

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

Development year

	Year	**0**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10 & +**		**Year end (discounted data)**
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		C0360
R0100	**Prior**											-902		-877
R0160	**N-9**	0	0	0	0	0	0	0	0	259	1,405			1,428
R0170	**N-8**	0	0	0	0	0	0	0	-957	4,675				4,686
R0180	**N-7**	0	0	0	0	0	0	85	1,062					1,355
R0190	**N-6**	0	0	0	0	0	249	7,360						7,388
R0200	**N-5**	0	0	0	0	329	5,949							6,062
R0210	**N-4**	0	0	0	886	4,237								3,490
R0220	**N-3**	0	0	1,316	3,947									4,078
R0230	**N-2**	0	3,535	6,596										6,699
R0240	**N-1**	1,236	3,806											3,792
R0250	**N**	370												437
R0260													**Total**	38,538

P.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					
R0010	Ordinary share capital (gross of own shares)	40	40		0	
R0030	Share premium account related to ordinary share capital	1,960	1,960		0	
R0040	Iinitial 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	7,150	7,150			
R0140	Subordinated liabilities	5,000		0	5,000	0
R0160	An amount equal to the value of net deferred tax assets	192				192
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
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				
	Deductions					
R0230	Deductions for participations in financial and credit institutions	0	0	0	0	0
R0290	**Total basic own funds after deductions**	14,342	9,150	0	5,000	192
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0			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			0	
R0320	Unpaid and uncalled preference shares callable on demand	0			0	0
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
R0390	Other ancillary own funds	0			0	0
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	14,342	9,150	0	5,000	192
R0510	Total available own funds to meet the MCR	14,150	9,150	0	5,000	
R0540	Total eligible own funds to meet the SCR	14,342	9,150	0	5,000	192
R0550	Total eligible own funds to meet the MCR	9,808	9,150	0	658	
R0580	**SCR**	11,933				
R0600	**MCR**	3,288				
R0620	**Ratio of Eligible own funds to SCR**	1.2019				
R0640	**Ratio of Eligible own funds to MCR**	2.9827				

		C0060
	Reconciliation reserve	
R0700	Excess of assets over liabilities	9,342
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	0
R0730	Other basic own fund items	2,192
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	7,150
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	0
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	0
R0790	**Total Expected profits included in future premiums (EPIFP)**	0

P.25.01.21 - Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
R0010	Market risk	6,268		
R0020	Counterparty default risk	711		
R0030	Life underwriting risk	0		
R0040	Health underwriting risk	0		
R0050	Non-life underwriting risk	6,908		
R0060	Diversification	-3,103		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	10,785		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	1,148
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**	11,933
R0210	Capital add-on already set	0
R0220	**Solvency capital requirement**	11,933
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirement for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

P.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	MCRNL Result	1,020

		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 expenses insurance and proportional reinsurance	0	0
R0030	Income protection insurance and proportional reinsurance	0	0
R0040	Workers' compensation insurance and proportional reinsurance	0	0
R0050	Motor vehicle liability insurance and proportional reinsurance	0	0
R0060	Other motor insurance and proportional reinsurance	0	0
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	0
R0080	Fire and other damage to property insurance and proportional reinsurance	1,656	0
R0090	General liability insurance and proportional reinsurance	4,198	0
R0100	Credit and suretyship insurance and proportional reinsurance	0	3,819
R0110	Legal expenses insurance and proportional reinsurance	4	0
R0120	Assistance and proportional reinsurance	0	0
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	0
R0140	Non-proportional health reinsurance	0	0
R0150	Non-proportional casualty reinsurance	0	0
R0160	Non-proportional marine, aviation and transport reinsurance	0	0
R0170	Non-proportional property reinsurance	0	0

Linear formula component for life insurance and reinsurance obligations

		C0040
R0200	MCRL 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	0	
R0220	Obligations with profit participation - future discretionary benefits	0	
R0230	Index-linked and unit-linked insurance obligations	0	
R0240	Other life (re)insurance and health (re)insurance obligations	0	
R0250	Total capital at risk for all life (re)insurance obligations		0

	Overall MCR calculation	C0070
R0300	Linear MCR	1,020
R0310	SCR	11,933
R0320	MCR cap	5,370
R0330	MCR floor	2,983
R0340	Combined MCR	2,983
R0350	Absolute floor of the MCR	3,288

		C0070
R0400	**Minimum Capital Requirement**	3,288