

**THE WEST OF ENGLAND SHIP OWNERS
MUTUAL INSURANCE ASSOCIATION
(LUXEMBOURG)**

**Single Solvency & Financial Condition Report
(Single SFCR)**

20 February 2017 – 20 February 2018

As approved by the Board of Directors of
the Association on 20 July 2018

Contents

Executive Summary	2
A. Business & Performance	3
A.1 Business	3
A.2 Underwriting Performance	7
A.3 Investment Performance	8
A.4 Performance of Other Activities	9
A.5 Any Other Information	9
B. System of Governance	10
B.1 General Information on System of Governance	10
B.2 Fit & Proper Requirements	12
B.3 Risk Management System Including the Own Risk & Solvency Assessment (ORSA)	12
B.4 Internal Control System	16
B.5 Internal Audit	16
B.6 Actuarial Function	16
B.7 Outsourcing	17
B.8 Any Other Information	17
C. Risk Profile	18
C.1 Underwriting Risk	18
C.2 Market Risk	19
C.3 Credit Risk	21
C.4 Liquidity Risk	22
C.5 Operational Risk	22
C.6 Other Material Risk	23
C.7 Any Other Information	23
D. Valuation for Solvency Purposes	24
D.1 Assets	24
D.2 Technical Provisions	26
D.3 Other Liabilities	27
D.4 Alternative Methods for Valuation	28
D.5 Any Other Information	28
E. Capital Management	29
E.1. Own Funds	29
E.2 Solvency Capital Requirement & Minimum Capital Requirement	31
E.3 Use of the Duration Based Equity Risk Sub-Module in the Calculation of the Solvency Capital Requirement	32
E.4 Differences Between the Standard Formula & Any Internal Model Used	33
E.5 Non-Compliance with the Minimum Capital Requirement & Non-Compliance with the Solvency Capital Requirement	33
Appendix: Quantitative Disclosures (QRTs)	34

Executive Summary

Group
Solvency
Ratio
211%

Standard &
Poor's
Rating **A-**
Stable Outlook

Solvency II
Eligible Own
Funds **USD
\$388Mio**

3 Year Average
Combined
Ratio
95.6%

This second Solvency & Financial Condition Report ("SFCR") highlights the continuing financial strength of the Club, reflected in its Group Solvency II ratio of 211% at 20 February 2018.

Despite an adverse claims' environment, the Club's Solvency II eligible own funds remain strong at USD \$388 million (Group basic own funds of USD \$296.0 million + ancillary own funds of USD \$92.0 million), providing a significant buffer over the Group Solvency Capital Requirement ("SCR") of USD 184.0 million.

The Club's solvency level reflects its strong financial position and its moderate risk appetite in line with its Mutual philosophy. With robust governance and risk management processes, and continued commitment to high-value service the Club is recognised as a trusted and long-term partner for Members insuring their P&I risks.

This SFCR has been prepared in accordance with the requirements of the Solvency II Directive and related Delegated Regulation as transposed into the Luxembourg Insurance Law of 7 December 2015. The report covers Business & Performance, System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management.

In the report, The West of England Ship Owners Mutual Insurance Association (Luxembourg) is referred to as "The Club".

As a single SFCR, this document includes the disclosure obligations of the Club's two entities which are subject to Solvency II regulation, both at Group level and Entity level:

- The West of England Ship Owners Mutual Insurance Association (Luxembourg) – Group
- The West of England Ship Owners Mutual Insurance Association (Luxembourg) - Entity
- International Shipowners Reinsurance Company S.A. (hereafter referred as "ISRe")

All monetary figures in the report are in USD '000 unless specified otherwise.

All consolidated accounting figures in the tables in this report are reported both on a Market Value basis¹ and Luxembourg GAAP ("Lux GAAP")² basis while all Solo entity and ISRe financial statements are produced on a Lux GAAP basis only.

¹ The consolidated accounts of the Club are prepared on a market value basis as this is more meaningful for comparison with other Members of the International Group of P&I Clubs.

² Investment information on a Luxembourg GAAP basis is presented at the lower of cost and market value.

A. Business and Performance

A.1 Business

The West of England Ship Owners Mutual Insurance Association (Luxembourg), whose origins date back to the 1830s, is a leading mutual marine insurer providing its worldwide membership of shipowners, charterers and operators with liability insurance and related services. In addition to providing mutualised protection and indemnity insurance it also safeguards and promotes its Members' interests in other areas of their business by, for instance, providing regular advice and guidance about loss prevention or relevant changes in maritime law and practice.

The Club is a mono-line underwriter of P&I risks, operating as one of 13 independent clubs in the International Group of P&I Clubs ("IG") which together provide liability cover for the majority of the world's merchant marine fleet. P&I cover has developed over more than 150 years in response to shipowners needs, to provide coverage and levels of cover substantially unavailable in the traditional marine markets. The Club's market share is over 7% of the IG's mutual P&I market.

The Club underwrites primarily P&I risks and provides cover of over USD 7.5 billion per claim but with separate limits of cover for oil pollution of USD 1 billion, USD 2 billion for passenger liabilities and USD 3 billion for passenger and crew liabilities combined.

The main areas of cover are for liabilities, costs and expenses incurred in respect of:

- Injury, illness or death of seafarers, passengers and others;
- Loss of or damage to cargo;
- Wreck removal;
- Pollution;
- Collision;
- Damage to fixed and floating objects;
- Fines and civil penalties.

The individual club retention is currently USD 10 million. In aggregate, the P&I clubs offer cover through a combination of the individual club retention, the International Group Pool, the International Group General Excess Loss Contract, the Collective Overspill Reinsurance Contract and the Group Overspill System.

The Club also provides discretionary insurance for legal expenses, also known as Freight, Demurrage and Defence (or "FDD") risks, to complement the P&I insurance of entered vessels.

The Club was established in its current form in 1970 when its headquarter was relocated from London to the Grand Duchy of Luxembourg to ensure that the Club would be domiciled in a country with an established international financial centre, a favourable exchange control regime and a stable and beneficial legal system for mutual insurance Clubs.

The Club insures some 800 fleets, representing more than 3,500 insured vessels and approximately 91 million gross tonnes (GT) of owned entities.

Since the Club is managed as a consolidated entity, this report has been prepared on a single Group basis. Where it differs from that of the Group, this report also includes information about the Club on a standalone or "Solo" basis and about International Shipowners Reinsurance S.A. (ISRe), a wholly-owned reinsurance subsidiary of the Club also domiciled in Luxembourg.

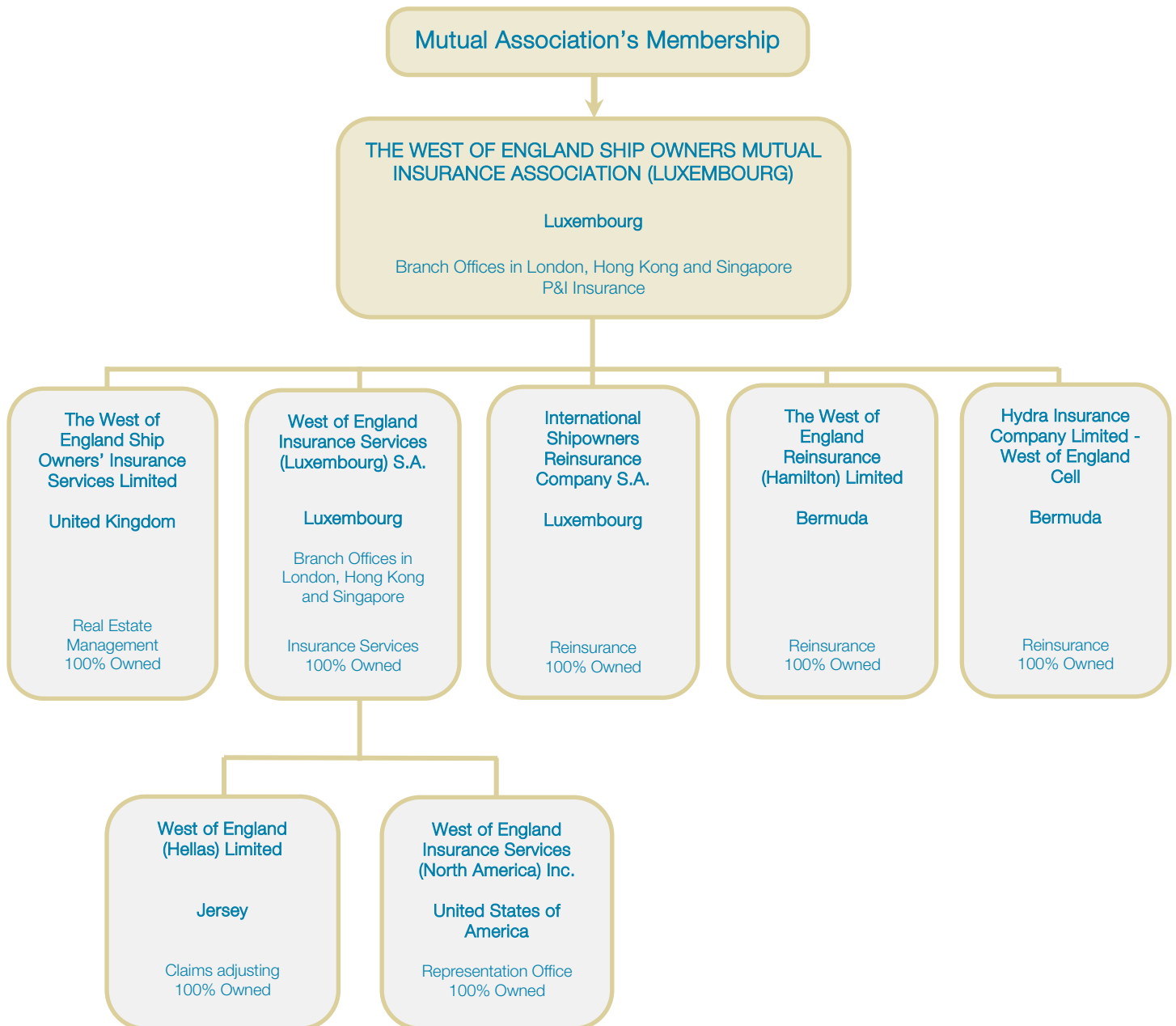
The Club has been rated A- by S&P since November 2016, with a stable outlook.

Ownership and Group Structure

This section refers to Guideline 1 in the EIOPA Guidelines on Reporting & Public Disclosure.

As a mutual insurance association, the Club has no beneficial ownership. Its Members have voting rights at the Annual General Meeting in proportion to their entered tonnage and as of the date of this report, no Member has voting rights in excess of 10%.

The Group's structure is as follows:



The West of England Ship Owners Mutual Insurance Association (Luxembourg) is the ultimate holding company within the West of England Group. It acts as primary insurer for all Members and is established in Luxembourg where it is regulated and supervised by the Commissariat aux Assurances (“CAA”). The Club operates worldwide through branches in the UK, Hong Kong and Singapore. Its external auditors are Deloitte, 560 Rue de Neudorf, 2220 Luxembourg.

The Club’s branch office activity in Hong Kong was supervised until 26 June 2017 by the Hong Kong Office of the Commissioner for Insurance (“OCI”) and is now supervised by the new and independent Insurance Authority (IA) with effect from 26 June 2017.

The Club’s branch office in Singapore was licenced on 6 February 2017. It is regulated locally by the Monetary Authority of Singapore (“MAS”).

The Club fully owns International Shipowners Reinsurance Company S.A. (“ISRe”) which reinsures some 80% of the Club’s net insurance risks, essentially on a quota-share basis, and manages the investment portfolio on behalf of the Group through a pooling agreement. ISRe is also headquartered in Luxembourg and, as such, is supervised by the CAA.

The Club has appointed its subsidiary, The West of England Insurance Services (Luxembourg) S.A. (“Services” or “the Managers”) with branch offices in London, Hong Kong and Singapore to run its day-to-day insurance operations. Services has a fully owned subsidiary in Jersey, West of England (Hellas) Ltd (“Hellas”), which acts as a representative office in Piraeus for claims adjusting. In November 2017, it established a fully owned subsidiary in the United States of America, West of England Insurance Services (North America) Inc., which assists Services in promoting the Club’s interests in North America.

In addition, the Club comprises the following wholly owned subsidiaries:

Subsidiary	Purpose
The West of England Reinsurance (Hamilton) Ltd.	Hamilton reinsures some 10% of the business of its parent mainly on a quota-share basis.
A segregated “Cell” in Hydra Insurance Company Ltd. (“Hydra”)	Hydra is a captive reinsurer comprising 13 individual cells, each one owned by one of the Clubs of the International Group (“IG”). Hydra retains a portion of risk under the IG Pool and the Group Excess Loss Reinsurance Programme and is designed to secure payment by clubs of their contributions to the Pool. Hydra forms part of the reinsurance structure under the IG Pooling Agreement.
The West of England Ship Owners Insurance Services Limited. (“Services Ltd”)	This entity used to be the Club’s Management Company in London prior to 2006. It now solely owns and manages the Club’s property in London.

Offices and Headcount

At 20 February 2018, the Club employed 145 staff, or 140 full time equivalents with the following breakdown:

Location	Description	Primary Functions	Staff
Luxembourg	Head Office	<ul style="list-style-type: none">Representation of the BoardCompliance, Legal and Company SecretariatInvestments	4
London	Branch	<ul style="list-style-type: none">Underwriting, Claims ManagementAccounting and Corporate Finance	82
Hong Kong	Branch	<ul style="list-style-type: none">Underwriting and Claims Management	34
Singapore	Branch	<ul style="list-style-type: none">Underwriting and Claims Management	5
Piraeus	Representative Office	<ul style="list-style-type: none">Claims Management	14
New York	Representative Office	<ul style="list-style-type: none">Promotion of the Club and its insurance services	1
Total			140

Business Overview

The year ending 20 February 2018 has been positive for the Club with its financial position further strengthened, and Free Reserves reached an all-time high of USD 308.5 million (USD 306.5 million at 20 February 2017). This underlines the strength of the balance sheet and the Club's robust financial health, with capital continuing to be well in excess of the S & P "AAA" rating levels and the requirements of Solvency II.

These results have however been achieved in the face of a significant change in the experience of Members' claims in 2017 when compared with previous policy years, resulting in an underwriting deficit of USD 28.2 million for the year. Whilst more claims might have been expected because of the higher number of vessels entered in the Club, the magnitude of claims in 2017 is forecast to reach a level not seen for many years and has included an unusually large number of losses arising from collisions and navigational errors.

The investment result was strong at 4.8%, which includes a revaluation gain in the value of the Club's London office building. Excluding properties, the Club's investment return was 2.6%, driven by robust gains on Equities, while the continuing normalisation of the U.S. monetary policy caused Fixed Income assets to contribute marginally to the performance.

The financial strength of the Club (Consolidated and Solo) and ISRe is reflected in its strong Solvency II ratios:

Entity	Solvency II Ratio incl. Tier 2 Capital		Solvency II Ratio excl. Tier 2 Capital		Coverage of Minimum Capital Requirement (MCR)	
	2018	2017	2018	2017	2018	2017
Club Consolidated	211%	222%	161%	172%	371%	420%
Club Solo	294%	301%	244%	251%	976%	1002%
ISRe (1)	153%	215%	153%	190%	348%	455%

(1) Please reference section E.1.3 of this report

A.2 Underwriting Performance

The following table provides a summary of the Club's underwriting performance for the financial year ended 20 February (in USD '000):

	Club Consolidated (Market value basis)		Club Consolidated (Lux GAAP)		Club Solo		ISRe	
	2018	2017	2018	2017	2018	2017	2018	2017
Gross Premium	213,797	221,849	213,797	221,849	213,797	221,849	89,620	91,144
Net Earned Premium	176,301	181,677	176,301	181,677	63,579	64,261	89,620	91,144
Incurred Claims	(169,143)	(123,772)	(169,143)	(123,772)	(30,179)	(19,041)	(98,596)	(106,574)
Operating Expenses	(35,392)	(34,688)	(35,444)	(34,741)	(33,947)	(33,907)	(500)	(417)
Net Underwriting Result	(28,234)	23,217	(28,286)	23,164	(547)	11,313	(9,476)	(15,847)
Combined Ratio	116.0%	87.2%						

Gross premium for 2017/18 decreased by approximately 3.6% to USD 213.8 million, in line with the Club's business forecast and, overall, reflected reduced rates. For several years now, the International Group and other P&I providers have seen "soft" rates in a very competitive P&I market. For the most recent renewals, given Clubs' record capital levels, attention from Members and their brokers was on price rather than service or qualitative factors. The Club gained moderately in terms of the number of vessels entered and existing Members continued to provide solid support in the form of organic growth.

The adverse claims performance described in the business overview is reflected in the Club's underwriting result, showing a deficit of USD 28.2 million for the financial year ended, which represents a combined ratio of

116%. The Board's objective of a rolling three-year average combined ratio of better than 100% is however still at a satisfactory figure of 95.6%. Volatile claims years are not new to the industry and are to be expected from time-to-time; it is testament to the inherent flexibility of the mutual system and the strength of our balance sheet that they can be absorbed without undue impact.

A.3 Investment Performance

The Club's overall investment return for the year ending 20 February 2018 was a positive USD 30.2 million, net of tax and charges and inclusive of a valuation and exchange gain arising from the Club's London property, Tower Bridge Court, part of which was recognised directly in Free Reserve.

For the financial year under review, the portfolio of financial assets (excluding property) returned a gain of 2.6% or USD 16.1 million net of fees, driven by Equity holdings (+18.6%), Cash assets (+1.5%) and to a lesser extent Fixed Income (+0.8%).

The Club has continued to maintain a conservative investment strategy, consistent with the risk appetite set and regularly reviewed by the Board. This strategy is driven by the longer-term objective of maintaining low volatility, appropriate liability matching and therefore overall stability of the capital position. The portfolio is invested in high quality and liquid securities.

The Club has a limited exposure to Equity markets with an exposure of some 10% of the investment portfolio. Cash and Fixed Income are also managed cautiously and most of the Bond portfolio aims at replicating the cash flow features of technical liabilities. A strict policy of currency hedging of technical liabilities has also been implemented. Diversification across markets and securities is also an important feature of the Club's investment philosophy and a natural way to mitigate market risks in the medium term.

Return expectations are consistent with this low risk profile in an environment of subdued interest rates but gradual normalisation of monetary policies in most major developed economies. This is fully reflected in the Club's business plan and financial forecast.

As at 20 February 2018, the market value of the Club's financial assets was some USD 635.5 million (2017 USD 623.4 million). The portfolio structure and net returns were as follows:

	Weight	Net Return
Contingency Cash portfolio	22.4%	+1.5%
Liability Matching portfolio	57.7%	+0.4%
Growth portfolio	19.9%	+10.4%
Total	100%	+2.6%

Net investment returns by portfolio and by entity were as follows (in \$'000):

	Club Consolidated (Market value basis)	Club Consolidated (Lux GAAP)	Club Solo	ISRe
Contingency Cash Portfolio	+1.5%	+1.5%	+0.2%	+6.0%
Liability Matching Portfolio	+0.4%	+0.8%	+0.8%	+0.8%
Growth Portfolio	+10.4%	+3.2%	+3.2%	+3.2%
Total	+2.6%	+1.5%	+1.0%	+2.1%

The comparative at 20 February 2017 for the portfolio allocation and return is not disclosed due to a restructuring and change in the portfolio classification. Investments are now reported on an Asset/Liability basis while they were reported by asset class at 20 February 2017. Note that the Growth Portfolio is invested in various Equity, Bonds, including High Yield, and Currency markets.

A.4 Performance of Other Activities

The Club has not entered into any leasing arrangement and Guideline 2 of the EIOPA Guidelines on Reporting & Public Disclosure is not applicable per se.

A.5 Any Other Information

Overall Performance

The combination of underwriting performance and investment return generated an overall deficit of USD 14.7 million, on a Luxembourg GAAP basis (2017 surplus of USD 43.1 million). The breakdown of the Income and Expenditure result by entity is as follows (in USD '000):

	Club Consolidated (Market value basis)		Club Consolidated (Lux GAAP)		Club Solo		ISRe	
	2018	2017	2018	2017	2018	2017	2018	2017
Underwriting Result	(28,234)	23,217	(28,286)	23,164	(547)	11,313	(9,476)	(15,847)
Investment Return	21,227	15,756	14,825	21,976	1,784	1,612	9,727	16,110
Taxes	(1,210)	(1,998)	(1,210)	(1,998)	(450)	(1,370)	(251)	(263)
Surplus	(8,217)	36,975	(14,671)	43,142	787	11,555	-	-

B. System of Governance

B.1 General Information of System of Governance

Board of Directors

The Club, like most P&I Clubs, operates on a mutual basis. A significant feature of the mutual structure is that the Club's policyholders are also its sole stakeholders.

The Club's Board and committees mainly comprise Member Directors but also independent Directors representing specific areas of expertise.

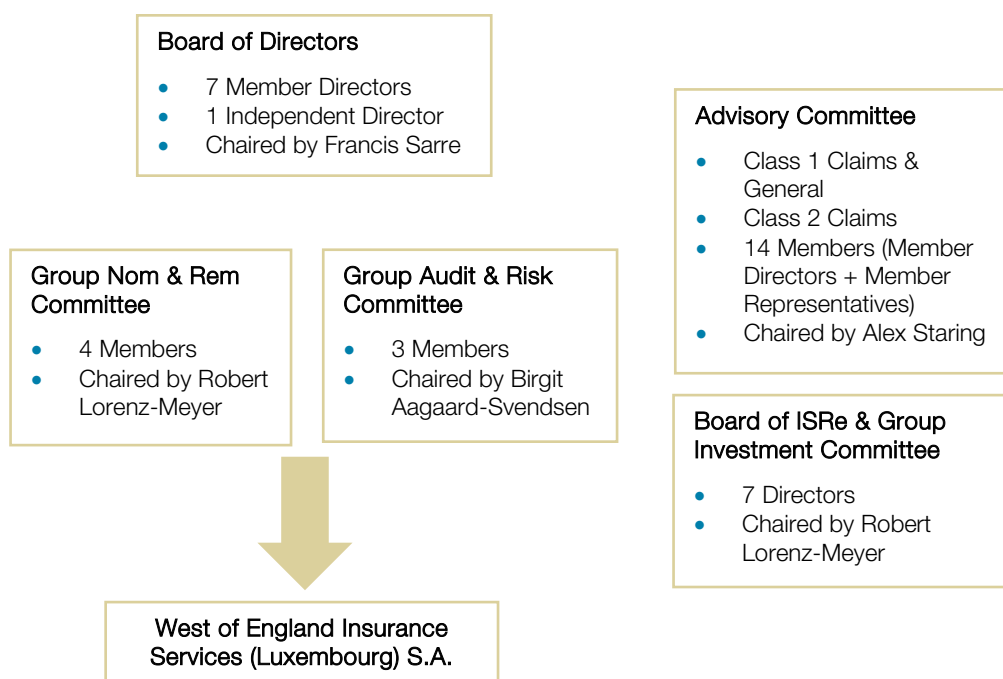
The Club's Board currently has 8 Non-Executive Directors, 7 drawn from Members of the Club and 1 independent. These Directors represent the mutual interests of the Club and come from a broad range of backgrounds and regions, mainly within operational, legal and financial disciplines.

The Board governs through a Committee structure consisting of the following committees:

- Nomination & Remuneration Committee: currently 4 Member Directors;
- Group Audit & Risk Committee: currently 1 Independent Director (as Chairman of the Committee) and 2 Member Directors;
- Advisory Committee: currently 14 members.

Some 14 Directors retired from the Board last year and were not replaced. While the Board has significantly reduced in size and absorbed the Executive Committee, an Advisory Committee was set up to maintain a broad and diversified representation of the Membership. This Advisory Committee which first met in May 2018 and whose primary area of focus is Claims has currently 14 members, including 4 Member Directors and 10 Member representatives.

The monitoring and control of the investment portfolio and investment risks is operated through the Board of ISRe acting as Investment Committee of the Club. The Board of ISRe is composed of 6 Directors including 1 Independent Director and 1 Executive Director.



The Board of West of England (Hamilton) has 6 Directors.

The Board and Committees meet at least three times a year to conduct and monitor business. The Board is responsible for deciding business and financial strategy and for supervising results. This includes the setting of risk tolerances, capital adequacy, underwriting objectives, reinsurance programme, and investment strategy.

The Board also reviews and approves the Own Risk and Solvency Assessment (ORSA) and other relevant corporate policies.

The Club's Board has appointed West of England Insurance Services (Luxembourg) S.A. to execute its business and financial strategy and manage its affairs.

The Club's Managers

Services is responsible for all day-to-day operations. This comprises negotiating policy renewals and the underwriting of new business, claims adjusting and claim handling, reinsurance purchase and management, risk management, business continuity, internal control, finance and all other aspects of the technical operations. The Club is unusual in that its management company is a wholly-owned subsidiary, whereas for a majority of other clubs it is a profit-making third-party partnership or company. This aspect of the Club's structure enhances corporate governance by providing closer ties and a strong alignment of interest between the Members and their Managers.

The Services Board meets monthly at which key financial or business data is reviewed while risk tolerances and indicators are reviewed quarterly by a Risk Committee.

Services' structure consists of seven main functions operating across its geographical locations, each headed by a Director or Directors reporting to the Managing Director ("MD") and Services' Board.

These functions are:

- Operations and Business Continuity, including IT and Enterprise Risk Management;
- Underwriting, including Loss Prevention;
- Claims Management;
- Finance, including Actuarial and Data Quality;
- Investments;
- Compliance;
- Standards and Corporate Matters.

Remuneration Policy

Non-executive Directors are remunerated on a fixed fee basis, including Board and Committee meetings attendance. The level of fees is reviewed annually by the Nomination & Remuneration Committee. The attendance schedule of Directors is reviewed at every Board meeting.

Pursuant to the Club's Remuneration Policy, the Nomination & Remuneration Committee also reviews and reports to the Board in the setting of objectives for the Services MD and the management Directors, evaluating their performance and making recommendations in respect of their remuneration.

Services staff are paid on a fixed salary basis and are entitled, inter alia, to pension scheme and healthcare benefits.

B.2 Fit and Proper Requirements

The Club's policy is to ensure that the persons who effectively run the business or have other key functions in the organisation are 'fit'. For that purpose, the Club ensures that there is appropriate diversity of qualifications, skills and experience so that the Club and its subsidiaries are managed and overseen in a professional manner.

The Club also ensures that those persons running the business or having key management responsibilities are 'proper' by assessing their honesty, integrity and reputation.

The Fit and Proper policy is designed to assess the 'fit and proper' status of key individuals whether Directors or senior managers of the Club. It reflects the EIOPA guidelines on the system of governance issued in the context of the implementation of Solvency II³.

The policy applies to the Administrative, Management or Supervisory Body (AMSB) of the Club and its subsidiaries which represents the persons running the business:

- All new Directors (executive, non-executive and independent Directors) appointed to the Board of the Club;
- All existing Directors (non-executive and independent Directors) of the Club;
- The General Manager of the Club.

It also applies to the persons in charge of the Four Key Functions:

- Actuarial Function;
- Risk Function;
- Compliance;
- Internal Audit.

B.3 Risk Management System including the Own Risk and Solvency Assessment (ORSA)

The Club has adopted a "three lines of defence" approach to risk management. Underwriting, Claims Handling and Finance represent the first line of defence, while Actuarial, Risk Management and Compliance represent the second and Internal Audit the third.

The Club has established a management process for Enterprise Risk Management (ERM) as part of the second line of defence which is the responsibility of the Chief Operating Officer (COO).

ERM policy is set by the Club's Board and monitored on its behalf by the Group Audit & Risk Committee. Day-to-day implementation and executive oversight is performed by the Services' Board and its executive Directors through a dedicated Risk Committee.

³. Reference: EIOPA-BoS-14/253.

Key roles and responsibilities within the ERM framework are defined as follows:

Stakeholder	Role & Responsibilities
Club's Board	<ul style="list-style-type: none"> • Approve ERM policy statement and framework; • Approve risk appetite and tolerances.
Club Board's Group Audit & Risk Committee	<ul style="list-style-type: none"> • Review the scope and effectiveness of the ERM; • Monitor actual risk against agreed thresholds and benchmarks, note exceptions and corrective actions proposed by Managers and Internal Auditor; • Monitor emerging risks; • Note corrective actions proposed by External and Internal Auditors.
Chief Operating Officer (COO)	<ul style="list-style-type: none"> • Lead the ERM policy statement and chair the Manager's Risk Committee; • Implement and operate the ERM process for the identification, assessment, management and monitoring of risks, including the cascading of risk tolerances and identification of other relevant benchmarks; • Embed the ERM process into the Club information systems and decision-making process; • Monitor actual risk against tolerances, report on breaches; • Identify emerging risks.
Managers' Risk Committee (COO, Underwriting Director, Claims Director, General Manager and Finance Director)	<ul style="list-style-type: none"> • Update, propose to the Executive Committee and oversee implementation of the ERM policy statement and framework; • Review risk areas and risk exposure, monitor progress and breaches against tolerances and limits; • Review Events Log and breaches of tolerances; • Identify emerging risks.
Internal Auditor	<ul style="list-style-type: none"> • Perform audits, follow-up progress plans and present findings to the Club's Group Audit & Risk Committee; • Report to the Group Audit & Risk Committee; • Identify emerging risks.

The Managers' Risk Committee has identified and assessed a number of risks relating to the Club's business and operating environment. These risks have been formalised in a Risk Register which is regularly reviewed by the Group Audit and Risk Committee and the Board of the Club. Additionally, any change to the Risk Register has to be approved by the Group Audit and Risk Committee and the Board of the Club.

The Risk Register currently identifies and describes successively:

- Risk factors: cause, potential consequences and ownership;
- Mitigating processes to curb the cause and/or the consequences of a given risk;
- Residual or net risks: impacts of risk after mitigating processes are in place;
- A "Risk Owner" responsible for managing each risk.

The following table provides a comprehensive summary of the Risk Register's key sections and correspondence with the Solvency II Standard Formula framework:

Risk Register	Risk Description
Inappropriate Strategy	<ul style="list-style-type: none"> Misalignment of objectives and initiatives with the P&I market dynamics, Club's available capital and economic environment.
Reputation Risks	<ul style="list-style-type: none"> Lack of or poor response to negative media campaign affecting the Club public image.
Poor Execution of the Business Plan	<ul style="list-style-type: none"> Failure to align human resources, technology and infrastructures on strategy, business requirements, technical standards & economic environment.
Compliance Risk	<ul style="list-style-type: none"> Serious breach of regulatory requirements.
Poor Underwriting	<ul style="list-style-type: none"> Poor risk selection; Inadequate pricing of risk.
Poor Claims Handling & Inaccurate Claims Estimates	<ul style="list-style-type: none"> Defences and settlement opportunities are compromised; Deteriorated loss ratio; Inadequate reserving on declared claims; Misleading loss ratio.
Inaccurate IBNR & IBNER Projections	<ul style="list-style-type: none"> Inaccurate reserving; Inconsistent projections of financial results; Misleading loss ratio.
Inadequate Reinsurance Programmes	<ul style="list-style-type: none"> Failure to purchase cost effective or properly structured third party reinsurance covers; Failure to select financially secure third party reinsurers.
Reinsurance Recoveries	<ul style="list-style-type: none"> Legitimate recoveries are not made from reinsurers; Deteriorated loss ratio.
Investment Strategy & Asset / Liability Matching Liquidity Management	<ul style="list-style-type: none"> Inadequate investment strategy & liquidity management guidelines relative to: <ul style="list-style-type: none"> available capital and risk tolerance limit; expected investment return over the 3-year Business Plan; claims payments.
Pension Liabilities	<ul style="list-style-type: none"> Insufficient funding and/or inadequate investment policy of the Pension Scheme.
Counterparty Risk	<ul style="list-style-type: none"> Weak investment or business counterparties increasing exposure to non-payment risk.

The Risk Register is considered quarterly by those managers and officers involved in the risk control process and reviewed by the Managers' Risk Committee.

Relevant information to assess the risks and the mitigation processes may include the findings of the Internal Auditor's reports or events that have arisen in the course of the business. For that purpose, the Managers' Risk Committee maintains an Events Log which records occurrences that actually or potentially affect the business. Alongside this information are details of the actions identified to remedy the matter in the short and longer term.

The Club's risks have been ranked in terms of their impact and probability inherent and residual.

The combination of potential impact and estimated frequency of occurrence on a 1-year horizon provides the gross assessment of each risk or category of risk. After taking into account mitigating processes in place, the gross risk position translates into a net position whose impact and/or frequency is lower.

Whenever possible, a risk tolerance or quantitative limit has been assigned to each risk. These individual risk limits are deemed to be consistent with the Club's overall risk appetite.

Some risk indicators refer to financial and technical management like solvency position, underwriting performance and combined ratio while others refer to more granular operational areas like staff turnover.

To assess its capital and solvency position, the Club has adopted for primary guidance the Solvency II Standard Formula and rating agencies' capital models. With regard to the Standard Formula, the Risk Register has a broader scope and encompasses risk areas which are not included in the Standard Formula framework such as liquidity and compliance risks. These risks are mitigated by specific management rules and guidelines which do not lead to capital add-ons or additional solvency buffers.

In addition to the Standard Formula calculations, the Club projects claims and investment scenarios, including stress tests, to assess its forward-looking capital strength as part of its Own Risk & Solvency Assessment.

Own Risk & Solvency Assessment ("ORSA")

The Board of the Club has approved an Own Risk & Solvency Assessment (ORSA) policy.

ORSA and Forward Looking Assessment of Own Risks (FLAOR) is an integral part of the Business Planning process of the Club. As such ORSA has become a critical internal tool for the Club and its Board to:

- Assess the Club's overall risk appetite against both capital strength and strategic objectives;
- Assess key decisions and allocate available capital accordingly;
- Ensure that the future capital position of the Club does not deteriorate beyond risk tolerance.

The ORSA is prepared by the senior management of Services and approved by the Club's Board which has the ultimate responsibility for its completion. It is updated annually or anytime a material change in the market or the business of the Club occurs.

With reference to Guideline 4 of the EIOPA Guidelines on Reporting & Public Disclosure, the Club does not use an internal model for calculating its Solvency II capital requirements.

Compliance Function

The Compliance Function is performed in accordance with Article 46(2) of the Solvency II Directive 2009/138 and Article 270 of the Delegated Regulation 2015/35.

The role of Compliance is to protect the Club, its Members, its employees and other stakeholders by ensuring and fostering a culture of adherence to regulatory requirements through training, policies and procedures as well as relevant reporting.

The owner of the Compliance Function is the Club's General Manager. He is assisted by a Compliance Manager operating across the jurisdictions in which the Club operates.

B.4 Internal Control System

There is a robust internal control system in place within the Club, formalised in the Club's procedures and policies. These procedures and policies are regularly reviewed, and are available to the staff on the Club's intranet.

The management structure in place guarantees a robust review process (four eyes principle), which is challenged both by internal and external auditors.

The three lines of defence approach to risk management, explained in section B.3., is an integral part of the Club's internal control environment.

B.5 Internal Audit

Every year the Club performs an Internal Audit Plan in accordance with its terms of reference. The Internal Audit Plan is reviewed and approved by the Group Audit & Risk Committee of the Board of the Club.

Follow up from previous internal audits is also reviewed by the Group Audit & Risk Committee at each meeting.

The Internal Audit Function is outsourced to an Accounting and Advisory Firm, Moore Stephens who have extensive experience in working with IG clubs and the wider insurance market for both internal and external audits and consultancy. Moore Stephens report directly to the Chairman of the Group Audit & Risk Committee.

B.6 Actuarial Function

The actuarial function is responsible for coordination and review of the Club's technical provisions, providing an opinion on underwriting policy, reinsurance policy and contributing towards the risk management system risk profile. The owner of the Actuarial Function is the Club's Chief Actuary, who reports to the Finance Director. The Chief Actuary is a Fellow of the Institute and Faculty of Actuaries. The internal actuarial work is performed in conjunction with external consulting firms, which ensures there is sufficient challenge and review.

B.7 Outsourcing

The Club relies on a number of service providers. For that purpose, the Club has issued an Outsourcing Policy to ensure that outsourcing risks are managed and that the level of services is maintained in line with required standards.

There is a senior manager or a key function holder responsible for each outsourced service.

Some of these outsourced services fall within the scope of the Solvency II Directive:

Service	Provider	Geography	Scope
Intra-Group Outsourcing	West of England Insurance Services (Luxembourg) S.A.	Luxembourg UK Hong Kong Singapore Greece United States of America	Day-to-day management of the Club outsourced to the Services Company
Internal Audit	Moore Stephens	Luxembourg UK Hong Kong Singapore Greece	Internal audit
Actuarial Services	Willis Towers Watson	UK	Technical reserves
	Act Unity	Luxembourg	Solvency II
Investments	Brown Brothers Harriman	Luxembourg	Investment accounting and compliance
IT Development	Spark! Data Systems	UK	Application development, maintenance and support

B.8 Any Other Information

There is no other significant governance information to be disclosed.

C. Risk Profile

Risk assessment and risk mitigation are at the core of P&I insurance business. Risk exposure is mitigated through adequate processes and controls, stress testing as well as capital buffers.

All risks relevant to the Club's business and its operations are assessed and reviewed within the ORSA process.

C.1 Underwriting Risk

The Club's underwriting objective is to charge premiums that reflect the risks it insures. The principal risk for any insurer is that the frequency and value of insured losses exceed expectations.

The Board sets an underwriting strategy which determines how the Club accepts and manages new and renewing insured risks. This strategy ensures that insured risks are diversified, for example by vessel type and geographical area, to ensure a sufficiently large and diverse population to reduce the variability of the expected outcome of insured losses.

Diversification of underwriting across categories of vessels and regions is evidenced in the next two tables:

Bulk Cargo Carriers	Tankers & OBOs (inc. LPG / LNG)	Container Vessels	General Cargo & Reefers	Ferries & Passenger Liners	Specialist Vessels & Misc.
37.4%	31.2%	17.8%	10.6%	1.8%	1.2%

Asia	Middle East / Africa	Americas	Greece	Other Europe
37.6%	10.9%	5.7%	18.0%	27.8%

Underwriting risk is considered both at individual fleet level and from a portfolio management perspective, where insured risks are assessed in the light of historical experience and future exposure. To assist the process of pricing and managing underwriting risk the Managers routinely perform a range of activities including:

- Documenting, monitoring and reporting on the Club's strategy to manage risk;
- Monitoring legal developments and amending the terms of entry when necessary;
- Reviewing market and financial conditions of the industry;
- Using underwriting tools to assist in the assessment and pricing of risk ("pricing models").

The Club's insurance contracts include terms that operate to contain losses, such as deductibles being matched to the risk profile.

Reinsurance significantly mitigates the risk of exposure to large individual claims, both at the Club's retention level and at the International Group level through the IG Pooling Agreement whereby for policy year 2018 individual claims above USD 10 million are pooled among the 13 clubs up to USD 100 million and reinsured outside the Pool above USD 100 million.

Premiums net of reinsurance cost are as follows:

Entity	Gross Premium	Net Premium
Club Consolidated (Market value basis)	213,797	176,301
Club Consolidated (Statutory)	213,797	176,301
Club Solo	213,797	63,579
ISRe	89,620	89,620

With specific reference to Guideline 5 of the EIOPA Guidelines on Reporting & Public Disclosure the Club does not use Special Purpose Vehicles to transfer risk to investors.

C.2 Market Risk

Market or Investment Risk is the risk of an unexpected loss or a significant deviation from the forecast investment return resulting from a material change in the valuation of equity and/or bond markets. Investment risk also includes the negative effects of potential mismatches between assets and technical liabilities.

The Club follows the Prudent Person Principle and has a conservative approach to its financial investments.

The Club's investments are controlled by its Investment Policy and Investment Managers' Guidelines, including minimum credit ratings. The policy and guidelines are regularly reviewed and approved by the Board of the Club.

The risk tolerance appetite, currently measured as a 1-year Value at Risk with a 95% confidence level⁴, is also approved by the Club's Board on advice from the Board of ISRe acting as an Investment Committee. In addition to the risk tolerance, diversification across markets and securities is also a key risk mitigator.

An Investment Advisory Committee comprising qualified independent directors and internal staff, including the General Manager and CFO, meets regularly to review the portfolio and markets to make sure that risk remains within tolerance.

A review of performance and portfolio risk is performed by the investment team at least weekly and reported to the managers.

The Board of ISRe and the Board of the Club review the risk, investment return and structure of the portfolio at every meeting.

Cash is managed internally mainly through bank deposits with banks rated at least A-. Limits per bank are decided and regularly reviewed by the Club's Board.

⁴ VaR = Value at Risk. VaR estimates how much a set of investments might lose, given normal market conditions, in a set time period such as a day, a week, a month or a year. VaR is typically used by firms and regulators in the financial industry to assess the amount of assets needed to cover possible losses or to estimate potential losses with a certain level of probability. For example, if a portfolio has a 1-day 95% VaR of \$1 million, there is a 5% probability that the portfolio will fall in value by more than \$1 million over a 1-day period everything being equal. In other words, a loss of \$1 million or more on this portfolio is expected not more than on 1 day out of 20 days.

Equity investments, which represent approximately 10% of the financial portfolio, are implemented through passive funds replicating the performance of global equity markets.

Most of the fixed-income portfolio is managed with a Buy & Maintain process that aims to replicate the features of the technical liability cash flows. It is outsourced to carefully selected investment managers. A bond portfolio invested in US Treasury securities is managed internally and used to adjust the overall duration of the fixed income portfolio.

The high level of diversification of financial investments between asset classes, regions and securities helps mitigate concentration risk.

All equities and bonds are held by a global custodian whose role is also to reconcile cash and security positions with the investment managers, to control the compliance with the Investment Managers' Guidelines and to produce a monthly valuation and accounting report.

At least once a year, management meets with the external investment managers individually as part of the on-going due-diligence process.

Property Risk

The risk of financial loss as the result of owning a property investment arises mainly from changes in valuation, but also from potential loss of rental income, legal / technical issues, and from potential "fire sales" due to the inherent illiquidity of such assets.

Properties wholly owned by the Club at 20 February 2018 are the freehold premises at Tower Bridge Court, London and a residential property in Hong Kong. Property risks are mitigated by applying a cautious valuation policy, by occupying a significant part of the properties (which mitigates the risk of loss of rental income), and by selecting top quality tenants with long-term leases.

The property risk exposure of the Club will reduce during the year-ending 20 February 2019 as the London property, Tower Bridge Court, was sold in July 2018.

The underlying currency risk of holding properties valued in GBP and HKD is fully integrated in the Club's currency management process (please refer to the next section).

Currency Risk

Currency risk is the risk that the underlying currencies of the Club's investments and other assets do not match those of the Club's total liabilities. Whilst the Club's technical liabilities arise in many different currencies, they are recorded and estimated in both the underlying currency and a USD equivalent. The individual claims estimates are reviewed to reflect currency movements in accordance with a timetable prescribed by the Club's managers and periodically management recalculate the overall position. Analysis of the overall liabilities by currency forms the basis of the investment currency ranges specified in the Investment Policy. In addition, the Board assesses the currency risk relating to the excess of non-USD assets (whether investments or not) held in excess of the Club's technical and other liabilities. The Board regularly monitors the overall currency exposure in the balance sheet and ISRe management has authority to enter into forward currency contracts in order to adjust the position within the prescribed ranges.

The Club maintains a benchmark currency profile for investments which approximates to the currency exposure within its claims liabilities so that currency movements are effectively hedged. Despite the difficulty in determining currency exposure accurately, by monitoring historical payment patterns and recording the currency exposure within case estimates, it is possible to determine a measure of the risk and therefore the effectiveness of the currency hedge.

C.3 Credit Risk

The Club has exposure to counterparty risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

Key areas of exposure to counterparty risk include:

- Counterparty credit with respect to cash and cash equivalents, and investments including deposits and derivative transactions;
- Reinsurers' share of insurance liabilities and amounts due from reinsurers in respect of claims already paid, including amounts due from other Group Clubs through the IG Pool;
- Amounts due from Members.

The Club manages the counterparty risk by placing and regularly reviewing limits on its exposure to third parties within the overall risk tolerance framework. The creditworthiness of reinsurers is reviewed before placements are made and monitored regularly thereafter. This includes IG processes to ensure the appropriateness of reinsurers on the IG excess loss programme. Controls exist within the IG to maintain the strength of the IG Pool; the Pool itself mitigates the risk of large claims and the structure of Hydra protects each Club from the risk of the default by one of the other Clubs.

There is no significant concentration of credit risk related to receivables as the Club has a large number of internationally dispersed ship owner and charterer Members. No single Member is sufficiently material to represent a high risk credit exposure. The Club's Rules provide significant contractual rights to safeguard the Club's position and reduce its exposure to the consequences of default or partial payment.

Full provision is made for balances considered to be doubtful. This applies to reinsurance and insurance counterparties, intermediaries, Members, and banks.

Exposure by category of recoverables at 20 February 2018 was (all figures expressed in USD '000):

Type of Counterparty	Club Consolidated (Market Value basis)	Club Consolidated (Lux GAAP)	Club Solo	ISRe
Reinsurance Recoverables	148,872	148,872 (1)	503,988 (1)	2,865
Reinsurance Debtors	19,084	19,084	21,952	23,053
Membership Recoverables	40,639	40,639	40,639	-
Other Debtors	1,608	1,608	2,851	388
Banks	145,439	145,439	37,954	39,344

(1) Net of subrogation and salvages.

C.4 Liquidity Risk

Liquidity risk is the risk that cash may not be available to pay obligations when due, at reasonable cost. The Club is exposed to daily calls on its available cash resources, mainly from claims arising from its insurance operations including its participation in the IG Pool.

Within its risk framework the Board has set limits on the minimum level of cash and liquid funds available to meet such calls and on the minimum level of borrowing facilities that should be in place to cover unexpected levels of claims and other cash demands.

In addition to the cash and liquid funds, a significant proportion of the Club's investments are maintained in highly liquid assets which may be converted to cash at little notice or transaction cost or market impact.

C.5 Operational Risk

Operational risks exist in the natural course of business activity like the risks of loss resulting from inappropriate internal processes, people and systems, or from external events.

Key operational risks also include business continuity, regulatory complexity and cyber risk, all of which may hinder the Club's ability to operate effectively.

The Club has a low risk appetite for operational risk and seeks to avoid failures which may result in business disruption, financial loss or regulatory sanctions. The Club has systems and processes in place to identify and monitor operational risk and to ensure exposure is mitigated to an appropriately low level.

Cyber Risk

Cyber risk is an area under increased scrutiny following a number of recent high-profile attacks and data losses worldwide. The growing capability and sophistication of cyber-criminals, together with the increasing dependence on electronic communications and data storage, are leading to a higher risk of data theft, malicious data interference and service disruption.

Potential damages for the Club resulting from a cyber-attack could be:

- Brand damage: declining business partner confidence and harm to reputation;
- Disruption to critical infrastructure and damage to service provision to clients;
- Theft of funds, data and corporate intellectual property;
- Cost of responding to a breach: clean-up, legal fees, potential lawsuits, forensics and potential fines.

While the Club is not individually viewed as a compelling target for a direct cyber-attack, there is for example a risk of suffering attacks as a member of the global financial services industry.

In order to mitigate this risk, the Club has invested in cyber security technologies and has developed processes and practices designed to secure networks, computers, programs and data from attack, damage or unauthorised access. It includes application security, information and data security, network security, business continuity planning and user education.

Through those controls and protective measures, together with a fully documented and robustly tested business recovery plan, the Club has established an effective IT security control environment which is tested by audit and independent external IT security experts.

C.6 Other Material Risk

Reserving Risk

This is the risk of claims reserves in the balance sheet being understated, i.e. the reserves are insufficient to meet the cost of outstanding claims. The risk arises due to the inherent uncertainty in the ultimate cost, frequency and timing of liabilities incurred, including the provision made for claims that have not so far been notified (incurred but not reported claims).

Members are insured on a losses occurring basis. Review and reporting controls operate so that estimates are established early and maintained to reflect the Club's current best estimate of the likely final outcome for each claim. The Club has established clear and stringent estimating guidelines backed by a programme of consistent training to ensure they are applied uniformly. To determine the overall level of reserves held, the Club takes advice from both the internal actuary and external actuaries who use established statistical techniques and apply knowledge, experience and judgement to estimate the most likely overall outcome of liabilities. In this way appropriate reserves are determined to meet claims as they fall due.

Claims developments are monitored monthly and reported to the Services Board as part of the overall risk reporting framework.

At 20 February 2018, the reserves booked in the accounts were:

Group Liabilities	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis (1)	Lux GAAP (1)	Solvency II	Lux GAAP	Solvency II	Lux GAAP (2)
Gross Technical Provisions	530,648	577,660	577,660	514,266	577,660	263,320	393,091
<i>Best Estimate</i>	<i>503,997</i>	<i>n/a</i>	<i>n/a</i>	<i>503,997</i>	<i>n/a</i>	<i>246,260</i>	<i>n/a</i>
<i>Risk Margin</i>	<i>26,651</i>	<i>n/a</i>	<i>n/a</i>	<i>10,269</i>	<i>n/a</i>	<i>17,060</i>	<i>n/a</i>
Net Technical Provisions	405,622	428,788	428,788	75,459	73,672	262,595	390,226

(1) Group liabilities on a Market Value and Lux GAAP basis are identical, Lux GAAP are net of subrogation and salvages.

(2) ISRe Lux GAAP technical provisions include its equalisation provision.

C.7 Any Other Information

There is no other significant risk information to be disclosed.

D. Valuation for Solvency Purposes

In accordance with article 75 of Solvency II Directive 2009/138 and with article 9 of Delegated Regulation 2015/35, assets are valued for solvency purposes at the amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction, and liabilities are valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction.

Where this methodology differs from the valuation policies used in the Club's financial statements, a specific provision is made in the following section.

The Club's consolidated Solvency II balance sheet has been prepared in accordance with Method 1 (Accounting consolidation-based method) of article 230 of the Solvency II Directive 2009/138.

D.1 Assets

At 20 February 2018 (in USD '000):

Assets	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis	Lux GAAP	Solvency II	Lux GAAP	Solvency II	Lux GAAP
Pension benefit surplus	7,481	-	-	7,481	-	-	-
Property, plant and equipment (1)	58,824	58,824	14,968	-	-	-	-
Investments (2)	501,179	501,179	478,388	315,279	96,928	369,454	355,903
Reinsurance Recoverables (3)	125,026	148,872	148,872	438,808	503,988	725	2,865
Insurance Receivables	40,639	40,639	40,639	40,639	40,639	-	-
Reinsurance Receivables	19,084	19,084	19,084	21,952	21,952	23,053	23,053
Other Receivables (4)	1,269	1,269	1,269	2,806	2,806	141	141
Cash	145,439	145,439	145,439	37,954	37,954	39,344	39,344
Other Assets	3,225	3,225	3,225	126	126	7	-
Total	902,167	918,531	851,883	865,045	704,392	432,724	421,306

(1) Excludes properties not held for own use which are reported under investments.

(2) Includes interest accrued on Fixed Income securities, and loans.

(3) Net of subrogation and salvages.

(4) Excludes unrealised gains on derivatives.

Pension Benefit Surplus

The pension benefit surplus has been valued by an independent actuary in accordance with IAS 19 which requires that the assets of the scheme are valued on a fair value basis and the liabilities of the scheme are recognised when the entity derives the benefit from the employees' service. The principal assumptions underlying the valuations above were:

- Discount rate 2.6%
- RPI inflation assumption 3.2%
- CPI inflation assumption 2.1%
- Limited price indexation pension increases 3.1%
- Mortality table SAPS Light (S2LPA) with ages rated down by 1 year

The pension benefit surplus is not included in the balance sheet in the financial statements as it is not required under Luxembourg GAAP.

Investments

Equities and bonds valuation (including investment funds) rely on market prices (including accrued interests when applicable) provided on a daily basis by the Club's administrative agent and financial data providers. This valuation methodology is consistent with the Club's published accounts which are prepared on a market value basis but differs from its Luxembourg GAAP accounts where financial investments are valued at the lower of cost (historic for equities, amortised for fixed income) or market value.

Properties are stated at estimated market value, based on annual valuations by independent valuers. Likewise, this valuation methodology is consistent with the Club's published accounts which are prepared on a market value basis but differs from its Luxembourg GAAP accounts where properties are stated at the lower of amortised historic cost or estimated market value, based on annual evaluations by independent valuers and other information available, unless the diminution in value is not considered by the Directors to be permanent. Under Luxembourg GAAP properties are amortised on a straight-line basis such that they are written down to their residual values over their useful economic lives.

Holdings in related undertakings are valued at their estimated market value. Depending on the local GAAP of related undertakings, the estimated market value is assessed as being the Solvency II excess of assets over liabilities, the local GAAP net equity (if assets and liabilities are valued at market value), or the local GAAP net equity retreated for market value.

Other loans and mortgages are valued at the present value of their future cash flows. Discounting is performed using EIOPA interest rate term structure, excluding volatility adjustment.

Insurance Recoverables

Amounts recoverable from reinsurance contracts take account of the time difference between recoveries and direct payments. The result from that calculation is adjusted to take account of expected losses due to default of the counterparty. That adjustment is based on an assessment of the probability of default of the counterparty and the average loss resulting therefrom (loss-given-default).

Insurance, Reinsurance Receivables & Other Receivables / Other Assets

Receivables and other assets are valued at their recoverable value. Full provision is made for balances considered to be doubtful.

D.2 Technical Provisions

At 20 February 2018 (in USD '000):

Group Liabilities	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis (1)	Lux GAAP (1)	Solvency II	Lux GAAP	Solvency II	Lux GAAP (2)
Technical Provisions	530,648	577,660	577,660	514,266	577,660	263,320	393,091
<i>Best Estimate</i>	<i>503,997</i>	<i>n/a</i>	<i>n/a</i>	<i>503,997</i>	<i>n/a</i>	<i>246,260</i>	<i>n/a</i>
<i>Risk Margin</i>	<i>26,651</i>	<i>n/a</i>	<i>n/a</i>	<i>10,269</i>	<i>n/a</i>	<i>17,060</i>	<i>n/a</i>

(1) Group liabilities on a Market Value and Lux GAAP basis are identical, Lux GAAP are net of subrogation and salvages.

(2) ISRe Lux GAAP technical provisions include its equalisation provision.

The Solvency II technical provisions are equal to the sum of the Best Estimate and Risk Margin.

The Best Estimate corresponds to the probability-weighted average of future cash-flows, taking account of the time value of money (expected present value of future cash-flows), using the relevant risk-free interest rate term structure (specified by EIOPA). The cash-flow projection used in the calculation of the Best Estimate takes account of all the cash in- and out-flows required to settle the insurance obligations over the lifetime thereof. This includes all expenses that will be incurred in servicing insurance and reinsurance obligations, and all payments to policy holders and beneficiaries which the Club expects to make. The Best Estimate is calculated gross, with the amounts recoverable from reinsurance contracts projected separately.

The Risk Margin is such as to ensure that the value of the technical provisions is equivalent to the amount that insurance undertakings would be expected to require in order to take over and meet the corresponding insurance obligations. The Risk Margin is calculated by determining the cost of providing an amount of eligible own funds equal to the Solvency Capital Requirement necessary to support the insurance obligations over the lifetime thereof. For that purpose, the Club used the 6% capital cost as prescribed by EIOPA.

The Club does not use any simplified methods in its calculation of the technical provisions.

Claims Provisions

The best estimate claims provisions are calculated using standard actuarial techniques. The claims projection is performed on separate homogenous groups, with Members' attritional claims, Members' large claims and the Club's share of other clubs' pool claims all projected separately. Members' large claims (net of pool) are projected individually with the relevant club reinsurance programmes applied. The claims provision includes an explicit provision for future claims handling expenses.

Premium Provisions

The Club writes its business on an annual basis from noon GMT, 20th February to 20th February each year. There is a clear contractual boundary for the vast majority of the Club's business at 20th February each year and consequently, under the principles of proportionality and materiality, the Club does not recognise any unearned premium. At the 20th February the majority of the next year's premium is bound but not incepted, as a result premium provision for the bound but not incepted business is held. The premium provision is the net expected claims and expense cost for the coming year less the net future premium.

Difference between Solvency II and Luxembourg GAAP

The valuation rules for the technical provisions under Solvency II differ from those under Luxembourg GAAP. The value of technical provisions, under Solvency II, is equal to the sum of the best estimate and the risk margin. The best estimate is based on discounted cash flows. Under Luxembourg GAAP reserves are calculated on an undiscounted basis and there is no requirement for them to be held on a best estimate basis, as a result the Luxembourg GAAP reserves include an element on prudence in line with the risk appetite set by the Club's Board (but no explicit risk margin). There is also no premium provision held for bound but not incepted business under Luxembourg GAAP.

Material Changes

The only material change to the calculation of technical provisions compared to the prior year was the inclusion of a premium provision for the bound but not incepted business.

D.3 Other Liabilities

At 20 February 2018 (in USD '000):

Other Liabilities	Club consolidated			Club solo		ISRe	
	Solvency II	Market Value basis	Lux GAAP	Solvency II	Lux GAAP	Solvency II	Lux GAAP
Deferred Tax Liabilities	40,584	3,862	-	-	-	36,723	-
Payables	28,476	28,476	28,476	52,428	52,428	871	871
Total Other Liabilities	69,060	32,338	28,476	52,428	52,428	37,594	871

Deferred Tax Liabilities

Deferred tax liabilities represent differences in timing between when the tax is recognised in the Club's financial statements relative to when the tax is effective via the tax law of the various jurisdictions in which the Club operates. Whilst the Club does not recognise any deferred tax in its Luxembourg GAAP accounts, under the Market Value basis there is some deferred taxation, most of which is due to unrealised property gain. In addition, the valuation for Solvency II purposes leads to accounting for future taxation on the equalisation provision of the Club's Luxembourg reinsurance captive, ISRe.

Deferred tax liabilities are valued at the current tax rate in the applicable jurisdiction.

D.4 Alternative Methods for Valuation

The Club and its subsidiary ISRe do not make use of alternative methods for valuation.

D.5 Any Other Information

There is no other significant valuation information to be disclosed.

E. Capital Management

The Club has a Medium Term Capital Management Plan to ensure that the group and its subsidiaries will be able to meet their regulatory and internal capital requirements on a 3-year rolling horizon.

The purpose of the Capital Management Plan is to ensure that, on a forward-looking basis, own funds will be sufficient to provide a buffer against adverse scenarios. It is consistent with the Business Planning process which is a projection of the premiums, claims, general expenses and investment return.

The Medium Term Capital Management Plan of the Club is a key component of its ORSA and is reviewed at least annually by the Board.

E.1 Own Funds

At 20 February 2018, the Club's own funds and its subsidiary, ISRe's under Solvency II (USD '000) were:

Own Fund Item	Tier	Club Consolidated	Club Solo	ISRe
Ordinary Share Capital	1	-	-	25,000
Reconciliation Reserve	1	295,991	298,352	106,810
Ancillary Own Funds	2	195,454	195,454	-
Total		491,445	493,806	131,810
Eligible to cover SCR		387,981	359,517	131,810
Eligible to cover MCR		295,991	298,352	131,810

E.1.1 Club Consolidated

The Club does not have share capital and does not issue debt. Its Free Reserve is attributable to its Members. The reconciliation reserve mainly consists of profits carried forward since the inception of the Club. It also includes include the group pension scheme surplus valued on an IAS19 basis of USD 7.5 million.

Ancillary Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)

Ancillary own funds are funds which are contingent in that they have not been paid in, and as such, are not recognised on the balance sheet of the insurance undertaking. If at some undetermined point in the future ancillary own funds are called, then they cease to be contingent and become basic own funds items represented by assets on the balance sheet. One critical feature of ancillary own funds is their loss-absorbency.

Under articles 93 and 94 of Solvency II Directive 2009/138, supplemented by articles COF1, 2, 5 and 6, of the Level 2 Implementing Measures and the Technical Specification for the Preparatory Phase (Part I) document, ancillary own funds include any future charge which mutual or mutual-type Clubs of shipowners with variable contributions may have against their Members by way of an unbudgeted supplementary premium contribution known as a "supplementary call" in the case of this Club.

The Club has the right under its rules to charge supplementary calls to its Members⁵. These calls fall within the definition of ancillary own funds described above.

⁵ The Club recently enacted several changes to Rules 44 and 45 to reflect a new terminology in the description of calls.

The total amount of Ancillary Own Funds included within the Club's own funds is based upon the methodology approved by the CAA in December 2015. The amount of Tier 2 capital is equivalent to c.150% of the Total Estimated Mutual Call. The extent to which the value of the approved ancillary own funds in relation to supplementary calls is eligible to meet the Solvency Capital Requirement is however limited by the Tier 2 regulatory threshold which is currently a maximum of 50% of the SCR.

The methodology approved by the CAA remains valid until 21 February 2020.

Non-Available Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)

Based on article 330 of Delegated Regulation 2015/35, the Club recognise the restriction on part of its own funds held in its reinsurance captive "Hydra Insurance Company Ltd. – The West of England Hydra Cell" which cannot be made available to cover the group Solvency Capital Requirement.

The reduction in available capital at group level due to this restriction is reported under QRT S.23.01.04 – R0750.

E.1.2 Club Solo

The Club does not have share capital and does not issue debt. Its Free Reserve is attributable to its Members. The reconciliation reserve mainly corresponds to profits carried forward since the inception of the Club. To a lesser extent, it also includes include the surplus of the group pension scheme under IAS19 of USD 7.5 million.

Ancillary Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)

The method used by the Club Solo to determine its amount of eligible Tier 2 capital is the same as that described for the Club on a consolidated basis and is equivalent to c.150% of the Total Estimated Mutual Call. The cap, which is set at 50% of the SCR, explains the difference with the amount of ancillary own funds eligible to cover the SCR at the consolidated level.

Non-Available Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)

There are no non-available own funds to report.

E.1.3 ISRe

ISRe's Tier 1 capital is composed by its share capital issued, fully held by the Club, and by its reconciliation reserve which corresponds to profits carried forward.

Until 20 February 2017, ISRe's capital was also composed of a subordinated loan granted by the Club, reported as Tier 2 capital. During the year under review the Board of ISRe determined that the loan was no longer necessary and it was terminated in agreement with the Commissariat aux Assurances.

Non-Available Own Funds (Guideline 12 of the EIOPA Guidelines on Reporting & Disclosure)

There are no non-available own funds to report.

E.1.4 Reconciliation Between Free Reserve Per Financial Statements and Solvency II Excess of Assets Over Liabilities

At 20 February 2018 the reconciliation between Free Reserves in the financial statements and Solvency II Excess of Capital over Liabilities is (USD '000):

Own Fund Item	Club Consolidated	Club Solo	ISRe
Financial Statements Free Reserves	245,747	74,304	27,344
Change in valuation in:			
Pension benefit Surplus / Deficit	7,481	7,481	-
Investments (1)	66,648	218,352	11,008
Loans and Mortgages	-	-	2,543
Reinsurance Recoverables	(23,846)	(65,180)	(2,140)
Other Assets	-	-	7
Technical Provisions	47,012	63,394	15,215
Other Technical Provisions	-	-	114,556
Deferred Tax Liabilities	(40,584)	-	(36,723)
Solvency II Excess of Assets over Liabilities	302,458	298,352	131,810

(1) Including Properties held for own use.

E.2 Solvency Capital Requirement and Minimum Capital Requirement

The SCRs of the Club (consolidated and solo) and ISRe are based on the Solvency II standard formula and do not make use of simplified calculations nor duration-based equity risk assessment.

The Club has complied with all solvency regulatory requirements at all times during the period under review.

The breakdown of the Club's capital requirement is shown in the following table (USD' 000):

Item	Club Consolidated	Club Solo	ISRe
Market Risk (1)	79,627	83,091	37,220
Counterparty Default Risk	26,457	20,119	10,834
Underwriting Non-Life Risk	150,588	34,743	86,978
Basic SCR	201,866	107,211	108,768
Operational Risk	15,120	15,120	7,388
Adjustment for Deferred Tax	(33,006)	-	(30,212)
SCR	183,980	122,331	85,944
Eligible Own Funds to cover SCR	387,981	359,517	131,810
Solvency ratio	211%	294%	153%
Eligible Own Funds to cover SCR – Tier 1 only	295,991	298,352	131,810
Solvency ratio – Tier 1 only	161%	244%	153%

Minimum Capital Requirement	79,886	30,583	37,837
Eligible Own Funds to cover MCR	295,991	298,352	131,810
Minimum Solvency ratio	371%	976%	348%

(1) Including the closed Group Defined Benefits Pension Scheme.

Impact of Transitional Measures

The Club (both on a consolidated and solo basis) and ISRe are not making use of transitional measures. The two companies were applying the volatility adjustment to the EIOPA interest rate term structure until 20 February 2017 but discontinued this methodology during the year in line with market practice in Luxembourg.

Due to the short duration of the Club's liabilities, this change in methodology was immaterial to the Club and ISRe Solvency II ratios.

E.3 Use of the Duration Based Equity Risk Sub-Module in the Calculation of the Solvency Capital Requirement

The Club and its subsidiary ISRe did not use the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement.

E.4 Differences Between the Standard Formula and Any Internal Model Used

The Club and its subsidiary ISRe only use the Standard Formula when calculating their Solvency Capital Requirements.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency II Capital Requirement

The Club (both on a consolidated and solo basis) and ISRe have complied at all times during the year with their respective Minimum Capital Requirements and their Solvency Capital Requirements.

Appendix: Quantitative Disclosures (QRTs)

- Association Consolidated
- Association Solo
- ISRe

Association Consolidated

Basic Information – General

Participating undertaking name	The West of England Ship Owners Mutual Insurance Association (Luxembourg)
Group identification code	LEI/DEOK59KJJZVF5N12D351
Country of the group supervisor*	LU
Sub-group information	1
Language of reporting*	en
Reporting reference date	20/02/2018
Currency used for reporting*	USD
Accounting standards*	Lux GAAP
Method of Calculation of the group SCR	Standard Formula
Method of group solvency calculation	Method 1
Matching adjustment	Matching adjustment Not Used
Volatility adjustment	Volatility Adjustment Not Used
Transitional measure on the risk-free interest rate	Transitional measure on the risk-free interest rate Not Used
Transitional measure on technical provisions	Transitional measure on technical provisions Not Used

Disclosed Templates

S.02.01.02	Balance Sheet
S.05.01.02	Premiums, Claims and Expenses by Line of Business
S.05.02.01	Premiums, Claims and Expenses by Country
S.23.01.22	Own Funds
S.25.01.22	Solvency Capital Requirement - for groups on Standard Formula
S.32.01.22	Undertakings in the scope of the group

S.02.01.02
Balance Sheet (USD '000)

		Solvency II value	
		C0010	
Assets			
Intangible assets	R0030	-	
Deferred tax assets	R0040	-	
Pension benefit surplus	R0050	7,481	
Property, plant & equipment held for own use	R0060	58,824	
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	501,179	
Property (other than for own use)	R0080	10,633	
Holdings in related undertakings, including participations	R0090	-	
Equities	R0100	20	
Equities - listed	R0110	-	
Equities - unlisted	R0120	20	
Bonds	R0130	417,770	
Government Bonds	R0140	174,936	
Corporate Bonds	R0150	242,834	
Structured notes	R0160	-	
Collateralised securities	R0170	-	
Collective Investments Undertakings	R0180	72,416	
Derivatives	R0190	340	
Deposits other than cash equivalents	R0200	-	
Other investments	R0210	-	
Assets held for index-linked and unit-linked contracts	R0220	-	
Loans and mortgages	R0230	-	
Loans on policies	R0240	-	
Loans and mortgages to individuals	R0250	-	
Other loans and mortgages	R0260	-	
Reinsurance recoverables from:	R0270	125,026	
Non-life and health similar to non-life	R0280	125,026	
Non-life excluding health	R0290	125,026	
Health similar to non-life	R0300	-	
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-	
Health similar to life	R0320	-	
Life excluding health and index-linked and unit-linked	R0330	-	
Life index-linked and unit-linked	R0340	-	
Deposits to cedants	R0350	-	
Insurance and intermediaries receivables	R0360	40,639	
Reinsurance receivables	R0370	19,084	
Receivables (trade, not insurance)	R0380	1,269	
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	145,439	
Any other assets, not elsewhere shown	R0420	3,225	
Total assets	R0500	902,167	

S.02.01.02
Balance Sheet (USD '000)

		Solvency II value	
		C0010	
Liabilities			
Technical provisions – non-life	R0510		530,648
<i>Technical provisions – non-life (excluding health)</i>	R0520		530,648
<i>Technical provisions calculated as a whole</i>	R0530		-
<i>Best Estimate</i>	R0540		503,997
<i>Risk margin</i>	R0550		26,651
<i>Technical provisions - health (similar to non-life)</i>	R0560		-
<i>Technical provisions calculated as a whole</i>	R0570		-
<i>Best Estimate</i>	R0580		-
<i>Risk margin</i>	R0590		-
Technical provisions - life (excluding index-linked and unit-linked)	R0600		-
<i>Technical provisions - health (similar to life)</i>	R0610		-
<i>Technical provisions calculated as a whole</i>	R0620		-
<i>Best Estimate</i>	R0630		-
<i>Risk margin</i>	R0640		-
<i>Technical provisions – life (excluding health and index-linked and unit-linked)</i>	R0650		-
<i>Technical provisions calculated as a whole</i>	R0660		-
<i>Best Estimate</i>	R0670		-
<i>Risk margin</i>	R0680		-
Technical provisions – index-linked and unit-linked	R0690		-
<i>Technical provisions calculated as a whole</i>	R0700		-
<i>Best Estimate</i>	R0710		-
<i>Risk margin</i>	R0720		-
Other technical provisions	R0730		-
Contingent liabilities	R0740		-
Provisions other than technical provisions	R0750		-
Pension benefit obligations	R0760		-
Deposits from reinsurers	R0770		-
Deferred tax liabilities	R0780		40,584
Derivatives	R0790		423
Debts owed to credit institutions	R0800		-
Financial liabilities other than debts owed to credit institutions	R0810		-
Insurance & intermediaries payables	R0820		12,326
Reinsurance payables	R0830		5,306
Payables (trade, not insurance)	R0840		10,422
Subordinated liabilities	R0850		-
<i>Subordinated liabilities not in Basic Own Funds</i>	R0860		-
<i>Subordinated liabilities in Basic Own Funds</i>	R0870		-
Any other liabilities, not elsewhere shown	R0880		-
Total liabilities	R0900		599,709
Excess of assets over liabilities	R1000		302,458

S.05.01.02

Premiums, claims and expenses by line of business (USD '000)

Non-Life

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)													
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
Premiums written													
Gross - Direct Business	R0110	-	-	-	-	-	213,797	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	37,496	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	176,301	-	-	-	-	-	-
Premiums earned													
Gross - Direct Business	R0210	-	-	-	-	-	213,797	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	37,496	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	176,301	-	-	-	-	-	-
Claims incurred													
Gross - Direct Business	R0310	-	-	-	-	-	188,597	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	36,971	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	151,626	-	-	-	-	-	-
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	-	-	-	-	-	53,732	-	-	-	-	-	-
Other expenses	R1200	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	R1300	-	-	-	-	-	-	-	-	-	-	-	-

S.05.01.02

Premiums, claims and expenses by line of business (USD '000)

Non-Life

		Line of business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	
Premiums written						
Gross - Direct Business	R0110					213,797
Gross - Proportional reinsurance accepted	R0120					-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	37,496
Net	R0200	-	-	-	-	176,301
Premiums earned						
Gross - Direct Business	R0210					213,797
Gross - Proportional reinsurance accepted	R0220					-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	37,496
Net	R0300	-	-	-	-	176,301
Claims incurred						
Gross - Direct Business	R0310					188,597
Gross - Proportional reinsurance accepted	R0320					-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	36,971
Net	R0400	-	-	-	-	151,626
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	-	-	-	-	53,732
Other expenses	R1200					-
Total expenses	R1300					53,732

S.05.02.01

Premiums, claims and expenses by Country (USD '000)

Non-Life

	Home country	Top 5 countries (by amount of gross premiums written) - non life obligations			Total for top 5 countries and home country	
		GB	HK	SG		
		C0080	C0090	C0090		C0090
Premiums written						
Gross - Direct Business	R0110	-	144,349	59,289	10,159	213,797
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	20,702	14,896	1,898	37,496
Net	R0200	-	123,647	44,393	8,261	176,301
Claims incurred						
Gross - Direct Business	R0210	-	144,349	59,289	10,159	213,797
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	20,702	14,896	1,898	37,496
Net	R0300	-	123,647	44,393	8,261	176,301
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	-	33,639	16,448	3,644	53,732
Other expenses	R1200					-
Total expenses	R1300					53,732

S.23.01.22
Own funds (USD '000)

		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						
Ordinary share capital (gross of own shares)	R0010	-	-	-	-	-
Non-available called but not paid in ordinary share capital at group level	R0020	-	-	-	-	-
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	-	-	-	-	-
Non-available subordinated mutual member accounts at group level	R0060	-	-	-	-	-
Surplus funds	R0070	-	-	-	-	-
Non-available surplus funds at group level	R0080	-	-	-	-	-
Preference shares	R0090	-	-	-	-	-
Non-available preference shares at group level	R0100	-	-	-	-	-
Share premium account related to preference shares	R0110	-	-	-	-	-
Non-available share premium account related to preference shares at group level	R0120	-	-	-	-	-
Reconciliation reserve	R0130	295,991	295,991	-	-	-
Subordinated liabilities	R0140	-	-	-	-	-
Non-available subordinated liabilities at group level	R0150	-	-	-	-	-
An amount equal to the value of net deferred tax assets	R0160	-	-	-	-	-
The amount equal to the value of net deferred tax assets not available at the group level	R0170	-	-	-	-	-
Other items approved by supervisory authority as basic own funds not specified above	R0180	-	-	-	-	-
Non available own funds related to other own funds items approved by supervisory authority	R0190	-	-	-	-	-
Minority interests (if not reported as part of a specific own fund item)	R0200	-	-	-	-	-
Non-available minority interests at group level	R0210	-	-	-	-	-
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 other financial undertakings, including non-regulated undertakings whereof deducted according to art 228 of the Directive 2009/138/EC	R0230	-	-	-	-	-
Deductions for participations where there is non-availability of information (Article 229)	R0240	-	-	-	-	-
Deduction for participations included by using D&A when a combination of methods is used	R0250	-	-	-	-	-
Total of non-available own fund items	R0260	-	-	-	-	-
Total deductions	R0270	-	-	-	-	-
Total basic own funds after deductions	R0280	295,991	295,991	-	-	-
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	195,454	-	-	195,454	-
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	-	-	-	-	-
Non available ancillary own funds at group level	R0380	-	-	-	-	-
Other ancillary own funds	R0390	-	-	-	-	-
Total ancillary own funds	R0400	195,454	-	-	195,454	-
Own funds of other financial sectors						
Credit Institutions, investment firms, financial institutions, alternative investment fund manager, financial institutions	R0410	-	-	-	-	-
Institutions for occupational retirement provision	R0420	-	-	-	-	-
Non regulated entities carrying out financial activities	R0430	-	-	-	-	-
Total own funds of other financial sectors	R0440	-	-	-	-	-

S.23.01.22

Own funds (USD '000)

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Own funds when using the D&A, exclusively or in combination of method 1						
Own funds aggregated when using the D&A and combination of method	R0450	-	-	-	-	-
Own funds aggregated when using the D&A and combination of method net of IGT	R0460	-	-	-	-	-
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)	R0520	491,445	295,991	-	195,454	-
Total available own funds to meet the minimum consolidated group SCR	R0530	295,991	295,991	-	-	-
Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	R0560	387,981	295,991	-	91,990	-
Total eligible own funds to meet the minimum consolidated group SCR	R0570	295,991	295,991	-	-	-
Minimum consolidated Group SCR	R0610	79,886	-	-	-	-
Ratio of Eligible own funds to Minimum Consolidated Group SCR	R0650	371%	-	-	-	-
Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)	R0660	387,981	295,991	-	91,990	-
Group SCR	R0680	183,980	-	-	-	-
Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A	R0690	211%	-	-	-	-

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	302,458
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	-
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Other non available own funds	R0750	6,467
Reconciliation reserve	R0760	295,991
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	(6,377)
Total Expected profits included in future premiums (EPIFP)	R0790	(6,377)

S.25.01.22

Solvency Capital Requirement - for groups on Standard Formula (USD '000)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
Basic Solvency Capital Requirement				
Market risk	R0010	79,627		
Counterparty default risk	R0020	26,457		
Life underwriting risk	R0030	-		
Health underwriting risk	R0040	-		
Non-life underwriting risk	R0050	150,588		
Diversification	R0060	(54,806)		
Intangible asset risk	R0070	-		
Basic Solvency Capital Requirement	R0100	201,866		

Calculation of Solvency Capital Requirement

		Value
		C0100
Operational risk	R0130	15,120
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	(33,006)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC (transitional)	R0160	-
Solvency capital requirement, excluding capital add-on	R0200	183,980
Capital add-ons already set	R0210	-
Solvency capital requirement for undertakings under consolidated method	R0220	183,980
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	-
Minimum consolidated group solvency capital requirement	R0470	79,886
Information on other entities		
Capital requirement for other financial sectors (Non-insurance capital requirements)	R0500	-
Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	R0510	-
Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	R0520	-
Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non-regulated entities carrying out financial activities	R0530	-
Capital requirement for non-controlled participation requirements	R0540	-
Capital requirement for residual undertakings	R0550	-
Overall SCR		
SCR for undertakings included via D and A	R0560	-
Solvency capital requirement	R0570	183,980

S.32.01.22
Undertakings in the scope of the group

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
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080
LU	LE/DEOK59KJJZVF5N12D351	LEI	The West of England Ship Owners Mutual Insurance Association (Luxembourg)	Non life insurance undertaking	association d'assurances mutuelles	Mutual	Commissariat aux Assurances
LU	LE/J66LB8B3GB34QW4VRZ57	LEI	International Shipowners Reinsurance Company S.A.	Reinsurance undertaking	société anonyme	Non-mutual	Commissariat aux Assurances
BM	SC/DEOK59KJJZVF5N12D351BM00001	Specific code	The West of England Reinsurance (Hamilton) Limited	Reinsurance undertaking	Limited Company	Non-mutual	Bermuda Monetary Authority
BM	SC/DEOK59KJJZVF5N12D351BM00002	Specific code	Hydra Insurance Company Ltd. West of England Cell	Reinsurance undertaking	Limited Company	Non-mutual	Bermuda Monetary Authority
GB	SC/DEOK59KJJZVF5N12D351GB00001	Specific code	The West of England Ship Owners' Insurance Services Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Company	Non-mutual	
JE	SC/DEOK59KJJZVF5N12D351JE00001	Specific code	West of England (Hellas) Limited	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Limited Company	Non-mutual	
LU	SC/DEOK59KJJZVF5N12D351LU00001	Specific code	West of England Insurance Services (Luxembourg) S.A.	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	société anonyme	Non-mutual	Commissariat aux Assurances
US	SC/DEOK59KJJZVF5N12D351US00001	Specific code	West of England Insurance Services (North America) Inc	Ancillary services undertaking as defined in Article 1 (53) of Delegated Regulation (EU) 2015/35	Corporation	Non-mutual	

S.32.01.22

Undertakings in the scope of the group

Country	Identification code of the undertaking	Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
		% 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	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
LU	LEI/DEOK59KJJZVF5N12D351							Included in the scope		Method 1: Full Consolidation
LU	LEI/J66LB8B3GB34QW4VRZ57	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full Consolidation
BM	SC/DEOK59KJJZVF5N12D351BM00001	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full Consolidation
BM	SC/DEOK59KJJZVF5N12D351BM00002	100%	100%	100%		Dominant	100%	Included in the scope		Method 1: Full Consolidation
GB	SC/DEOK59KJJZVF5N12D351GB00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
JE	SC/DEOK59KJJZVF5N12D351JE00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
LU	SC/DEOK59KJJZVF5N12D351LU00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation
US	SC/DEOK59KJJZVF5N12D351US00001	100%	100%	100%		Dominant	100%	Not included in the scope		Method 1: Full Consolidation

Association Solo

Basic Information – General

Undertaking name	The West of England Ship Owners Mutual Insurance Association (Luxembourg)
Undertaking identification code	LEI/DEOK59KJJZVF5N12D351
Type of undertaking	Non-Life Undertaking
Country of authorisation	LU
Language of reporting	en
Reporting reference date	20/02/2018
Currency used for reporting	USD
Accounting standards	Lux GAAP
Method of Calculation of the SCR	Standard Formula
Matching adjustment	Matching adjustment Not Used
Volatility adjustment	Volatility Adjustment Not Used
Transitional measure on the risk-free interest rate	Transitional measure on the risk-free interest rate Not Used
Transitional measure on technical provisions	Transitional measure on technical provisions Not Used

Disclosed Templates

S.02.01.02	Balance Sheet
S.05.01.02	Premiums, Claims and Expenses by Line of Business
S.05.02.01	Premiums, Claims and Expenses by Country
S.17.01.02	Non-Life Technical Provisions
S.19.01.21	Non-Life Insurance Claims
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01	Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02
Balance Sheet (USD '000)

		Solvency II value	
		C0010	
Assets			
Intangible assets	R0030		-
Deferred tax assets	R0040		-
Pension benefit surplus	R0050		7,481
Property, plant & equipment held for own use	R0060		-
Investments (other than assets held for index-linked and unit-linked contracts)	R0070		315,280
<i>Property (other than for own use)</i>	R0080		10,633
<i>Holdings in related undertakings, including participations</i>	R0090		240,240
<i>Equities</i>	R0100		20
<i>Equities - listed</i>	R0110		-
<i>Equities - unlisted</i>	R0120		20
<i>Bonds</i>	R0130		54,602
<i>Government Bonds</i>	R0140		21,945
<i>Corporate Bonds</i>	R0150		32,656
<i>Structured notes</i>	R0160		-
<i>Collateralised securities</i>	R0170		-
<i>Collective Investments Undertakings</i>	R0180		9,739
<i>Derivatives</i>	R0190		46
<i>Deposits other than cash equivalents</i>	R0200		-
<i>Other investments</i>	R0210		-
Assets held for index-linked and unit-linked contracts	R0220		-
Loans and mortgages	R0230		-
<i>Loans on policies</i>	R0240		-
<i>Loans and mortgages to individuals</i>	R0250		-
<i>Other loans and mortgages</i>	R0260		-
Reinsurance recoverables from:	R0270		438,808
<i>Non-life and health similar to non-life</i>	R0280		438,808
<i>Non-life excluding health</i>	R0290		438,808
<i>Health similar to non-life</i>	R0300		-
<i>Life and health similar to life, excluding health and index-linked and unit-linked</i>	R0310		-
<i>Health similar to life</i>	R0320		-
<i>Life excluding health and index-linked and unit-linked</i>	R0330		-
<i>Life index-linked and unit-linked</i>	R0340		-
Deposits to cedants	R0350		-
Insurance and intermediaries receivables	R0360		40,639
Reinsurance receivables	R0370		21,952
Receivables (trade, not insurance)	R0380		2,806
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		37,954
Any other assets, not elsewhere shown	R0420		126
Total assets	R0500		865,045

S.02.01.02
Balance Sheet (USD '000)

		Solvency II value	
		C0010	
Liabilities			
Technical provisions – non-life	R0510		514,266
<i>Technical provisions – non-life (excluding health)</i>	R0520		514,266
<i>Technical provisions calculated as a whole</i>	R0530		-
<i>Best Estimate</i>	R0540		503,997
<i>Risk margin</i>	R0550		10,269
<i>Technical provisions - health (similar to non-life)</i>	R0560		-
<i>Technical provisions calculated as a whole</i>	R0570		-
<i>Best Estimate</i>	R0580		-
<i>Risk margin</i>	R0590		-
Technical provisions - life (excluding index-linked and unit-linked)	R0600		-
<i>Technical provisions - health (similar to life)</i>	R0610		-
<i>Technical provisions calculated as a whole</i>	R0620		-
<i>Best Estimate</i>	R0630		-
<i>Risk margin</i>	R0640		-
<i>Technical provisions – life (excluding health and index-linked and unit-linked)</i>	R0650		-
<i>Technical provisions calculated as a whole</i>	R0660		-
<i>Best Estimate</i>	R0670		-
<i>Risk margin</i>	R0680		-
Technical provisions – index-linked and unit-linked	R0690		-
<i>Technical provisions calculated as a whole</i>	R0700		-
<i>Best Estimate</i>	R0710		-
<i>Risk margin</i>	R0720		-
Other technical provisions	R0730		-
Contingent liabilities	R0740		-
Provisions other than technical provisions	R0750		-
Pension benefit obligations	R0760		-
Deposits from reinsurers	R0770		-
Deferred tax liabilities	R0780		-
Derivatives	R0790		57
Debts owed to credit institutions	R0800		-
Financial liabilities other than debts owed to credit institutions	R0810		-
Insurance & intermediaries payables	R0820		12,326
Reinsurance payables	R0830		34,631
Payables (trade, not insurance)	R0840		5,414
Subordinated liabilities	R0850		-
<i>Subordinated liabilities not in Basic Own Funds</i>	R0860		-
<i>Subordinated liabilities in Basic Own Funds</i>	R0870		-
Any other liabilities, not elsew here shown	R0880		-
Total liabilities	R0900		566,693
Excess of assets over liabilities	R1000		298,352

S.05.01.02

Premiums, claims and expenses by line of business (USD '000)

Non-Life

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)												
	Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
	C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
Premiums written												
Gross - Direct Business	R0110	-	-	-	-	213,797	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	150,218	-	-	-	-	-	-
Net	R0200	-	-	-	-	63,579	-	-	-	-	-	-
Premiums earned												
Gross - Direct Business	R0210	-	-	-	-	213,797	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	150,218	-	-	-	-	-	-
Net	R0300	-	-	-	-	63,579	-	-	-	-	-	-
Claims incurred												
Gross - Direct Business	R0310	-	-	-	-	188,596	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	175,935	-	-	-	-	-	-
Net	R0400	-	-	-	-	12,661	-	-	-	-	-	-
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	-	-	-	-	51,579	-	-	-	-	-	-
Other expenses	R1200	-	-	-	-	-	-	-	-	-	-	-
Total expenses	R1300	-	-	-	-	-	-	-	-	-	-	-

S.05.01.02

Premiums, claims and expenses by line of business (USD '000)

Non-Life

		Line of business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	
Premiums written						
Gross - Direct Business	R0110					213,797
Gross - Proportional reinsurance accepted	R0120					-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	150,218
Net	R0200	-	-	-	-	63,579
Premiums earned						
Gross - Direct Business	R0210					213,797
Gross - Proportional reinsurance accepted	R0220					-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	150,218
Net	R0300	-	-	-	-	63,579
Claims incurred						
Gross - Direct Business	R0310					188,596
Gross - Proportional reinsurance accepted	R0320					-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	175,935
Net	R0400	-	-	-	-	12,661
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	-	-	-	-	51,579
Other expenses	R1200					-

S.05.02.01

Premiums, claims and expenses by Country (USD '000)

Non-Life

	Home country	Top 5 countries (by amount of gross premiums written) - non life obligations				Total for top 5 countries and home country
		GB	HK	SG		
		C0080	C0090	C0090	C0090	
Premiums written						
Gross - Direct Business	R0110	-	144,349	59,289	10,159	213,797
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	133,424	14,896	1,898	150,218
Net	R0200	-	10,925	44,393	8,261	63,579
Premiums earned						
Gross - Direct Business	R0210	-	144,349	59,289	10,159	213,797
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	133,424	14,896	1,898	150,218
Net	R0300	-	10,925	44,393	8,261	63,579
Claims incurred						
Gross - Direct Business	R0310	-	134,644	34,194	19,758	188,595
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	125,966	31,745	18,223	175,934
Net	R0400	-	8,678	2,449	1,534	12,661
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	-	31,487	16,448	3,644	51,579
Other expenses	R1200					
Total expenses	R1300					51,579

S.17.01.02
Non-Life Technical Provisions (USD '000)

		Segmentation for:								
		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' comp. 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
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0081	C0082
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM										
Best estimate										
<i>Premium provisions</i>										
Gross - Total	R0060	-	-	-	-	-	(10,236)	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	(11,912)	-	-	-
<i>Net Best Estimate of Premium Provisions</i>	R0150	-	-	-	-	-	1,675	-	-	-
<i>Claims provisions</i>										
Gross - Total	R0160	-	-	-	-	-	514,234	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	450,720	-	-	-
<i>Net Best Estimate of Claims Provisions</i>	R0250	-	-	-	-	-	63,514	-	-	-
Total Best estimate - gross	R0260	-	-	-	-	-	503,997	-	-	-
Total Best estimate - net	R0270	-	-	-	-	-	65,190	-	-	-
Risk margin	R0280	-	-	-	-	-	10,269	-	-	-
Amount of the transitional on Technical Provisions										
TP as a whole	R0290	-	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-	-
Technical provisions - total										
Technical provisions - total	R0320	-	-	-	-	-	514,266	-	-	-
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	438,808	-	-	-
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	-	-	-	75,459	-	-	-

S.17.01.02
Non-Life Technical Provisions (USD '000)

		Segmentation for:						Total Non-Life obligation	
		Direct business and accepted proportional reinsurance			accepted non-proportional reinsurance				
		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
		C0020	C0030	C0040	C0050	C0060	C0070		C0080
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	
Technical provisions calculated as a sum of BE and RM									
Best estimate									
<i>Premium provisions</i>									
Gross - Total	R0060	-	-	-	-	-	-	(10,236)	
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-	(11,912)	
<i>Net Best Estimate of Premium Provisions</i>	R0150	-	-	-	-	-	-	1,675	
<i>Claims provisions</i>									
Gross - Total	R0160	-	-	-	-	-	-	514,234	
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	-	450,720	
<i>Net Best Estimate of Claims Provisions</i>	R0250	-	-	-	-	-	-	63,514	
Total Best estimate - gross	R0260	-	-	-	-	-	-	503,997	
Total Best estimate - net	R0270	-	-	-	-	-	-	65,190	
Risk margin	R0280	-	-	-	-	-	-	10,269	
Amount of the transitional on Technical Provisions									
TP as a whole	R0290	-	-	-	-	-	-	-	
Best estimate	R0300	-	-	-	-	-	-	-	
Risk margin	R0310	-	-	-	-	-	-	-	
Technical provisions - total									
Technical provisions - total	R0320	-	-	-	-	-	-	514,266	
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	-	438,808	
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	-	-	-	-	75,459	

S.19.01.21
Non-Life Insurance Claims (USD '000)

Total Non-life Business

Accident year / Underwriting year	Z0010	Underwriting Year
--------------------------------------	-------	----------------------

Gross Claims Paid (non-cumulative)

(absolute amount) \$'000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											27,447
N-9	R0160	-	-	31,942	21,060	15,377	7,986	2,864	6,933	289	1,010	
N-8	R0170	-	39,175	28,896	21,753	11,029	6,664	4,898	1,916	2,183		
N-7	R0180	19,581	51,045	68,520	17,970	8,593	8,914	5,614	3,243			
N-6	R0190	23,834	42,023	25,598	25,096	8,498	2,152	1,831				
N-5	R0200	42,582	39,417	26,375	9,971	4,430	18,404					
N-4	R0210	20,477	32,621	22,645	25,539	5,697						
N-3	R0220	24,701	48,779	28,178	37,418							
N-2	R0230	14,842	36,756	34,451								
N-1	R0240	22,279	30,045									
N	R0250	54,222										

		In Current year	Sum of all years (cumulative)
		C0360	C0360
Prior	R0100	27,447	300,312
N-9	R0160	1,010	87,461
N-8	R0170	2,183	116,514
N-7	R0180	3,243	183,479
N-6	R0190	1,831	129,030
N-5	R0200	18,404	141,178
N-4	R0210	5,697	106,978
N-3	R0220	37,418	139,076
N-2	R0230	34,451	86,049
N-1	R0240	30,045	52,324
N	R0250	54,222	54,222
Total	R0260	215,950	1,396,625

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount) \$'000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											90,658
N-9	R0160	-	-	-	-	-	-	-	-	8,510	6,698	
N-8	R0170	-	-	-	-	-	-	-	6,488	3,813		
N-7	R0180	-	-	-	-	-	-	15,051	6,394			
N-6	R0190	-	-	-	-	-	10,344	6,462				
N-5	R0200	-	-	-	-	29,616	5,934					
N-4	R0210	-	-	-	28,789	20,590						
N-3	R0220	-	-	93,487	46,528							
N-2	R0230	-	105,468	66,220								
N-1	R0240	171,860	107,741									
N	R0250	185,885										

		Year end (discounted data)
		C0360
Prior	R0100	85,239
N-9	R0160	6,297
N-8	R0170	3,585
N-7	R0180	6,012
N-6	R0190	6,076
N-5	R0200	5,579
N-4	R0210	19,359
N-3	R0220	43,747
N-2	R0230	62,262
N-1	R0240	101,302
N	R0250	174,775
Total	R0260	514,234

S.23.01.01
Own funds (USD '000)

	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 000s					
Ordinary share capital (gross of own shares)	R0010	-	-	-	-
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	298,352	298,352	-	-
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	298,352	298,352	-	-
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	195,454	-	195,454	-
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	195,454	-	195,454	-
Available and eligible own funds					
Total available own funds to meet the SCR	R0500	493,806	298,352	-	195,454
Total available own funds to meet the MCR	R0510	298,352	298,352	-	-
Total eligible own funds to meet the SCR	R0540	350,517	298,352	-	61,165
Total eligible own funds to meet the MCR	R0550	298,352	298,352	-	-
SCR	R0580	122,331	-	-	-
MCR	R0600	30,583	-	-	-
Ratio of Eligible own funds to SCR	R0620	294%	-	-	-
Ratio of Eligible own funds to MCR	R0640	976%	-	-	-

Reconciliation reserve

		C0060
Reconciliation reserve		298,352
Excess of assets over liabilities	R0700	298,352
Own shares (held directly and indirectly)	R0710	-
Forfeitable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	-
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring-fenced funds	R0740	-
Reconciliation reserve	R0760	298,352
Expected profits		
Expected profits included in future premiums (EPIFF) - Life business	R0770	-
Expected profits included in future premiums (EPIFF) - Non-life business	R0780	(1,675)
Total Expected profits included in future premiums (EPIFF)	R0790	(1,675)

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula (USD '000)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
Market risk	R0010	83,091		
Counterparty default risk	R0020	20,119		
Life underwriting risk	R0030			
Health underwriting risk	R0040			
Non-life underwriting risk	R0050	34,743		
Diversification	R0060	(30,742)		
Intangible asset risk	R0070	-		
Basic Solvency Capital Requirement	R0100	107,211		

		Value
		C0100
Calculation of Solvency Capital Requirement		
Operational risk	R0130	15,120
Loss-absorbing capacity of technical provisions	R0140	
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency Capital Requirement excluding capital add-on	R0200	122,331
Capital add-on already set	R0210	
Solvency capital requirement	R0220	122,331

Other information on SCR

Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	-
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	-
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (USD '000)

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	15,616

Background information

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	65,190	63,579
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRRL Result	R0200	-

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

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

Overall MCR calculation

		C0070
Linear MCR	R0300	15,616
SCR	R0310	122,331
MCR cap	R0320	55,049
MCR floor	R0330	30,583
Combined MCR	R0340	30,583
Absolute floor of the MCR	R0350	2,715
Minimum Capital Requirement	R0400	30,583

ISRe

Basic Information – General

Undertaking name	International Shipowners Reinsurance Company S.A.
Undertaking identification code	LEI/J66LB8B3GB34QW4VRZ57
Type of undertaking	Non-Life Undertaking
Country of authorisation	LU
Language of reporting	en
Reporting reference date	20/02/2018
Currency used for reporting	USD
Accounting standards	Lux GAAP
Method of Calculation of the SCR	Standard Formula
Matching adjustment	Matching adjustment Not Used
Volatility adjustment	Volatility Adjustment Not Used
Transitional measure on the risk-free interest rate	Transitional measure on the risk-free interest rate Not Used
Transitional measure on technical provisions	Transitional measure on technical provisions Not Used

Disclosed Templates

S.02.01.02	Balance Sheet
S.05.01.02	Premiums, Claims and Expenses by Line of Business
S.05.02.01	Premiums, Claims and Expenses by Country
S.17.01.02	Non-Life Technical Provisions
S.19.01.21	Non-Life Insurance Claims
S.23.01.01	Own Funds
S.25.01.21	Solvency Capital Requirement - for undertakings on Standard Formula
S.28.01.01	Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.02.01.02
Balance Sheet (USD '000)

		Solvency II value
		C0010
Assets		
Intangible assets	R0030	-
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	-
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	347,303
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	-
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	294,527
Government Bonds	R0140	118,376
Corporate Bonds	R0150	176,151
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	52,530
Derivatives	R0190	246
Deposits other than cash equivalents	R0200	-
Other investments	R0210	-
Assets held for index-linked and unit-linked contracts	R0220	-
Loans and mortgages	R0230	22,151
Loans on policies	R0240	-
Loans and mortgages to individuals	R0250	-
Other loans and mortgages	R0260	22,151
Reinsurance recoverables from:	R0270	725
Non-life and health similar to non-life	R0280	725
Non-life excluding health	R0290	725
Health similar to non-life	R0300	-
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	-
Health similar to life	R0320	-
Life excluding health and index-linked and unit-linked	R0330	-
Life index-linked and unit-linked	R0340	-
Deposits to cedants	R0350	-
Insurance and intermediaries receivables	R0360	-
Reinsurance receivables	R0370	23,053
Receivables (trade, not insurance)	R0380	141
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	39,344
Any other assets, not elsewhere shown	R0420	7
Total assets	R0500	432,724

S.02.01.02
Balance Sheet (USD '000)

		Solvency II value	
		C0010	
Liabilities			
Technical provisions – non-life	R0510		263,320
<i>Technical provisions – non-life (excluding health)</i>	R0520		263,320
<i>Technical provisions calculated as a whole</i>	R0530		-
<i>Best Estimate</i>	R0540		246,260
<i>Risk margin</i>	R0550		17,060
<i>Technical provisions - health (similar to non-life)</i>	R0560		-
<i>Technical provisions calculated as a whole</i>	R0570		-
<i>Best Estimate</i>	R0580		-
<i>Risk margin</i>	R0590		-
Technical provisions - life (excluding index-linked and unit-linked)	R0600		-
<i>Technical provisions - health (similar to life)</i>	R0610		-
<i>Technical provisions calculated as a whole</i>	R0620		-
<i>Best Estimate</i>	R0630		-
<i>Risk margin</i>	R0640		-
<i>Technical provisions – life (excluding health and index-linked and unit-linked)</i>	R0650		-
<i>Technical provisions calculated as a whole</i>	R0660		-
<i>Best Estimate</i>	R0670		-
<i>Risk margin</i>	R0680		-
Technical provisions – index-linked and unit-linked	R0690		-
<i>Technical provisions calculated as a whole</i>	R0700		-
<i>Best Estimate</i>	R0710		-
<i>Risk margin</i>	R0720		-
Other technical provisions	R0730		-
Contingent liabilities	R0740		-
Provisions other than technical provisions	R0750		-
Pension benefit obligations	R0760		-
Deposits from reinsurers	R0770		-
Deferred tax liabilities	R0780		36,723
Derivatives	R0790		307
Debts owed to credit institutions	R0800		-
Financial liabilities other than debts owed to credit institutions	R0810		-
Insurance & intermediaries payables	R0820		-
Reinsurance payables	R0830		-
Payables (trade, not insurance)	R0840		564
Subordinated liabilities	R0850		-
<i>Subordinated liabilities not in Basic Own Funds</i>	R0860		-
<i>Subordinated liabilities in Basic Own Funds</i>	R0870		-
Any other liabilities, not elsewhere shown	R0880		-
Total liabilities	R0900		300,914
Excess of assets over liabilities	R1000		131,810

S.05.01.02

Premiums, claims and expenses by line of business (USD '000)

Non-Life

Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)													
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120
Premiums written													
Gross - Direct Business	R0110	-	-	-	-	-	89,620	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0200	-	-	-	-	-	89,620	-	-	-	-	-	-
Premiums earned													
Gross - Direct Business	R0210	-	-	-	-	-	89,620	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-	-	-	-	-	-	-	-
Net	R0300	-	-	-	-	-	89,620	-	-	-	-	-	-
Claims incurred													
Gross - Direct Business	R0310	-	-	-	-	-	112,109	-	-	-	-	-	-
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	-	(1,540)	-	-	-	-	-	-
Net	R0400	-	-	-	-	-	113,649	-	-	-	-	-	-
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	-	-	-	-	-	1,053	-	-	-	-	-	-
Other expenses	R1200	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	R1300	-	-	-	-	-	-	-	-	-	-	-	-

S.05.01.02

Premiums, claims and expenses by line of business (USD '000)

Non-Life

		Line of business for: accepted non-proportional reinsurance				Total
		Health	Casualty	Marine, aviation, transport	Property	
		C0130	C0140	C0150	C0160	
Premiums written						
Gross - Direct Business	R0110					89,620
Gross - Proportional reinsurance accepted	R0120					-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-
Reinsurers' share	R0140	-	-	-	-	-
Net	R0200	-	-	-	-	89,620
Premiums earned						
Gross - Direct Business	R0210					89,620
Gross - Proportional reinsurance accepted	R0220					-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-
Reinsurers' share	R0240	-	-	-	-	-
Net	R0300	-	-	-	-	89,620
Claims incurred						
Gross - Direct Business	R0310					112,109
Gross - Proportional reinsurance accepted	R0320					-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-
Reinsurers' share	R0340	-	-	-	-	(1,540)
Net	R0400	-	-	-	-	113,649
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	-	-	-	-	1,053
Other expenses	R1200					-
Total expenses	R1300					-

S.05.02.01

Premiums, claims and expenses by Country (USD '000)

Non-Life

		Home country C0080	Total for top 5 countries and home country C0140
Premiums written			
Gross - Direct Business	R0110	89,620	89,620
Gross - Proportional reinsurance accepted	R0120	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-
Reinsurers' share	R0140	-	-
Net	R0200	89,620	89,620
Expenses incurred			
Gross - Direct Business	R0210	89,620	89,620
Gross - Proportional reinsurance accepted	R0220	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-
Reinsurers' share	R0240	-	-
Net	R0300	89,620	89,620
Claims incurred			
Gross - Direct Business	R0310	112,109	112,109
Gross - Proportional reinsurance accepted	R0320	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-
Reinsurers' share	R0340	(1,540)	(1,540)
Net	R0400	113,649	113,649
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	1,053	1,053
Other expenses	R1200	-	-
Total expenses	R1300	-	1,053

S.17.01.02
Non-Life Technical Provisions (USD '000)

		Segmentation for:								
		Direct business and accepted proportional reinsurance								
		Medical expense insurance	Income protection insurance	Workers' comp. 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
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0081	C0082
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM										
Best estimate										
<i>Premium provisions</i>										
Gross - Total	R0060	-	-	-	-	-	10,025	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-	-	-	-
<i>Net Best Estimate of Premium Provisions</i>	R0150	-	-	-	-	-	10,025	-	-	-
<i>Claims provisions</i>										
Gross - Total	R0160	-	-	-	-	-	236,235	-	-	-
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	725	-	-	-
<i>Net Best Estimate of Claims Provisions</i>	R0250	-	-	-	-	-	235,511	-	-	-
Total Best estimate - gross	R0260	-	-	-	-	-	246,260	-	-	-
Total Best estimate - net	R0270	-	-	-	-	-	245,536	-	-	-
Risk margin	R0280	-	-	-	-	-	17,060	-	-	-
Amount of the transitional on Technical Provisions										
TP as a whole	R0290	-	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-	-
Technical provisions - total										
Technical provisions - total	R0320	-	-	-	-	-	263,320	-	-	-
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	725	-	-	-
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	-	-	-	262,595	-	-	-

S.17.01.02
Non-Life Technical Provisions (USD '000)

		Segmentation for:						Total Non-Life obligation	
		Direct business and accepted proportional reinsurance			accepted non-proportional reinsurance				
		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
		C0020	C0030	C0040	C0050	C0060	C0070		C0080
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	
Technical provisions calculated as a sum of BE and RM									
Best estimate									
<i>Premium provisions</i>									
Gross - Total	R0060	-	-	-	-	-	-	10,025	
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	-	-	-	-	-	-	-	
<i>Net Best Estimate of Premium Provisions</i>	R0150	-	-	-	-	-	-	10,025	
<i>Claims provisions</i>									
Gross - Total	R0160	-	-	-	-	-	-	236,235	
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	-	-	-	-	-	-	725	
<i>Net Best Estimate of Claims Provisions</i>	R0250	-	-	-	-	-	-	235,511	
Total Best estimate - gross	R0260	-	-	-	-	-	-	246,260	
Total Best estimate - net	R0270	-	-	-	-	-	-	245,536	
Risk margin	R0280	-	-	-	-	-	-	17,060	
Amount of the transitional on Technical Provisions									
TP as a whole	R0290	-	-	-	-	-	-	-	
Best estimate	R0300	-	-	-	-	-	-	-	
Risk margin	R0310	-	-	-	-	-	-	-	
Technical provisions - total									
Technical provisions - total	R0320	-	-	-	-	-	-	263,320	
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	-	-	-	-	-	-	725	
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	-	-	-	-	-	-	262,595	

S.19.01.21
Non-Life Insurance Claims (USD '000)

Total Non-life business

Accident year / Underwriting year	Z0010	Underwriting Year
--------------------------------------	-------	----------------------

Gross Claims Paid (non-cumulative)

(absolute amount) \$'000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											
N-9	R0160	22,816	32,727	21,789	14,977	41,640	-	-	-	-	-	
N-8	R0170	20,268	29,350	20,682	46,122	-	-	-	-	-	-	
N-7	R0180	14,686	36,391	38,236	11,782	7,358	5,316	3,716	830			
N-6	R0190	19,008	22,192	14,499	15,401	7,289	1,783	2,254				
N-5	R0200	27,935	29,506	19,194	4,838	3,335	(1,080)					
N-4	R0210	16,381	24,561	14,711	17,209	2,374						
N-3	R0220	19,761	23,227	11,987	4,937							
N-2	R0230	11,874	25,081	19,622								
N-1	R0240	17,823	24,036									
N	R0250	34,933										

Gross undiscounted Best Estimate Claims Provisions - Development year

(absolute amount) \$'000s

		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0350
Prior	R0100											26,547
N-9	R0160									4,668		
N-8	R0170								3,584			
N-7	R0180							4,734	3,831			
N-6	R0190						8,050	4,397				
N-5	R0200					6,338	5,910					
N-4	R0210				15,660	10,449						
N-3	R0220			19,062	12,159							
N-2	R0230		61,964	43,603								
N-1	R0240	94,886	51,471									
N	R0250	97,367										

		In Current year	Sum of all years (cumulative)
		C0360	C0360
Prior	R0100	-	44,086
N-9	R0160	-	133,949
N-8	R0170	-	116,422
N-7	R0180	830	118,316
N-6	R0190	2,254	82,426
N-5	R0200	(1,080)	83,729
N-4	R0210	2,374	75,238
N-3	R0220	4,937	59,912
N-2	R0230	19,622	56,576
N-1	R0240	24,036	41,859
N	R0250	34,933	34,933
Total	R0260	87,906	847,447

		Year end (discounted data)
		C0360
Prior	R0100	26,547
N-9	R0160	-
N-8	R0170	-
N-7	R0180	3,505
N-6	R0190	4,023
N-5	R0200	5,407
N-4	R0210	9,560
N-3	R0220	11,124
N-2	R0230	39,893
N-1	R0240	47,092
N	R0250	89,083
Total	R0260	236,235

S.23.01.01
Own Funds (USD '000)

		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 \$000s						
Ordinary share capital (gross of own shares)	R0010	25,000	25,000	-	-	-
Share premium account related to ordinary share capital	R0030	-	-	-	-	-
Initial funds, members' contributions or the equivalent basic own n - 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	106,810	106,810	-	-	-
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	131,810	131,810	-	-	-
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 n 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	131,810	131,810	-	-	-
Total available own funds to meet the MCR	R0510	131,810	131,810	-	-	-
Total eligible own funds to meet the SCR	R0540	131,810	131,810	-	-	-
Total eligible own funds to meet the MCR	R0550	131,810	131,810	-	-	-
SCR	R0580	85,944	-	-	-	-
MCR	R0600	37,837	-	-	-	-
Ratio of Eligible own funds to SCR	R0620	153%	-	-	-	-
Ratio of Eligible own funds to MCR	R0640	348%	-	-	-	-

Reconciliation reserve

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	131,810
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	25,000
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	106,810
Expected profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	(10,025)
Total Expected profits included in future premiums (EPIFP)	R0790	(10,025)

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula (USD '000)

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
Market risk	R0010	37,220		
Counterparty default risk	R0020	10,834		
Life underwriting risk	R0030	-		
Health underwriting risk	R0040	-		
Non-life underwriting risk	R0050	86,978		
Diversification	R0060	(26,264)		
Intangible asset risk	R0070	-		
Basic Solvency Capital Requirement	R0100	108,768		

		Value
		C0100
Calculation of Solvency Capital Requirement		
Operational risk	R0130	7,388
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	(30,212)
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency Capital Requirement excluding capital add-on	R0200	85,944
Capital add-on already set	R0210	-
Solvency capital requirement	R0220	85,944

Other information on SCR

Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	-
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	-
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity (USD '000)

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCRNL Result	R0010	37,837

Background information

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
Medical expense insurance and proportional reinsurance	R0020	-	-
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	-	-
Marine, aviation and transport insurance and proportional reinsurance	R0070	245,536	89,619
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	-	-
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

Linear formula component for life insurance and reinsurance obligations

		C0040
MCRL Result	R0200	-

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

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

Overall MCR calculation

		C0070
Linear MCR	R0300	37,837
SCR	R0310	85,944
MCR cap	R0320	38,675
MCR floor	R0330	21,486
Combined MCR	R0340	37,837
Absolute floor of the MCR	R0350	2,500
Minimum Capital Requirement	R0400	37,837