



**The Solvency and Financial Condition Report for 2018**  
**2 August 2019**



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## **A. Business and Performance**

### **A.1 Business**

Barents Reinsurance S.A. is *société anonyme* domiciled in Luxembourg.

The Company is under the supervision of the Commissariat aux Assurances (CAA) from Luxembourg:

#### **Commissariat aux Assurances**

7, boulevard Joseph II  
L-1840 Luxembourg  
Grand-Duché de Luxembourg

Telephone +352 22 69 11-1  
Email: [caa@caa.lu](mailto:caa@caa.lu)

The external auditor is Atwell S.à r.l. from Luxembourg with the following address:

ATWELL S.à r.l.  
2 Rue Drosbach  
L-3372 Leudelange

Mr Christophe Deschamps  
Réviseur d'Entreprises Agréé

The Company is held directly by BRM Barents SCA.

The Company belongs to Barents Re group.

The important lines of business of Barents Reinsurance S.A. at 31 December 2018 were:

- Energy
- Financial Institutions
- General Liability
- Property
- Marine Cargo
- Bonds
- Life
- Accident and Health

The most important geographic areas at 31 December 2018 were:

- Japan
- Mexico
- South Korea
- United Kingdom



- Bulgaria
- Indonesia
- Portugal
- United Arab Emirates
- Nigeria
- Russian Federation
- India

The subscribed capital remained at EUR 29,000,000.

AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Rating of “a” of Barents Re Reinsurance Company, Inc. (Barents Re) (Cayman Islands) and its affiliate, Barents Reinsurance S.A. (Barents RE Lux) (Luxembourg). The outlook of these Credit Ratings (ratings) remains stable.

## A.2 Underwriting Performance

Subscription results:

	2018	2017
<b>EARNED PREMIUMS, NET OF REINSURANCE</b>	<b>10,659,833</b>	<b>6,896,685</b>
a) Gross premium written	85,932,062	60,833,209
b) Outward reinsurance premiums	-74,101,705	-48,711,544
c) Change in the gross provision for unearned premiums	-8,434,491	-27,354,147
d) Change in the gross prov unearned prem, rein.share	7,263,967	22,129,167
<b>CLAIMS INCURRED, NET OF REINSURANCE</b>	<b>-4,032,644</b>	<b>-2,489,295</b>
<b>a) Claims paid</b>	<b>-24,601,129</b>	<b>25,129,752</b>
aa) Gross amount	-26,999,782	23,074,887
bb) Reinsurers' share	2,398,654	2,054,864
<b>b) Change in the provision for claims</b>	<b>20,568,484</b>	<b>-27,619,047</b>
aa) Gross amount	-29,400,665	-80,775,556
bb) Reinsurers' share	49,969,149	53,156,508
<b>7. NET OPERATING EXPENSES</b>	<b>-4,964,313</b>	<b>-3,762,583</b>
a) Acquisition costs	-8,872,460	-9,722,015
b) Change in deferred acquisition costs	409,655	3,991,500
c) Administrative expenses	-690,012	-276,602



d) Reinsurance commissions and profit participation	4,188,504	2,244,534
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### A.3 Investment Performance

The Company has invested in deposit accounts, bonds and listed shares in 2018. The investment return was EUR 2,129,507.

### A.4 Performance of other activities

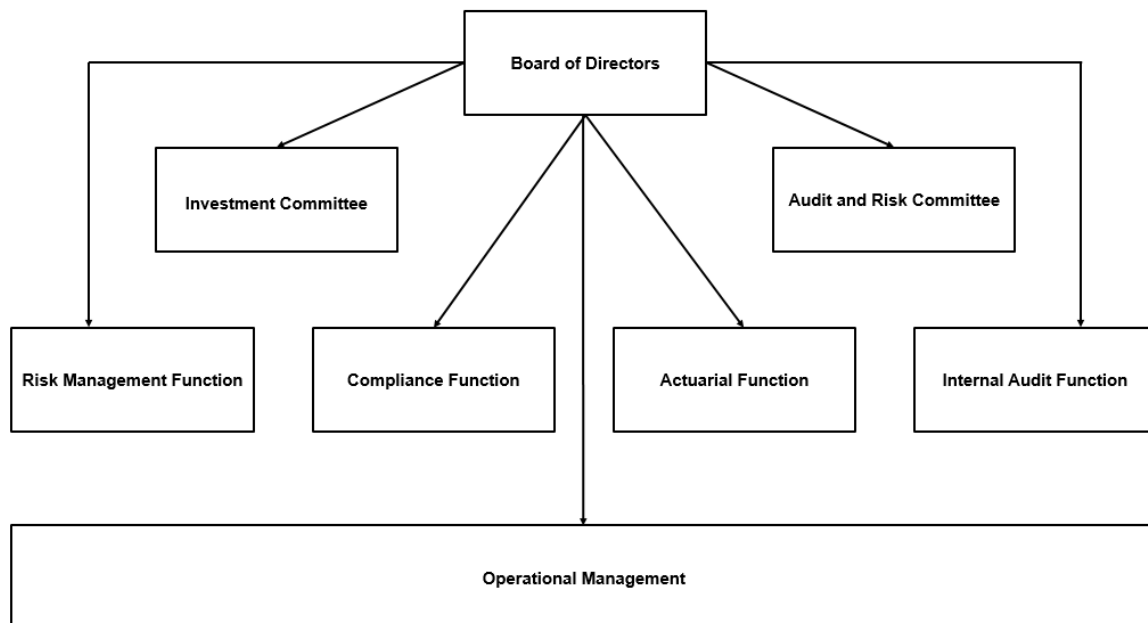
There was no other material income and expenses incurred over the reporting period.

### A.5 Any other information

There is no other information.

## B. System of Governance

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



The Board of Directors has the authority and responsibility to take any action necessary to achieve the corporate objectives, with the exception of actions for which the General Assembly is responsible, according to the law or the Company's articles.



The Board of Directors has the ultimate responsibility for the compliance of the Company with laws and regulation adopted pursuant the Solvency II Directive and Delegated Acts.

The Board of Directors is responsible for:

- the definition and implementation of the strategic objectives of the Company, in qualitative and quantitative terms (business plan);
- the establishment, documentation and periodic review of all policies and procedures for the governance of the Company, such as the risk management policy, internal control policy, internal audit policy and outsourcing policy;
- the approval and validation of the governance manual;
- the establishment of a satisfactory control of the financial accounts of the Company and the management of its assets;
- arbitration and resolution of conflicts of interest;
- the analysis and approval of key function reporting (risk management function, actuarial function, internal audit function and internal control function);
- the follow-up of the fit and proper assessment of the Board of Directors, the representatives of keys functions and managers of outsourced activities;
- the establishment and implementation of the underwriting policy;
- the establishment and implementation of the investment policy.

Key functions, appointed by the Board of Directors, are one of the pillars of the organisational structure of the Company and contribute to the strategic objectives of the organisation, and the proper conduct of its operations. The composition, role and responsibilities and the reporting line of each function is detailed in the document below. The appointment of the person or persons responsible for representing each function is in accordance with the principles of management of conflicts of interest, and with the fit and proper requirements.

### **Risk Management Function**

The Company has established a risk management function to set up and manage a centralised, robust and suitable risk management system, adapted to the risk profile (short, medium and long-term) of the organization. Dr Dirk GORGES has been nominated to undertake this role.

### **Compliance Function**

The Company has implemented a compliance function to ensure its compliance with applicable laws and regulations, and with group policies and procedures. Mr Marc HANNEBERT has been nominated to undertake this role.

### **Actuarial Function**

The Company has implemented an actuarial function to oversee all actuarial calculations needed for the Company's management, and to contribute to the risk management process with a mathematical and actuarial approach. Dr Dirk GORGES has been nominated to undertake this role.

### **Internal Audit Function**



The Company has implemented an internal audit function in order to independently verify the adequacy of the organisation, its policies and governance procedures, and their application in daily management. Mr Romain DURAND has been nominated to undertake this role.

### **Investment Committee**

Authorised by the Board of Directors, the Investment Committee defines and implements the investment policy of the Company, including:

- submit to the Board of Directors investment decisions for approval, such as choice or change of investment vehicles and counterparties, the allocation of assets, following the rules of Luxembourg regulations and rules set by the group's asset management;
- where applicable, submit to the Board of Directors the selection of the Asset Managers for approval;
- monitor the financial performance of the portfolio and the fluidity of financial flows from the perspective of security and cash optimisation;
- perform any study or ad hoc task as deemed necessary or for which the Board of Directors has mandated the committee.

The Investment Committee meets as often as necessary and at least twice a year.

The Investment Committee may validly meet if the majority of its permanent members are present. The decisions of the Investment Committee are taken collegially and evidenced by the reports signed by two permanent members.

When an event occurs requiring urgent decision by the Investment Committee a decision can be made and communicated in writing. In this case, the Chairman of the committee notifies all permanent members of the issue to be addressed by any appropriate means (email, letter, conference call). As part of a normal procedure, the decision is collegial and evidenced by a written report signed by two permanent members.

### **Audit and Risk Committee**

Specifics in relation to the Audit and Risk Committee can be found in the Audit and Risk Committee Charter.

### **Changes to the governance system during the reporting period**

There were no changes in 2018.

### **Information on the remuneration policy and material transactions**

The remuneration of the Company's employees is in line with the services of the Company and does not incentivize to take risk which are not in line with the Company's risk appetite. Part of the activities is outsourced, such as accounting or IT services. The remuneration of the subcontractors complies with the prevailing market price.



The Board of directors' policy is not to compensate directors for their duties. However, expenses incurred in the fulfilment of their mandate are reimbursed upon presentation of receipts.

Individual and collective performance criteria do not entitle employees to the allocation of stock options or shares. However, a variable bonus may be part of the total compensation.

The members of the administrative, management or supervisory body and the holders of other key functions do not receive supplementary pension and no early retirement schemes are in place.

There were no material transactions during the reporting period with shareholders or persons who exercise a significant influence on the undertaking and with members of the administrative, management or supervisory body.

## **B.2 Fit and proper requirements**

Members of the Board of Directors and persons performing key functions must have the skills required to manage and supervise the organisation.

The Board of Directors must have collectively a knowledge and professional experience in:

**Insurance, reinsurance and financial markets:** the awareness and understanding of the business and economic environment in which the Company operates;

**Strategy and business model of the Company:** a detailed understanding of the Company's business strategy and model;

**Governance systems:** the awareness and understanding of the Company's risks and the capability of managing them, the ability to assess the effectiveness of the Company's arrangements to deliver effective governance, oversight and controls;

**Financial and actuarial analysis:** the ability to understand and interpret the financial and actuarial information provided by other functions, and take it into account in the decision-making process;

**Legislation and regulations applicable to the business of reinsurance:** the awareness and understanding of the regulatory framework in which the Company operates.

The Board of Directors must update its evaluation of reputation and integrity every three years.

The criminal records and the Curriculum Vitae (CV) of the Directors and the representatives of the key functions are sent to the CAA for assessment.





All situations that give rise to a reassessment of the reputation and integrity, such as legal conviction and changes to the CV or police record, have to be notified to the Board of Directors and to the CAA, especially if they could lead to a conflict of interest.

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

Barents Reinsurance S.A. has implemented a three-line-of-defence system in risk management.

**1<sup>st</sup> line of defence:** The 1<sup>st</sup> line of defence is the operational management having ownership, responsibility and accountability for directly assessing, controlling and mitigating risks.

**2<sup>nd</sup> line of defence:** The 2<sup>nd</sup> line of defence monitors and facilitates the implementation of effective risk management practices by operational management and assists the risk owners in reporting adequate risk related information up and down the organization.

**3<sup>rd</sup> line of defence:** As 3<sup>rd</sup> line of defence the internal audit function provides independent assurance to the Board of Directors and Senior Management on the effectiveness of the first and second lines of defence.

The risk management function is part of the 2<sup>nd</sup> line of defence. Its main responsibilities are to:

- provide oversight and challenge to the risk-taking business as the 1<sup>st</sup> line of defence;
- develop and implement policies, processes, methodologies, standards and tools to enable business areas to identify, assess, mitigate and report on the exposure status of their significant risks and;
- provide assurance that their risk profile is aligned with the risk appetite approved by the Board of Directors. The aim is to co-ordinate, facilitate and oversee effective risk management.

The risk management function reports to the Audit and Risk Committee, which is a subcommittee of the Board of Directors, on risks that have been identified as potentially material. The risk management function also reports on other specific areas of risk both on its own initiative and following requests from the Board of Directors or the Audit and Risk Committee.

The following risk areas have been identified:

- Strategic and Reputational Risk;
- Underwriting and Reserving;
- Operational Risk;
- Outward Reinsurance and other Risk Mitigation;
- Liquidity and Concentration;
- Asset-Liability Management;
- Investments.

For each risk category, an annual risk survey is headed by the risk management function. Each risk owner liaises with relevant staff for the respective area to identify risks, estimate the impact



and probability of each risk and, where necessary, define and implement actions in order to reduce risks to acceptable levels. The list of all identified risks is documented in a risk register.

The risk register is reassessed on a quarterly basis and the score and mitigating actions are updated where necessary.

In addition to the abovementioned risk survey, risks are measured on a quarterly basis using the Solvency Capital Requirement (SCR) according to the Solvency II standard formula and the AM Best BCAR (Best's Capital Adequacy Ratio model).

The Own Risk and Solvency Assessment (ORSA) is performed by the Risk Management Function at least once a year or whenever there is a major change in the risk profile of the Company.

The starting point for the ORSA are key risks to its business strategy identified in during the regular risk survey, taking the Company's risk appetite and risk profile into account. The Company also assesses whether there are significant deviations of its risk profile from the assumptions underlying the SCR calculation.

Another input for the ORSA is the Company's business plan which is used to project the Solvency II balance sheet, the SCR and MCR over the next five years.

The financial projection is based on:

- the best estimate scenario of the Company's business plan;
- stress scenarios based on the key risks identified during the risk survey;
- at least one reverse stress scenario which would lead to a depletion of eligible own funds.

On the basis of these financial projections, the risk management function assesses whether the Company stays within its risk appetite in all scenarios and identifies potential mitigating actions, such as:

- adjust the retrocession structure to reduce net exposures;
- change the asset allocation to reduce investment risks or improve ALM;
- implement currency hedging;
- reduce counterparty exposures;
- change underwriting limits or underwrite lines of business with lower SCR and BCAR;

If necessary, the Company revises its capital plan based on the outcome of the financial projections in order to ensure alignment with its risk appetite.

At this stage, there are no reasons to believe that the Company's risk profile significantly deviates from the underlying assumptions of the Standard Formula. This assessment will be reviewed in future reporting years.

#### **B.4 Internal control system**

Internal Control is a set of day-to-day operating processes involving all levels of the Company. It is designed to ensure that The Company:



- operates in a manner which is effective and efficient;
- can produce reliable financial and non-financial information;
- complies with applicable laws and regulations.

The internal control system has been designed with the intention that all material risks are identified, measured, monitored and controlled on an on-going basis. The Board of Directors have assessed these risks and developed the internal control framework to address and mitigate these risks.

The Board of Directors have established an internal control system to ensure that:

- business is conducted in prudent manner in accordance with policies and procedures established by the Board of Directors; transactions are only entered into with appropriate authority;
- assets are safeguarded;
- accounting and other records provide complete, accurate and timely information;
- management is able to identify, assess, manage and control the risks of the business and hold sufficient capital for these risks.

As part of its internal control framework, the Company has established a compliance function, to ensure its conformity with applicable laws and regulations. Purpose, roles and responsibilities and reporting procedures of the compliance function are described in detail in the compliance policy.

## **B.5 Internal audit function**

The Company has implemented an internal audit function in order to independently verify the adequacy of the organisation, its policies and governance procedures, and their application in daily management. The internal audit function is an independent function within the organisation which examines and evaluates the effectiveness of the internal controls and all other elements of the system of governance, as well as the compliance of activities with internal strategies, policies, processes and reporting procedures.

To prevent any conflict of interest, the internal audit function is represented by a person or entity completely independent from other key functions.

It is up to the Board to appoint a person or a group of persons in charge of internal audit who complies with the principles outlined above.

The internal audit function:

- carries out its assignments with impartiality;
- is able to exercise its assignments on its own initiative in all areas of the undertaking;
- is free to express its opinions and present its findings to the whole Board of Directors;
- has the complete and unrestricted right to obtain information, which includes the prompt provision of all necessary information, the availability of all essential documentation and the ability to look into all the Company's activities and processes, as necessary to discharge its responsibilities.



Audit activities are performed on a regular basis, following an audit plan, which sets priorities based on identified risks. All activities are audited at a frequency and in an order determined by the audit plan.

The internal audit function monitors the follow-up of its recommendations.

At least annually, the internal audit function produces a written report of its findings for the Board of Directors.

This report covers issues identified within the internal control system and failures observed in following internal processes and procedures. It includes recommendations on how to remedy inadequacies and follow up on the actions taken in response to issues raised in previous reports.

An annual report is prepared by the representative of the internal audit function within the Board of Directors, containing the findings of the audit (if an audit was performed that year), and the progress on the implementation of the recommendations of the last audit. The annual report will justify the absence of internal audit in the next twelve months if necessary.

Internal audit has access to all the documentation and information that would be needed to carry out its functions.

## **B.6 Actuarial function**

The Company has implemented an actuarial function to oversee all actuarial calculations needed for the Company's management, and to contribute to the risk management process with a mathematical and actuarial approach.

The actuarial function is represented by persons with sufficient actuarial and mathematical skills to have a deep understanding of the risks of the Company.

It is up to the Board of Directors to appoint a person or a group of persons in charge of the actuarial function who complies with the principles outlined above. This function can be outsourced to a firm of actuaries.

The actuarial function coordinates all the actuarial calculations.

The actuarial function coordinates and supervises the calculation of technical provisions. The performance of calculations can be delegated to another person or entity, the role of the actuarial function is to review and verify the technical provisions.

The actuarial function handles data quality. It assesses the quality of the data used in the calculation of technical provisions, compares *best estimates* against experience and assesses the reliability and adequacy of the calculation of technical provisions.

The actuarial function must issue an opinion on underwriting and (outwards) reinsurance. The actuarial function also provides input into asset-liability management, and participates in the risk management processes, especially the risk assessment and financial projections during the ORSA process.



The actuarial function reports directly to the Board of Directors. It reports on its activities at least on an annual basis, and communicates any issue or observed dysfunction whenever necessary. It also communicates to the other bodies or functions the information they would need to carry out their tasks.

The actuarial function produces an annual written report to the Board of Directors. This annual report details the activities, highlights the issues faced and gives recommendations on this subject.

## **B.7 Outsourcing**

Critical or important functions, hence referred as “material activities”, are defined as follows:

- i. activities of such importance that failure or error in the provision of these activities would be likely to have a major effect on a Company’s ability to meet regulatory responsibilities or to maintain its financial situation, reputation and service continuity;
- ii. any activities requiring a licence from the supervisory authority; or
- iii. any activities having a significant impact on its risk management framework.

We consider the following types of activities as material when outsourced:

- core business activities, i.e. activities impacting the Company’s core business;
- sensitive non-core business activities, i.e. activities meeting the criteria set forth in the materiality definition which are impacting the Company business but not directly impacting client services;
- outsourcing of activities that would involve transfer of the Company assets regardless of the nature (core, non-core) of the activities.

As such, the Company considers as material all the following activities:

- design and pricing of insurance products;
- investment of assets or portfolio management;
- claims handling;
- accounting;
- provision of data storage;
- provision of on-going, day-to-day systems maintenance or support;
- underwriting and business development;
- performance of key functions (or support in the key functions) as defined by Solvency II:
  - Compliance function,
  - Internal audit function,
  - Risk management function (including ORSA process),
  - Actuarial function.

Provision of advisory services (such as for example legal advice or training), purchase of standardized services, logistical support and human resources support are not considered as material activities.



When outsourcing a critical activity, the Company may or may not choose a Professional of the Insurance Sector “*Professionnel du Secteur des Assurances*” (PSA) that has the agreement of the Luxembourg Regulator. Specific outsourcing procedures are implemented for the two types of service providers.

In case the Company chooses to outsource any activity (including non-material activities) to a service provider who is not a PSA, the Company shall notify the Commissariat aux Assurances and ensure that there is no objection from their side.

Prior to choosing an external service provider for a material activity, the Company undertakes a detailed examination of the potential service providers’ ability and capacity to deliver the required functions or activities.

**The service provider is a PSA or a Professional of the Financial sector “*Professionnel du Secteur Financier*” (PSF)**

By choosing a PSA agreed by the regulator, the Company ensures that the service provider complies with all regulatory requirements.

**The service provider is not a PSA or a PSF**

The services could be outsourced either to another Group entity or to a third provider.

In the case that the service provider is an entity of the group, a Curriculum Vitae and a criminal record will be requested from the Group members performing the services for the Company.

In the case where the service provider is a third party, the subcontractor's selection criteria are as follows:

- Company’s reputation and history;
- number and competence of staff and managers;
- financial stability of the Company and commercial record;
- quality of services provided to other customers;
- retention rates of the Company’s customers;
- quality assurance and security management standards currently followed by the Company;
- persons performing the material activity comply with the fit and proper requirements defined by the Company.

The terms and conditions governing agreements between the Company and outsourcing firms should be carefully defined written agreements. Every such agreement should be sufficiently flexible to allow the Company to retain an appropriate level of control over the outsourcing and the right to intervene with appropriate measures to meet legal and regulatory obligations.

All material activities outsourced to external service providers or to the parent Company shall be formalized through a contract or at least a service level agreement.

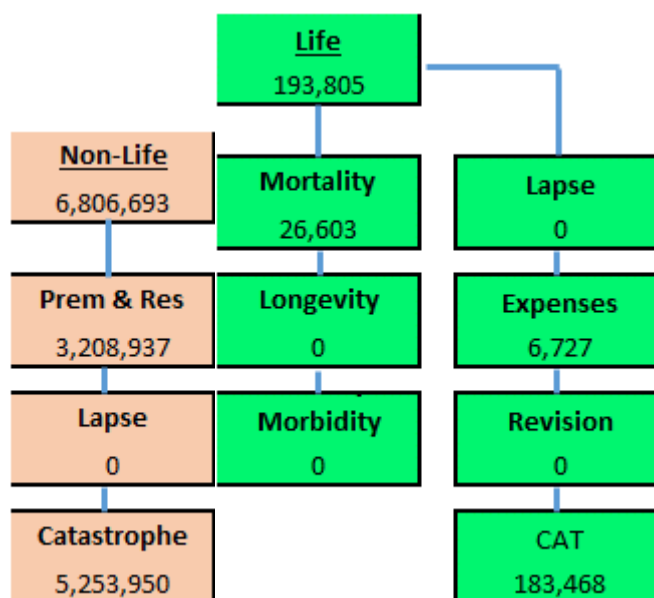
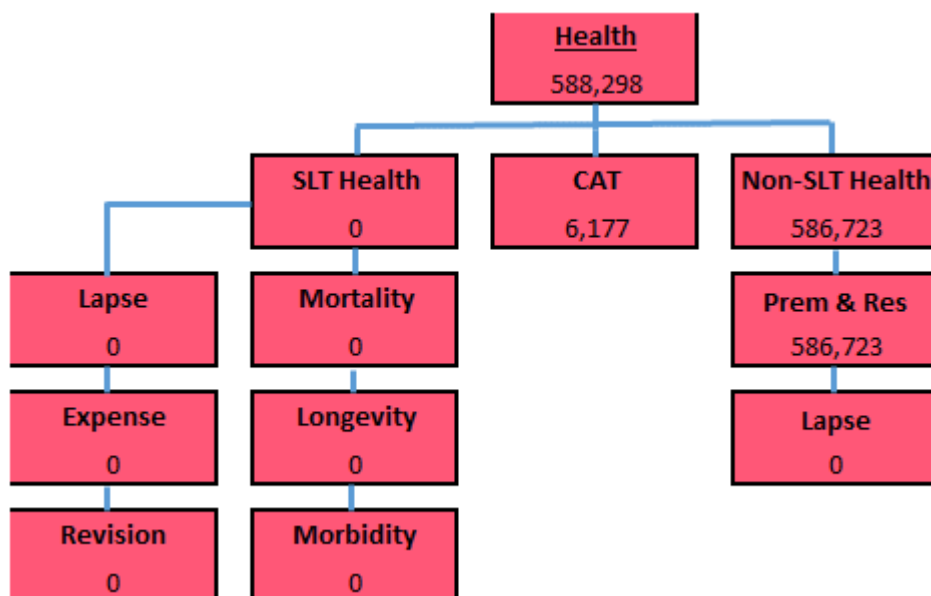
**B.8 Any other information**



The governance system of Barents Reinsurance S.A. is in line with the complexity of the risks inherent in its business.

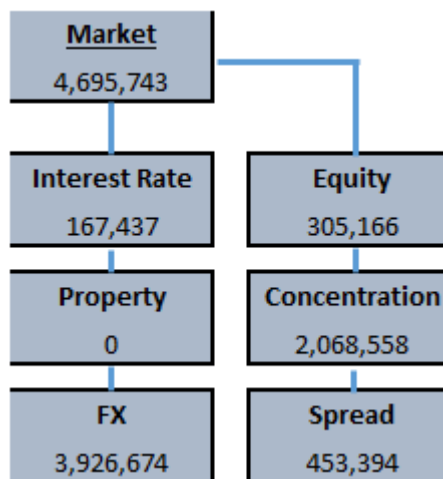
## C. Risk Profile

### C.1 Underwriting risk



Underwriting and reserving risk is the risk arising from insurance obligations, in relation to the perils covered and the processes used in the conduct of business.

## **C.2 Market risk**



Market risk arises from the level or volatility of market prices of financial instruments and from balance sheet items denoted in foreign currency.

Exposure to market risk is measured by the impact of movements in the level of financial variables such as stock prices, interest rates, real estate prices and exchange rates.

## **C.3 Credit risk and C.4 Liquidity risk**





<b>Default</b>
13,056,860
<b>Type 1</b>
7,527,051
<b>Type 2</b>
6,425,104

Counterparty default risk reflects possible losses due to unexpected default, or deterioration in the credit standing of the counterparties and debtors of the Company (including risk-mitigating contracts, such as reinsurance arrangements, securitisations and derivatives, and receivables from intermediaries) over the forthcoming twelve months.

## C.5 Operational risk

<b>Operational</b>
3,686,575

Operational risk is the risk of loss arising from inadequate or failed internal processes, or from personnel and systems, or from external events.

Strategic risk is the risk of loss arising from an inadequate strategic decision, a change in the Company's strategy, or a major change in the business environment in which the Company operates, such as regulatory and economic shifts.

## C.6 Other material risks

With regard to risk sensitivity, stress tests and sensitivity analyses were carried out during the financial year 2018 for the following risk scenarios:

- Scenario 1: Increased Cost of Financial Resources
- Scenario 2: No Agreement Between EU and UK
- Scenario 3: Data Leakage
- Scenario 4: Data Theft
- Scenario 5: Adverse Stress Test

All stress scenarios indicate some resilience of the Company's balance sheet and SCR ratios to external shocks. This is mainly due to the support by the parent Company Barents Re Reinsurance Inc. via a 90% Whole Account QS Treaty. In addition, the Company is a co-



purchaser of the external retrocession program. The business plan projections show that management actions will be necessary.

The Company does not have any loans.

The Company has implemented a retrocession program as risk mitigation.

## **D. Valuation for Solvency Purposes**

### **D.1 Assets**

The Solvency II balance sheet is based on the fair value method. For assets, the fair value is the market value. For technical provisions, the fair value is determined as best estimate plus a risk margin. The difference between assets and liabilities is the capital available to cover the required solvency margin.

### **D.2 Technical provisions**

Technical provisions are determined under Solvency II as the sum of the "Best Estimate" value of the actuarial liabilities and the risk margin.

The "Best Estimate" of Provisions for claims and unearned premiums is calculated by line of business.

The "Best Estimate" value of actuarial liabilities corresponds to the discounted valuation of estimated future cash flows.

### **D.3 Other liabilities**

The Equalization Reserve and the Reinsurer's share of Deferred Acquisition Costs on the statutory balance sheet were revalued to zero since they do not exist on the Solvency II balance sheet. A deferred tax liability, which did not exist on the statutory balance sheet, was calculated for the Solvency II balance sheet. All remaining other liabilities were deemed to be adequate representations of the economic value, and no adjustments were necessary.

### **D.4 Alternative methods for valuation**

No alternative methods for valuation were used.

### **D.5 Any other information**

No other significant information to be disclosed.

## **E. Capital Management**

## E.1 Own funds

### a) Goals

The Company always ensures that it has sufficient capital to meet its current and planned activities, ensures that it can follow its business strategy on an ongoing basis and that it complies with the statutory requirements set by the Commissariat aux Assurances.

### b) Structure and composition of Own Funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
<b>Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35</b>						
Ordinary share capital (gross of own shares)	R0010	29,000,000.00	29,000,000.00			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	3,212,521.59	3,212,521.59			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
<b>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</b>						
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					
<b>Deductions</b>						
Deductions for participations in financial and credit institutions	R0230					
<b>Total basic own funds after deductions</b>	<b>R0290</b>	<b>32,212,521.59</b>	<b>32,212,521.59</b>			

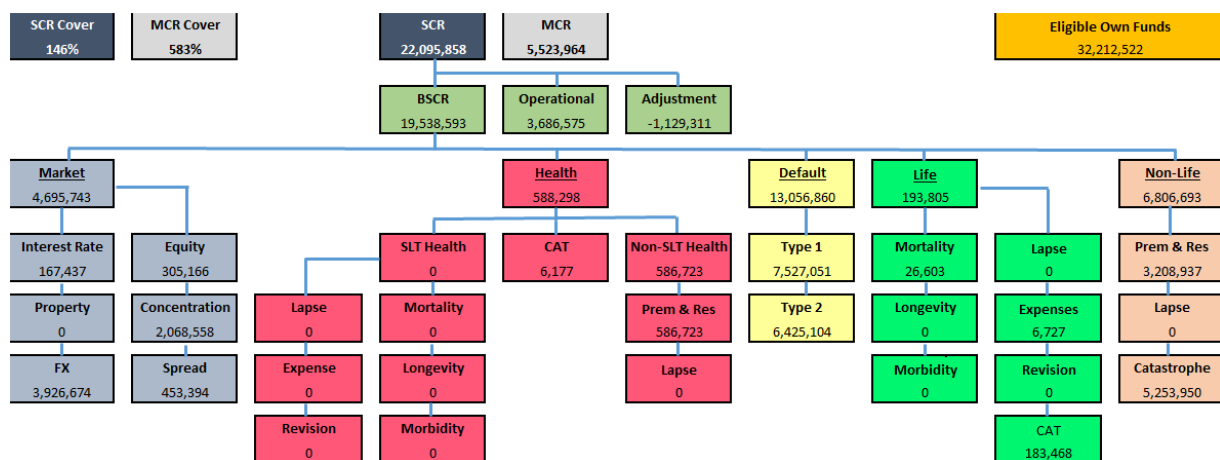
### c) Eligible Own Funds to cover the RSR and SCR classified by level

<b>Available and eligible own funds</b>						
Total available own funds to meet the SCR	R0500	32,212,521.59	32,212,521.59			
Total available own funds to meet the MCR	R0510	32,212,521.59	32,212,521.59			
Total eligible own funds to meet the SCR	R0540	32,212,521.59	32,212,521.59			
Total eligible own funds to meet the MCR	R0550	32,212,521.59	32,212,521.59			
SCR	R0580	22,095,857.85				
MCR	R0600	5,523,964.46				
Ratio of Eligible own funds to SCR	R0620	145.79%				
Ratio of Eligible own funds to MCR	R0640	583.14%				

### d) Own Funds variation between Lux Gaap & Solvency II

BARENTS Re Basic Own Fund Items (EUR )	Current Accounting Bases	SII Valuation Principles
Ordinary share capital (net of own shares)	29,000,000.00	29,000,000
Ordinary share capital (gross of own shares)		29,000,000
Share premium account related to ordinary share capital		-
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type		-
Subordinated mutual member accounts		-
Surplus funds		-
Preference shares		-
Share premium account related to preference shares		-
Reconciliation reserve		3,212,522
Excess of assets over liabilities		32,212,522
Own shares (included as assets on the balance sheet)		-
Forseeable dividends and distributions		-
Other basic own fund items		29,000,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds		-
Subordinated liabilities		-
An amount equal to the value of net deferred tax assets		-
Other items approved by supervisory authority as basic own funds not specified above		-
<b>Total Basic own funds</b>	<b>29,000,000.00</b>	<b>32,212,521.59</b>

## E.2 Solvency Capital Requirement and Minimum Capital Requirement



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

The duration-based equity risk sub-module was not used.

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

Barents Reinsurance S.A. used the standard formula.



#### **E.5 Non-compliance with the MCR and non-compliance with the SCR**

The Company complied with the MCR and SCR at all times.

#### **E.6 Any other information**

No other information to be disclosed.

**S.02.01.01.01**  
**Balance sheet**

		Solvency II value	Statutory accounts value
		C0010	C0020
Assets			
Goodwill	R0010		
Deferred acquisition costs	R0020		4,904,080
Intangible assets	R0030		
Deferred tax assets	R0040		
Pension benefit surplus	R0050		
Property, plant & equipment held for own use	R0060	17,515	17,515
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	6,535,686	6,489,657
Property (other than for own use)	R0080		
Holdings in related undertakings, including participations	R0090		
Equities	R0100	934,281	934,281
Equities - listed	R0110	934,281	934,281
Equities - unlisted	R0120		
Bonds	R0130	2,502,238	2,485,841
Government Bonds	R0140	1,057,726	1,003,596
Corporate Bonds	R0150	1,444,512	1,482,244
Structured notes	R0160		
Collateralised securities	R0170		
Collective Investments Undertakings	R0180		
Derivatives	R0190		
Deposits other than cash equivalents	R0200	3,099,167	3,069,536
Other investments	R0210		
Assets held for index-linked and unit-linked contracts	R0220		
Loans and mortgages	R0230	9,904,023	9,904,023
Loans on policies	R0240		
Loans and mortgages to individuals	R0250		
Other loans and mortgages	R0260	9,904,023	9,904,023
Reinsurance recoverables from:	R0270	117,874,544	134,593,804
Non-life and health similar to non-life	R0280	114,738,597	130,213,170
Non-life excluding health	R0290	87,787,724	102,580,874
Health similar to non-life	R0300	26,950,873	27,632,297
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	3,135,947	4,380,634
Health similar to life	R0320		
Life excluding health and index-linked and unit-linked	R0330	3,135,947	4,380,634
Life index-linked and unit-linked	R0340		
Deposits to cedants	R0350	27,679,211	27,679,211
Insurance and intermediaries receivables	R0360		
Reinsurance receivables	R0370	41,095,533	41,095,533
Receivables (trade, not insurance)	R0380	4,846,156	4,846,156
Own shares (held directly)	R0390		
Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400		
Cash and cash equivalents	R0410	16,392,978	16,392,978
Any other assets, not elsewhere shown	R0420	322,809	368,669
Total assets	R0500	224,668,455	246,291,626

**S.02.01.01.01**  
**Balance sheet**

		Solvency II value	Statutory accounts value
		C0010	C0020
Liabilities			
Technical provisions – non-life	R0510	123,924,178	143,732,777
Technical provisions – non-life (excluding health)	R0520	93,991,551	113,320,353
Technical provisions calculated as a whole	R0530		
Best Estimate	R0540	92,828,465	
Risk margin	R0550	1,163,086	
Technical provisions - health (similar to non-life)	R0560	29,932,627	30,412,424
Technical provisions calculated as a whole	R0570		
Best Estimate	R0580	29,562,230	
Risk margin	R0590	370,397	
Technical provisions - life (excluding index-linked and unit-linked)	R0600	3,342,356	4,960,019
Technical provisions - health (similar to life)	R0610		
Technical provisions calculated as a whole	R0620		
Best Estimate	R0630		
Risk margin	R0640		
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	3,342,356	4,960,019
Technical provisions calculated as a whole	R0660		
Best Estimate	R0670	3,300,997	
Risk margin	R0680	41,360	
Technical provisions – index-linked and unit-linked	R0690		
Technical provisions calculated as a whole	R0700		
Best Estimate	R0710		
Risk margin	R0720		
Other technical provisions	R0730		
Contingent liabilities	R0740		
Provisions other than technical provisions	R0750		2,412,257
Pension benefit obligations	R0760		
Deposits from reinsurers	R0770	44,053,261	44,053,261
Deferred tax liabilities	R0780	1,129,311	
Derivatives	R0790		
Debts owed to credit institutions	R0800		
Financial liabilities other than debts owed to credit institutions	R0810		
Insurance & intermediaries payables	R0820		
Reinsurance payables	R0830	18,886,091	18,886,091
Payables (trade, not insurance)	R0840	962,781	962,781
Subordinated liabilities	R0850		
Subordinated liabilities not in Basic Own Funds	R0860		
Subordinated liabilities in Basic Own Funds	R0870		
Any other liabilities, not elsewhere shown	R0880	157,956	2,284,440
Total liabilities	R0900	192,455,934	217,291,626
Excess of assets over liabilities	R1000	32,212,522	29,000,000

## S.05.01.01.01

Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

		Line of Business			
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance
		C0010	C0020	C0030	C0040
Premiums written					
Gross - Direct Business	R0110				
Gross - Proportional reinsurance accepted	R0120	13,694,714	3,983,913		
Gross - Non-proportional reinsurance accepted	R0130				
Reinsurers' share	R0140	12,325,243	3,406,992		
Net	R0200	1,369,471	576,921		
Premiums earned					
Gross - Direct Business	R0210				
Gross - Proportional reinsurance accepted	R0220	13,694,714	2,098,058		
Gross - Non-proportional reinsurance accepted	R0230				
Reinsurers' share	R0240	12,325,243	2,150,962		
Net	R0300	1,369,471	-52,904		
Claims incurred					
Gross - Direct Business	R0310				
Gross - Proportional reinsurance accepted	R0320	13,587,835	1,179,944		
Gross - Non-proportional reinsurance accepted	R0330				
Reinsurers' share	R0340	12,229,052	1,181,532		
Net	R0400	1,358,784	-1,588		
Changes in other technical provisions					
Gross - Direct Business	R0410				
Gross - Proportional reinsurance accepted	R0420				
Gross - Non- proportional reinsurance accepted	R0430				
Reinsurers' share	R0440				
Net	R0500				
Expenses incurred	R0550				



## S.05.01.01.01

Non-Life (direct business/accepted proportional reinsurance and accepted non-proportional reinsurance)

		Line of Business			
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance
		C0010	C0020	C0030	C0040
Administrative expenses					
Gross - Direct Business	R0610				
Gross - Proportional reinsurance accepted	R0620				
Gross - Non-proportional reinsurance accepted	R0630				
Reinsurers' share	R0640				
Net	R0700				
Investment management expenses					
Gross - Direct Business	R0710				
Gross - Proportional reinsurance accepted	R0720				
Gross - Non-proportional reinsurance accepted	R0730				
Reinsurers' share	R0740				
Net	R0800				
Claims management expenses					
Gross - Direct Business	R0810				
Gross - Proportional reinsurance accepted	R0820				
Gross - Non-proportional reinsurance accepted	R0830				
Reinsurers' share	R0840				
Net	R0900				
Acquisition expenses					
Gross - Direct Business	R0910				
Gross - Proportional reinsurance accepted	R0920				
Gross - Non-proportional reinsurance accepted	R0930				
Reinsurers' share	R0940				
Net	R1000				
Overhead expenses					
Gross - Direct Business	R1010				
Gross - Proportional reinsurance accepted	R1020				
Gross - Non-proportional reinsurance accepted	R1030				
Reinsurers' share	R1040				
Net	R1100				
Other expenses	R1200				
Total expenses	R1300				

## S.05.01.01.01

## Non-Life (direct business/accepted proportional reinsurance and ac

		Less for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)						
		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
		C0050	C0060	C0070	C0080	C0090	C0100	C0110
Premiums written								
Gross - Direct Business	R0110							
Gross - Proportional reinsurance accepted	R0120		23,165,753	8,301,038	12,296,758	5,807,461		
Gross - Non-proportional reinsurance accepted	R0130							
Reinsurers' share	R0140		19,811,057	7,098,942	10,516,031	4,966,467		
Net	R0200		3,354,695	1,202,096	1,780,727	840,994		
Premiums earned								
Gross - Direct Business	R0210							
Gross - Proportional reinsurance accepted	R0220		22,117,547	6,131,301	14,123,375	3,856,907		
Gross - Non-proportional reinsurance accepted	R0230							
Reinsurers' share	R0240		17,655,286	5,715,154	12,914,357	3,207,243		
Net	R0300		4,462,261	416,146	1,209,018	649,664		
Claims incurred								
Gross - Direct Business	R0310							
Gross - Proportional reinsurance accepted	R0320		15,191,589	6,995,112	8,032,055	1,091,849		
Gross - Non-proportional reinsurance accepted	R0330							
Reinsurers' share	R0340		14,042,353	6,579,905	7,852,222	984,036		
Net	R0400		1,149,236	415,207	179,834	107,813		
Changes in other technical provisions								
Gross - Direct Business	R0410							
Gross - Proportional reinsurance accepted	R0420							
Gross - Non- proportional reinsurance accepted	R0430							
Reinsurers' share	R0440							
Net	R0500							
Expenses incurred	R0550							

## S.05.01.01.01

Non-Life (direct business/accepted proportional reinsurance and ac

		Less for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)						
		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
		C0050	C0060	C0070	C0080	C0090	C0100	C0110
Administrative expenses								
Gross - Direct Business	R0610							
Gross - Proportional reinsurance accepted	R0620							
Gross - Non-proportional reinsurance accepted	R0630							
Reinsurers' share	R0640							
Net	R0700							
Investment management expenses								
Gross - Direct Business	R0710							
Gross - Proportional reinsurance accepted	R0720							
Gross - Non-proportional reinsurance accepted	R0730							
Reinsurers' share	R0740							
Net	R0800							
Claims management expenses								
Gross - Direct Business	R0810							
Gross - Proportional reinsurance accepted	R0820							
Gross - Non-proportional reinsurance accepted	R0830							
Reinsurers' share	R0840							
Net	R0900							
Acquisition expenses								
Gross - Direct Business	R0910							
Gross - Proportional reinsurance accepted	R0920							
Gross - Non-proportional reinsurance accepted	R0930							
Reinsurers' share	R0940							
Net	R1000							
Overhead expenses								
Gross - Direct Business	R1010							
Gross - Proportional reinsurance accepted	R1020							
Gross - Non-proportional reinsurance accepted	R1030							
Reinsurers' share	R1040							
Net	R1100							
Other expenses	R1200							
Total expenses	R1300							

**Appendix**



**S.05.01.01.01**

**Non-Life (direct business/accepted proportional reinsurance and ac**

		Line of Business for: accepted non-proportional reinsurance					Total
		Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0120	C0130	C0140	C0150	C0160	
Premiums written							
Gross - Direct Business	R0110						
Gross - Proportional reinsurance accepted	R0120	-494,747					66,754,890
Gross - Non-proportional reinsurance accepted	R0130		8,156	27,211	7,713,852	5,280,224	13,029,444
Reinsurers' share	R0140	-423,101	6,975	23,271	6,596,789	4,515,581	68,844,246
Net	R0200	-71,646	1,181	3,941	1,117,064	764,644	10,940,088
Premiums earned							
Gross - Direct Business	R0210						
Gross - Proportional reinsurance accepted	R0220	655,548					62,677,449
Gross - Non-proportional reinsurance accepted	R0230		656	106,228	7,687,418	3,878,903	11,673,205
Reinsurers' share	R0240	774,276	622	86,125	6,159,006	3,002,637	63,990,911
Net	R0300	-118,729	34	20,104	1,528,412	876,265	10,359,744
Claims incurred							
Gross - Direct Business	R0310						
Gross - Proportional reinsurance accepted	R0320	535,942					46,614,326
Gross - Non-proportional reinsurance accepted	R0330		462	75,917	4,876,663	2,744,937	7,697,979
Reinsurers' share	R0340	551,016	462	77,008	4,509,936	2,478,408	50,485,929
Net	R0400	-15,074	-1	-1,091	366,727	266,529	3,826,376
Changes in other technical provisions							
Gross - Direct Business	R0410						
Gross - Proportional reinsurance accepted	R0420						
Gross - Non- proportional reinsurance accepted	R0430						
Reinsurers' share	R0440						
Net	R0500						
Expenses incurred	R0550						

**Appendix**



**S.05.01.01.01**

**Non-Life (direct business/accepted proportional reinsurance and ac**

		Line of Business for: accepted non-proportional reinsurance					Total
		Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0120	C0130	C0140	C0150	C0160	
Administrative expenses							
Gross - Direct Business	R0610						
Gross - Proportional reinsurance accepted	R0620						
Gross - Non-proportional reinsurance accepted	R0630						
Reinsurers' share	R0640						
Net	R0700						
Investment management expenses							
Gross - Direct Business	R0710						
Gross - Proportional reinsurance accepted	R0720						
Gross - Non-proportional reinsurance accepted	R0730						
Reinsurers' share	R0740						
Net	R0800						
Claims management expenses							
Gross - Direct Business	R0810						
Gross - Proportional reinsurance accepted	R0820						
Gross - Non-proportional reinsurance accepted	R0830						
Reinsurers' share	R0840						
Net	R0900						
Acquisition expenses							
Gross - Direct Business	R0910						
Gross - Proportional reinsurance accepted	R0920						
Gross - Non-proportional reinsurance accepted	R0930						
Reinsurers' share	R0940						
Net	R1000						
Overhead expenses							
Gross - Direct Business	R1010						
Gross - Proportional reinsurance accepted	R1020						
Gross - Non-proportional reinsurance accepted	R1030						
Reinsurers' share	R1040						
Net	R1100						
Other expenses	R1200						8,237,709
Total expenses	R1300						8,237,709

**Appendix**



**S.05.01.01.02**  
**Life**

		Line of Business for: life insurance obligations						Life reinsurance obligations		Total
		Health insurance	Insurance with profit participation	Index-linked and unit-linked insurance	Other life insurance	Annuities stemming from non-life insurance contracts and relating to health insurance obligations	Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations	Health reinsurance	Life reinsurance	
		C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	
Premiums written										
Gross	R1410								6,147,728	6,147,728
Reinsurers' share	R1420								5,257,459	5,257,459
Net	R1500								890,269	890,269
Premiums earned										
Gross	R1510								3,146,916	3,146,916
Reinsurers' share	R1520								2,846,827	2,846,827
Net	R1600								300,089	300,089
Claims incurred										
Gross	R1610								2,088,142	2,088,142
Reinsurers' share	R1620								1,881,874	1,881,874
Net	R1700								206,268	206,268
Changes in other technical provisions										
Gross	R1710									
Reinsurers' share	R1720									
Net	R1800									
Expenses incurred	R1900									
Administrative expenses										
Gross	R1910									
Reinsurers' share	R1920									
Net	R2000									
Investment management expenses										
Gross	R2010									
Reinsurers' share	R2020									
Net	R2100									
Claims management expenses										
Gross	R2110									
Reinsurers' share	R2120									
Net	R2200									
Acquisition expenses										
Gross	R2210									
Reinsurers' share	R2220									
Net	R2300									
Overhead expenses										
Gross	R2310									
Reinsurers' share	R2320									
Net	R2400									
Other expenses	R2500									634,751
Total expenses	R2600									634,751
Total amount of surrenders	R2700									

## S.05.02.01

## Non-life obligations

		Total Top 5 and home country	Home Country
		C0140	Luxembourg (LU)
		C0080	
<b>Premiums written</b>			
Gross - Direct Business	R0110	0	
Gross - Proportional reinsurance accepted	R0120	39,230,230	
Gross - Non-proportional reinsurance accepted	R0130	3,230,005	13,711
Reinsurers' share	R0140	36,913,551	11,726
<b>Net</b>	<b>R0200</b>	<b>5,546,684</b>	<b>1,986</b>
<b>Premium earned</b>		41,663,961	9,859
Gross - Direct Business	R0210	0	
Gross - Proportional reinsurance accepted	R0220	38,841,059	
Gross - Non-proportional reinsurance accepted	R0230	2,822,902	9,859
Reinsurers' share	R0240	36,160,319	7,811
<b>Net</b>	<b>R0300</b>	<b>5,503,642</b>	<b>2,048</b>
<b>Claims incurred</b>		<b>31,485,376</b>	<b>5,836</b>
Gross - Direct Business	R0310	0	
Gross - Proportional reinsurance accepted	R0320	30,288,830	
Gross - Non-proportional reinsurance accepted	R0330	1,196,546	5,836
Reinsurers' share	R0340	26,470,249	1,954
<b>Net</b>	<b>R0400</b>	<b>5,015,127</b>	<b>3,882</b>
<b>Changes in other technical provisions</b>		0	0
Gross - Direct Business	R0410	0	
Gross - Proportional reinsurance accepted	R0420	0	
Gross - Non-proportional reinsurance accepted	R0430	0	
Reinsurers' share	R0440	0	
<b>Net</b>	<b>R0500</b>	<b>0</b>	
<b>Expenses incurred</b>	<b>R0550</b>	<b>0</b>	
<b>Other expenses</b>	<b>R1200</b>	<b>4,384,007</b>	
<b>Total expenses</b>	<b>R1300</b>	<b>4,384,007</b>	

S.05.02.01

Non-life obligations

		Top 5 countries (by amount of gross premiums written) - non-life obligations				
		France (FR)	Mexico (MX)	Japan (JP)	Russia (RU)	Indonesia (ID)
		C0090	C0100	C0110	C0120	C0130
Premiums written						
Gross - Direct Business	R0110					
Gross - Proportional reinsurance accepted	R0120	12,898,214	11,373,889	8,638,980	3,463,282	2,855,865
Gross - Non-proportional reinsurance accepted	R0130		1,422,735	655,396	1,090,336	47,827
Reinsurers' share	R0140	11,621,390	10,948,303	7,952,073	3,895,655	2,484,405
Net	R0200	1,276,824	1,848,320	1,342,303	657,962	419,288
Premium earned		13,792,000	11,618,595	9,041,598	4,456,021	2,745,889
Gross - Direct Business	R0210					
Gross - Proportional reinsurance accepted	R0220	13,792,000	10,368,023	8,400,429	3,560,299	2,720,309
Gross - Non-proportional reinsurance accepted	R0230		1,250,572	641,170	895,721	25,580
Reinsurers' share	R0240	12,045,940	10,046,234	7,844,922	3,819,225	2,396,186
Net	R0300	1,746,059	1,572,361	1,196,676	636,795	349,703
Claims incurred		16,047,347	8,061,429	4,377,304	1,640,978	1,352,483
Gross - Direct Business	R0310					
Gross - Proportional reinsurance accepted	R0320	16,047,347	7,267,869	4,079,005	1,552,109	1,342,500
Gross - Non-proportional reinsurance accepted	R0330		793,560	298,299	88,869	9,983
Reinsurers' share	R0340	12,954,269	6,880,869	3,885,299	1,592,987	1,154,870
Net	R0400	3,093,077	1,180,560	492,004	47,991	197,613
Changes in other technical provisions		0	0	0	0	0
Gross - Direct Business	R0410					
Gross - Proportional reinsurance accepted	R0420					
Gross - Non-proportional reinsurance accepted	R0430					
Reinsurers' share	R0440					
Net	R0500					
Expenses incurred	R0550					
Other expenses	R1200					
Total expenses	R1300					



S.05.02.01

Life obligations

		Total Top 5 and home country	Home Country	Top 5 countries (by amount of gross premiums written) - li			
			Luxembourg (LU)	Mexico (MX)	Portugal (PT)	Turkey (TR)	Bangladesh (BD)
		C0200	C0210	C0230	C0240	C0250	C0260
<b>Premium written</b>							
Gross	R1410	6,003,658		4,865,712	535,506	379,042	134,147
Reinsurers' share	R1420	5,134,252		4,161,095	457,958	324,152	114,721
<b>Net</b>	<b>R1500</b>	<b>869,406</b>		<b>704,617</b>	<b>77,548</b>	<b>54,890</b>	<b>19,426</b>
<b>Premium earned</b>							
Gross	R1510	3,038,131		2,321,123	255,456	359,658	66,532
Reinsurers' share	R1520	2,748,416		2,099,781	231,096	325,361	60,187
<b>Net</b>	<b>R1600</b>	<b>289,715</b>		<b>221,341</b>	<b>24,360</b>	<b>34,297</b>	<b>6,344</b>
<b>Claims paid</b>							
Gross	R1610	218,142					
Reinsurers' share	R1620	196,328					
<b>Net</b>	<b>R1700</b>	<b>21,814</b>					
<b>Changes in other technical provisions</b>							
Gross	R1710	0					
Reinsurers' share	R1720	0					
<b>Net</b>	<b>R1800</b>	<b>0</b>					
<b>Expenses incurred</b>							
Other expenses	R2500	619,876					
<b>Total expenses</b>	<b>R2600</b>	<b>619,876</b>					

## S.23.01.01.01

## Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	29,000,000	29,000,000			
Share premium account related to ordinary share capital	R0030					
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	3,212,522	3,212,522			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160					
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	32,212,522	32,212,522			
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	32,212,522	32,212,522			
Total available own funds to meet the MCR	R0510	32,212,522	32,212,522			
Total eligible own funds to meet the SCR	R0540	32,212,522	32,212,522			
Total eligible own funds to meet the MCR	R0550	32,212,522	32,212,522			
SCR	R0580	22,095,858				
MCR	R0600	5,523,964				
Ratio of Eligible own funds to SCR	R0620	145.79%				
Ratio of Eligible own funds to MCR	R0640	583.14%				

## S.23.01.01.02

## Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	32,212,522
Own shares (held directly and indirectly)	R0710	
Foreseeable dividends, distributions and charges	R0720	
Other basic own fund items	R0730	29,000,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	
Reconciliation reserve	R0760	3,212,522
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	250,357
Total Expected profits included in future premiums (EPIFP)	R0790	250,357

**Appendix**



**S.23.02.01.01  
Basic own funds**

		Total	Tier 1		Tier 2		Tier 3
				Of which counted under transitionals		Of which counted under transitionals	
		C0010	C0020	C0030	C0040	C0050	C0060
Ordinary share capital							
Paid in	R0010	29,000,000	29,000,000				
Called up but not yet paid in	R0020						
Own shares held	R0030						
Total ordinary share capital	R0100	29,000,000	29,000,000				
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual type undertakings							
Paid in	R0110						
Called up but not yet paid in	R0120						
Total initial fund members' contributions or the equivalent basic own fund item for mutual and mutual type undertakings	R0200						
Subordinated mutual members accounts							
Dated subordinated	R0210						
Undated subordinated with a call option	R0220						
Undated subordinated with no contractual opportunity to redeem	R0230						
Total subordinated mutual members accounts	R0300						
Preference shares							
Dated preference shares	R0310						
Undated preference shares with a call option	R0320						
Undated preference shares with no contractual opportunity to redeem	R0330						
Total preference shares	R0400						
Subordinated liabilities							
Dated subordinated liabilities	R0410						
Undated subordinated liabilities with a contractual opportunity to redeem	R0420						
Undated subordinated liabilities with no contractual opportunity to redeem	R0430						
Total subordinated liabilities	R0500						

**S.25.01.01.01**

**Basic Solvency Capital Requirement**

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	4,695,743	4,695,743	
Counterparty default risk	R0020	13,056,860	13,056,860	
Life underwriting risk	R0030	193,805	193,805	
Health underwriting risk	R0040	588,298	588,298	
Non-life underwriting risk	R0050	6,806,693	6,806,693	
Diversification	R0060	-5,802,806	-5,802,806	
Intangible asset risk	R0070			
Basic Solvency Capital Requirement	R0100	19,538,593	19,538,593	

**S.25.01.01.02**

**Calculation of Solvency Capital Requirement**

		<b>Value</b>
		<b>C0100</b>
Adjustment due to RFF/MAP nSCR aggregation	R0120	
Operational risk	R0130	3,686,575
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	-1,129,311
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	22,095,858
Capital add-on already set	R0210	
Solvency capital requirement	R0220	22,095,858
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	No adjustment
Net future discretionary benefits	R0460	

## S.28.01.01.01

## Linear formula component for non-life insurance and reinsurance obligations

		MCR components
		C0010
MCRNL Result	R0010	2,050,725

## S.28.01.01.02

## Background information

		Background information	
		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	2,748,699	1,369,471
Income protection insurance and proportional reinsurance	R0030		576,921
Workers' compensation insurance and proportional reinsurance	R0040		
Motor vehicle liability insurance and proportional reinsurance	R0050		
Other motor insurance and proportional reinsurance	R0060		
Marine, aviation and transport insurance and proportional reinsurance	R0070	2,509,136	3,354,695
Fire and other damage to property insurance and proportional reinsurance	R0080	539,445	1,202,096
General liability insurance and proportional reinsurance	R0090	593,240	1,780,727
Credit and suretyship insurance and proportional reinsurance	R0100	200,433	840,994
Legal expenses insurance and proportional reinsurance	R0110		
Assistance and proportional reinsurance	R0120		
Miscellaneous financial loss insurance and proportional reinsurance	R0130	18,084	-71,646
Non-proportional health reinsurance	R0140	524	1,181
Non-proportional casualty reinsurance	R0150	14,297	3,941
Non-proportional marine, aviation and transport reinsurance	R0160	728,261	1,117,064
Non-proportional property reinsurance	R0170	437,845	764,644

## S.28.01.01.03

## Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	89,953

## S.28.01.01.04

## Total capital at risk for all life (re)insurance obligations

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
Obligations with profit participation - guaranteed benefits	R0210		
Obligations with profit participation - future discretionary benefits	R0220		
Index-linked and unit-linked insurance obligations	R0230		
Other life (re)insurance and health (re)insurance obligations	R0240	206,409	
Total capital at risk for all life (re)insurance obligations	R0250		122,311,673

## S.28.01.01.05

## Overall MCR calculation

		C0070
Linear MCR	R0300	2,140,678
SCR	R0310	22,095,858
MCR cap	R0320	9,943,136
MCR floor	R0330	5,523,964
Combined MCR	R0340	5,523,964
Absolute floor of the MCR	R0350	3,600,000
Minimum Capital Requirement	R0400	5,523,964