



Solvency & Financial Condition Report

2018



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1. Business Performance

1.1 Business

1.1.1 Name and legal form of undertaking

American Hellenic Hull Insurance Company Ltd was incorporated in Cyprus on 21st April, 2016, as a private limited liability Company by shares under the Cyprus Companies Law, Cap. 113. Its registered office is at John Kennedy Str., Iris House, 3rd Floor, 3016 Limassol, Cyprus.

The principal activity of the Company is to act as an insurance provider for marine business. Company obtained its operating license on 24th June 2016 based on the Insurance and Reinsurance Services and Other Related Issues Law of 2016.

1.1.2 Name and contact details of the supervisory authority

The supervisory authority of the undertaking is Superintendent of Insurance
Mrs Victoria Natar

Address: P.O. Box 23364, 1682 Nicosia

Telephone Number: 22602990

Fax Number: 22302938

E-mail: insurance@mof.gov.cy

The group supervisory is New York Superintendent of Insurance.

1.1.3 Name and contact details of the external auditor

Moore Stephens (Limassol) Limited

196 Arch. Makarios Ave., Ariel Corner, 1st floor, office 102, 3030 Limassol | Cyprus

Partner, Christos Tsissios

e-mail: c.tsissios@moorestephens.com.cy

tel.: +357 25 820280

Fax: +357 25 344237

1.1.4 Description of the holders of qualifying holdings in the undertaking

The direct sole shareholder of American Hellenic Hull Insurance Company Limited is AHHIC Inc, a United States Company, which holds 100% of its shares. AHHIC Inc in turn is a 100% subsidiary of American Steamship Owners Mutual Protection and Indemnity Association, Inc. (trading as the American Club), which is the ultimate holding entity of the undertaking.

1.1.5 Details of the undertaking's position within the legal structure of the group

1.1.6 The American Steamship Owners Mutual Protection and Indemnity Association, Inc. (trading as the American Club) was established in New York in 1917.

The American Club is a member of the International Group of P&I Clubs, an unincorporated association of thirteen independent mutual insurance associations which together provide Protection and Indemnity insurance for approximately 90% of the world's ocean-going tonnage.

1.1.7 Material lines of business and material geographical areas where the undertaking carries out business

The undertaking has a licence issued by the Superintendent of Insurance of Cyprus to carry out insurance activities under non-life Class 6, that is to provide insurance cover in connection with damage of or loss of sea vessels or lake vessels, or river or canal vessels as well as the damage to or loss of the machinery, the fittings and features or the equipment of such vessels. The headquarters of the undertaking are situated in Limassol, Cyprus.

1.1.8 Any significant business or other events that have occurred over the reporting period that have had a material impact on the undertaking

On 28th of March, 2018 the Board of Directors of the Company resolved to allot 1 (one) ordinary share of nominal value US\$1.00 at the total price of US\$2,000,000.- (United States Dollars two million). The amount of US\$1,999,999.- is recorded in the Share Premium account. The allotted share was fully paid on 28th March 2018 by the Shareholder, AHHIC Inc. Apart from this event, there were no significant business or other events that have occurred over and after the reporting period that have had a material impact on the undertaking.

1.2 Underwriting performance

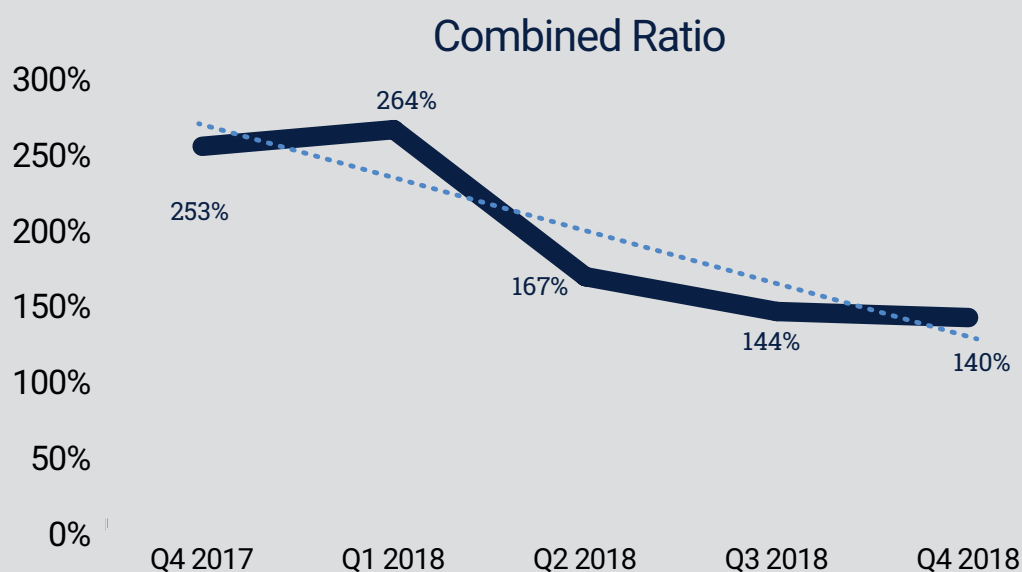
1.2.1 Qualitative and quantitative information on the undertaking's underwriting performance, at an aggregate level

During 2018 the company continued its growth in terms of insured vessels and gross written premium, however an unprecedented number of five major (over US\$300,000) losses in 2018 in the total amount of US\$2,811,101 (compared to just two major losses in 2017 in the total amount of US\$630,000) have affected the year's underwriting result.

The company has achieved to book a total amount of US\$11.01m in gross written premium during 2018, with the more controlled growth during this year resulting in an improvement of the Earned to Written Premium ratio from 71.8% in December 2017 to 93.1% in December 2018.

FINANCIAL OVERVIEW	JAN - DEC 2017	JAN - DEC 2018
PREMIUMS	AMOUNTS US\$	AMOUNTS US\$
Gross Earned Premium after cancellations and returns	6,300,585	8,766,379
Ceded reinsurance premium	-3,881,243	-3,083,231
Net Earned Premium after cancellations and returns	2,419,343	5,683,148
Additional Unexpired Risk Reserve	-613,515	-55,000
Net Premium after AURR	1,805,828	5,628,148
CLAIMS	AMOUNTS US\$	AMOUNTS US\$
Gross Claims paid and claims expenses	-3,920,434	-7,484,938
Recovered from Reinsurers	1,907,828	3,086,396
Movements on claims and recoveries	-1,143,664	-505,938
Total Net Claims	-3,156,270	-4,904,480
COMMISSIONS / EXPENSES / OPEX.	AMOUNTS US\$	AMOUNTS US\$
Commissions to brokers	-863,350	-1,202,821
Managers, Consultants all other OPEX.	-785,633	-1,343,889
PROFIT / (LOSS) BEFORE TAX	-2,999,425	-1,823,042

The company's Combined Ratio continued its decreasing trend reaching 140% in Q4 2018, having decreased 113% points since Q4 2017



1.2.2 Qualitative and quantitative information on the undertaking's underwriting performance by material line of business

Portfolio: Having had a relatively fast growth in the first 18 months of its operation, the company elected to implement an even more strict and selective approach in 2018 in order to have a more controlled growth, insuring 43 out of 341 fleets seen (12.61%):

	2016	2017	2018
Fleets Seen	87	304	341
Fleets Insured	27	83	43
Acceptance Rate	31%	27%	13%

The Underwriting protocol, as far as oceangoing vessels are concerned, continued to comprise, inter alia, of the following guidelines:

- Vessels flying white listed flags
- Vessels IACS classed
- Vessels no more than 15 years old, unless they are part of a fleet whose total average age does not exceed 15 years.
- No singletons

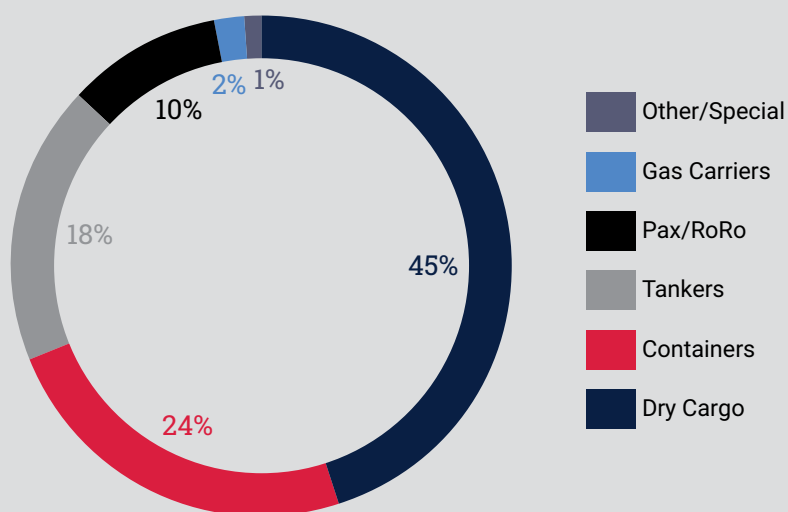
Above guidelines do not apply to coastal/inland trading vessels due to the restricted nature of their trading.

The company's portfolio during 2018 remained predominantly an oceangoing vessels portfolio with 2,169 oceangoing vessels (94.43% of whole portfolio) and 128 coastal/inland trading vessels (5.57% of whole portfolio) as at 31st December 2018.

Out of the 2,169 oceangoing vessels:

- 973 are dry cargo vessels (BBU, GGC, MPP etc.);
- 515 are container carriers (UCC etc.);
- 400 are tanker vessels (VLCC, TPD, TCH. TCR, TTA etc.);
- 214 are passenger and/or vehicle carriers (PRR, MPR, etc.);
- 38 are gas carriers (LNG, LPG etc.);
- 29 are other/special type vessels (OSV, XTG etc.).

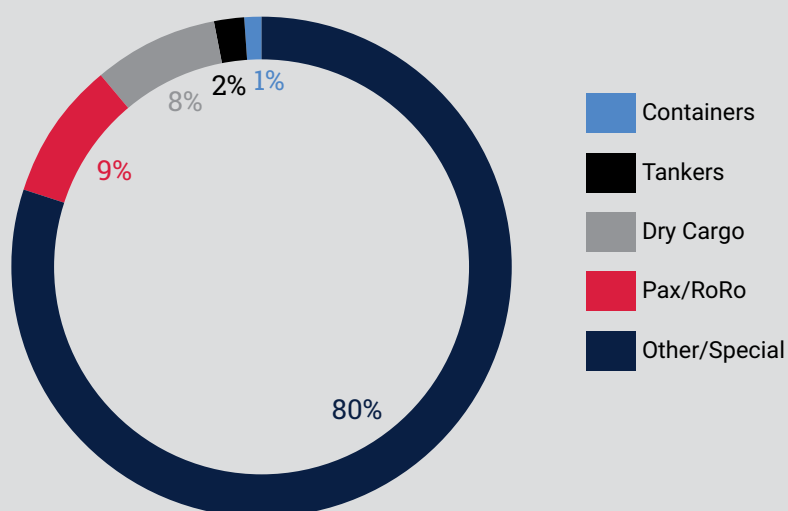
Oceangoing Portfolio



As far as the 128 coastal/inland trading vessels are concerned:

- 102 are other/special type vessels (OSV, XTG etc.);
- 12 are passenger and/or vehicle carriers (PRR, MPR, etc.);
- 10 are dry cargo vessels (BBU, GGC, MPP etc.);
- 3 are tanker vessels (VLCC, TPD, TCH. TCR, TTA etc.);
- 1 is container carrier (UCC etc.);

Coastal / Inland Trading Portfolio

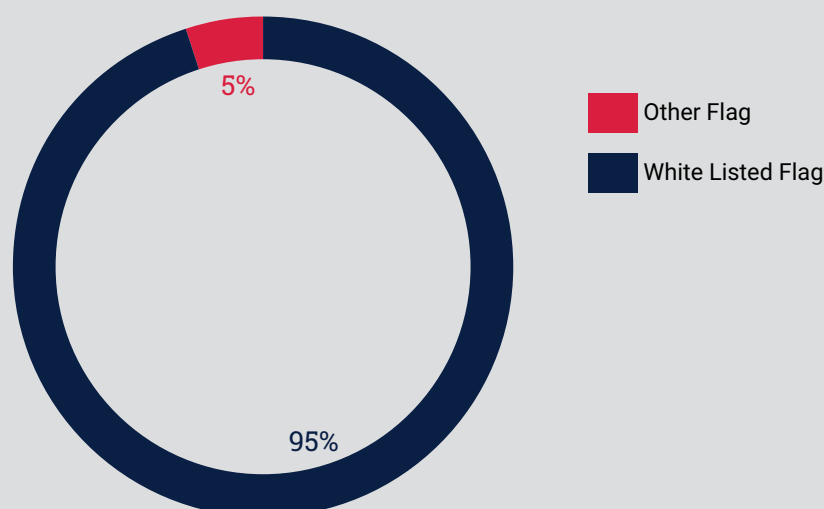


Vessels' demographics:

Vessels insured with the company as at 31st December 2018 are flagged as follows:

Flag	No of Vessels	Flag	No of Vessels
Liberia	541	United States of America	85
Marshall Islands	237	Germany	56
Antigua & Barbuda	193	Isle of Man	46
Malta	127	Bahamas	41
Netherlands	122	Hong Kong, China	36
Portugal	119	Gibraltar	25
Cyprus	115	Finland	20
Panama	112	Cayman Islands	19
Greece	102	United Kingdom	19
Singapore	98	Turkey	17
Italy	95	Other	72

Out of the 2,297 vessels insured by the company on 31st December 2018, 2,173 fly white listed flags (as per Paris MoU 2017 Performance List), with the rest being almost entirely coastal/inland trading vessels.

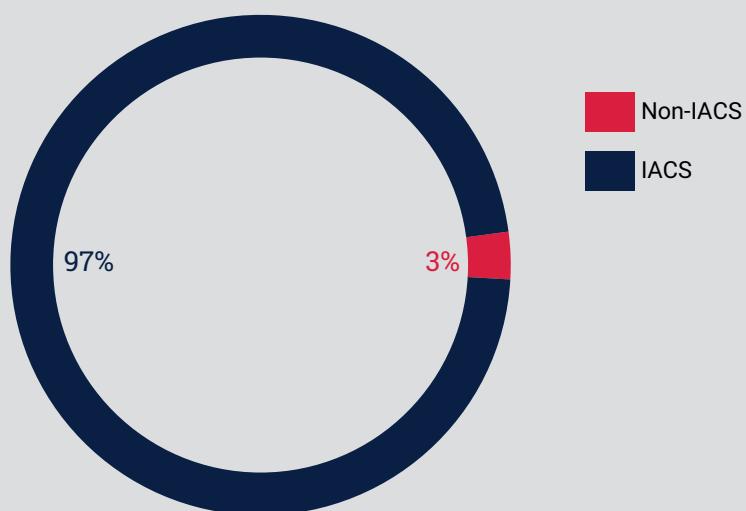
Flag of Vessels

Vessels insured with the company as at 31st December 2018 are classed as follows:

Class	No of Vessels	Class	No of Vessels
DNV GL	709	ABS	195
LR	369	USCG	83
BV	338	KR	46
NK	294	CCS	14
RINA	211	Other	38

Out of the 2,297 vessels insured by the company on 31st December 2018, 95.56% are IACS classed, with the rest being predominantly coastal/inland trading vessels.

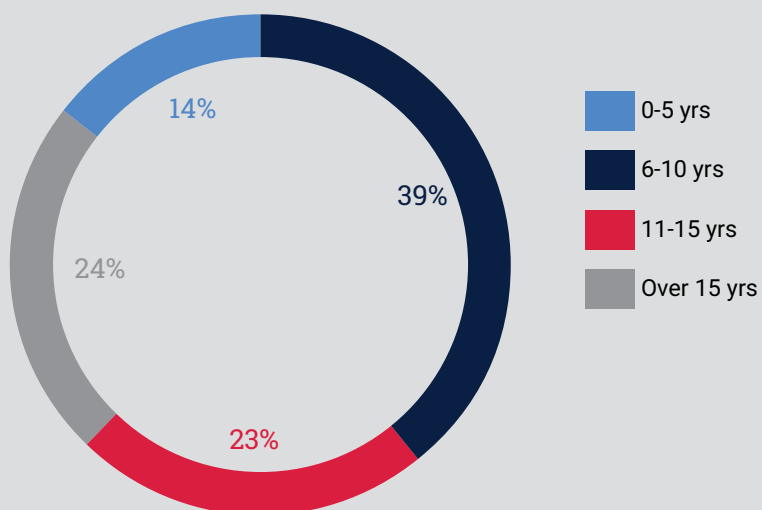
Classification of Vessels



Vessels insured with the company as at 31st December 2018 are of the following age:

Age Band	0 - 5 years	6 - 10 years	11 - 15 years	over 15 years
No of Vessels	328	901	530	538

Age of Vessels



The average age of the whole portfolio as at 31st December 2018 is 12 years, with 76.58% of the whole portfolio vessels having an age of up to 15 years.

Production

Brokers: During 2018, 37 different Broking Houses of the following origin produced business for the company, increased by 3 compared to 2017:

Broker Origin	Greece	U.K.	Germany	Cyprus	Italy	U.S.A.	Norway	Singapore
No of Brokers	12	8	7	3	3	2	1	1

Managers: As at 31st December 2018, the company insures fleets of 176 different Managers of the following origin, increased by 23 compared to 2017:

Manager Origin	Greece	Germany	Other European	Asia	Cyprus	Other*	U.S.A.
No of Managers	103	36	15	9	5	5	3

* Turkey & Venezuela

The majority of the company's insured fleets (78.98%) originate from Greece and Germany, two traditionally shipping nations.

Claims

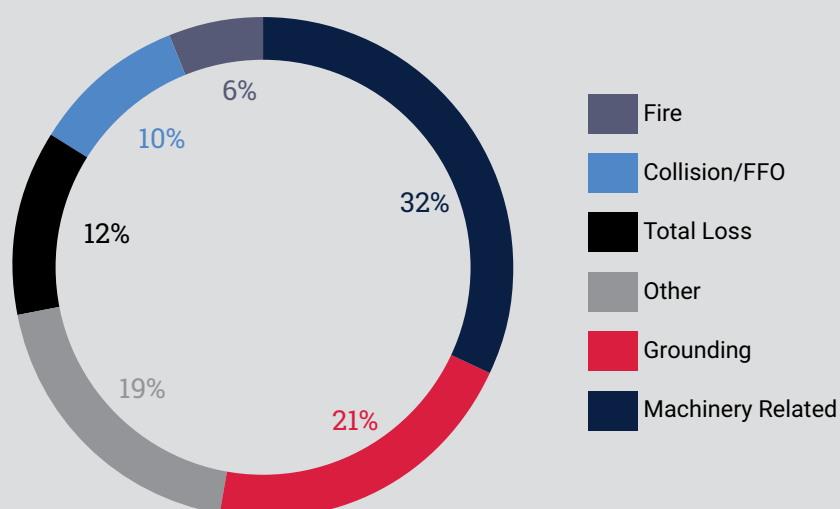
General: During 2018, 541 claims were reported with a total claim cost (excluding technical reserves) of US\$8,042,853, which can be split in different types as follows:

Type of Claim	No of Claims	Total Claim cost (US\$)	Average per claim (US\$)
Machinery Related	201	2,565,024	12,761
Grounding	42	1,644,633	39,158
Other	152	1,553,906	10,223
Total Loss	3	989,545	329,848
Collision/FFO	134	792,416	5,914
Fire	9	497,329	55,259
Total	541	8,042,853	14,867

* Heavy weather damage, anchor related machinery, stern tube leakages (non-grounding), rudder damage (non-grounding), propeller damage (non-grounding), structural damage (non-grounding)

The average claim cost in 2018 has increased 11.63% compared to 2017.

Cost per Claim Type



1.3 Investment Performance

According to company's investing philosophy investment activities should not pose undue risks to capital. Company maintains at all times a well-diversified investment portfolio. Company currently holds money in operating accounts, time deposits and / or investments in US Treasury bills.

1.3.1 Income and expenses arising from investments by asset class

According to the performance analysis of 31 December 2018 the Investment Asset had a valuation of US\$6.872.806 (2017: US\$3.697.293) which was purchased at the Initial Cost of US\$6.855.694 giving an unrealized profit in current year of US\$17.112 and a Rate of Return: of 0,25% (2017: US\$41.247 and a rate of return: 1.12%).

1.3.2 Any gains and losses recognised directly in equity

As of 31st December 2018 there were no gains or losses recognised directly in equity.

1.3.3 Any investments in securitisation

There are not any investments in securitisation.

1.3.4 Performance of other activities

There are no other activities.

1.3.5 Other material income and expenses

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

1.4 Any other information

There is no other material information regarding the business and performance of the undertaking.

2. System of Governance

2.1 General information on the system of governance

2.1.1 The structure of the Board of Directors (BoD)

2.1.2 The Board of Directors of the undertaking is currently comprised of eight directors.

Currently, the Board of Directors has two committees: the Audit Committee and the Finance and Investment Committee. Three directors are members of the Audit Committee and two directors and the General Manager of the undertaking members of the Investment Committee.

The BoD is made up by 8 non-executive members. The current membership of the Company's BoD presented below:

Chairperson	Vincent Solarino
Secretary of the BoD	Fidentia Secretarial Ltd
Member	James P. Corcoran
Member	Joseph Edwin Morgan Hughes
Member	Dorothea Ioannou
Member	Andreas Georgiadis
Member	Angelos Kostakos
Member	Demos Demou
Member	Manolis Hadjimanolis

2.1.3 Description of the main roles and responsibilities of key functions

2.1.3.1 Internal Audit Function

The Internal Audit function of the Company is administratively independent of any functions which have operational responsibilities. The Internal Audit function reports to the BoD through the Audit Committee. The Internal Audit function does not subordinate to any other operational function of the Company however, all its reports are communicated to the Company's Management.

The Internal Audit Function is responsible for evaluating the adequacy and effectiveness of the internal control system and other elements of the system of governance. The responsibilities of this function are governed by the Internal Audit Function Manual, which is approved by the BoD and reviewed annually.

2.1.3.2 Compliance Function

The Compliance Function reports to the Board of Directors and to the CEO / General Manager. The Compliance Function is administratively independent of risk taking functions e.g. underwriting and claims. It also has a direct reporting line to the BoD, in order to ensure its operational independence and safeguard its ability to escalate important issues.

The main function of the Compliance Function is the establishment and application of suitable procedures for the purpose of achieving a timely and on-going compliance of the Company with the existing legal and regulatory framework. The activities and responsibilities of the Function are

governed by the Compliance Manual, which has been approved by the BoD and reviewed annually. The function is subject to audit by the Internal Audit Function.

2.1.3.3 *Actuarial Function*

The Actuarial function advises the Senior Management and the BoD of the Company on the valuation of the technical provisions, the overall underwriting policy and the reinsurance arrangements and contributes to the effective implementation of the risk-management system. Additionally, it is responsible to assist where requested in the pricing adequacy. The Actuarial Function is a measure of quality assurance with a view to safeguarding that certain control tasks of the Company are based on expert technical actuarial advice.

2.1.3.4 *Risk Management Function (RMF)*

The RMF aims at facilitating the implementation of the Risk Management System of the Company. The mission of the RMF is the efficient and effective management of risks in accordance with the risk appetite of the Company, as stipulated in its Risk Appetite and Tolerance Statement. In order to achieve its mission, the RMF designs and implements strategies, processes and reporting procedures necessary to identify, measure, monitor and report the risks on an individual and on an aggregate level.

2.1.4 **Material changes in the system of governance over the reporting period**

There were no material changes in the system of governance over the reporting period.

2.2 **Remuneration policy and practices for the BoD and employees**

2.2.4.1 *Principles of the remuneration policy, with an explanation of the relative importance of the fixed and variable components of remuneration*

Board of Directors: The remuneration of Board Directors takes into account financial and non-financial performance. Remuneration of non-executives takes into account other factors, such as their regular attendance to the Board and Committee meetings and their responsibilities.

Non-executive Members of the Board receive an agreed annual fee which has been approved during company's first meeting of the Board of Directors, 8th September, 2016.

Company has outsourced all management and administration affairs to Hellenic Hull Management (HMA) Limited, which is remunerated according to the provisions of a Management Agreement which has been ratified during company's second Board of Directors, on 6th December, 2016 and as amended on 31st December 2017.

2.2.4.2 *Information on the individual and collective performance criteria on which any entitlement to share options, shares or variable components of remuneration is based*

There is no provision of any entitlement to share options, shares or variable components of remuneration to the Members of the Board of Directors.

With regards to company's managers, Hellenic Hull Management (HMA) Limited there are certain remuneration provisions of annual fee and profit commission. Exact mechanism of managers' remuneration is described in detail in section 7 of relevant Management Agreement signed between AHHIC Ltd. and Hellenic Hull Management (HMA) Limited, ratified on 6th December, 2016.

2.2.4.3 *A description of the main characteristics of supplementary pension or early retirement schemes for the members of the BoD and other key function holders*

There is no provision for supplementary pension or early retirement schemes for the members of the BoD and other key function holders.

2.3 Information about material transactions during the reporting period with:

2.3.4.1 *Shareholders*

There were no material transactions with Shareholders during the reporting period.

2.3.4.2 *Persons who exercise a significant influence on the undertaking*

There were no material transactions with persons who exercise a significant influence on the undertaking during the reporting period.

2.3.4.3 *Members of the BoD*

There were no material transactions with Members of the BoD during the reporting period.

2.4 Fit and proper requirements

All members of the Board of Directors and people who effectively run the business or have other key functions have professional skills, expertise and knowledge as per the requirements of Article 44 of the Insurance and Reinsurance Activities and other Related Matters Law of 2016 (Law 38(I) / 2016) and applicable regulations.

2.4.1 **Description of the specific requirements concerning skills, knowledge and expertise**

2.4.2 **The fit and proper requirements are set out in section 8 of the Governance Manual of the undertaking.**

2.4.3 **Description of the undertaking's process for assessing the fitness and the propriety**

The undertakings' process for assessing the fitness and the propriety is set out in section 8 of the Governance Manual of the undertaking.

2.5 Risk management system including the own risk and solvency assessment

2.5.1 **Description of the undertaking's risk management system and how it is able to effectively identify, measure, monitor, manage and report, on a continuous basis**

2.5.1.1 *Principles*

The Risk Management System is governed by the Risk Principles defined by the BoD. The main principles adopted by the Company regarding the management of risk are listed below:

The Company aims to create and promote a strong risk culture that is embedded in all aspects of the Company's activities.

The BoD in carrying out both its management and supervisory functions has collectively a full understanding of the nature of the business and its associated risks

The BoD is responsible for setting AHHIC's risk appetite and risk tolerance at a level which is commensurate with its sound operation and the strategic goals of the Company

The Company has an established, comprehensive and independent from risk taking activities RMF

The Company applies high standards of transparency with regards to the performance of its operations and communicates all the information it considers necessary to the interested and affected parties.

New products, markets, and business strategies are analysed carefully and the Company makes sure that it possesses adequate internal tools and expertise to understand and monitor the risks associated with them

The risk management framework is subject to an independent review by the Internal Audit Function.

2.5.1.2 *Risk Appetite*

In line with its overall strategy, the Company's appetite is for underwriting risk and specifically related to Marine Hull. Hence, non-life underwriting risk accounts for the most significant portion of the Company's risk portfolio. Nonetheless, the Company accepts that underwriting inevitably gives rise to other risk exposures, such as the counterparty default risk that arises from the agreements with reinsurers and from the delays in the collection of premiums from brokers, as well as operational risk. The Company acknowledges that these risks are unavoidable and seeks to reduce these risks to a reasonable and practicable extent.

Moreover, like any other insurance company, the Company has a capital base, the investment of which introduces some investment risk. The Company has a very low appetite for investment risk and hence it invests its portfolio of assets in a manner that ensures security of investments, adequate diversification as well as sufficient liquidity to meet liabilities as they fall due.

2.5.1.3 *Risk Management Cycle*

The Company's Risk Management System encompasses a number of key processes and procedures which address the Company's key risks. These steps are summarised below:

Risk identification - Risks are identified and documented in the Risk Register. Risk and control owners are assigned to each risk to ensure accountability for managing all material risks and the related controls.

Risk assessment - The risk exposures are then assessed qualitatively on a gross basis (inherent risk) and on a net basis (residual risk) on established criteria for frequency and severity for risk not covered by capital and using the Value at Risk (VaR) measure for risks covered by capital.

Risk control and mitigation - The Company designs and implements controls to prevent or detect the occurrence of an identified risk event or to mitigate its severity. The Company's control activities are documented in the Risk Register.

Risk monitoring - At least once a year, net risks are compared to the stated risk tolerance levels and the Risk Register is formally reviewed by the RMF. Moreover, the RMF, together with the Actuarial Function, runs the stress and scenario tests as specified in the Board policies. A set of Key Risk Indicators has been developed to be used for a more frequent assessment of the risk exposures of the Company.

2.5.1.4 Risk Reporting

The RMF reports to the BoD at least annually on its assessment of material risks and the management thereof, in particular the actions being taken to mitigate or control key risk exposures. It is also obliged to report the following to the BoD, without delay:

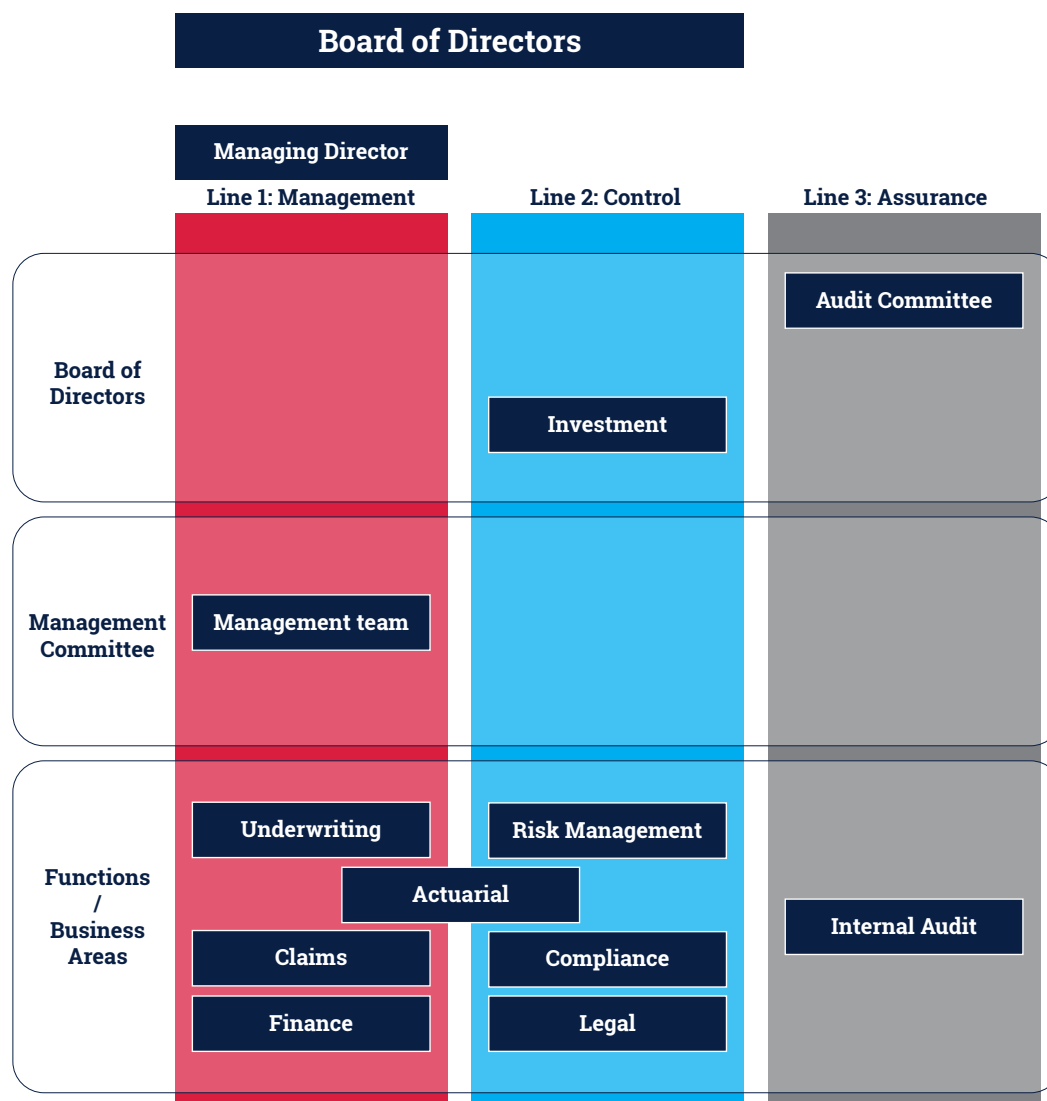
Any significant changes to the overall risk profile of the Company

Any deviations from the risk management strategy or risk appetite

Any risk management matters in relation to strategic affairs, such as major projects and investments

2.5.2 Description of how the risk management system (including the RMF) are implemented and integrated into the organisational structure and decision-making processes of the undertaking

In implementing its risk management strategy, the Company operates the 'Three Line of Defence Model' to manage its risk and control its activities. This ensures the establishment of clear responsibility boundaries, the proper segregation of duties and the avoidance of conflicts of interest at all levels, including the BoD, Senior Management, RMF and Business Units.



Responsibility for the management of individual risks (first line of defence) vests with the function identified as the risk (and control) owner. Each risk owner is accountable for all the RMS processes and procedures outlined above in relation to the owned risks.

The RMF acts as a second line of defence by assisting and supporting such processes and procedures, reporting risks in a timely manner and ensuring an aggregated and consistent approach towards risk management. The tasks of the risk management function are outsourced to Deloitte.

The role of the RMF is to:

Support the BoD in the determination and implementation of the risk strategy and capital planning

Coordinate the implementation of the risk management framework

Be the main unit for risk management responsibilities

Report to the Senior Management

Risk management training to the BoD, Committees, Senior Management and risk-taking functions directly involved in the management and oversight of risk, on the contents of, and for providing guidance on their application

Monitor the risk profile of the Company against the company's risk appetite

Develop internal risk methodologies and models

Bring to the attention of the BoD any breaches of the Risk Management Policy

The RMF is assisted by the Actuarial Function on the technical aspects of risk management and modelling.

The third line of defence which comprises of the Internal Audit Function undertakes independent reviews and testing of the risk management framework or of specific components of the framework and reports the results to the Audit Committee.

The Company embeds the risk management system into the organisational structure and supports it by appropriate internal controls and by information systems that provide relevant, accurate and reliable information. The risk management system then provides information that are fed into the decision-making processes by assessing the risk exposure of alternative strategies the Company is considering with respect to risk mitigation, business volumes and investments.

2.5.3 Description of the risks on an individual and aggregated level, to which the undertaking is or could be exposed

The primary risk exposure of the Company arises from its underwriting activities. This is consistent with the risk appetite of the AHHIC. Premium and reserve risks are the main drivers of the exposure to underwriting risk as catastrophe risk is to a large extent ceded through the reinsurance contracts in force. AHHIC is fully aware of the disastrous effect a catastrophe event could have on its solvency and financial position and hence it chooses to mitigate that risk through a number of reinsurance agreements, at of course a cost.

By entering into reinsurance arrangements, the Company exposes itself to counterparty default risk. In order to minimise this risk, all risk mitigation is placed through at least A-rated reinsurers. Another element introducing counterparty default risk as at year end 2018 were the premium receivables. As the Company is following leaders, it is obliged to also follow the credit periods they offer. At year-end 2018, the majority of these amounts relate to future instalments and only a very small proportion of the amounts due was overdue.

The Company's exposure to market risk is immaterial and aligned with its risk appetite. This was achieved through investments in high-graded and well-diversified money market funds.

2.5.4 Process adopted to fulfil the obligation to conduct an ORSA

2.5.4.1 *Description of the process undertaken by the undertaking to fulfil its obligation to conduct an ORSA as part of its risk management system*

In line with the Company's ORSA policy, ORSA can be defined as the entirety of the processes and procedures employed to identify, assess, monitor, manage and report the short and long term risks the Company faces or may face and to determine the own funds necessary to ensure that the Company's overall solvency needs are met at all times.

AHHIC follows the steps below to implement its ORSA:

Identify and classify risks - The Company identifies the material risks it faces at a particular point in time. This includes risks considered in the SCR standard formula, as well as risks not included in the standard formula such as liquidity, strategic and business risks.

Assessment and measurement of risks - the Company collects data, quantifies and aggregates risks using different approaches such as Value at Risk and stress testing. The assessment is done using predefined risk metrics.

Capital Allocation - According to its risk profile, the Company determines the necessary risk capital required at that point in time.

Capital planning - The company projects its risk profile based on its business plan and prepares a capital plan over the business planning horizon. The capital plan depends on its strategic objectives and financial projections and assumptions on future economic conditions.

Stress testing - The Company applies stress and scenario testing to the forward-looking capital plan and develops actions that can be taken in unforeseen circumstances in the future.

Communicate and document the results - The Company presents the results of the process to senior management and the Board of Directors and prepares the ORSA report.

2.5.4.2 *How the ORSA is integrated into the organisational structure and decision-making processes of the undertaking*

ORSA covers all the operations of the organisation and all business units of the company. The BoD is the body that bears ultimate responsibility for the ORSA, its application and embedment within the Company's day to day procedures. The roles and responsibilities for the ORSA for each body and function of the company (BoD, Senior Management, RMF, Actuarial Function, Compliance Function, Finance Function, Internal Audit Function, Risk Taking Departments) are defined in the ORSA policy of AHHIC.

The ORSA process is not independent from the "business as usual" process of the Company. As a result, the RMF reports the Company's risks and stress tests and the BoD and Management make decisions upon the results of these procedures. In addition, the Company considers the impact on its capital in its financial projections. Strategic decisions are assessed and evaluated in the light of their effect on the Company's risk situation and risk-bearing capacity over the business planning horizon. Such strategic decisions include but are not limited to:

- Introduction of new products
- Utilisation of additional distribution channels
- Target business volumes
- Reinsurance arrangements
- Investment decisions

2.5.4.3 *A statement detailing how often the ORSA is reviewed and approved by the BoD*

The Company currently performs the ORSA annually. The assessment will be repeated immediately following any significant changes to the internal or external environment that the company operates.

2.5.4.4 *A statement explaining:*

2.5.4.5 *how the undertaking has determined its own solvency needs given its risk profile*

The Company determined that the Solvency II standard formula would be used to calculate the required solvency capital and to assess the overall solvency needs. The standard formula is widely used internally as it represents the main metric for the ongoing management of risk and capital. Given the characteristics of AHHIC's portfolio, AHHIC is confident that the risk capital as calculated by the standard formula is generally at least equal to the actual underlying risk of the company. Furthermore, we observe that the ranking of risks as quantified by the standard formula represents the expectations of the management which provides additional comfort about the merits in adopting this approach.

2.5.4.6 *how its capital management activities and its risk management system interact with each other*

A three-year base case projection of the Solvency II Balance Sheets and Solvency Capital Requirements ('SCR') is produced using the standard formula. The results are subjected to a range of scenario testing that is reviewed by management and challenged by the BoD and, where appropriate, potential management actions are noted and conclusions drawn. Based on the scenarios presented to the BoD, it is assessed whether the Company is adequately capitalised and if not what options are available.

2.6 Internal control system

2.6.1 Description of the undertaking's internal control system

Every member of the Company has a role in the system of internal control. Internal control is people-dependent and its strength depends on people's attitude toward internal control and their attention to it:

The BoD is responsible for setting the strategy, tone, culture and values of the Company

Management, Risk Management, Compliance and Actuarial function design policies and procedures to ensure that an effective internal control system is established within the Company

The Internal Audit function monitors the effectiveness of the internal control system

In accordance with the standardized framework for internal control used by COSO, there are five interrelated components of effective internal control, which are discussed in the following sections:

- Control Environment
- Risk Assessment
- Control Activities
- Reporting
- Monitoring

The Company has established the necessary assessment criteria for evaluating its internal control system.

2.6.2 Description of how the compliance function is implemented

Compliance is a responsibility shared by all staff. Regardless of their position within the Company or the Management Company, all individual employees share the responsibility of compliance with applicable laws, regulations and business standards. To this effect, Senior Management ensures that all staff in their respective departments has knowledge of applicable compliance policies, and understand the regulations, standards and best practices associated with the discharge of their respective duties, as well as the compliance risks involved and managing of such risks.

AHHIC adopts the following principles with respect to the operations of the Compliance Function:

The operation of the Compliance Function is assigned to a person/function who/which is independent from other significant functions of the Company where there might be possible conflicts of interest

The Compliance Function has a formal status within the Company to give it appropriate standing and authority

The Compliance Function reports to the BoD and to the General Manager of the Company

The Compliance Function carries out its responsibilities on its own initiative in all areas of the Company in which compliance risk exists and report any irregularities or possible breaches without fear of retaliation or dissatisfaction from Management

The Compliance Function should be undertaken by persons that have the necessary qualifications, experience and professional qualities to carry out its duties

The responsibility of the Compliance Function is to assist the General Manager and the BoD in managing effectively the compliance risks faced by the Company.

2.7 Internal audit function

2.7.1 Description of how the undertaking's internal audit function is implemented

Internal audit execution, including development of the audit program, is performed after approval of the Internal Audit Plan.

During the internal audit execution process the following activities are conducted:

- Business Process Analysis
- Creation of Internal Audit Program
- Execution of the Program
- Documentation of Evidence and Report Issues

The activities performed during internal audit execution may allow the IAF to identify operational weaknesses and cost-saving recommendations which are important to adding value to the Company.

2.7.1.1 *Audit preparation*

Information for the audit is gathered during the preparation stage, from information available from previous audits (as applicable), procedures manuals, as well as information gathered on site and through discussions with Management.

The scope of the on-site visit is to obtain a full understanding of the audited cycle of operations, to perform business process analysis and to define the specific risk factors.

By reviewing all information gathered, auditors can identify manual and automated controls, establish the time period for the audit, necessary evidence, and any necessary special knowledge and auditing tools needed. Objectives are identified during the planning phase in order for the auditor to focus on the required audit work for each case.

2.7.1.2 *Preparation of Internal Audit Programmes*

Audit programmes are developed and are also enhanced based on the information gained during the audit preparation. Audit programmes for each audited area are completed during the Internal Audit visits.

2.7.1.3 *Documentation of Evidence*

During the course of the Internal Audit visits, the evidence gathered from testing is documented in the working papers. Each test procedure should link back to the specific scope of the internal audit project. Upon completion of the test / audit work, the audit program is referenced to the relevant working papers.

During the work, identification of additional internal control issues that require resolution but are not specifically within the scope of the internal audit project may be identified.

2.7.1.4 *Summarise Findings/ Performance Improvement Observations (PIOs)*

A finding is noted when the results of internal control testing denotes that the control is either missing or is not working as expected, and could be documented in the Summary of Findings. All findings included in the internal audit report should tie back to the Summary of Findings, which in turn should tie directly back to the supporting test documentation or other relevant working papers.

Additionally, performance improvement observations (PIO) may be defined. Based on the results of the internal audit procedures, the auditor will document the following information for both

findings and PIOs:

- Basis for observation
- Associated risks
- Recommended actions
- Management responses

2.7.1.5 *Dispute / Disagreement Resolution*

There are certain cases where there will be disagreement between the audited party and the Internal Audit. Where agreement cannot be reached, the audited party has the opportunity to have its written comments included in the report. The comments will be recorded in the management response portion of the internal audit report. Management's views should clearly identify:

The reasons for disagreement with the recommendations

The alternative course of action that management plans to follow (if any)

Justification for preferring the alternative course of action.

2.7.2 **Description of how the undertaking's internal audit function maintains its independence and objectivity from the activities it reviews**

The tasks of the Internal Audit Function are outsourced to KPMG Limited Chartered Accountants. The Internal Audit Function is objective and independent from any operational functions, in accordance with Article 47 of the Solvency II Directive. The Internal Audit is independent from the organisational activities audited and carries out its assignments with impartiality. The principle of independence entails that the Internal Audit Function only operates under the oversight of the administrative, management or supervisory body, reporting to the Audit Committee. At the same time, it is ensured that the Internal Audit Function is not subject to instructions of the administrative, management or supervisory body when performing the audit and when evaluating and reporting the audit results.

Audit area independence is defined by many factors, such as the objective of work, categorisation and interdependence of procedures and associated risks. This facilitates the execution, to the extent possible, of completed audits, which with their completion will provide a general assessment on the quality and the operation of the internal control system for the audited area.

Therefore, it is possible that a Department / Service or Unit of the Company, or a procedure, information system, or a cycle of operations, is defined as an audit area, depending on the degree of completion and independence of its operations, which is possible to be extended in more than one Department or Service.

2.8 **Actuarial Function**

2.8.1 **Description of how the undertaking's actuarial function is implemented**

AHHIC's actuarial function is the responsibility of the key function holder, who reports to the Senior Management and the BoD. The tasks of the actuarial function are outsourced to Deloitte.

The duties of the actuarial function include:

Coordinate the calculation of technical provisions

Ensure the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions

Assess the sufficiency and quality of the data used in the calculation of technical provisions

Compare best estimates against experience

Inform the Senior Management and the BoD of the reliability and adequacy of the calculation of technical provisions

Oversee the calculation of technical provisions in cases where approximations are used in the calculation of the best estimate

Express an opinion on the overall underwriting policy

Express an opinion on the adequacy of reinsurance arrangements

Contribute to the effective implementation of the risk management system, in particular with respect to the risk modelling underlying the calculation of the capital requirements and to the Own Risk and Solvency Assessment (ORSA)

Assist where requested in the pricing adequacy

Each of these activities is undertaken on an at least annual basis and the outcome reported to the Senior Management and the Board in an internal actuarial function report. Both the calculation of technical reserves and the risk modelling underlying the calculation of the solvency capital requirements are performed on a quarterly basis.

2.9 Outsourcing

2.9.1 Description of the outsourcing policy

This Policy is maintained and updated by the Compliance Function and reviewed and accepted by the Board of Directors. The Compliance Function assesses and updates the Policy at least on an annual basis, in order to take account of the market and Company developments and to ensure that the policies for outsourcing continue to be in compliance with the latest requirements and regulations in force.

Each department's Manager is responsible for ensuring that all staff under their control complies with the Policy's provisions and standards. A deliberate or serious breach of this Policy may render an employee liable to action under AHHIC's disciplinary procedures up to, and including, termination of employment.

2.9.2 List of any critical or important operational functions or activities that are outsourced and the jurisdiction in which the service providers of such functions or activities are located

Critical or important outsourced functions of the Company are included in the following table:

Function/ Activity	Description of outsourced service	Critical or Important [Y/N]	Service Provider
Risk Management Function	The carrying out of the risk management function reporting to the Risk and Reserving Committee of the Company	Y	Deloitte
Internal Audit	The carrying out of the internal audit function reporting to the Audit Committee of the Company.	Y	KPMG Ltd
Actuarial Function	The carrying out of the actuarial function reporting to the Risk and Reserving Committee	Y	Deloitte
Compliance Function		Y	Andreas Georghadjis LLC
Claims Handling		Y	Hellenic Hull Management (HMA) Ltd
Underwriting		Y	Hellenic Hull Management (HMA) Ltd
Accounting		Y	Hellenic Hull Management (HMA) Ltd

2.10 Adequacy of the system of governance

To ensure that the outsourcing of any critical or important functions or activities does not lead to a material impairment of the quality of AHHIC's governance system:

Taking into consideration the Services to be provided and the size of the Service Provider, the Company shall implement the principle of proportionality, and accordingly ensure that the Service Provider has in place an adequate risk management and internal control system

The outsourced activities are adequately included in AHHIC's risk management and internal control system

AHHIC establishes a contractual right to information about the outsourced activities and a contractual right to issue general guidelines concerning the outsourced activities

The Company is responsible for ensuring that the outsourced functions and activities are satisfactorily performed. To this end the Company shall designate a person within the Business Unit under which the outsourced function would have been performed, which shall have the overall responsibility of the outsourced activity. In the case of a Key Function the person designated must fulfil the Fit and Proper requirements and possess sufficient knowledge and experience regarding the outsourced key function. This person will be considered the Function Holder (the person responsible for the outsourced activity) and will be notified to the ICCS as such

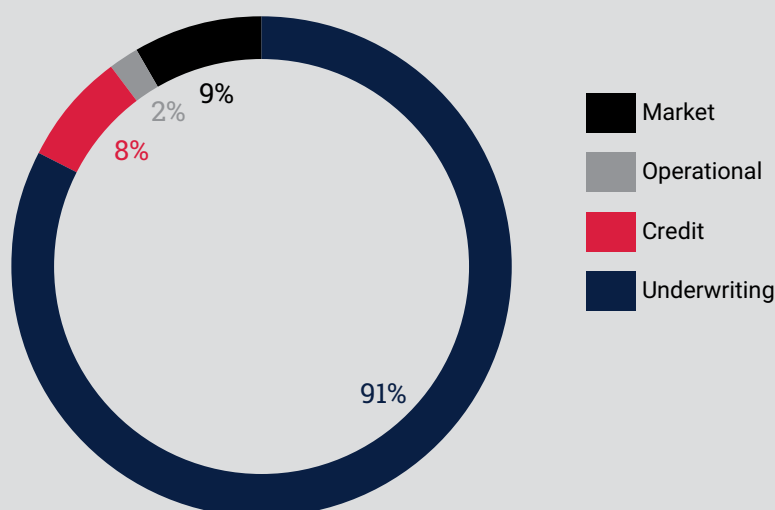
In the event that the outsourced activity is sub-outsourced, the Company retains its responsibility for ensuring the outsourced activity is satisfactorily performed

2.11 Any other information

There is no other material information regarding the Company's system of governance.

3. Risk Profile

Contribution of each risk to SCR



The Company's risk profile is mainly driven by its insurance operations. Underwriting risk forms around 90% of the total risk portfolio of AHHIC. The rest of the risk exposure arises from operational risk and credit risk in relation to premium receivables from brokers, reinsurance recoverables and cash at bank. The exposure to market risk is minimal and immaterial.

The risk profile of AHHIC as at 31 December 2018 was in line with its risk strategy.

3.1 Underwriting Risk

3.1.1 Description of the risk

For AHHIC, the underwriting risk reflects the risk arising from insurance obligations, in relation to Marine Hull and the processes used in the conduct of business. This risk refers to the uncertainty in the results of the Company related to the existing insurance obligations as well as to the new business expected to be written over the following 12 months.

AHHIC ranks its residual exposure to underwriting risk as a medium risk exposure.

3.1.2 Description of the measures used to assess the risk

AHHIC measures its Underwriting risk using the standard formula. The measurement is done in 3 parts; Premium & Reserve Risk, Lapse Risk and Catastrophe risk. The main exposure to underwriting risk arises from Premium & Reserve risk, the measurement of which depends on premium and reserve volumes.

3.1.3 Risk Concentration

Underwriting risk is concentrated to one line of business, Marine, Aviation and Transport, due to the business strategy and focus of the Company. Within this line of business, the Company diversifies the risk geographically with exposure split between America, Europe, and Africa as well as by type of vessel from bulk carriers to tankers, containers full and RoRo.

3.1.4 Risk Mitigation

Underwriting risk is to a great extent mitigated through reinsurance. This reduces the volatility in financial results due to potential claims and also protects the Company from extreme losses due to catastrophic events. Furthermore, due to the capital relief effect of reinsurance the company is able to insure a larger number of smaller risks further diversifying its portfolio. Risk mitigation of course comes at a cost which under a best estimate scenario would be expected to reduce own funds.

3.1.5 Risk Sensitivity

3.1.5.1 *Methods used, Assumptions made and Outcome of stress testing and sensitivity testing*

The Company has carried out stress testing based on its latest projections which included also underwriting risk such as higher loss ratio, lower/higher future premium volumes and higher expenses. Under all of these stresses the Company demonstrated adequate solvency (given the planned capital injection in 2019) except under the higher loss ratio stress. Loss ratios are closely monitored as they are subject to increased volatility due to the start-up nature of the Company.

3.2 Market risk

3.2.1 Description of the risk

Market risk reflects the risk arising from the level or volatility of market prices of financial instruments which have an impact upon the value of the assets and liabilities of the Company.

As at 31 December 2018, AHHIC's investment assets are held in cash in both Cyprus and the USA based bank accounts and in US Treasury bills. Investments are subject to credit risk (including default risk, spread risk and concentration risk) which is dealt with in the respective section below. In addition to credit risk investment risk arises from the US Treasury bills which introduce interest rate risk. However, this exposure is minimal due to the short duration of the assets underlying the fund. Moreover, interest rate risk arising from investments is partly offset by the impact of changes in interest rates on the value of the best estimate liabilities.

AHHIC has no exposure to equity, property or derivatives.

The overall market risk exposure is considered to be low.

3.2.2 Description of the measures used to assess the risk

AHHIC measures its market risk using the standard formula. The measurement is done in separately for Interest rate risk, Equity risk, Property risk, Spread risk, Currency risk and Concentration risk. Then the aggregate market risk measure allows for diversification between its components.

3.2.3 Risk Concentration

The Company's investments are concentrated to just two asset classes. This however is in line with having very limited appetite for market risk.

3.2.4 Risk Mitigation

Market risk is mitigated through the investment policy adopted by AHHIC which safeguards limited exposure to risky asset classes and minimum diversification limits.

3.2.5 Risk Sensitivity

Due to the extremely low exposure to market risk, AHHIC does not perform any sensitivity or stress testing.

3.2.6 Prudent Person Principle

The short term high quality liquid investment holdings are a consequence of the investment assets being prudently invested, taking into account the liquidity requirements of the business and the nature and timing of the insurance liabilities.

AHHIC regularly reviews the financial condition of its investment counterparties and ensures that the currency, nature and duration of assets is appropriate to the characteristics of its liabilities, avoiding excessive reliance on any one counterparty or asset class or geographical location.

Prior to any material investment especially an SCR impact is generated that helps the management understand the marginal impact on the SCR and the solvency coverage ratio of the proposed investment.

There are no investments in derivative instruments.

3.3 Credit risk

3.3.1 Description of the risk

Credit risk refers to the risk of loss or of adverse change in the financial situation, resulting from fluctuations in the credit standing of counterparties. AHHIC is exposed to credit risk rising from the following exposures:

US Treasury bills

Cash at bank (local and US banks)

Reinsurance recoverables

Premium receivables

Credit risk as measured through the SCR is composed of entirely of counterparty default risk as there is zero exposure to concentration risk or spread risk in relations to the investments (US Treasury Bills). Credit risk forms 9% of the total SCR.

The overall credit risk exposure is considered to be medium. This is considered well within the company's appetite in order to ensure the smooth continuity of its operations.

3.3.2 Description of the measures used to assess the risk

AHHIC measures its credit risk using the standard formula. With respect to exposures to banks and reinsurers the assessment depends highly on the credit rating of the counterparties which defines the probability of default. On the other hand, for premium receivables the assessment is based on how long overdue these are and the probability of default is determined based on that.

3.3.3 Risk Concentration

Credit risk concentration is limited through the following actions:

Investments in highly rated government bonds.

Cash at bank are held in 3 different banks.

XoL Reinsurance is placed through more than 10 reinsurers.

3.3.4 Risk Mitigation

To mitigate the risk of reinsurer counterparty default, reinsurance is split between a number of reinsurance counterparties to reduce single name exposure. Credit ratings of reinsurance counterparties are reviewed every quarter. A further mitigation of credit risk is that reinsurance counterparties are large, well established multinational reinsurers and selected such that the

credit rating is at least A.

Similarly, to mitigate the risk of banking counterparty default, banks are chosen following a thorough diligence exercise to select only highly reputable and creditworthy banks. Nonetheless, for operational efficiencies an amount is kept at local banks.

3.3.5 Risk Sensitivity

3.3.5.1 *Methods used, Assumptions made and Outcome of stress testing and sensitivity testing*

The sensitivity of the solvency ratio to credit rating downgrades of the counterparties of AHHIC was assessed. This demonstrated marginal reductions in the solvency coverage ratio (0%-3%) when the credit quality step deteriorated by one step.

3.4 Liquidity risk

3.4.1 Description of the risk

Liquidity risk refers to the risk that AHHIC will be unable to realise investments and other assets in order to settle their financial obligations when they fall due. Given that all investment assets of AHHIC are highly realisable due to either being liquid (cash at bank) or due to being highly tradable (US Treasury Bills), the Company's exposure to liquidity risk is considered very low.

3.4.2 Description of the measures used to assess the risk

AHHIC's liquidity requirements are assessed monthly in order to meet the Company's stated liquidity objectives. A projection is performed each month from the accounts department to assess whether all obligations due will be met by the expected cash inflows mainly from premiums due.

3.4.3 Risk Concentration

Sources of cash in and cash out flows (brokers' receivables, claims, expenses etc) are diversified and to a certain extent independent.

3.4.4 Risk Mitigation

The Company maintains a pool of liquid assets which exceed its short-term liquidity demands. Moreover, AHHIC has in place a contingency liquidity plan to manage and co-ordinate the actions required to mitigate the effects of a liquidity problem across AHHIC.

3.4.5 Risk Sensitivity

3.4.5.1 *Methods used, Assumptions made, Outcome of stress testing and sensitivity testing*

Given that liquidity is not a material risk for the Company, no specific risk sensitivity is performed.

3.4.6 Expected profit in future premiums

No allowance is made in the best estimate liabilities for expected profit in future premiums as these are outside contract boundaries.

3.5 Operational risk

3.5.1 Description of the risk

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

During the latest ORSA performed, the following sources of operation risk were identified as the most material following any risk mitigation actions:

Risk Class	Risk
Information Technology	Error in historical claims records
Information Technology	Inadequate information security considerations
Information Technology	Inability to recover IT systems and services, as well as day-to-day operating capacity, in a timely manner
Underwriting	Accepting a risk outside the Company's procedural limits
Underwriting	Business generated by brokers not in line with the company's strategy
Claims	Lack of adherence to approved internal procedures for claims settlement
Human Resources	Lack of productivity and poor customer service
Information Technology	Inadequate IT policies & procedures

3.5.2 Description of the measures used to assess the risk

The following measures are used to assess operational risks:

Risk and control assessments – A qualitative assessment of operational risks is performed at least once a year during which potential sources of risk are identified, then a frequency severity measurement is performed both before and after any risk mitigation/control actions taken.

The SCR standard formula includes an assessment and quantification of the operational risk exposure.

3.5.3 Risk Concentration

The operations of AHHIC are managed through one main service provider, Hellenic Hull Management.

3.5.4 Risk Mitigation

The Company has a business continuity plan in place which captures a number of the operation risks it is exposed to. In addition to that, a number of controls are enforced which mitigate the operation risk exposure, some examples of which are listed below:

Effective oversight of management at BOD level

Application of the four-eyes-principle in all activities

Set up of a compliance function, an internal audit function and a risk management function

Documented policies and procedures

Introduction of a number of controls within the IT systems

Training of employees to ensure that each task can be performed by more than one person

3.5.5 Risk Sensitivity

3.5.5.1 *Methods used, Assumptions made and Outcome of stress testing and sensitivity testing*

Operational risk makes up 8% of the standard formula SCR at 31 December 2017.

AHHIC perceives reputation damage as one of the primary loss that could be incurred by the crystallisation of an operational risk event. A stress test has been performed under which reputational damage is represented by a 10% decrease in New Business (NB) volumes over the next three-year business planning horizon. Under this scenario, the Company remained adequately capitalised in all years, following the planned capital injection in 2019.

4. Valuation for solvency purposes

4.1 Assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

4.1.1 Value of assets

Trade receivables: Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest over the relevant period.

Financial assets: The Company classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments and available for sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

Regular way purchases and sales of financial assets are recognised on trade date which is the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in profit or loss.

Cash and cash equivalents: For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand.

4.1.2 Description of bases, methods and main assumption used for valuation for solvency purposes

Bases, methods and main assumption used for valuation for solvency purposes is analyzed in detail in section 4.2.2.

4.1.3 IFRS vs Solvency II

4.1.3.1 *Quantitative and qualitative explanation of any material differences between the bases, methods and main assumptions used for the valuation for solvency purposes and for IFRS.*

Quantitative and qualitative explanation of any material differences with the valuation bases, methods and main assumptions used for the valuation for solvency purposes and for IFRS as per section 4.2.2.

4.2 Technical Provisions

4.2.1 Value of Technical Provisions (Amount of Best Estimate and Risk Margin)

The following table shows the technical provisions of AHHIC as at 31 December 2018 both gross and net of reinsurance (RI) recoverables.

\$'000s	CLAIMS PROVISION	PREMIUM PROVISION	RISK MARGIN	Technical Provisions
Gross	6,159	-1,180	263	5,243
RI Recoverables	2,222	755	0	2,976
Net	3,938	-1,934	263	2,267

4.2.2 Description of the bases, methods and main assumptions used

4.2.2.1 Claims provision

The provision for claims outstanding relates to claim events that have already occurred, regardless of whether the claims arising from those events have been reported or not. Thus, the components of the Claims Provision are the Outstanding Case Estimates, the Incurred But Not Reported (IBNR), the Incurred But Not Enough Reported (IBNER), the Unallocated Loss Adjustment Expenses (ULAE) and an allowance for Events Not In Data (ENID). Under Solvency II, the reserves are discounted to allow for the time value of money.

Due to the start-up nature of AHHIC, the Company's own experience (historical data) could not be solely used to estimate the provision. As such, historical data of the Hellenic Hull Mutual were also used which were assumed to follow a similar pattern.

4.2.2.2 Premium provision

The calculation of the best estimate of the premium provision relates to all future cashflows arising from future events, over the remaining duration of unexpired policies. Such cashflows mostly relate to future premium, claims, administration expenses and reinsurance cost.

The expected claims ratio was set at 72.5% and the expenses ratio at 9.5%.

4.2.2.3 Recoverables

Reinsurance Recoverables represent the difference between Gross and Net provisions. The methodologies described above are applied both on a gross and on a net of reinsurance basis. In order to estimate the gross reserves, we ignore any cashflows related to the existence of reinsurance. In order to estimate the net reserves, the projections allow also for any cashflows related to reinsurance. A reduction of reinsurance recoverables has been made to allow for expected losses due to the default of a counterparty. The probability of default is derived from that used in the counterparty default risk under the standard formula depending on the credit quality of each reinsurer.

4.2.2.4 Risk Margin

The Risk Margin is designed to ensure that the value of technical provisions is equivalent to the amount that a third undertaking would be expected to require in order to take over and meet the Company's insurance obligations. The risk margin is calculated by determining the cost of providing an amount of eligible own funds equal to the SCR necessary to support the Company's reinsurance obligations over their lifetime thereof. This rate, called the Cost-of-Capital, is prescribed at 6%.

4.2.2.5 Discounting

The USD risk free curve (with no volatility adjustment) as at the valuation date, published by EIOPA, has been used for discounting.

4.2.3 Description of the level of uncertainty associated with the value of technical provisions

Uncertainty relates primarily to how future actual experience will differ from the best estimate assumptions used to calculate the technical provisions. The key assumptions are development factors, loss ratios and expense ratios. A robust assumption setting process is followed in order to ensure the uncertainty is well understood and minimised.

As at 31 December 2018, the main source of uncertainty arises from the limited volume of own experience data on the development of claims. This forces AHHIC to rely on the use of data from another entity.

4.2.4 Quantitative and qualitative explanation of any material differences between the bases, methods and main assumptions used for the valuation for solvency purposes and for IFRS.

The table below compares the Net Technical Provisions under solvency II with those under IFRS.

\$'000s	Solvency II Valuation			IFRS Valuation		
Marine, aviation and transport insurance	Net Claims Provision	Net Premium Provision	Risk Margin	Net Technical Provisions	Net Claims Reserves	Net UPR
	3,938	-1,934	263	2,267	4,008	4,157

The difference between the net Premium Provision and the net UPR is the result of the following (partly) offsetting effects:

Under Solvency II, the full cost of XoL reinsurance is realised while under IFRS it is deferred. This leads to a lower net reserve under IFRS by c\$900K.

Under Solvency II, we allow for the expected No Claim Bonus on the XoL treaty as we do not allow for any reinsurance recoverable. This leads to a lower net reserve under Solvency II by c\$300K.

Under Solvency II, we allow for future profits where we expect these to emerge. This leads to the gross Premium Provision being higher than the Gross UPR (IFRS) by c\$1.1m

Under Solvency II, we allow for future premium payments by instalment (c\$5.8m) whereas under IFRS these are held separately on the asset side as premiums receivable.

In addition, there is a small reduction in the Net Claims Provisions under solvency II due to the allowance for time value of money through discounting of future cash flows.

Furthermore, the IFRS balance sheet includes the Deferred Acquisition Cost of \$767k which is not admissible in the Solvency II balance sheet.

Finally, the Solvency II Technical Provisions include the Risk Margin, a concept which does not appear under IFRS.

4.2.5 Statement on whether the volatility adjustment referred to in Article 77d of Directive 2009/138/EC is used

4.2.6 Statement on whether the transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC is applied

4.2.7 Statement on whether the transitional deduction referred to in Article 308d of Directive 2009/138/EC is applied

AHHIC has not used any of the following:

The volatility adjustment referred to in Article 77d of Directive 2009/138/EC

The transitional risk-free interest rate-term structure referred to Article 308c of Directive 2009/138/EC

The transitional deduction referred to in Article 308d of Directive 2009/138/EC

4.2.8 Material assumption changes

There have been no material changes in the assumptions made in the calculation of technical provisions compared to the previous reporting period

4.3 Valuation of other liabilities

Financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

4.3.1 Value of other liabilities

Borrowings: Borrowings are recorded initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Trade payables: Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

4.3.2 Description of the bases, methods and main assumptions used for their valuation for solvency purposes

Bases, methods and main assumption used for valuation for solvency purposes is analyzed in detail in section 4.2.2.

4.3.3 Quantitative and qualitative explanation of any material differences with the valuation bases, methods and main assumptions used for the valuation for solvency purposes and for IFRS

Quantitative and qualitative explanation of any material differences with the valuation bases, methods and main assumptions used for the valuation for solvency purposes and for IFRS as per section 4.2.2.

4.4 Any other information

There is no other material information regarding the valuation of assets and liabilities for solvency purposes.

5. Capital Management

5.1 Own Funds

5.1.1 Objectives, policies and processes employed for managing its own funds

The objective of capital management is to maintain, at all times, sufficient own funds to cover the SCR and MCR with an appropriate buffer. These should be of sufficient quality to meet the eligibility requirements in Article 82 of the Delegated Regulation. The Company holds regular meetings of senior management and BoD, in which the ratio of eligible own funds over SCR and MCR are reviewed. As part of own funds management, the Company prepares annual solvency projections and reviews the structure of own funds and future requirements. The business plan, which forms the base of the ORSA, contains a three-year projection of funding requirements and this helps focus actions for future funding.

5.1.2 Information on the structure, amount and quality of own funds at the end of the reporting period and at the end of the previous reporting period

The following table shows the structure of own funds as at 31 December 2018 as well as at the end of the previous reporting period.

Own Funds (\$'000s)	December 2018	December 2017
Ordinary share capital	1,050	1,050
Share premium account related to ordinary share capital	10,450	8,450
Net deferred tax assets	0	98
Reconciliation reserve	-7,215	-5,588
Total Basic Own Funds	4,285	4,010

The current structure of own funds as shown above is composed entirely of capital classified as Tier 1 - Unrestricted.

5.1.3 Eligible amount of own funds to cover SCR (by tier)

The Company's own funds are available to cover the SCR.

5.1.4 Eligible amount of own funds to cover MCR (by tier)

All own fund items are eligible to cover the MCR as they are tier 1.

5.1.5 IFRS Equity vs Own Funds

The following summary table shows the comparisons and movement in the IFRS and Solvency II valuation of assets, liabilities and Own Funds.

	IFRS \$'000s	SOLVENCY II \$'000s	MOVEMENT \$'000s
Total Assets	20,398	13,404	6,994
Total Liabilities	16,138	9,119	7,019
Total Own Funds	4,260	4,285	-25
<i>Ordinary Share Capital (incl. share premium account)</i>	11,500	11,500	-
<i>Accumulated losses</i>	-7,240	-	-7,240
<i>Net deferred tax assets</i>	-	-	-
<i>Reconciliation Reserve</i>	-	-7,215	-7,215

The movement in the valuation of assets and liabilities arises from the differences in the valuation of IFRS and Solvency II standards, below:

Deferred Acquisition Cost (DAC) is not included under Solvency II

Differences in gross technical provisions and reinsurance recoverables (as explained in section 4.2.4)

5.2 Solvency Capital Requirement and Minimum Capital Requirement

5.2.1 Amounts of SCR and MCR

As at 31 December 2018 the SCR of AHHIC was calculated at \$4,004K and the MCR at \$2,863K.

5.2.2 Amount of SCR split by risk modules

The following table shows the SCR split by risk modules:

Solvency Capital Requirement	\$'000s
Market risk	63
Counterparty default risk	342
Non-Life underwriting risk	3,506
Life Underwriting risks	-
Health underwriting risk	-
Sum of risk components	3,911
Diversification effects	- 206
Diversified risk	3,705
Intangible asset risk	-
Basic SCR	3,705
Operational risk	299
Adjustments	-
SCR	4,004

5.2.3 Simplifications

No simplifications have been used for any of the modules or sub-modules of the SCR.

5.2.4 Undertaking-specific parameters

AHHIC has not used undertaking-specific parameters for any of the parameters of the standard formula.

5.2.5 Information on the inputs used to calculate the MCR

The inputs used in the calculation of the MCR are listed below:

Absolute floor of €2,500K (converted to USD; \$2,863K)

SCR of \$4,004K

Technical Provision excluding Risk Margin \$2,003K

Net written premium in 2018 \$6,804K

5.2.6 Material changes in the SCR and MCR compared to the previous reporting period

The only material change in the SCR arises from underwriting risk which is driven by the growth achieved by the Company during the year.

The change in the MCR is driven by the change in the absolute floor denominated in USD and is driven solely by exchange rate movements against the Euro.

5.3 Non-compliance with the MCR and non-compliance with the SCR

5.3.1 Non-compliance with the MCR

5.3.1.1 *The period and maximum amount of each non-compliance during the reporting period, an explanation of its origin and consequences, any remedial measures taken and an explanation of the effects of such remedial measures*

AHHIC was compliant with the MCR throughout the year.

5.3.2 Non-compliance with SCR

5.3.2.1 *The period and maximum amount of each significant non-compliance during the reporting period, an explanation of its origin and consequences and any remedial measures taken and an explanation of the effects of such remedial measures*

AHHIC was compliant with the SCR throughout the year.

Appendix



6. Appendix

6.1 Annex 1 / S.02.01.02 / Balance Sheet

Assets		C0010	C0020
Goodwill	R0010		0
Deferred acquisition costs	R0020		767424,21
Intangible assets	R0030	0	0
Deferred tax assets	R0040	0	0
Pension benefit surplus	R0050	0	0
Property, plant & equipment held for own use	R0060	0	0
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	6872806,2	6872806,16
Property (other than for own use)	R0080	0	0
Holdings in related undertakings, including participations	R0090	0	0
Equities	R0100	0	0
Equities — listed	R0110	0	0
Equities — unlisted	R0120	0	0
Bonds	R0130	6872806,2	6872806,16
Government Bonds	R0140	6872806,2	6872806,16
Corporate Bonds	R0150	0	0
Structured notes	R0160	0	0
Collateralised securities	R0170	0	0
Collective Investments Undertakings	R0180	0	0
Derivatives	R0190	0	0
Deposits other than cash equivalents	R0200	0	0
Other investments	R0210	0	0
Assets held for index-linked and unit-linked contracts	R0220	0	0
Loans and mortgages	R0230	0	0
Loans on policies	R0240	0	0
Loans and mortgages to individuals	R0250	0	0
Other loans and mortgages	R0260	0	0
Reinsurance recoverables from:	R0270	2976476,1	3709143,6
Non-life and health similar to non-life	R0280	2976476,1	3709143,6
Non-life excluding health	R0290	2976476,1	3709143,6
Health similar to non-life	R0300	0	0
Life and health similar to life, excluding health and index-linked and unit-linked	R0310	0	0
Health similar to life	R0320	0	0
Life excluding health and index-linked and unit-linked	R0330	0	0
Life index-linked and unit-linked	R0340	0	0
Deposits to cedants	R0350	0	0
Insurance and intermediaries receivables	R0360	1780968,9	7537603,52
Reinsurance receivables	R0370	872991,81	872991,81
Receivables (trade, not insurance)	R0380	209845,49	225838,4082
Own shares (held directly)	R0390	0	0
Amounts due in respect of own fund items or initial fund called up but not yet p	R0400	0	0
Cash and cash equivalents	R0410	690675,94	690675,94
Any other assets, not elsewhere shown	R0420	0	0
Total assets	R0500	13403764	20676483,65
Liabilities			
Technical provisions — non-life	R0510	5242992,3	12543494,15
Technical provisions — non-life (excluding health)	R0520	5242992,3	12543494,15
Technical provisions calculated as a whole	R0530	0	
Best Estimate	R0540	4979893,3	
Risk margin	R0550	263099,01	

Technical provisions – health (similar to non-life)	R0560	0	0
Technical provisions calculated as a whole	R0570	0	0
Best Estimate	R0580	0	0
Risk margin	R0590	0	0
Technical provisions – life (excluding index-linked and unit-linked)	R0600	0	0
Technical provisions – health (similar to life)	R0610	0	0
Technical provisions calculated as a whole	R0620	0	0
Best Estimate	R0630	0	0
Risk margin	R0640	0	0
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	0	0
Technical provisions calculated as a whole	R0660	0	0
Best Estimate	R0670	0	0
Risk margin	R0680	0	0
Technical provisions – index-linked and unit-linked	R0690	0	0
Technical provisions calculated as a whole	R0700	0	0
Best Estimate	R0710	0	0
Risk margin	R0720	0	0
Other technical provisions	R0730	0	0
Contingent liabilities	R0740	0	0
Provisions other than technical provisions	R0750	0	0
Pension benefit obligations	R0760	0	0
Deposits from reinsurers	R0770	0	0
Deferred tax liabilities	R0780	3472,8331	0
Derivatives	R0790	0	0
Debts owed to credit institutions	R0800	0	0
Financial liabilities other than debts owed to credit institutions	R0810	0	0
Insurance & intermediaries payables	R0820	1467029,2	1467029,22
Reinsurance payables	R0830	2300036,9	2300036,9
Payables (trade, not insurance)	R0840	105111,02	105111,02
Subordinated liabilities	R0850	0	0
Subordinated liabilities not in Basic Own Funds	R0860	0	0
Subordinated liabilities in Basic Own Funds	R0870	0	0
Any other liabilities, not elsewhere shown	R0880	0	0
Total liabilities	R0900	9118642,2	16415671,29
Excess of assets over liabilities	R1000	4285122,2	4260812,358

6.2 Annex 1 / S.05.01.02 / Premiums, claims and expenses by line of business

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)				
		Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance
		C0060	C0070	C0080	C0090	C0100
Premiums written						
Gross — Direct Business	R0110	9420857,04	0	0	0	0
Gross — Proportional reinsurance accepted	R0120	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0130					
Reinsurers' share	R0140	2616170,57	0	0	0	0
Net	R0200	6804686,47	0	0	0	0
Premiums earned						
Gross — Direct Business	R0210	8766379,47	0	0	0	0
Gross — Proportional reinsurance accepted	R0220	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0230					
Reinsurers' share	R0240	3083231,15	0	0	0	0
Net	R0300	5683148,32	0	0	0	0
Claims incurred						
Gross — Direct Business	R0310	8787523,22	0	0	0	0
Gross — Proportional reinsurance accepted	R0320	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0330					
Reinsurers' share	R0340	3883043,61	0	0	0	0
Net	R0400	4904479,61	0	0	0	0
Changes in other technical provisions						
Gross — Direct Business	R0410	0	0	0	0	0
Gross — Proportional reinsurance accepted	R0420	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0430					
Reinsurers' share	R0440	0	0	0	0	0
Net	R0500	0	0	0	0	0
Expenses incurred						
Administrative expenses						
Gross — Direct Business	R0610	0	0	0	0	0
Gross — Proportional reinsurance accepted	R0620	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0630					
Reinsurers' share	R0640	0	0	0	0	0
Net	R0700	0	0	0	0	0
Investment management expenses						
Gross — Direct Business	R0710	0	0	0	0	0
Gross — Proportional reinsurance accepted	R0720	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0730					
Reinsurers' share	R0740	0	0	0	0	0
Net	R0800	0	0	0	0	0
Claims management expenses						
Gross — Direct Business	R0810	273370,857	0	0	0	0
Gross — Proportional reinsurance accepted	R0820	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0830					
Reinsurers' share	R0840	0	0	0	0	0
Net	R0900	273370,857	0	0	0	0
Acquisition expenses						
Gross — Direct Business	R0910	2049015,01	0	0	0	0
Gross — Proportional reinsurance accepted	R0920	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R0930					
Reinsurers' share	R0940	0	0	0	0	0
Net	R1000	2049015,01	0	0	0	0
Overhead expenses						
Gross — Direct Business	R1010	870801,023	0	0	0	0
Gross — Proportional reinsurance accepted	R1020	0	0	0	0	0
Gross — Non-proportional reinsurance accepted	R1030					
Reinsurers' share	R1040	0	0	0	0	0
Net	R1100	870801,023	0	0	0	0
Other expenses						
Total expenses		R1200				
		R1300				

Line of Business for: accepted non-proportional reinsurance

	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums written							
Gross — Direct Business	0	0					9420857,04
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	2616170,57
Net	0	0	0	0	0	0	6804686,47
Premiums earned							
Gross — Direct Business	0	0					8766379,47
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	3083231,15
Net	0	0	0	0	0	0	5683148,32
Claims incurred							
Gross — Direct Business	0	0					8787523,22
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	3883043,61
Net	0	0	0	0	0	0	4904479,61
Changes in other technical provisions							
Gross — Direct Business	0	0					0
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	0
Expenses incurred	0	0	0	0	0	0	3193186,89
Administrative expenses							
Gross — Direct Business	0	0					0
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	0
Investment management expenses							
Gross — Direct Business	0	0					0
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	0
Claims management expenses							
Gross — Direct Business	0	0					273370,857
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	273370,857
Acquisition expenses							
Gross — Direct Business	0	0					2049015,01
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	2049015,01
Overhead expenses							
Gross — Direct Business	0	0					870801,023
Gross — Proportional reinsurance accepted	0	0					0
Gross — Non-proportional reinsurance accepted			0	0	0	0	0
Reinsurers' share	0	0	0	0	0	0	0
Net	0	0	0	0	0	0	870801,023
Other expenses							0
Total expenses							3193186,89

6.3 Annex 1 / S.17.01.02 / Non-life Technical Provisions

		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance
		C0020	C0030	C0040	C0050	C0060	C0070
Technical provisions calculated as a whole	R0010	0	0	0	0	0	0
Direct business	R0020	0	0	0	0	0	0
Accepted proportional reinsurance business	R0030	0	0	0	0	0	0
Accepted non-proportional reinsurance	R0040						
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	0	0	0	0	0	0
Technical provisions calculated as a sum of BE and RM							
Best estimate							
Premium provisions							
Gross – Total	R0060	0	0	0	0	0	-1179569,066
Gross – direct business	R0070	0	0	0	0	0	-1179569,066
Gross – accepted proportional reinsurance business	R0080	0	0	0	0	0	0
Gross – accepted non-proportional reinsurance business	R0090						
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0100	0	0	0	0	0	754708,2031
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0110	0	0	0	0	0	754708,2031
Recoverables from SPV before adjustment for expected losses	R0120	0	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	R0130	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	0	0	0	0	0	754651,6357
Net Best Estimate of Premium Provisions	R0150	0	0	0	0	0	-1934220,702
Claims provisions							
Gross – Total	R0160	0	0	0	0	0	6159462,317
Gross – direct business	R0170	0	0	0	0	0	6159462,317
Gross – accepted proportional reinsurance business	R0180	0	0	0	0	0	0
Gross – accepted non-proportional reinsurance business	R0190						
Total recoverable from reinsurance/SPV and Finite Re before the adjustment for expected losses due to counterparty default	R0200	0	0	0	0	0	2222211,18
Recoverables from reinsurance (except SPV and Finite Reinsurance) before adjustment for expected losses	R0210	0	0	0	0	0	2222211,18
Recoverables from SPV before adjustment for expected losses	R0220	0	0	0	0	0	0
Recoverables from Finite Reinsurance before adjustment for expected losses	R0230	0	0	0	0	0	0
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	0	0	0	0	0	2221824,48
Net Best Estimate of Claims Provisions	R0250	0	0	0	0	0	3937637,837
Total Best estimate – gross	R0260	0	0	0	0	0	4979893,251
Total Best estimate – net	R0270	0	0	0	0	0	2003417,135
Risk margin	R0280	0	0	0	0	0	263099,0091
Amount of the transitional on Technical Provisions							
TP as a whole	R0290	0	0	0	0	0	0
Best estimate	R0300	0	0	0	0	0	0
Risk margin	R0310	0	0	0	0	0	0
Technical provisions - total							
Technical provisions - total	R0320	0	0	0	0	0	5242992,26
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default – total	R0330	0	0	0	0	0	2976476,116
Technical provisions minus recoverables from reinsurance/SPV and Finite Re- total	R0340	0	0	0	0	0	2266516,144
Line of Business: further segmentation (Homogeneous Risk Groups)							
Premium provisions – Total number of homogeneous risk groups	R0350	0	0	0	0	0	1
Claims provisions – Total number of homogeneous risk groups	R0360	0	0	0	0	0	1
Cash-flows of the Best estimate of Premium Provisions (Gross)							
Cash out-flows							
Future benefits and claims	R0370	0	0	0	0	0	3938683,363
Future expenses and other cash-out flows	R0380	0	0	0	0	0	654890,2796
Cash in-flows							
Future premiums	R0390	0	0	0	0	0	5756634,61
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0400	0	0	0	0	0	16508,09823
Cash-flows of the Best estimate of Claims Provisions (Gross)							
Cash out-flows							
Future benefits and claims	R0410	0	0	0	0	0	6068489,575
Future expenses and other cash-out flows	R0420	0	0	0	0	0	90972,742
Cash in-flows							
Future premiums	R0430	0	0	0	0	0	0
Other cash-in flows (incl. Recoverable from salvages and subrogations)	R0440	0	0	0	0	0	0
Percentage of gross Best Estimate calculated using approximations	R0450	0	0	0	0	0	0
Best estimate subject to transitional of the interest rate	R0460	0	0	0	0	0	0
Technical provisions without transitional on interest rate	R0470	0	0	0	0	0	5242992,26
Best estimate subject to volatility adjustment	R0480	0	0	0	0	0	0
Technical provisions without volatility adjustment and without others transitional measures	R0490	0	0	0	0	0	5242992,26

Direct business and accepted proportional reinsurance											Total Non-Life obligation
Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance		
C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170		
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0				0	
0	0	0	0	0	0	0				0	
							0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	-1179569,066	
0	0	0	0	0	0	0				-1179569,066	
0	0	0	0	0	0	0				0	
							0	0	0	0	
0	0	0	0	0	0	0	0	0	0	754708,2031	
0	0	0	0	0	0	0	0	0	0	754708,2031	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	754651,6357	
0	0	0	0	0	0	0	0	0	0	-1934220,702	
0	0	0	0	0	0	0	0	0	0	6159462,317	
0	0	0	0	0	0	0				6159462,317	
0	0	0	0	0	0	0				0	
							0	0	0	0	
0	0	0	0	0	0	0	0	0	0	2222211,18	
0	0	0	0	0	0	0	0	0	0	2222211,18	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	2221824,48	
0	0	0	0	0	0	0	0	0	0	3937637,837	
0	0	0	0	0	0	0	0	0	0	4979893,251	
0	0	0	0	0	0	0	0	0	0	2003417,135	
0	0	0	0	0	0	0	0	0	0	263099,0091	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	5242992,26	
0	0	0	0	0	0	0	0	0	0	2976476,116	
0	0	0	0	0	0	0	0	0	0	2266516,144	
0	0	0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0	0	0		
0	0	0	0	0	0	0	0	0	0	3938683,363	
0	0	0	0	0	0	0	0	0	0	654890,2796	
0	0	0	0	0	0	0	0	0	0	5756634,61	
0	0	0	0	0	0	0	0	0	0	16508,09823	
0	0	0	0	0	0	0	0	0	0	6068489,575	
0	0	0	0	0	0	0	0	0	0	90972,742	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	5242992,26	
0	0	0	0	0	0	0	0	0	0	0	
0	0	0	0	0	0	0	0	0	0	5242992,26	

6.4 Annex 1 / S.19.01.21 / Non-life Insurance Claims Information

Name	Gross Claims Paid (non-cumulative) - Development year (absolute amount)																
Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency													
Data Offset	3:1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160
Prior	R0100																0
N-14	R0110	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-13	R0120	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-12	R0130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-11	R0140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-10	R0150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-9	R0160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-8	R0170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-7	R0180	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-6	R0190	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-5	R0200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-4	R0210	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-3	R0220	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-2	R0230	267234,92	1873863,38	252595,29													
N-1	R0240	2046570,24	2972430,46														
N	R0250	4031256,2															

Name	Gross Claims Paid (non-cumulative) - Current year, sum of years (cumulative)																
Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency													
Data Offset	3:1	years															
		In Current year	(cumulative year)														
		C0170	C0180														
Prior	R0100	0	0														
N-14	R0110	0	0														
N-13	R0120	0	0														
N-12	R0130	0	0														
N-11	R0140	0	0														
N-10	R0150	0	0														
N-9	R0160	0	0														
N-8	R0170	0	0														
N-7	R0180	0	0														
N-6	R0190	0	0														
N-5	R0200	0	0														
N-4	R0210	0	0														
N-3	R0220	0	0														
N-2	R0230	252595,29	2393693,59														
N-1	R0240	2972430,46	5019000,7														
N	R0250	4031256,2	4031256,2														
Total	R0260	7256281,95	11443950,5														

Name	Gross undiscounted Best Estimate Claims Provisions - Development year (absolute amount)																
Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency													
Data Offset	3:1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0310	C0320	C0330	C0340	C0350
Prior	R0100																0
N-14	R0110	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-13	R0120	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-12	R0130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-11	R0140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-10	R0150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-9	R0160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-8	R0170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-7	R0180	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-6	R0190	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-5	R0200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-4	R0210	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-3	R0220	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-2	R0230	2453138,07	712560,738	42869,0464													
N-1	R0240	4153155,85	1637461,29														
N	R0250	4590347,09															

Gross discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)

Name		Accident year	Total/NA	Reporting currency
Z Axis	6 and 18 Marine, aviation and transport insurance			
Data Offset	3:1			
		Year end (discounted data)		
		C0360		
Prior	R0100	0		
N-14	R0110	0		
N-13	R0120	0		
N-12	R0130	0		
N-11	R0140	0		
N-10	R0150	0		
N-9	R0160	0		
N-8	R0170	0		
N-7	R0180	0		
N-6	R0190	0		
N-5	R0200	0		
N-4	R0210	0		
N-3	R0220	0		
N-2	R0230	42108,7321		
N-1	R0240	1608419,7		
N	R0250	4508933,89		
Total	R0260	6159462,32		

Gross Reported but not Settled Claims (RBNS) - Development year (absolute amount)

Name		Accident year	Total/NA	Reporting currency															
Z Axis	6 and 18 Marine, aviation and transport insurance																		
Data Offset	3:1																		
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +		
		C0400	C0410	C0420	C0430	C0440	C0450	C0460	C0470	C0480	C0490	C0500	C0510	C0520	C0530	C0540	C0550		
Prior	R0100	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-14	R0110	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-13	R0120	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-12	R0130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-11	R0140	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-10	R0150	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-9	R0160	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-8	R0170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-7	R0180	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-6	R0190	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-5	R0200	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-4	R0210	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-3	R0220	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-2	R0230	1994278,43	558592,49	27215,35															
N-1	R0240	3255752,87	1039539,85																
N	R0250	2914174,99																	

Gross Reported but not Settled Claims (RBNS) - Current year, sum of years (cumulative)

Name		Accident year	Total/NA	Reporting currency
Z Axis	6 and 18 Marine, aviation and transport insurance			
Data Offset	3:1			
		Year end (discounted data)		
		C0560		
Prior	R0100	0		
N-14	R0110	0		
N-13	R0120	0		
N-12	R0130	0		
N-11	R0140	0		
N-10	R0150	0		
N-9	R0160	0		
N-8	R0170	0		
N-7	R0180	0		
N-6	R0190	0		
N-5	R0200	0		
N-4	R0210	0		
N-3	R0220	0		
N-2	R0230	27215,35		
N-1	R0240	1039539,85		
N	R0250	2914174,99		
Total	R0260	3980930,19		

6.4 Annex 1 / S.19.01.21 / Non-life Insurance Claims Information (cont'd)

Reinsurance Recoveries received (non-cumulative) - Development year (absolute amount)																		
Name		Accident year	Total/NA	Reporting currency														
Z Axis	6 and 18 Marine, aviation and transport insurance																	
Data Offset	3:1																	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +	
		C0600	C0610	C0620	C0630	C0640	C0650	C0660	C0670	C0680	C0690	C0700	C0710	C0720	C0730	C0740	C0750	
Prior	R0300																	0
N-14	R0310	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-13	R0320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-12	R0330	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-11	R0340	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-10	R0350	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-9	R0360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-8	R0370	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-7	R0380	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-6	R0390	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-5	R0400	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-4	R0410	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-3	R0420	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-2	R0430	85194,96	893043,43	187497,72														
N-1	R0440	1014784,78	1184840,47															
N	R0450	1485401,94																

Reinsurance Recoveries received (non-cumulative) - Current year, sum of years (cumulative)																		
Name		Accident year	Total/NA	Reporting currency														
Z Axis	6 and 18 Marine, aviation and transport insurance																	
Data Offset	3:1																	
		In Current year	years (cumulative)															
		C0760	C0770															
Prior	R0300	0	0															
N-14	R0310	0	0															
N-13	R0320	0	0															
N-12	R0330	0	0															
N-11	R0340	0	0															
N-10	R0350	0	0															
N-9	R0360	0	0															
N-8	R0370	0	0															
N-7	R0380	0	0															
N-6	R0390	0	0															
N-5	R0400	0	0															
N-4	R0410	0	0															
N-3	R0420	0	0															
N-2	R0430	187497,72	1165736,11															
N-1	R0440	1184840,47	2199625,25															
N	R0450	1485401,94	1485401,94															
Total	R0460	2857740,13	4850763,3															

Undiscounted Best Estimate Claims Provisions - Reinsurance recoverable - Development year (absolute amount)																		
Name		Accident year	Total/NA	Reporting currency														
Z Axis	6 and 18 Marine, aviation and transport insurance																	
Data Offset	3:1																	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +	
		C0800	C0810	C0820	C0830	C0840	C0850	C0860	C0870	C0880	C0890	C0900	C0910	C0920	C0930	C0940	C0950	
Prior	R0300																	0
N-14	R0310	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-13	R0320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-12	R0330	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-11	R0340	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-10	R0350	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-9	R0360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-8	R0370	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-7	R0380	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-6	R0390	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-5	R0400	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-4	R0410	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-3	R0420	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
N-2	R0430	1042241,4	329116,326	134526,637														
N-1	R0440	1979094,95	843950,552															
N	R0450	1282679,38																

Name Discounted Best Estimate Claims Provisions - Reinsurance recoverable - Current year, sum of years (cumulative)

Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency
Data Offset	3:1			
		Year end (discounted data)		
		C0960		
Prior	R0300	0		
N-14	R0310	0		
N-13	R0320	0		
N-12	R0330	0		
N-11	R0340	0		
N-10	R0350	0		
N-9	R0360	0		
N-8	R0370	0		
N-7	R0380	0		
N-6	R0390	0		
N-5	R0400	0		
N-4	R0410	0		
N-3	R0420	0		
N-2	R0430	132186,59		
N-1	R0440	829270,305		
N	R0450	1260367,59		
Total	R0460	2221824,48		

Name Reinsurance RBNS Claims - Development year (absolute amount)

Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency															
Data Offset	3:1																		
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +		
		C1000	C1010	C1020	C1030	C1040	C1050	C1060	C1070	C1080	C1090	C1100	C1110	C1120	C1130	C1140	C1150		
Prior	R0300																		
N-14	R0310	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-13	R0320	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-12	R0330	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-11	R0340	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-10	R0350	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-9	R0360	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-8	R0370	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-7	R0380	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-6	R0390	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-5	R0400	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-4	R0410	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-3	R0420	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-2	R0430	860971,335	402456,88	98076,24															
N-1	R0440	1465198,92	615279,61																
N	R0450	935133,54																	

Name Reinsurance RBNS - Current year, sum of years (cumulative)

Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency
Data Offset	3:1			
		Year end (discounted data)		
		C1160		
Prior	R0300	0		
N-14	R0310	0		
N-13	R0320	0		
N-12	R0330	0		
N-11	R0340	0		
N-10	R0350	0		
N-9	R0360	0		
N-8	R0370	0		
N-7	R0380	0		
N-6	R0390	0		
N-5	R0400	0		
N-4	R0410	0		
N-3	R0420	0		
N-2	R0430	98076,24		
N-1	R0440	615279,61		
N	R0450	935133,54		
Total	R0460	1648489,39		

6.4 Annex 1 / S.19.01.21 / Non-life Insurance Claims Information (cont'd)

Name		Net Claims Paid (non-cumulative) - Development year (absolute amount)																
Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency														
Data Offset	3:1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +	
		C1200	C1210	C1220	C1230	C1240	C1250	C1260	C1270	C1280	C1290	C1300	C1310	C1320	C1330	C1340	C1350	
Prior	R0500																0	
N-14	R0510	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-13	R0520	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-12	R0530	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-11	R0540	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-10	R0550	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-9	R0560	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-8	R0570	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-7	R0580	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-6	R0590	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-5	R0600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-4	R0610	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-3	R0620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-2	R0630	182039,96	980819,95	65097,57														
N-1	R0640	1031785,46	1787589,99															
N	R0650	2545854,26																

Name		Net Claims Paid (non-cumulative) - Current year, sum of years (cumulative)																
Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency														
Data Offset	3:1	In Current year	years (cumulative)															
		C1360	C1370															
Prior	R0500	0	0															
N-14	R0510	0	0															
N-13	R0520	0	0															
N-12	R0530	0	0															
N-11	R0540	0	0															
N-10	R0550	0	0															
N-9	R0560	0	0															
N-8	R0570	0	0															
N-7	R0580	0	0															
N-6	R0590	0	0															
N-5	R0600	0	0															
N-4	R0610	0	0															
N-3	R0620	0	0															
N-2	R0630	65097,57	1227957,48															
N-1	R0640	1787589,99	2819375,45															
N	R0650	2545854,26	2545854,26															
Total	R0660	4398541,82	6593187,19															

Name		Net Undiscounted Best Estimate Claims Provisions - Development year (absolute amount)																
Z Axis	6 and 18 Marine, aviation and transport insurance	Accident year	Total/NA	Reporting currency														
Data Offset	3:1	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15 & +	
		C1400	C1410	C1420	C1430	C1440	C1450	C1460	C1470	C1480	C1490	C1500	C1510	C1520	C1530	C1540	C1550	
Prior	R0500																0	
N-14	R0510	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-13	R0520	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-12	R0530	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-11	R0540	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-10	R0550	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-9	R0560	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-8	R0570	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-7	R0580	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-6	R0590	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-5	R0600	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-4	R0610	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-3	R0620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
N-2	R0630	1410896,67	383444,411	-91657,591														
N-1	R0640	2174060,9	793510,735															
N	R0650	3307667,72																

Name		Net discounted Best Estimate Claims Provisions - Current year, sum of years (cumulative)		Accident year	Total/NA	Reporting currency
Z Axis	6 and 18 Marine, aviation and transport insurance					
Data Offset	3:1					
				Year end (discounted data)		
				C1560		
Prior	R0500			0		
N-14	R0510			0		
N-13	R0520			0		
N-12	R0530			0		
N-11	R0540			0		
N-10	R0550			0		
N-9	R0560			0		
N-8	R0570			0		
N-7	R0580			0		
N-6	R0590			0		
N-5	R0600			0		
N-4	R0610			0		
N-3	R0620			0		
N-2	R0630			-90077,858		
N-1	R0640			779149,393		
N	R0650			3248566,3		
Total	R0660			3937637,84		
Name		Net RBNS Claims - Development year (absolute amount)		Accident year	Total/NA	Reporting currency
Z Axis	6 and 18 Marine, aviation and transport insurance					
Data Offset	3:1					
				0	1	2
				C1600	C1610	C1620
						C1630
						C1640
						C1650
						C1660
						C1670
						C1680
						C1690
						C1700
						C1710
						C1720
						C1730
						C1740
						C1750
						15 & +
Prior	R0500			0	0	0
N-14	R0510			0	0	0
N-13	R0520			0	0	0
N-12	R0530			0	0	0
N-11	R0540			0	0	0
N-10	R0550			0	0	0
N-9	R0560			0	0	0
N-8	R0570			0	0	0
N-7	R0580			0	0	0
N-6	R0590			0	0	0
N-5	R0600			0	0	0
N-4	R0610			0	0	0
N-3	R0620			0	0	0
N-2	R0630			1133307,1	156135,61	-70860,89
N-1	R0640			1790553,95	424260,24	
N	R0650			1979041,45		
Name		Net RBNS Claims - Current year, sum of years (cumulative)		Accident year	Total/NA	Reporting currency
Z Axis	6 and 18 Marine, aviation and transport insurance					
Data Offset	3:1					
				Year end (discounted data)		
				C1760		
Prior	R0500			0		
N-14	R0510			0		
N-13	R0520			0		
N-12	R0530			0		
N-11	R0540			0		
N-10	R0550			0		
N-9	R0560			0		
N-8	R0570			0		
N-7	R0580			0		
N-6	R0590			0		
N-5	R0600			0		
N-4	R0610			0		
N-3	R0620			0		
N-2	R0630			-70860,89		
N-1	R0640			424260,24		
N	R0650			1979041,45		
Total	R0660			2332440,8		

6.5 Annex 1 / S.23.01.01 Own Funds

		Total C0010	Tier 1 – unrestricted C0020	Tier 1 – restricted C0030	Tier 2 C0040	Tier 3 C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35						
Ordinary share capital (gross of own shares)	R0010	1050001	1050001		0	
Share premium account related to ordinary share capital	R0030	10449999	10449999		0	
Initial funds, members' contributions or the equivalent basic own – fund item for mutual and mutual-type undertakings	R0040	0	0		0	
Subordinated mutual member accounts	R0050	0		0	0	0
Surplus funds	R0070	-7239187,64	-7239187,64			
Preference shares	R0090	0		0	0	0
Share premium account related to preference shares	R0110	0		0	0	0
Reconciliation reserve	R0130	24309,83098	24309,83098			
Subordinated liabilities	R0140	0		0	0	0
An amount equal to the value of net deferred tax assets	R0160	0				0
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0	0	0	0	0
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
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	0				
Deductions						
Deductions for participations in financial and credit institutions	R0230	0	0	0	0	0
Total basic own funds after deductions	R0290	4285122,191	4285122,191	0	0	0
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300	0			0	
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual – type undertakings, callable on demand	R0310	0			0	
Unpaid and uncalled preference shares callable on demand	R0320	0			0	0
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0			0	0
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0			0	
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0			0	0
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0			0	
Supplementary members calls – other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0			0	0
Other ancillary own funds	R0390	0			0	0
Total ancillary own funds	R0400	0			0	0
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	4285122,191	4285122,191	0	0	0
Total available own funds to meet the MCR	R0510	4285122,191	4285122,191	0	0	
Total eligible own funds to meet the SCR	R0540	4285122,191	4285122,191	0	0	0
Total eligible own funds to meet the MCR	R0550	4285122,191	4285122,191	0	0	
SCR	R0580	4004363,316				
MCR	R0600	2862500				
Ratio of Eligible own funds to SCR	R0620	1,070113237				
Ratio of Eligible own funds to MCR	R0640	1,496985918				

Subtemplate

Name
Data

Reconciliation reserve	
Excess of assets over liabilities	R0700
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
Reconciliation reserve	R0760
Expected profits	
Expected profits included in future premiums (EPIFP) – Life business	R0770
Expected profits included in future premiums (EPIFP) – Non- life business	R0780
Total Expected profits included in future premiums (EPIFP)	R0790

S.23.01.01.02 Reconciliation reserve C51

	C0060
	4285122,191
	0
	0
	4260812,36
	0
	24309,83098
	0
	0
	0

6.6 Annex 1 / S.25.01.21 / Solvency Capital Requirement – for undertakings on Standard Formula

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	63443,81181	63443,81181	0
Counterparty default risk	R0020	342371,9219	342371,9219	0
Life underwriting risk	R0030	0	0	0
Health underwriting risk	R0040	0	0	0
Non-life underwriting risk	R0050	3505025,841	3505025,841	0
Diversification	R0060	-205639,9581	-205639,9581	
Intangible asset risk	R0070	0	0	
Basic Solvency Capital Requirement	R0100	3705201,616	3705201,616	
Subtemplate	S.25.01.01.02			
Name	Calculation of Solvency Capital Requirement			
Data	C28			
Z Axis	No			
Calculation of Solvency Capital Requirement		C0100		
Adjustment due to RFF/MAP nSCR aggregation	R0120	0		
Operational risk	R0130	299161,6999		
Loss-absorbing capacity of technical provisions	R0140	0		
Loss-absorbing capacity of deferred taxes	R0150	0		
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	0		
Solvency Capital Requirement excluding capital add-on	R0200	4004363,316		
Capital add-on already set	R0210	0		
Solvency capital requirement	R0220	4004363,316		
Other information on SCR				
Capital requirement for duration-based equity risk sub-module	R0400	0		
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	0		
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	0		
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	0		
Diversification effects due to RFF nSCR aggregation for article 304	R0440	0		
Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	4 - No adjustment		
Net future discretionary benefits	R0460	0		

6.7 Annex 1 / S.28.01.01 Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole C0020	Net (of reinsurance) written premiums in the last 12 months C0030
Medical expense insurance and proportional reinsurance	R0020	0	0
Income protection insurance and proportional reinsurance	R0030	0	0
Workers' compensation insurance and proportional reinsurance	R0040	0	0
Motor vehicle liability insurance and proportional reinsurance	R0050	0	0
Other motor insurance and proportional reinsurance	R0060	0	0
Marine, aviation and transport insurance and proportional reinsurance	R0070	2003417,135	6804686,47
Fire and other damage to property insurance and proportional reinsurance	R0080	0	0
General liability insurance and proportional reinsurance	R0090	0	0
Credit and suretyship insurance and proportional reinsurance	R0100	0	0
Legal expenses insurance and proportional reinsurance	R0110	0	0
Assistance and proportional reinsurance	R0120	0	0
Miscellaneous financial loss insurance and proportional reinsurance	R0130	0	0
Non-proportional health reinsurance	R0140	0	0
Non-proportional casualty reinsurance	R0150	0	0
Non-proportional marine, aviation and transport reinsurance	R0160	0	0
Non-proportional property reinsurance	R0170	0	0
Subtemplate	S.28.01.01.03		
Data	C32		
		C0040	
MCRL Result	R0200	0	
Subtemplate	S.28.01.01.04		
Data	C38		
		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	0	
Obligations with profit participation - future discretionary benefits	R0220	0	
Index-linked and unit-linked insurance obligations	R0230	0	
Other life (re)insurance and health (re)insurance obligations	R0240	0	
Total capital at risk for all life (re)insurance obligations	R0250		0
Subtemplate	S.28.01.01.05		
Data	C47		
		C0070	
Linear MCR	R0300	1159008,071	
SCR	R0310	4004363,316	
MCR cap	R0320	1801963,492	
MCR floor	R0330	1001090,829	
Combined MCR	R0340	1159008,071	
Absolute floor of the MCR	R0350	2862500	
Minimum Capital Requirement	R0400	2862500	

Auditors' report



6.8 Auditor's Report

MOORE STEPHENS

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Independent Auditor's Report

To: The Board of Directors of American Hellenic Hull Insurance Company Ltd

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

Opinion

We have audited the following Solvency II Quantitative Reporting Templates ("QRTs") contained in Annex I to Commission Implementing Regulation (EU) No 2015/2452 of 2 December 2015, of American Hellenic Hull Insurance Company Ltd (the "Company"), prepared as at 31 December 2018:

- S.02.01.02 - Balance sheet
- S.17.01.02 – Non-Life Technical Provisions
- 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

The above QRTs are collectively referred to for the remainder of this report as "the relevant QRTs of the Solvency and Financial Condition Report".

In our opinion, the information in the relevant QRTs of the Solvency and Financial Condition Report as at 31 December 2018 is prepared, in all material respects, in accordance with the Insurance and Reinsurance Services and other Related Issues Law of 2016, the Commission Delegated Regulation (EU) 2015/35, the Commission Delegated Regulation (EU) 2016/467, the relevant EU Commission's Implementing Regulations and the relevant Orders of the Superintendent of Insurance (collectively "the Framework").

MOORE STEPHENS**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the relevant QRTs of the Solvency and Financial Condition Report section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the relevant QRTs of the Solvency and Financial Condition Report in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the 'Valuation for solvency purposes' and 'Capital Management' sections of the Solvency and Financial Condition Report, which describe the basis of preparation. The Solvency and Financial Condition Report is prepared in compliance with the Framework, and therefore in accordance with a special purpose financial reporting framework. As a result, the Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The Board of Directors is responsible for the Other information. The Other information comprises certain narrative sections and certain QRTs of the Solvency and Financial Condition Report as listed below:

Narrative sections:

- Business and performance
- Valuation for solvency purposes
- Capital management

QRTs (contained in Annex I to Commission Implementing Regulation (EU) No 2015/2452 of 2 December 2015):

- S.05.01.02 - Premiums, claims and expenses by line of business
- S.19.01.21 - Non-Life insurance claims

Our opinion on the relevant QRTs of the Solvency and Financial Condition Report does not cover the Other information listed above and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Board of Directors for the Solvency and Financial Condition Report

The Board of Directors is responsible for the preparation of the Solvency and Financial Condition Report in accordance with the Framework.

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

In preparing the Solvency and Financial Condition Report, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the relevant QRTs of the Solvency and Financial Condition Report

Our objectives are to obtain reasonable assurance about whether the relevant QRTs of the Solvency and Financial Condition Report are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Solvency and Financial Condition Report.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

MOORE STEPHENS

- Identify and assess the risks of material misstatement of the relevant QRTs of the Solvency and Financial Condition Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of the basis of preparation used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Solvency and Financial Condition Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matter

Our report is intended solely for the Board of Directors of the Company and should not be used by any other parties. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.



Moore Stephens (Limassol) Limited
Certified Public Accountants and Registered Auditors

Limassol, 19 April 2019



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