ASL
American
Security Life

American Life Insurance Company Ltd.

Solvency & Financial Condition Report 2017

30 April 2018

American Security Life

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EXECUTIVE SUMMARY

American Life Insurance Company Ltd. ("ASL" or the "Company") is incorporated in Liechtenstein and is a wholly owned subsidiary of American International Group, Inc. ("AIG Inc.") a company incorporated in the State of Delaware, United States of America with headquarters in New York City.

The Company is authorised and regulated by the Finanzmarktaufsicht (FMA) in Liechtenstein.

The purpose of the Solvency and Financial Condition Report (SFCR) as set out in Article 51 of the Solvency II Directive is to provide the reader with an understanding of the Company's Business and Performance, Systems of Governance, Risk Profile, Valuation for Solvency purposes and Capital Management.

The SFCR is published on the Company's website (www.aslife.li)

Section A to the SFCR provides information on the Company's business, performance and significant events during the year. No significant external events impacted the Company in 2017.

Over the course of 2017, ASL made an overall pre-tax statutory loss of CHF 1.9m which mainly resulted from the following:

- CHF -1.3m of unrealized losses on investments and liquidity due to the decrease of the exchange rate UDS/CHF
- CHF -0.8m for reconstitution of the cost reserve for covering expected run-off costs
- CHF 0.2m of investment return.

Section B provides information on the Company's system of governance. The Company continues to align its management and governance structure to proactively respond to business and regulatory needs.

Section C provides information on the Company's risk profile over its Insurance Risk, Market Risk, Credit Risk, Liquidity Risk and Operational Risk. This section further provides an overview for each of these 5 risks into their risk components, measures used to assess risks, risk concentration, risk mitigation techniques and the process for monitoring these risk mitigation techniques. The Company has an effective and embedded risk management framework proportionate to the size and complexity of ASL, which is crucial to maintaining efficient and sustainable business operations running off the insured portfolio. A governance structure and risk management processes are in place to meet risk management targets.

The Company's adherence to its quantified risk parameters is supported by ongoing risk identification. The Company draws together the analysis of its risk profile within its ORSA (Own Risk and Solvency Assessment) documents. This allows management to identify any significant changes in the Company's risk exposure and to implement the necessary measures for adequately mitigate the possible impact on ASL.

Section D provides information on the valuation of assets and liabilities on the Company's Solvency II balance sheet and details of material differences from financial statements valuations. Key areas of valuation differences are around invested assets and technical provisions.

Section E provides information on the composition and quality of the Company's own funds and material changes in own funds composition during the year, as well as its capital management policy. The Company maintains robust and sufficient capital to ensure the safety and stability of the Company whilst meeting regulatory and other business needs. In addition, to provide against material shocks, the Company would normally expect to hold sufficient capital to maintain a significant economic surplus.

The Solvency II surplus represents the excess of the Company's total eligible own funds over the SCR. The Solvency II coverage is calculated as the ratio of the Company's total eligible own funds to the SCR. Both metrics are defined by the regulations. During the year, the company ensured compliance with Solvency II requirements including maintaining capital resources above the solvency capital requirements and the minimum capital requirements. As at 31st December 2017, the Standard Formula SCR is CHF 5.4m covered by CHF 15.8m of capital resources thus providing a healthy 295% (297% in the prior year) coverage ratio.

The Company has been fully compliant with Solvency II since its commencement and during 2017 it remained fully compliant.

ASL General Manager
Claudio Maffucci

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A. BUSINESS AND PERFORMANCE

The ‘Business and Performance’ section of the report sets out the details regarding business structure, key operations, market position and the financial performance for 2016 of American Security Life Insurance Company Ltd. (“ASL” or the “Company”)

A.1 BUSINESS

The ‘Business’ sub-section of the report provides an overview of the Company, and its legal position within the AIG Inc., major lines of business and strategy and objectives.

A.1.1. COMPANY INFORMATION

ASL is incorporated in Liechtenstein and is a wholly owned subsidiary of American International Group, Inc. (“AIG Inc.”) a company incorporated in the State of Delaware, United States of America with headquarters in New York City.

ASL was founded in 1996 as the Liechtenstein subsidiary of AIG Inc. with the intent to serve customers from Eastern European and CIS markets. The company is headquartered in Schaan (Liechtenstein) and holds a life insurance license from the Liechtenstein regulator FMA.

In the following years the company quickly expanded, which led to a growth in the number of policyholders to approximately 22,500. The product offer to Eastern Europe and CIS customers was mainly an ordinary life insurance endowment product with annual premiums. Most of the insurance policies sold were denominated in USD.

The successful development of the business model serving the Eastern European and CIS markets from Liechtenstein was halted when domestic AIG Inc. companies were founded to serve the same markets. During the year 2000, as a consequence of the domestic expansion to ASL’s offshore markets, AIG Inc. decided to cease selling policies in the Eastern Europe and CIS via ASL. Subsequently, in July 2002, the Board of Directors of ASL and AIG Inc. decided to put the Liechtenstein subsidiary in run-off mode.

Currently, the company does not underwrite new business, does not maintain distribution channels and does not market products in any form. Furthermore, due to the long term run-off status of ASL, the company maintains only minimal necessary operational structures to support the run-off process. In particular in order to optimize costs, ASL has outsourced most of its administration services (claims, accounting, investments, actuarial services, IT services, and a part of the customer services) to AIG Life Insurance Company (Switzerland) Ltd., another 100%, directly-owned subsidiary of AIG, Inc.

The company is FMA authorised and regulated by the FMA, and owns the following licenses:

Registered Office	**Supervisory Authority**	**External Auditors**
American Security Life Insurance Company Ltd	Finanzmarktaufsicht Liechtenstein (FMA)	PricewaterhouseCoopers AG
Landstrasse 38	Landstrasse 109	Birchstrasse 160
9494 Schaan (FL)	9490 Vaudz (FL)	8050 Zürich
+423 237 68 86	+423 236 73 73	+41 58 792 44 00

A.1.2. POSITION WITHIN THE GROUP LEGAL STRUCTURE

The company is a 100% subsidiary of AIG Inc. and is directly held by AIG Inc. The company's results are reported under the "Legacy Portfolio" in AIG Inc.'s consolidated financial results in its annual Form 10-K, as filed with the U.S. Securities and Exchange Commission. The company operates independently and almost all operational decisions are made locally.

A.1.3. MATERIAL PARTICIPATING UNDERTAKINGS

The company has no subsidiaries nor undertakings.

A.1.4. MATERIAL LINES OF BUSINESS BY OPERATING SEGMENT AND SOLVENCY II

From an operating perspective ASL forms part of the Legacy Portfolio of AIG Inc.

The portfolio of American Security Life Insurance Company Ltd. (ASL) consists of the products described in the following.

- "Wealth Builder" (WB): ordinary endowment product with death benefits increasing by 4% per year and termination bonus paid out at maturity of the policy. An accidental death benefit is granted to policyholders not having a high risk occupation.
- "Money Multiplier" (MM): single premium unit-linked life insurance product with optional 100% capital guarantee. The assets backing this product are invested in 3 months money market bonds.
- "Premium Variable Life" (PVL): single premium unit-linked life insurance product with optional guaranteed death benefit amounting to the higher of the policy value and a rate between 100% and 110% of the total single premiums paid net of partial surrenders.
- "Universal Life" (UL): universal life insurance product with 4.5% guaranteed interest on the account value. The policyholder can choose between a level death benefit and a death benefit amounting to the initial face value plus account value. The guarantees within the product are reinsured by American Life Insurance Company of Willmington, Delaware US ("ALICO").

It was possible to add the following riders to the WB main insurance policy:

- "FlexAccount": a rider allowing the policyholder to deposit additional funds into the rider's side fund to earn interest. The minimum guaranteed interest rate on the rider's fund amounts to 3%. The total balance of the FlexAccount account is limited to 200% of the sum of the total WB premiums due.
- "Children's": each of the natural born children of the policyholder is insured in the event of death between the 1st and the 18th year of age. The death benefit amounts to USD 3'000 per insured child and is independent of the benefits of the main policy.

ASL products are allocated to Solvency II Lines of Business Insurance with profit participation, and Index-linked and unit-linked insurance.

The following table shows the solvency II line of business and the size of each product as of 31st December 2017:

Product	S2 LoB	Number of policies in force	S2 technical provisions
Wealth Builder	Insurance with profit participation	0	4'172'643
Money Multiplier	Insurance with profit participation	11	131'093
Universal Life	Insurance with profit participation	14	4'385'250
PVL	Index-linked and unit-linked insurance	0	0

The last Wealth Builder policy matured in 2017. Thus only suspended policies remain on that product.

A.1.5. MATERIAL GEOGRAPHICAL LOCATIONS

ASL operates within Liechtenstein.

A.1.6. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

No significant external events impacted the company in 2017.

The last Wealth Builder policy matured in 2017.

The Company performed in 2017 a buyout action on the Universal Life portfolio. Twelve policies surrendered as result of that campaign, i.e. approximately 50% of that portfolio surrendered in 2017.

A.1.7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No events have occurred after the reporting period which is material for ASL.

A.2 UNDERWRITING PERFORMANCE

The 'Underwriting Performance' subsection of the report aims to provide quantitative and qualitative information of the Company's underwriting performance for the financial year 2017 and has been prepared on a statutory basis which is the basis that the company prepares its financial statements in Liechtenstein.

A.2.1. UNDERWRITING PERFORMANCE BY MATERIAL LINES OF BUSINESS

There is only one reinsurance agreement in force at ASL which covers the product Universal Life. The reinsurance treaty fully transfer risks related to the Universal Life policies to the reinsurer at exception of the expenses related to the management of the product. In this regard, the reinsurer pays fees to ASL for work performed at the company for administrating the Universal Life portfolio. Ceding risks to reinsurer is typical within the Liechtenstein life insurance market.

The following table summarizes the total premiums, claims and expenses for ASL at the 31st December 2017 split by Solvency II Lines of Business.

In CHF	Insurance with profit participation	Index-linked and unit-linked insurance	Total
Premiums written			
Gross	72'127		72'127
Reinsurers' share	72'127		72'127
Net	-		-
Premiums earned			
Gross	72'127		72'127
Reinsurers' share	72'127		72'127
Net	-		-
Claims incurred			
Gross	4'202'273		4'202'273
Reinsurers' share	971'841		971'841
Net	3'230'432		3'230'432
Expenses incurred	1'154'058	5'251	1'159'309

ASL pre-tax profit for 2017 was

Period ended 31.12.2017	In CHF
Gross Premiums	72'127
Reinsurer's share of premiums	(72'127)
Gross Claims	(4'202'273)
Reinsurer's share of claims	971'841
Change in technical reserves	3'491'557
Reinsurer's share of change in technical reserves	72'127
Expenses	(1'159'309)
Net investment income	238'004
Unrealized capital gains and losses	(1'334'737)
Extraordinary results	(25'015)
Pre-tax statutory profits	**(1'947'806)**

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A.3 INVESTMENT PERFORMANCE

The 'Investment Performance' subsection of the report provides qualitative and quantitative information of the company's investment performance for the financial year 2017.

Summary of investments

Statutory amounts	2017	2016
	In CHF	In CHF
Bonds (Government & Corporate)	24'609'562	32'401'176
Equities	36'538	38'109
Deposits other than cash equivalents	355'965	486'412
Total Investments	25'002'064	32'925'697
Cash and cash equivalents	1'413'295	1'073'583

A.3.1. NET INVESTMENT INCOME

Net investment income for ASL principally arises from fixed income government or other high quality bonds.

Net investment return includes investment income as well as realized gains and losses whereas unrealized gains and losses on financial assets are not considered within the statutory financial statements but only in the Solvency II own funds. This amount is net of interest payable, investment expenses and impairment losses on financial assets. Interest income is recognised as accrued based using the effective interest method.

As per the company's 2017 Financial Statement, net investment income by material asset class is shown below.

Statutory amounts	2017	2016
	In CHF	In CHF
Bonds - Government	216'802	344'099
Bonds - Corporate	199'803	314'950
Equities	-	-
Deposits other than cash equivalents	4'218	2'449
Investment management expenses	-182'819	-381'346
Net investment income	**238'004**	**280'152**

Net investment income in 2017 dropped compared to 2016 due to the reduction in the invested amounts as well as the low market yields. ASL invests mainly in bonds with short term maturity and thus significant reinvestments are done annually.

A.3.2. INVESTMENT ACTIVITIES BY ASSET CLASS AND CHANGES DURING THE REPORTING PERIOD

A.3.2.1. INCOME AND EXPENSES ARISING FROM INVESTMENTS BY ASSET CLASS

The assets invested by the company fall into the following asset classes (book value amounts):

1. Government bonds CHF 11'454'806

Over 2017, CHF 216’802 of income was earned and CHF 67’707 of realized losses were incurred. CHF 706’964 of unrealized losses incurred in 2017.

2. Corporate bonds CHF 13'154'756

The company has invested in high-quality corporate bonds (AA and AAA)

Over 2017, CHF 193’720 of income was earned and CHF 60’498 of realized losses were incurred. CHF 631’698 of unrealized losses incurred in 2017.

3. Short term money market CHF 355’965

The company has invested in three month USD and GBP fiduciary deposits.

4. Cash and cash equivalents: Bank deposits CHF 1’413’295

No material income or expenses were incurred in the year ending 31st December 2017 in respect of the cash and cash equivalents.

5. Equity: Private equity CHF 36’538

In 2016 ASL outsourced the investment activities to AIG Asset Management (Europe) Limited (“AAMEL”). Expenses for management of the investments amounted at CHF 24’000 in 2017.

A.4 PERFORMANCE FROM OTHER ACTIVITIES

The ‘Performance from other activities’ subsection of the report aims to provide an overview of the qualitative and quantitative information regarding income from other activities, other expenses and lease arrangements.

ASL outsourced most of its administrative activities (see section B.8). The following outsourcing fees were generated in 2017:

- Third party agreement with AIG CH: CHF 691'178
- Actuarial support: CHF 77’966
- IT support: CHF 98’975

Furthermore, ASL had CHF 48’957 of fees from its legal advisor.

A.5 ANY OTHER MATERIAL INFORMATION

As at 31st December 2017, there is no further material information regarding Business and Performance of the company.

B. SYSTEM OF GOVERNANCE

The ‘System of Governance’ section of the report set out details regarding the administration and management of the company. The section also outlines the process of risk management and the fit and proper and outsourcing arrangements put in place.

Key elements of the sections are:

- Overview of the System of Governance;
- Fit and Proper;
- Risk Management System;
- Own Risk and Solvency Assessment; and
- Outsourcing arrangements.

B.1 OVERVIEW OF THE SYSTEM OF GOVERNANCE

The ‘Overview of the System of Governance’ subsection of the report aims to provide details of the company’s management structure along with roles and responsibilities and key functions of various committees and working groups.

B.1.1. MANAGEMENT AND GOVERNANCE STRUCTURE

Due to size and complexity of the Company and its run-off status, board and management have a clear overview over all activities as the business volume is continuously decreasing over the time.

Thus the Company adopted a slim governance structure with the board on the top of the structure, the management responsible of the daily activities and the Investment Department as support for fulfilling all internal and external capital requirements.

Furthermore, the internal control system and the ORSA process are two central elements for ensuring an adequate and effective control of the internal processes and risk management.

B.1.1.1. BOARD OF DIRECTORS

The role of the ASL Board is to exercise effective control and oversight over the business, setting the tone from the top, and ensuring the direction and performance of the business is aligned to AIG Inc. objectives and is managed in accordance with legislative and regulatory requirements.

The responsibilities of the ASL Board are contained within ASL Articles of Association the key ones including setting Company’s organization, approving business plans, policies, and individual investment and divestment proposals, setting risk appetite, and reviewing business performance.

The Board of Directors of ASL is composed of the following three members: Adam Winslow, Mark Bintinger and Klaus Dieter Stark.

The Board meets regularly to exercise and discharge its obligations, and has the authority and the duty to use adequate, necessary and proportional means in order to fulfil its responsibilities. The Board as a whole is collectively accountable to the Company for adequately exercising its authority, powers and duties. ASL is duly represented by the general manager Claudio Maffucci for all matters within the limits set by the Board. The Board may sub-delegate authority where appropriate.

B.1.1.2. STATUTORY COMMITTEES

There are a number of key governance committees within ASL which include the Risk Committee and Investment Committee.

The Risk Committee: aims creating a formalized team within the Company which is responsible for the coordination of all local risk management activities. As such the Risk Committee oversees the risk management processes of ASL ensuring that all risks are formally evaluated and categorized, that plans for the management of such risks are effective, and that the Board are informed of the results of this analysis and monitoring work.

The Investment Committee: responsible for overseeing the performance of the assets held by ASL and identifying, developing and recommending appropriate investment strategies to ASL management based on the needs of the business. The Investment Committee gets support from AAMEL in this regard.

B.1.1.3. KEY FUNCTIONS, ROLES AND RESPONSIBILITIES

Claudio Maffucci is general manager of ASL. The company has one employee who is in customer service located in Liechtenstein and has a workload of 50 %.

Persons who effectively run the Company or have other key functions are required to meet the fit and proper requirements. The system of governance includes the risk management function, compliance function, actuarial function and internal audit function. Solvency II sets out specific responsibilities for each of these key functions. The responsibilities and reporting lines for each of these functions are set out in turn below:

Actuarial Function

The Actuarial function is held by the external actuary Sacha Bottoli, who is professionally qualified and performs its activities with personal integrity in compliance with the requirements according to art. 40 of the Insurance Supervision Act (ISA) and art. 7 of the Insurance Supervision Ordinance (ISO). The external actuary works closely with the company's general managers and reports directly to him. Under Solvency II, the Actuarial function's responsibilities include the following tasks:

- Coordinating the calculation of the technical provisions;
- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assessing the sufficiency and quality of the data used in the calculation of the technical provisions;
- Comparing best estimates against experience.

Responsible Actuary of ASL is Luca Matasci of Ernst & Young AG. Luca Matasci performs his activities as Responsible Actuary according to art. 41 of ISA, art. 8 of ISO and the Form "Vorgaben zum Aktuarsbericht".

Risk Function

Due to its structure ASL has no risk function. However, risk activities at ASL are performed by the risk function of AIG Life Switzerland ("AIG CH").

Compliance Function

Due to its structure ASL has no compliance function. However, risk activities at ASL are performed by the compliance function of AIG CH.

Furthermore, ASL receives additional support from GantenGroup to fulfil local compliance requirements.

Internal Audit Function

Due to its structure ASL has no internal audit function. However, internal audits at ASL are performed by the internal audit function of AIG Inc.

B.1.2. THE "THREE LINES OF DEFENCE" MODEL

The Solvency 2 directive states that an efficient Internal Control System is an ongoing process active at all Company levels. Control activities imply three phases: definition of the control procedures, implementation of such procedures, and control of their effective implementation. ASL's main control activities focus on the liquidity evolution monitoring, of the financial markets, and the good Company business performance. The current Company size does not allow appointing a person to a position fully dedicated to internal control, but controls are carried out at three hierarchical levels:

- **First Hierarchical Level**: These operational controls linked to the performance of operational activities are carried out by the operational personnel of each department either on a regular basis or when necessary.
- **Second Hierarchical Level**: These controls aim at ensuring the correct performance of activities of the operative units and are carried out by the persons responsible for the control of each department on a monthly basis or, in particular cases, annually.
- **Third Hierarchical Level**: These controls aim at controlling the accomplishment of the risk objectives and effectiveness and are carried out by the Management when needed but, by principle, at least once a year.

If deficiencies of the first level control procedures are revealed the responsible of the department must ensure that these deficiencies are corrected. The regular maintenance of the control process is ensured by the responsible for the second level control through annual certification.

The BoD is responsible for the definition, implementation control and the maintenance of a running and updated internal control system, the management is in charge of the implementation of the policies and the auditors verify the presence of the Internal Control System.

B.1.3. MATERIAL CHANGES IN THE SYSTEM OF GOVERNANCE DURING THE PERIOD

There were no material changes in 2017.

B.1.4. REMUNERATION POLICY

ASL's employees only receive fixed basic salaries. No variable incentives are paid to the employees.

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B.1.5. MATERIAL TRANSACTIONS DURING THE PERIOD

There were no material transactions in 2017.

B.2 FIT AND PROPER

It is ASL's goal to ensure that all persons who hold a key function within ASL are "fit and proper". In particular, persons holding a key function have to have adequate professional qualifications, knowledge and experience to enable sound and prudent management. In addition, they should be of good repute and integrity.

ASL follows the global AIG Inc. rules and policies. The Code of Conducts (AIG Director, Executive Officer and Senior Financial Officer Code of Business Conduct and the AIG Code of Conduct) of AIG Inc., which set the rules regarding personal conflicts of interest, are applicable to ASL and form the basis for a business conduct in compliance with fit and proper requirements. The Codes of Conduct are subject to annual mandatory trainings for all employees.

B.3 RISK MANAGEMENT SYSTEM

The risk management framework has been adequately set consistently with size and complexity of ASL and is structured as following:

- **Three lines of defense**: Internal activities are carried out at three hierarchical levels:
    - **First Hierarchical Level**: These operational controls linked to the performance of operational activities are carried out by the operational personnel of each department either on a regular basis or when necessary.
    - **Second Hierarchical Level**: These controls aim at ensuring the correct performance of activities of the operative units and are carried out by the persons responsible for the control of each department on a monthly basis or, in particular cases, annually.
    - **Third Hierarchical Level**: These controls aim at controlling the accomplishment of the risk objectives and effectiveness and are carried out by the Management when needed but, by principle, at least once a year.
- **Internal Control System**: All controls to be performed at first and second level are set within the ICS that aims an effective limitation of inaccuracies within the internal activities.
- **ORSA**: ORSA is used by the Company for assessing and monitoring the risk exposure and for setting necessary mitigating measures regarding identified significant risk elements.

Several directives and policies are set with respect to risk management and relevant risks.

B.4 OWN RISK AND SOLVENCY ASSESSMENT

The Own Risk & Solvency Assessment (ORSA) is a set of processes undertaken throughout the year to define, assess and manage the risk and solvency capital position of the Company's strategy and business plans. The ORSA Process draws together the results and analysis delivered through each of the risk processes and provides a current and forward-looking assessment of the Company's risk profile and assesses the level of solvency capital required over the period of the plan.

The ORSA process is part of the risk management process and considers the following:

- Data quality and valuation model assessment
- Business planning cycle
- Emerging risk assessment
- Identification and assessment of key risks associated with ASL business
- Capital management assessment
- Stress scenario testing of the business model and capital condition
- Review of the risk management framework.

The ORSA report is co-ordinated and produced by AIG CH risk officer with inputs from the Business and in particular quantitative results, model assessments and capital assessments from the Actuarial.

The various inputs are combined into an ORSA report which is updated, at a minimum on an annual basis or when material changes to the risk profile are identified.

B.4.1. ORSA GOVERNANCE

The ORSA process forms a key element of ASL Risk Management. ORSA results are reviewed and approved by the ASL Board. There is also an ASL ORSA Policy which is owned by ASL general manager and approved by the Board.

The ORSA report is usually produced in Q4. The report is reviewed by the management and submitted to the Board for review and approval. The ORSA is submitted to the FMA within 2 weeks of approval by the Board.

An interim ORSA or ORSA update would be prepared if there are any material changes in the Business or to the company's risk profile that could impact the solvency capital requirement over the remaining period of the plan and prior to the next full assessment being due. The interim ORSA would be provided to the Board for review and approval prior to submission to the regulator.

B.5 INTERNAL CONTROL SYSTEM

ASL has implemented an "Internal Control Directive" . This directive assesses the following risks as key risks:

- Liquidity (due to the run-off status of ASL)
- Disaster Recovery (since the disaster recovery system is currently deficient)
- Financial Risk (due to uncertainties regarding the financial markets)

The directive states that an efficient Internal Control System is an ongoing process active at all Company levels. Control activities imply three phases: definition of the control procedures, implementation of such procedures, and control of their effective implementation. ASL's main control activities focus on the liquidity evolution monitoring, of the financial markets, and the good Company business performance. The current Company size does not allow appointing a person to a position fully dedicated to internal control, but controls are carried out at three hierarchical levels:

- **First Hierarchical Level:** These operational controls linked to the performance of operational activities are carried out by the operational personnel of each department either on a regular basis or when necessary.
- **Second Hierarchical Level:** These controls aim at ensuring the correct performance of activities of the operative units and are carried out by the persons responsible for the control of each department on a monthly basis or, in particular cases, annually.
- **Third Hierarchical Level:** These controls aim at controlling the accomplishment of the risk objectives and effectiveness and are carried out by the Management when needed but, by principle, at least once a year.

If deficiencies of the first level control procedures are revealed the responsible of the department must ensure that these deficiencies are corrected. The regular maintenance of the control process is ensured by the responsible for the second level control through annual certification.

The BoD is responsible for the definition, implementation control and the maintenance of a running and updated internal control system, the management is in charge of the implementation of the policies and the auditors verify the presence of the Internal Control System.

B.6 INTERNAL AUDIT FUNCTION

Due to its structure ASL has no internal audit function. However, internal audits at ASL are performed by the internal audit function of AIG Inc.

B.7 ACTUARIAL FUNCTION

The Actuarial function is held by the external actuary Sacha Bottoli, who is professionally qualified and performs its activities with personal integrity in compliance with the requirements according to art. 40 of the Insurance Supervision Act (ISA) and art. 7 of the Insurance Supervision Ordinance (ISO). The external actuary works closely with the company’s general managers and reports directly to him. Under Solvency II, the Actuarial function’s responsibilities include the following tasks:

- Coordinating the calculation of the technical provisions;
- Ensuring the appropriateness of the methodologies and underlying models used as well as the assumptions made in the calculation of technical provisions;
- Assessing the sufficiency and quality of the data used in the calculation of the technical provisions;
- Comparing best estimates against experience.

Responsible Actuary of ASL is Luca Matasci of Ernst & Young AG. Luca Matasci performs his activities as Responsible Actuary according to art. 41 of ISA, art. 8 of ISO and the Form “Vorgaben zum Aktuarsbericht”.

B.8 OUTSOURCING AGREEMENTS

ASL is committed to high standards of business conduct and the policies and guidelines in place define the way in which ASL wants to do business and the standards of conduct required. Where ASL entrusts a third party with undertaking core business activities on its behalf, ASL retains responsibility for such activities and requires that they be carried out in line with ASL's standards.

ASL has an Outsourcing Policy in place which provides definitions as to the type of arrangement that would be classified as an Outsourcing arrangement or a Service Provider. The Policy also provides guidance regarding the general principles to consider and the approach to due diligence and ongoing monitoring of performance.

As such ASL remains responsible for any activities that are outsourced and requires that robust governance arrangements are in place in relation to the selection and management and oversight of all outsourced arrangements.

ASL will only enter into an outsourced arrangement where there is an agreed sound business rationale for doing so and with a provider that is competent financially sound, and has good relevant knowledge and experience of the service it is required to supply.

ASL has outsourced the following functions/activities to outsourcing partners:

Outsourced Function/Activity	**Outsourcing Partner**
Policy administration	AIG Life Insurance Company (Switzerland)
IT	Eusphere
Compliance	AIG Life Insurance Company (Switzerland)
Actuarial support (Responsible Actuary)	EY (Luca Matasci)
Actuarial support (Actuarial function)	Akt2Fit Sagl (Sacha Bottoli)
Investment management	AIG Life Insurance Company (Switzerland)

The main outsourcing agreements have been approved by FMA.

Regarding the outsourcing of the policy administration and the investment management AIG Life Insurance Company (Switzerland) Ltd ("AIG CH") and ASL entered into an Insurance Services Administration Agreement on 28 February 2012 pursuant to which AIG CH intended to provide certain administration services to ASL, among others the management of the investment and the liquidity of ASL. On 31 December 2015 with the consent of AIG CH, ASL has concluded a Discretionary Investment Management Agreement with AIG Asset Management (Europe) Limited, London, UK, which provides that the investment and liquidity of ASL shall be managed in the future by AIG Asset Management (Europe) Limited, London, UK, while AIG CH continues to provide the other administration services outsourced to it by the Insurance Service Administration Agreement of 28 February 2012.

The „Business Partner Risk Management & Governance Policy (302)" of AIG Inc. is applicable to the outsourcing of functions and activities of ASL. This policy establishes the minimum requirements, which are supplemented by specific standards for each Business Unit ("302 Life & Retirement Business Partner Risk Management & Governance Standards", "302 Property Casualty Business Partner Risk Management & Governance Standards", "302 UGC Business Partner Risk Management & Governance Standards", "302 AIG Business Partners – Business Partner Risk Management & Governance Standards"). While ASL maintains a risk-based Business Partner Risk Management &

Governance Program, ASL retains ultimate responsibility for activities delegated to Business Partners unless otherwise dictated by industry or local practices. The Business Partner Governance Program encompasses the following minimum requirements:

- **Risk Assessments:** Assessment of Business Partners for risk and assignment of a risk rating (inherent risk)
- **Due Diligence:** Due Diligence of Business Partners to assess and confirm their ability to properly carry out interactions
- **Relationship Managers:** Relationship managers are responsible for establishing, maintaining and managing the relationship, as well as monitoring and assessing the performance of the Business Partner
- **Control Assessments:** Risk-based assessment of Business Partner’s controls to determine the residual risk
- **Contracts:** Preparation, Review and Execution of all contract or legal documentation in accordance with AIG Legal requirements
- **Inventory:** Maintenance of Information on Business Partners
- **Monitoring:** Risk-based monitoring to assess the Business Partner’s quality of service, financial condition, risk management practices and business controls, as well as compliance with AIG policies and legal and regulatory requirements
- **Termination:** Procedures related to the termination of the relationship or engagement
- **Record Retention:** Records must be retained and disposed of in accordance with the AIG Recording requirements

B.9 ADEQUACY AND APPROPRIATENESS OF THE SYSTEM OF GOVERNANCE

ASL has a full governance structure in place. The members and attendees have specific experience and expertise, allowing them to provide appropriate coverage of the various Business functions. ASL’s Board is responsible for the adequacy and appropriateness of the system of governance which reviews at least annually.

As with all functions there is a desire for ASL to continuously improve its risk, compliance and governance systems by ensuring that they are reviewed, evaluated, and recommendations are made to the Board regarding enhancing and developing the systems. Changes in regulation and legislation are monitored and actions taken to implement the new requirements. Finally ASL uses internal audits and external audits to provide independent evaluation of the company’s system of governance. Recommendations from these audits are considered by the management and implemented proportionate to the business’ risks.

B.10 ANY OTHER MATERIAL INFORMATION

As at 31st December 2017, there is no other material information regarding its System of Governance.

C. RISK PROFILE

The Risk Profile section of the report captures the complexity of the overall risk status of the company, taking into account all the material risks to which the company is exposed. For each major risk grouping, this section provides a description of:

- Risk exposure;
- Measures used to assess the risk;
- Risk concentration; and
- Risk sensitivities.

ASL is in run-off. As the last Wealth Builder policy matured in 2017 and the last PVL policy surrendered at the beginning of 2017 the company's risk exposure related to the insured portfolio comes from the following remaining products:

- Money Multiplier: as of 31st December 2017, 11 policies and statutory reserve of CHF 0.1 Mio
- Universal Life: as of 31st December 2017, 14 policies and statutory reserve of CHF 4.8 Mio, Insurance and market risk fully reinsured at ALICO

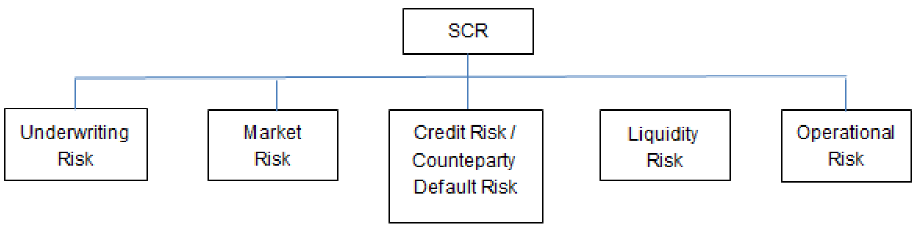
ASL calculates its Solvency Capital Requirement (SCR) using the Standard Formula and applying the following simplification: reserves are set at the policies' sum assured as maximum benefit to be paid by the company so that insurance risk is irrelevant within the solvency 2 valuation.

It is also worth noting that the risk exposure and the impact of the risk mitigating measures in place are reviewed annually as part of the Own Risk and Solvency Assessment (ORSA).

Risk Profile, Measurement and Assessment

ASL's Risk Management Framework supports the identification, measurement, management, monitoring and reporting of the five major risk groupings the Company is exposed to, including:

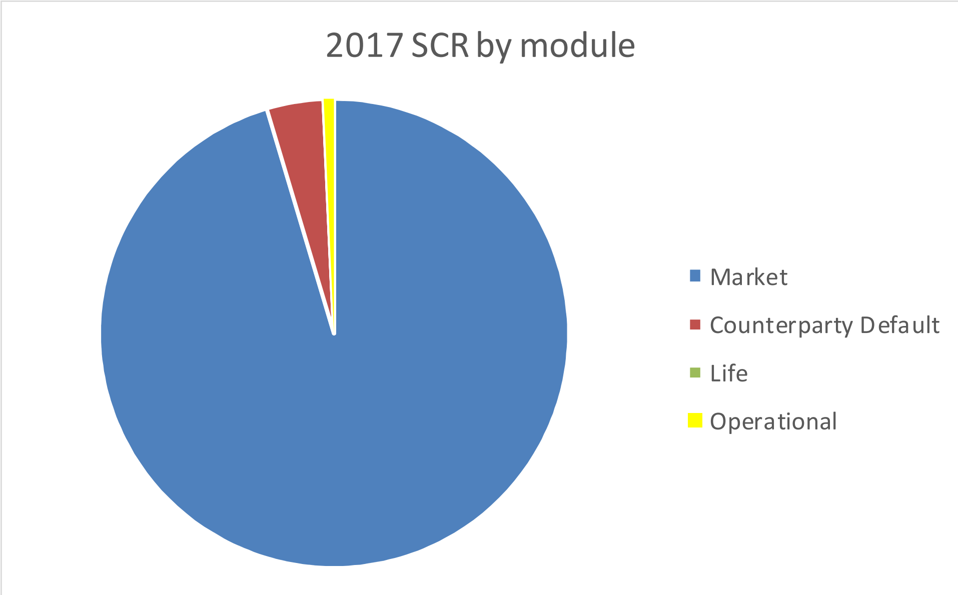
- Insurance risk (Underwriting Risk);
- Market Risk;
- Credit Risk (Counterparty default);
- Liquidity Risk; and
- Operational Risk.



Liquidity risk is not a risk module in the Standard Formula but is considered under Solvency II Pillar 2 capital assessments. For ASL liquidity risk is monitored and managed by Finance with reporting at the Investment Committee where Market risk is discussed.

ASL review annually its risk profile as part of the ORSA process.

AIG LIFE 2017 SOLVENCY CAPITAL REQUIREMENT BY MODULE



The SCR for ASL as at 31st December 2017 was analysed into the key components shown in the diagram above. As can be seen from the diagram market risk is the dominant risk of the solvency capital requirement for ASL accounting for 95% of the Standard Formula Solvency Capital Requirement (SF-SCR) at 31st December 2017. Due to the simplification applied in the calculation of the technical provisions the Life risk (insurance risk) is nil (see C.1) whereas the counterparty default risk accounts for 4% and the operational risk for 1% of the SF-SCR at 31st December 2017.

Risk sensitivities

As part of the ORSA assessment risk stress scenarios are performed annually in order to inform the Board about any changes in its risk appetite, to assist the management in efficient use of the Company's capital resources and to make recommendations to the Board regarding additional risk mitigation measures and dividend payments. Various tests are conducted to identify the implications of a wide-range of risks over the three years business planning period. This ensures that potential adverse scenarios are considered and negative outcomes can be adequately mitigated either through controls implemented in advance or through timely remedial measures.

Stress Scenario Testing is a key risk management tool used within the Company. The stress scenarios and specific parameters used are reviewed and approved by the Management prior to execution with the outcomes included in the ORSA report.

C.1 INSURANCE RISK (UNDERWRITING RISK)

The last Wealth Builder policy matured in 2017 and the last PVL policy surrendered in 2017as well. As result, 11 Money Multiplier policies (CHF 0.1m statutory reserves at 31st December 2017) and 14 Universal Life policies (CHF 4.8m statutory reserves at 31st December 2017) were in force in the portfolio at the end of 2017. As all the Universal Life policies are fully ceded to ALICO the insurance risk is low at ASL. Therefore a simplified approach is used in the solvency II valuation using sum assured as Solvency II technical provisions so that the technical provisions do not change in values applying the stresses as set in market and insurance risk Solvency II standard model. As result insurance risk is set to 0 for Solvency II purposes.

C.1.1. INSURANCE RISK EXPOSURE FOR ASL

Insurance Risk corresponds to the risk arising from the insured portfolio the Company is exposed to. ASL portfolio is exposed to mortality, lapse and expense risk. As assets and reinsurance agreements are sufficient for covering policies' sums assured both mortality and lapse risk are not material. The expense risk is the material risk for ASL managing the run-off of the insured portfolio and is analysed within the ORSA assessment. The expense risk is that expenses could be higher than planned mainly due to additional requirements from the stakeholders, and the duration of the insured portfolio could be longer than expected.

C.1.2. CHANGES IN INSURANCE RISK OVER THE REPORTING PERIOD

There were no significant changes in 2017 in the insurance risk. In particular the portfolio duration has decreased as expected.

C.1.3. INSURANCE RISK MITIGATION TECHNIQUES

Reinsurance agreement with ALICO is used to cede all reinsurance and market risk related to the Universal Life product to ALICO.

The company manage the expense risk as follows:

- Incurring expenses are reviewed for consistency with the amounts planned within the run-off plan
- Activities are conducted for reducing the portfolio duration.

C.1.4. MONITORING THE EFFECTIVENESS OF INSURANCE RISK MITIGATION TECHNIQUES

Management performs regular monitoring of the incurred expenses and of the activities related to the management of the insured portfolio. In particular outcomes of the stress scenario performed as part of the ORSA are fundamental for identifying elements undermining the realization of the run-off plan and defining if the case addition measures supporting the run-off targets.

C.1.5. STRESS SENSITIVITIES FOR INSURANCE RISK

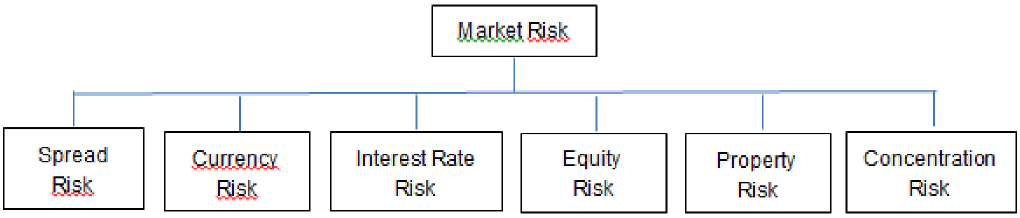
The following stress scenarios were performed within the ORSA assessment:

- Increase in the fees charged to the company for the outsourced activities. The increase is assumed to be driven by additional work necessary to fulfil additional requirements of the regulator. The outcome was that no additional capital resources would be required over the planning period.
- Extension of the portfolio duration assuming that no lapses will incur in the future. Also on this scenario no additional capital resources would be required over the planning period.

C.2 MARKET RISK

Market risk is the risk that the Company is adversely affected by movements in the fair value of its financial assets arising from market movements, for example due to credit spreads, interest rates and foreign exchange rates or other price risks. ASL is exposed to Market Risk on both the asset and the liability sides of its balance sheet. However the market risk on the liability is mostly ceded to ALICO as most of the risk lies on the Universal Life product.

Market risk accounted for 95% of the SF-SCR for ASL as at 31st December 2017. The sub risks associated with Market risk are shown below:



C.2.1. MARKET RISK EXPOSURE

ASL is subject to most aspects of market risk with no exposure to property risk. The most material element of market risk for ASL is currency risk making up approximately 86% of the total market risk under the SF-SCR at 31st December 2017. The remaining elements of market risk are (1) interest rate risk at 6%, (2) concentration risk at 6% and spread risk at 2% associated with the investment assets held as at December 2017. Exposure to equity risk is below 1%.

Investment assets are mainly held in government and corporate bonds, and cash equivalent. For liquidity purposes bonds maturities are selected to fund policies maturities.

C.2.2. MARKET RISKS AND CHANGES OVER THE REPORTING PERIOD

The Market Risk is driven by risks inherent within the Company's assets portfolio. During the reporting period the market risk profile remained stable at approximately CHF 5.3m.

C.2.3. MARKET RISK CONCENTRATION

ASL has very low exposure to market risk concentration due to the use of high rating bonds (AAA – AA) and limits within the investment policy which strictly limit exposure to the type of assets held.

Furthermore, due to the small amount of the liabilities, most of the investments are related to the own funds.

C.2.4. MARKET RISK MITIGATION TECHNIQUES

ASL manages its market risk primarily through the AAMEL team which monitors and manages the impacts of external economic factors, ASL's investment portfolio and through the Investment Administrator who manages the company's liquidity position and forecasts. The investment portfolio is managed with respect to the market risk profile of its liabilities in order to minimise the impact on its solvency position due to adverse market movements. Risk mitigation of market risk is executed through the combined use of investment limits, guidelines and principles detailed below.

- ASL monitors market risk via reviewing the regular management information at the AAMEL team and oversees the investment activity within the Investment agreement and investment strategy as approved by the Board.
- The Investment Administrator does monthly and annual analyses of the economic markets and performance of the assets held.
- Assets needed for the liabilities are held to similar duration to the liabilities to mitigate interest rate risk
- Stress and scenario testing is carried out as part of the ORSA process.

C.2.5. RISK MITIGATION AND THE PRUDENT PERSON PRINCIPLE

The Company's investment policy ensures its compliance with the Prudent Person Principle (PPP) as laid down in Article 132 of the Directive 2009/138/EC. Through execution of permissible asset classes and investment limits, the Company is able to ensure that it:

- Only invest in those assets whose risks it can properly identify, measure, monitor, control and report.
- Invest the assets covering Minimum Capital Requirement (MCR) and SCR in such a manner that ensures the security, quality, liquidity and profitability of the portfolio.
- Invest assets held to cover the Technical Provisions (TPs) in a manner appropriate to the nature and duration of the insurance liabilities and in the best interest of policy holders and beneficiaries.
- Keep the investment in assets which are not admitted to trading on a regulated market to prudent levels
- Properly diversify its investments so that it can avoid excessive reliance on any particular asset, issuer or group of undertakings, or geographical area and excessive accumulation of risk in the portfolio as a whole.
- Not expose itself to excessive risk concentration that arises from investments in assets issued by the same issuer or by issuers belonging to the same group.
- Invest in a short-term to reduce the long-term risk of issuer bankruptcy and to always have enough liquidity available to support the run off strategy of the Company.

The Company's investment policy guidelines set out its processes and procedures to manage its investment portfolio. The investment policy guidelines are approved by the Board and implemented, via the investment agreement, by AAMEL and ASL's investment administrator.

Assets categories that are included in the investment policy guidelines (which is aligned to the investment strategy) are those that are suitable for the Company's liabilities profile by nature, term and currency and for which AAMEL (the investment team) could assess, monitor and control risks. The Company does not invest in any asset category that is not included in the Investment policy guidelines.

Tactical deviations from the limits imposed by the policy guidelines to maximise investment returns are only permitted on prior approval by the Board of Directors and are limited to changes in allocation of asset categories covered by the policy guidelines only.

C.2.6. PROCESS FOR MONITORING THE EFFECTIVENESS OF MARKET RISK MITIGATION TECHNIQUES

The Investment Committee is chaired by the ASL Investment Administrator; the primary purpose of the Investment Committee is to monitor and manage the Market Risk profile of the Company against the Board approved Investment Policy Guidelines. The Investment Committee regularly reviews the latest market risk developments and requests more precision when needed.

The following monitoring activities are performed on a regular basis by the ASL Investment Administrator:

- Currency risk exposure: monitoring of the limits set in the Investment Policy Guidelines.
- Investment return: monitoring the realised investment return is within the expected targets.

C.2.7. RISK SENSITIVITIES FOR MARKET RISK

As in the ORSA assessment performed in 2016 market risk items did not result in financial losses undermining ASL's financial strength, market risk items were not quantitative analysed in the 2017 ORSA.

C.3 CREDIT RISK

Credit Risk (Counterparty Default Risk) is defined as the change in the value of assets and liabilities caused by unexpected default or deterioration in the credit standing of independent counterparties and debtors. At 31st December 2017 credit risk or counterparty default risk was 4% of the SF-SCR.

C.3.1. CREDIT RISK EXPOSURE FOR ASL

The reinsurance agreement with ALICO for ceding all risks related to the Universal Life product represent most of the credit risk exposures for ASL. The credit risk relates to the failure of ALICO and hence the inability to recover claims and associated expenses. That scenario was analysed as part of the ORSA assessment. Company's exposure is related to the capital at risk which is significantly smaller than the own funds. Thus Company's assessment of 'Unexpected Credit Loss owing to Reinsurer Failure' is 'Low'.

C.3.2. CREDIT RISKS AND CHANGES OVER THE REPORTING PERIOD

Credit Risk comprises circa 4% of the Company's SF-SCR as at year-end 2017. The SCR for credit risk has dropped from CHF 0.5m at Q4 2016 to CHF 0.2m at Q4 2017. This is due to the significant decrease in the reinsurance recoverables as in the Solvency 2 balance sheet resulting from the significant decrease in the Universal Life portfolio.

C.3.3. MEASURES USED TO ASSESS CREDIT RISK

No specific measures are in place for assessing credit risk related to the reinsurer as the risk exposure decreases with the decrease of the insured portfolio and the low materiality of credit risk.

With respect to the credit risk related to the invested assets the following controls are performed as required by the investment policy guideline:

- Identification of rating downgrades.
- Review of the exposure by single issuers.
- Review issuers' geographical diversification

C.3.4. CREDIT RISK CONCENTRATION

Credit Risk concentration is associated with any single exposure or group of exposures with the potential to produce large losses to threaten the Company's core operations. It may arise either in the form of single name concentration or industry concentration.

ASL's most material Credit Risk concentration relates to type 1 exposure of reinsurance arrangements (reinsurance recoverable and reinsurance receivables).

With respect to the invested assets there is relatively low concentration risk in relation to single issuers' credit risk. Concentration of single issuers does not exceed 8% of the invested assets as at 31st December 2017.

C.3.5. CREDIT RISK MITIGATION TECHNIQUES

ASL has established concentration limits within the investment policy for an effective management of the Credit Risk related to the investments. The Investment Committee in collaboration with AAMEL is responsible for compliance with the investment policy.

C.3.6. PROCESS FOR MONITORING THE EFFECTIVENESS' OF CREDIT RISK MITIGATION TECHNIQUES

The Investment Administrator ensures on a regular basis that concentration limits of the invested assets are respected. In the case the thresholds are exceeded the investment committee is informed and measures are taken to comply with the investment policy guidelines.

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C.3.7. STRESS TEST SENSITIVITIES FOR CREDIT RISK

During the ORSA process the following stress scenarios were performed for identifying possible significant losses resulting from credit risk:

- Reinsurer default: The default of ALICO was analysed within the stress scenarios that ASL has to fully recognize the reserves and the assets backing the portfolio within the balance sheet. The additional exposure the company should take over can be supported by the own funds.

C.4 LIQUIDITY RISK

Liquidity refers to the ability to generate sufficient cash resources to meet the Company's payment obligations. It is defined as unencumbered cash and assets that can be monetized in a short period of time at a reasonable cost in both normal and stressed market conditions.

Liquidity risk is defined as the risk that the Company's financial condition will be adversely affected by the inability or perceived inability to meet its short-term cash or other financial obligations. The failure to appropriately manage liquidity risk can result in reduced operating flexibility, increased costs, and reputational harm.

For ASL the risk is that it will have insufficient liquid funds to support payments to policyholders, in particular maturity and surrender benefits.

As mentioned at the start of the risk profile section, liquidity risk is a concept which does not exist within the Standard Formula. Therefore, no equivalent liquidity risk sub-module under Standard Formula is disclosed.

C.4.1. MEASURES USED TO ASSESS LIQUIDITY RISK

Liquidity is assessed and monitored on a weekly basis by the Investment Administrator.

C.4.2. LIQUIDITY RISK CONCENTRATION

ASL has low liquidity risk concentration due to the short duration of the investment aiming bonds maturities in correspondence with payments to policyholders resulting from policies' maturities.

C.4.3. LIQUIDITY RISK MITIGATION TECHNIQUES AND THE PROCESSES FOR MONITORING THE EFFECTIVENESS OF THESE TECHNIQUES

ASL set in the Investment Policy Guidelines the principles and rules for the company to adhere to for managing and thus mitigating the exposure to liquidity risk. The purpose of the guidelines is to establish minimum liquidity requirements that protect the Company's long-term viability and ability to fund its ongoing business and meet short-term financial obligations in a timely manner in both normal and stressed conditions.

Liquidity risk is managed by the Investment Administrator. Liquidity risk is mitigated through investment in predominately liquid financial assets and constant monitoring of expected asset and liability maturities.

The Investment Policy Guidelines prescribe procedures to maintain sufficient liquidity to meet the obligations as they become due and the Company complies with this policy.

C.4.4. STRESS SENSITIVITIES FOR LIQUIDITY RISK

Stress tests for liquidity risk are not performed on a standalone basis under Standard Formula for a Life company. Even though the risk is classified as low the ASL analysed the impact of all in force policies surrendering in 2018 for fulfil supervisory expectation. The analysis outlined that company assets can fund short term payments to the policyholders.

C.5 OPERATIONAL RISK

Operational risk is defined as the risk of loss, or other adverse consequences, resulting from inadequate or failed internal processes, people, systems or external events.

Operational risks can have many impacts, including but not limited to unexpected economic losses or gains, reputational harm due to negative publicity, regulatory action from supervisory agencies, operational and business disruptions and damage to customer relationships.

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C.5.1. OPERATIONAL RISK EXPOSURE FOR ASL

Operational risk components	Description
Execution, Delivery & Process Management	Risks associated with the failure to execute or process transactions timely and accurately with clients, counterparties and/or external vendors/suppliers.
Clients & Business Practices	Risks associated with the unintentional or negligent failure to meet a professional obligation to specific clients (including fiduciary and suitability requirements) or from the nature or design of a product. It also includes non-compliance with laws, rules, regulations, agreements, prescribed practices and ethical standards.
Employment Practices & Workspace Safety	Risks associated with acts inconsistent with employment relation, health and safety and anti-discrimination laws or agreements.
Internal Fraud	Risks associated with acts intended to defraud, misappropriate property or circumvent regulations, the law or company policy which involves at least one internal party.
External Fraud	Risks associated with acts intended to defraud, misappropriate property or circumvent regulations or the law by one or more third party.
Financial Integrity & Reporting	Risks associated with the disclosure of materially incorrect or untimely information, whether financial or non-financial, or the failure to disclose information to external or internal stakeholders or to the general public.
Business Disruption & System Failure	Risks associated with the interruption of business activity due to system or communication failures, the inaccessibility of information or the unavailability of utilities.
Damage to Physical Assets	Risks associated with the damage or unavailability of physical assets as a result of a natural disaster or other traumatic event.

C.5.2. OPERATIONAL RISK AND CHANGES OVER THE REPORTING PERIOD

There have been no changes in the operational risk exposure.

With respect to SCR the Company applies the Standard Formula. SF Operational Risk SCR of the Company is driven by technical provisions. Operational Risk comprises circa 1% of the Company's SF-SCR as the company is in run-off the operational risk SCR will decrease as has been the case over the last year.

C.5.3. MEASURES USED TO ASSESS OPERATIONAL RISK

Operational risk is assessed qualitative and (where applicable) quantitative within the ORSA process. Within that assessment risk items are identified and the impact on the Company is analysed through stress scenarios. The following risks were identified within the ORSA:

Risk item	Operational Risk Component	Valuation
Not justified payments or claims	Internal Fraud	qualitative
Falsification/ manipulation of the company results	Internal Fraud	qualitative
Replacement of outsourcing resources and related loss of knowhow on AIG CH	Execution, Delivery & Process Management	qualitative
Hardware and software aging	Business Disruption & System Failure	qualitative
Data quality	Financial Integrity & Reporting	qualitative
Fraud within the service providers	External Fraud	qualitative
Not compliance with the law or internal guidelines	Clients & Business Practices	qualitative

C.5.4. OPERATIONAL RISK MITIGATION TECHNIQUES

ASL's Risk Management Framework facilitates the identification, assessment, monitoring, and measurement of operational risk and promotes a culture where each employee has responsibility for managing operational risk. There is an internal controls system in place across all functions including "doer, checker, reviewer" processes where appropriate. As part of the internal controls system process controls are reviewed regularly.

C.5.5. PROCESS FOR MONITORING THE EFFECTIVENESS OF OPERATIONAL RISK MITIGATION TECHNIQUES

The effectiveness of the operational risk mitigation techniques is review as follows:

- As part of the internal controls system control results are reviewed on a regular basis
- As part of the ORSA process the effectiveness of the risk measure in place on the operational risk is analysed performing stress scenarios.

C.5.6. STRESS SENSITIVITIES FOR OPERATIONAL RISK

Operational risk is associated with the level of losses associated with a process or system failure or human error, and company's ability of continuing the business.

As part of the ORSA assessment the identified risks were investigated by analysing the impact of stress scenarios. No elements endangering company's ability of continuing the business resulted from the performed analysis.

C.6 OTHER MATERIAL RISKS

There are no other risks that are material to the Company for the year ending 31st December 2017.

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D. VALUATION OF SOLVENCY PURPOSES

The 'Valuation for Solvency Purposes' section of the report describes the valuation of assets, technical provisions and other liabilities from a statutory basis to a Solvency basis. This section contains qualitative explanations of the main differences between the figures valued according to Articles 75 to 86 of Directive 2009/138/EC and those accounted for in the statutory balance sheet of ASL. The section also outlines the approach and methodology underlying the valuation.

Key elements of the section include:

- Assets;
- Technical Provisions (TPs);
- Other Liabilities; and
- Any other information

D.1 ASSETS

The 'Assets' subsection of the report aims to provide information regarding the valuation of assets held by the Company under the Solvency II regime, including information on the basis, methods and assumptions utilised.

The assets table below shows the Solvency II Balance Sheet line items, their corresponding statutory values, and the Solvency II adjustments and reclassifications applied.

Assets - Solvency II Balance Sheet	Notes	Statutory Accounts Value	Solvency II Adjustment	Solvency II Value
		In CHF	In CHF	In CHF
Goodwill		-	-	-
Deferred acquisition costs		-	-	-
Intangible assets		-	-	-
Deferred tax assets		-	-	-
Pension benefit surplus		-	-	-
Property, plant & equipment held for own use		-	-	-
Investments (other than assets held for index-linked and unit-linked contracts)	1	25'002'064.57	61'209.42	25'063'273.99
Property (other than for own use)		-	-	-
Holdings in related undertakings, including participations		-	-	-
Equities		36'537.51	-	36'537.51
Government Bonds		11'454'805.82	32'326.48	11'487'132.30
Corporate Bonds		13'154'756.09	28'883.09	13'183'639.17
Derivatives		-	-	-
Deposits other than cash equivalents		355'965.00	-	355'965.00
Other investments		-	-	-
Assets held for index-linked and unit-linked contracts		-	-	-
Loans and mortgages		-	-	-
Reinsurance recoverables	2	4'846'189.47	(460'939.47)	4'385'250.00
Deposits to cedants		-	-	-
Insurance and intermediaries receivables		1'620.00	-	1'620.00
Reinsurance receivables		-	-	-
Receivables (trade, not insurance)		129'480.84	-	129'480.84
Own shares (held directly)		-	-	-
Amounts due in respect of own fund items or initial fund called up		-	-	-
Cash and cash equivalents	3	1'413'294.96	-	1'413'294.96
Any other assets, not elsewhere shown		-	-	-
Total assets		**31'392'649.69**	**(399'729.90)**	**30'992'919.79**

American Security Life

1. INVESTMENTS (OTHER THAN ASSETS HELD FOR INDEX-LINKED AND UNIT-LINKED CONTRACTS)

Investments are measured and carried at fair value in accordance with IAS 39 for Solvency II purposes. The following valuation principles are applied to the statutory amounts:

- Bonds and other fixed-interest bearing securities are valued according to the amortized cost-method, which prescribes that the difference between the purchase price and the amount to be repaid should be written off pro rata over the remaining period to maturity.
- Equities at fair value.
- Deposits other than cash equivalents at par value.

The valuation difference of CHF 61k between statutory and Solvency II relates mainly to unrealized gains in the bonds.

2. REINSURANCE RECOVERABLES

Reinsurance recoverables correspond to the technical provisions of the Universal Life product which is fully reinsured at ALICO. No further reinsurance agreement is in place at ASL. The valuation difference of CHF -0.5 Mio between statutory and Solvency II amounts is due to the simplified approach used by ASL for measuring the technical provisions under Solvency II. The Solvency II amount, indeed, corresponds to the sum assured amount as of 31st December 2017 whereas the statutory amounts corresponds to the premiums accumulated over the years (see section D.2D.2.1 for more details)

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises deposits with banks and cash.

Cash and deposits at banks are reported at par.

D.2 TECHNICAL PROVISIONS

The below technical provisions table has been extracted from Solvency II Balance Sheet which summarises the calculation of Technical Provisions using statutory reserves as the starting point.

Technical Provisions - Solvency II Balance Sheet		Statutory Accounts Value	Solvency II Adjustment	Solvency II Value
		In CHF	In CHF	In CHF
Technical provisions - life (excluding index-linked and unit-linked)		9'150'518.62	(461'532.34)	8'688'986.28
Technical provisions – index-linked and unit-linked		-	-	-
Total Technical Provisions		**9'150'518.62**	**(461'532.34)**	**8'688'986.28**

D.2.1. VALUATION BASIS, METHODS AND MAIN ASSUMPTIONS

The difference in the Technical provisions is due to the following simplification applied in the valuation:

- Technical provisions for life insurance liabilities are assumed to be equal to the sum assured;
- The Risk Margin is considered to be implicitly contained in the value of the technical provisions calculated as above.

The simplification on technical provisions has been defined based on the run-off status of ASL since the portfolio is composed be the following products: Money Multiplier (11 policies) and Universal Life (14 policies). In particular, the sum assured is defined as:

- Money Multiplier: total bonds value as of valuation date (market value of the bonds backing the policies)
- Universal Life: total (guaranteed) insured capital

Thus, no best estimate valuation of the interest rate guarantees within the products is performed. The products have the following guarantees:

- Money Multiplier: account value cannot decrease
- Universal Life: minimum 4.5% of the account value

It is worth noting that the benefits of the Universal Life policies are fully reinsured by ALICO.

As a result of this simplification, the Solvency Capital Requirement for life underwriting risk is, same as in the prior year, nil for ASL at 31st December 2017.

D.2.2. OTHER BEST ESTIMATE COMPONENTS

The Best Estimate line of the Solvency II Balance Sheet also contains the expense overruns ASL expects from managing the run-off. The same expense overruns liability booked within the statutory balance sheet was used within the Solvency II balance sheet.

D.3 OTHER LIABILITIES

The below liabilities table has been extracted from the Economic Balance Sheet (EBS) which details the calculation of Solvency II values from statutory to Solvency II. The below table should be viewed in conjunction with the explanatory notes.

Liabilities - Solvency II Balance Sheet	Notes	Statutory Accounts Value	Solvency II Adjustment	Solvency II Value
		In CHF	In CHF	In CHF
Total Technical Provisions		**9'150'518.62**	**(461'532.34)**	**8'688'986.28**
Provisions other than technical provisions		-	-	-
Pension benefit obligations		-	-	-
Deposits from reinsurers		-	-	-
Deferred tax liabilities		1'800.00	-	1'800.00
Derivatives		-	-	-
Debts owed to credit institutions		-	-	-
Financial liabilities other than debts owed to credit institutions		-	-	-
Insurance & intermediaries payables	1	7'060'578.52	-	7'060'578.52
Reinsurance payables		(761'988.89)	-	(761'988.89)
Payables (trade, not insurance)		196'366.59	-	196'366.59
Subordinated liabilities		-	-	-
Any other liabilities, not elsewhere shown		-	-	-
Total liabilities		**15'647'274.84**	**(461'532.34)**	**15'185'742.50**

D.3.1. VALUATION BASIS, METHODS AND MAIN ASSUMPTIONS

The valuation of liabilities other than technical provisions is recognised at face value.

American Security Life

1. INSURANCE & INTERMEDIARIES PAYABLE

Insurance and Intermediaries payables comprise the following:

- Commission due to Intermediaries
- Amounts due to customers

Most of the amount results from pending benefit payments to policyholders due to incomplete documentation identified during the benefit payment’s due diligence process. Payables (including reinsurance and not insurance payables) can be split by the following ageing:

- Less than one year: CHF 382’521
- Between one and five years: CHF 6’021’779
- Greater than five years: CHF 656’278

D.4 OTHER MATERIAL INFORMATION

D.4.1. FUTURE MANAGEMENT ACTIONS

The calculation does not explicitly consider any other future management actions that may be taken to reduce the Company’s risk exposure following certain events (e.g. increase in the insured portfolio duration).

E. CAPITAL MANAGEMENT

The 'Capital Management' section of the report describes the internal operational structures/procedures underlying capital management within the Company as well as the projections of capital position over a three year planning horizon. The Capital Plan is updated at least annually or more frequently if a material change occurs to the Company's risk or capital profile, business strategy, the macro-economic outlook or if regulatory feedback warrants a change.

Key elements include:

- Own Funds;
- SCR and MCR;
- Non-compliance with SCR and MCR.

E.1 OWN FUNDS

The Company's Own funds are comprised of items on the balance sheet which are referred to as basic own funds and off balance sheet items that may be called up to absorb losses referred to as ancillary own funds. ASL has only basic own funds items.

This sub-section of the report aims to provide a view of capital management activities in the Company over the business planning horizon, its capital management methods and the structure, amount and quality of Own Funds.

E.1.1. APPROACH TO CAPITAL MANAGEMENT

Company's General Manager and Investment Administrator are responsible for its capital management. Capital planning is considered pivotal in decision making.

Capital management focuses on two aspects:

- Ensuring that there is sufficient coverage of both the regulatory capital requirements (MCR and SCR) as well as the economic capital targets set.
- Ensuring that cash-out resulting from the run-off is adequately funded by the bonds maturities.

The Investment Administrator provides the Board with information on the Company's asset liability management and monitors the surplus over internal and regulatory capital requirements. The Actuarial Function conducts stress scenario testing as part of the ORSA process.

E.1.1.1. CAPITAL MANAGEMENT PLAN

As part of the ORSA, ASL produces an analysis of the capital development over a three year business planning horizon. The intention of the plan is to ensure the Company meets regulatory capital requirements and other business expectation and to identify any significant issues of meeting capital internal and supervisory requirements.

The analysis takes into consideration the following:

- Business plan, budget and goals.
- Applicable regulations.

- Multiple future scenarios involving capital resources and requirements under the Solvency II Standard Formula views.

The analysis is performed by the Actuarial Function and is reviewed by the ASL management. Any changes in the capital planning need to be approved by the Board.

E.1.1.2. CAPITAL MANAGEMENT PROCESS AND POLICY

ASL's capital management process and policy are part of the ORSA process and policy which are annually approved by the Board.

The Company has an adequate capital management process to ensure it meets regulatory capital requirements consistently with the size, complexity and run-off status of the Company.

E.1.2. COMPOSITION AND QUALITY OF OWN FUNDS

Under Solvency II regulation, capital is referred to as Own Funds and the regulation distinguishes between Basic Own Funds (BOF) and Ancillary Own Funds (AOF). Capital under Solvency II starts with the excess of assets over liabilities as determined by the Economic Balance Sheet (EBS). Qualifying subordinated debt is then added to this and the combined amount is known as Basic Own Funds.

The whole amount is classified into tiers of Own Funds. Restrictions are applied to limit the extent to which the various components of Own Funds can be used to meet the capital requirements.

BASIC OWN FUNDS TIER 1

The BOF Tier 1 criteria are met by the following statutory equity balance sheet items:

- Subscribed share capital (CHF 5.0 Mio)
- Organization Fund (CHF 4.9 Mio)

In addition, the reconciliation reserve is classified as BOF Tier 1 capital in accordance with the Solvency II regulations. It is calculated as follows:

Reconciliation Reserve	In CHF
Excess of assets over liabilities	15'807'177
Less	
Subscribed share capital	5'000'000
Organization fund	4'900'000
Net deferred tax assets (Tier 3)	
Foreseeable dividend	
Reconciliation Reserve	5'907'177

BASIC OWN FUNDS TIER 2

ASL has no BOF tier 2 elements.

ANCILLARY OWN FUNDS

ASL has no ancillary own funds elements.

NET DEFERRED TAX ASSETS

As part of the simplification applied within the Solvency II calculation deferred tax assets have not been considered moving from the statutory balance sheet into the Solvency II balance sheet.

ELIGIBLE OWN FUNDS

The classification into tiers is relevant to the determination of eligible own funds. These are the own funds that are eligible for covering the regulatory capital requirements – the solvency capital requirement and the minimum capital requirement. For example, the minimum capital requirement must be covered by Tier 1 and Tier 2 capital and may not therefore be covered by Tier 3 capital. The extent to which the tiers are eligible to cover the capital requirements is set out in the implementing measures (also known as delegated acts).

All ASL Own Funds are eligible for both SCR and MCR as classified as Tier 1.

ELIGIBLE OWN FUNDS TO COVER CAPITAL REQUIREMENTS

The Solvency Capital Requirement (SCR) reflects a level of eligible own funds that enables the Company to absorb significant losses and that gives reasonable assurance to policyholders and beneficiaries that payments will be made as they fall due.

The minimum capital requirements should ensure a minimum level below which the amount of resources should not fall. It is necessary that it is calculated in accordance with the standard formula, which is subject to a defined floor and cap based on the risk-based Solvency Capital Requirement.

The table below presents the ratio of eligible own funds that the Company holds to cover the solvency capital requirement and minimum capital requirement:

Eligible own funds	In CHF
Total eligible own funds to meet the SCR	15'807'177
Total eligible own funds to meet the MCR	15'807'177
SCR	5'351'427
MCR	4'329'370
Ratio of Eligible own funds to SCR	295%
Ratio of Eligible own funds to MCR	365%

E.1.3. STRUCTURE, AMOUNT AND QUALITY OF BASIC ANCILLARY OWN FUNDS

ASL has no Ancillary own funds.

E.1.4. TRANSITIONAL ARRANGEMENTS

ASL did not have any transitional arrangements in place as at 31st December 2017.

E.1.5. MATERIAL DIFFERENCES BETWEEN EQUITY IN THE FINANCIAL STATEMENTS AND THE EXCESS OF ASSETS OVER LIABILITIES

Capital resources are calculated differently under Solvency II and statutory resulting from differences in the valuation under Solvency II compared to statutory valuation basis. Based on the simplified approach used by ASL in setting the Solvency II EBS the following valuation differences apply:

- Technical provisions are recalculated for Solvency II purposes and correspond to the sum assured covered within the policies.
- Bonds are measured at market value whereas amortized cost is used for statutory purposes.

As results the Company's Own Funds position is different from the equity stated in its financial statements.

The following table reconciles the equity in the financial statements to the excess of assets over liabilities under Solvency II. Further details regarding reconciling items are set out in the respective notes identified below:

Excess of assets over liabilities - attribution of valuation differences	
	In CHF
Difference in the valuation of assets	61'209
Difference in the valuation of technical provisions	593
Difference in the valuation of other liabilities	500'000
Total of reserves and retained earnings from financial statements	5'345'375
Reserves from financial statements adjusted for Solvency II valuation differences	5'907'177
Excess of assets over liabilities attributable to basic own fund items (excluding the reconciliation reserve)	9'900'000
Excess of assets over liabilities	15'807'177

CAPITAL INSTRUMENTS AND RING FENCED FUNDS

During the period, no capital instruments were issued or redeemed. In addition, there were no restricted own funds due to ring fencing.

E.2 SOLVENCY CAPITAL REQUIREMENT AND MINIMUM CAPITAL REQUIREMENT

The SCR and MCR requirement section of the report aims to provide a comprehensive view to assess the adequacy of the Company's capital in line with the regulatory requirements.

E.2.1. SOLVENCY CAPITAL REQUIREMENT (SCR)

The SCR is the amount of funds that the Company is required to hold in line with the Solvency II Directive issued by the European Union (EU) in 2009. SCR is a formula based figure calibrated to ensure that all quantifiable risks are taken into account, including life and heath underwriting, market, credit, operational, and counterparty risk.

The Company uses the Standard Formula to calculate its Solvency Capital Requirement. ASL does not use any undertaking specific parameters. The following simplification is used:

- Cash-flows projections are not used to measure the best estimate of the technical provisions as the sum assured is used instead. As result technical provisions under Solvency II are not exposed to changes in the economic assumptions nor in the insurance assumptions. Thus insurance risk is at 0.

The amount of the SCR at 31st December 2017 is CHF 5.4m.

The assessment of the SCR using the standard formula approach is based on a modular approach consisting of a core of life; market; health and counterparty default risks with associated sub-modules. These are aggregated in the standard formula using correlation matrices, both at the sub-module and the main module level. The operational risk component and adjustments for risk absorbing effect of deferred taxes are then allowed for, to give the overall SCR.

Hence, the Solvency Capital Requirement (SCR) is calculated as follows:

$$SCR = BSCR + SCR_{op} - Adj$$

Where SCR is the Overall Standard Formula Capital Charge, BSCR is the Basic Solvency Capital Requirement, Adj corresponds to the Risk Absorbing Effect of Deferred Taxes (0 at ASL) and SCR_{op} is the Capital Charge for Operational Risk.

Here, the “delta-BoF” (ΔBoF) approach is used for capturing the impact of the underlying risk module. Note that the expression ΔBoF has a sign convention whereby positive values signify a loss.

In order to calculate ΔBoF, the base scenario as well as the stressed assets and liabilities will need to be calculated. The difference between the base and the stressed assets and liabilities is the ΔBoF.

The ΔBoF is based on the Solvency II balance sheet. No further risk mitigation techniques in addition to those considered within the EBS (i.e. reinsurance) are used in the calculation of the SCR.

American Security Life

CHF	YE2017	YE2016
Market risk	**5'256'162**	**5'271'927**
Interest rate up	359'970	450'621
Interest rate down	0	0
Interest rate risk	359'970	450'621
Equity risk	18'598	18'125
Property risk	0	0
Spread risk	126'197	161'501
Currency risk	5'106'439	5'083'613
Concentration risk	336'708	338'030
Diversification	-691'750	-779'964
Counterparty default risk	**215'470**	**480'508**
Type 1 exposure	200'328	452'392
Type 2 exposure	19'665	36'671
Diversification	-4'523	-8'555
Life underwriting risk	**0**	**0**
Diversification across risk modules	-157'505	-340'346
Basic SCR	**5'314'126**	**5'412'088**
Operational risk	**39'100**	**93'397**
Loss-absorbing capacity of deferred taxes	-1'800	-1'200
SCR	**5'351'427**	**5'504'285**

The operational risk capital is calculated based on factors applied to the technical provisions and premiums for each line of business underwritten. This is subject to regulatory minimum capital holdings.

E.2.2. MINIMUM CAPITAL REQUIREMENT (MCR)

The Company uses the Standard Formula to calculate its Minimum Capital Requirement (MCR). The amount of the MCR for the reporting period is CHF 4.3m.

The following table shows the MCR calculation:

MCR calculation	In CHF
Linear MCR	162'251
SCR	5'351'427
MCR cap	2'408'142
MCR floor	1'337'857
Absolute floor of the MCR	4'329'370
Minimum Capital Requirement	4'329'370

Information on the Inputs used to calculate the MCR

The MCR calculation uses inputs as required by the standard formula. In particular, the SCR, Capital At Risk, BEL and Sum Assured are required. This data is provided at the same granularity and accuracy as for the SCR calculation itself.

E.3 USE OF DURATION-BASED EQUITY RISK SUB-MODULE IN THE CALCULATION OF THE SOLVENCY CAPITAL REQUIREMENT

The Company did not make use of the duration-based equity risk sub-module in the reporting during the reporting period.

E.4 DIFFERENCES BETWEEN THE STANDARD FORMULA AND ANY INTERNAL MODEL USED

The Company uses the Standard Formula to calculate the SCR and therefore no differences exist.

E.5 NON-COMPLIANCE

During the reporting period, there were no instances of non-compliance with the Solvency II capital requirements. In addition, the Company held Own Funds in excess of both the SCR and MCR requirements over the reporting period.

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ANNEX: ANNUAL QRTs

This annex contains the quantitative reporting templates (QRTs) as required by the regulator for the reporting date 31.12.2017. The following report sheets contain cell coordinates in the form of row and column location of a data point in a certain table, such as RO010 and C0020. With these cell coordinates in combination with the spreadsheet notation (such as S.02.01.01), the interested reader can learn the exact requirements of the individual contents according to the Commission Implementing Regulation (EU) 2015/2452. All amounts are in CHF.

QRT S.02.01.01

					Solvency II value
					C0010
Assets	Goodwill			R0010	
	Deferred acquisition costs			R0020	
	Intangible assets			R0030	0.00
	Deferred tax assets			R0040	0.00
	Pension benefit surplus			R0050	0.00
	Property, plant & equipment held for own use			R0060	0.00
	Investments (other than assets held for index-linked and unit-linked contracts)			R0070	25'063'273.99
		Property (other than for own use)		R0080	0.00
		Holdings in related undertakings, including participations		R0090	0.00
		Equities		R0100	36'537.51
			Equities - listed	R0110	0.00
			Equities - unlisted	R0120	36'537.51
		Bonds		R0130	24'670'771.48
			Government Bonds	R0140	11'487'132.30
			Corporate Bonds	R0150	13'183'639.17
			Structured notes	R0160	0.00
			Collateralised securities	R0170	0.00
		Collective Investments Undertakings		R0180	0.00
		Derivatives		R0190	0.00
		Deposits other than cash equivalents		R0200	355'965.00
		Other investments		R0210	0.00
	Assets held for index-linked and unit-linked contracts			R0220	0.00
	Loans and mortgages			R0230	0.00
		Loans on policies		R0240	0.00
		Loans and mortgages to individuals		R0250	0.00
		Other loans and mortgages		R0260	0.00
	Reinsurance recoverables from:			R0270	4'385'250.00
		Non-life and health similar to non-life		R0280	0.00
			Non-life excluding health	R0290	0.00
			Health similar to non-life	R0300	0.00
		Life and health similar to life, excluding health and index-linked and		R0310	4'385'250.00
			Health similar to life	R0320	0.00
			Life excluding health and index-linked and unit-linked	R0330	4'385'250.00
		Life index-linked and unit-linked		R0340	0.00
	Deposits to cedants			R0350	0.00
	Insurance and intermediaries receivables			R0360	1'620.00
	Reinsurance receivables			R0370	0.00
	Receivables (trade, not insurance)			R0380	129'480.84
	Own shares (held directly)			R0390	0.00
	Amounts due in respect of own fund items or initial fund called up but not yet p			R0400	0.00
	Cash and cash equivalents			R0410	1'413'294.96
	Any other assets, not elsewhere shown			R0420	0.00
	Total assets			R0500	30'992'919.79

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				Solvency II value
				C0010
Liabilities	Technical provisions – non-life		R0510	0.00
		Technical provisions – non-life (excluding health)	R0520	0.00
		Technical provisions calculated as a whole	R0530	0.00
		Best Estimate	R0540	0.00
		Risk margin	R0550	0.00
		Technical provisions - health (similar to non-life)	R0560	0.00
		Technical provisions calculated as a whole	R0570	0.00
		Best Estimate	R0580	0.00
		Risk margin	R0590	0.00
	Technical provisions - life (excluding index-linked and unit-linked)		R0600	8'688'986.28
		Technical provisions - health (similar to life)	R0610	0.00
		Technical provisions calculated as a whole	R0620	0.00
		Best Estimate	R0630	0.00
		Risk margin	R0640	0.00
		Technical provisions – life (excluding health and index-linked and u	R0650	8'688'986.28
		Technical provisions calculated as a whole	R0660	0.00
		Best Estimate	R0670	8'688'986.28
		Risk margin	R0680	0.00
	Technical provisions – index-linked and unit-linked		R0690	0.00
		Technical provisions calculated as a whole	R0700	0.00
		Best Estimate	R0710	0.00
		Risk margin	R0720	0.00
	Other technical provisions		R0730	
	Contingent liabilities		R0740	0.00
	Provisions other than technical provisions		R0750	0.00
	Pension benefit obligations		R0760	0.00
	Deposits from reinsurers		R0770	0.00
	Deferred tax liabilities		R0780	1'800.00
	Derivatives		R0790	0.00
	Debts owed to credit institutions		R0800	0.00
	Financial liabilities other than debts owed to credit institutions		R0810	0.00
	Insurance & intermediaries payables		R0820	7'060'578.52
	Reinsurance payables		R0830	-761'988.89
	Payables (trade, not insurance)		R0840	196'366.59
	Subordinated liabilities		R0850	0.00
		Subordinated liabilities not in Basic Own Funds	R0860	0.00
		Subordinated liabilities in Basic Own Funds	R0870	0.00
	Any other liabilities, not elsewhere shown		R0880	0.00
	Total liabilities		R0900	15'185'742.50
Excess of assets over liabilities			R1000	15'807'177.28

American Security Life

QRT S.02.02.01

			Total value of all currencies	Value of the solvency II	Value of remaining other
			C0020	C0030	C0040
Assets	Investments (other than assets held for index-linked and unit-linked contracts)	R0020	25'063'273.99	0.00	131'830.00
	Other assets: Property, plant & equipment held for own use, Cash and cash equivalents, Loans on policies, Loans & mortgages to individuals and Other loans & mortgages (other than index-linked and unit-linked contracts)	R0030	1'413'294.96	60'674.90	42'221.23
	Assets held for index-linked and unit-linked contracts	R0040	0.00	0.00	0.00
	Reinsurance recoverables	R0050	4'385'250.00	0.00	0.00
	Deposits to cedants, insurance and intermediaries receivables and reinsurance receivables	R0060	1'620.00	1'620.00	0.00
	Any other assets	R0070	129'480.84	0.00	0.00
	Total assets	R0100	30'992'919.79	62'294.90	174'051.23
Liabilities	Technical provisions (excluding index-linked and unit-linked contracts)	R0110	8'688'986.28	4'150'000.00	15'136.14
	Technical provisions - index-linked and unit-linked contracts	R0120	0.00	0.00	0.00
	Deposits from reinsurers and insurance, intermediaries and reinsurance payables	R0130	6'298'589.63	0.00	0.00
	Derivatives	R0140	0.00	0.00	0.00
	Financial liabilities	R0150	0.00	0.00	0.00
	Contingent liabilities	R0160	0.00	0.00	0.00
	Any other liabilities	R0170	198'166.59	156'763.85	12'169.04
	Total liabilities	R0200	15'185'742.50	4'306'763.85	27'305.18

			Value of material currencies
			USD
Assets	Investments (other than assets held for index-linked and	R0020	24'931'443.99
	Other assets: Property, plant & equipment held for own	R0030	1'310'398.83
	Assets held for index-linked and unit-linked contracts	R0040	0.00
	Reinsurance recoverables	R0050	4'385'250.00
	Deposits to cedants, insurance and intermediaries receiv	R0060	0.00
	Any other assets	R0070	129'480.84
	Total assets	R0100	30'756'573.66
Liabilities	Technical provisions (excluding index-linked and unit-lin	R0110	4'523'850.14
	Technical provisions - index-linked and unit-linked contr	R0120	0.00
	Deposits from reinsurers and insurance, intermediaries a	R0130	6'298'589.63
	Derivatives	R0140	0.00
	Financial liabilities	R0150	0.00
	Contingent liabilities	R0160	0.00
	Any other liabilities	R0170	29'233.70
	Total liabilities	R0200	10'851'673.47

QRT S.04.01.01

		Undertaking			All EEA members			Total business underwritten by all non-EEA branches
		Business underwritten in the home country, by the undertaking	Business underwritten through FPS, by the undertaking in the EEA countries different from the home country	Business underwritten through FPS in the home country, by any EEA branch	Total business underwritten by all EEA branches in the country where they are established	Total business underwritten through FPS, by all EEA branches	Total of the business underwritten through FPS by the undertaking and all EEA branches	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
Premiums written	R0020	0.00	0.00	0.00			0.00	72'126.58
Claims incurred	R0030	0.00	608'837.97					3'593'435.05
Commissions	R0040	0.00	87.88					3'567.35

		By material non-EEA member
		Business underwritten by material non-EEA country branches
		UNITED STATES
Premiums written	R0020	72'126.58
Claims incurred	R0030	3'593'435.05
Commissions	R0040	3'567.35

American Security Life

QRT S.05.01.01

				Line of Business for: life insurance obligations		Total
				Insurance with profit participation	Index-linked and unit-linked insurance	
				C0220	C0230	C0300
Premiums	Gross		R1410	72'126.58	0.00	72'126.58
	Reinsurers' share		R1420	72'126.58	0.00	72'126.58
	Net		R1500	0.00	0.00	0.00
Premiums	Gross		R1510	72'126.58	0.00	72'126.58
	Reinsurers' share		R1520	72'126.58	0.00	72'126.58
	Net		R1600	0.00	0.00	0.00
Claims incu	Gross		R1610	4'202'273.02	0.00	4'202'273.02
	Reinsurers' share		R1620	971'841.00	0.00	971'841.00
	Net		R1700	3'230'432.02	0.00	3'230'432.02
Changes in	Gross		R1710	0.00	0.00	0.00
	Reinsurers' share		R1720	0.00	0.00	0.00
	Net		R1800	0.00	0.00	0.00
Expenses incurred			R1900	1'154'057.59	5'250.91	1'159'308.50
	Administrative expenses	Gross	R1910	685'927.49	3'446.87	689'374.37
		Reinsurers' share	R1920	0.00	0.00	0.00
		Net	R2000	685'927.49	3'446.87	689'374.37
	Investment management expenses	Gross	R2010	5'094.56	0.00	5'094.56
		Reinsurers' share	R2020	0.00	0.00	0.00
		Net	R2100	5'094.56	0.00	5'094.56
	Claims management expenses	Gross	R2110	103'945.02	0.00	103'945.02
		Reinsurers' share	R2120	0.00	0.00	0.00
		Net	R2200	103'945.02	0.00	103'945.02
	Acquisition expenses	Gross	R2210	3'655.23	0.00	3'655.23
		Reinsurers' share	R2220	3'567.35	0.00	3'567.35
		Net	R2300	87.88	0.00	87.88
	Overhead expenses	Gross	R2310	359'002.64	1'804.03	360'806.67
		Reinsurers' share	R2320	0.00	0.00	0.00
		Net	R2400	359'002.64	1'804.03	360'806.67
Other expenses			R2500			
Total expenses			R2600			1'159'308.50
Total amount of surrenders			R2700	1'735'342.38	315'074.68	2'050'417.06

American Security Life

QRT S.05.02.01

			Home country	Top 5 Countries (by amount of gross premiums written) - life obligations		Total Top 5 and home country
				AUSTRIA	UNITED STATES	
			C0220	C0230	C0240	C0280
Premiums written	Gross	R1410	0.00	72'126.58	0.00	72'126.58
	Reinsurers' share	R1420	0.00	72'126.58	0.00	72'126.58
	Net	R1500	0.00	0.00	0.00	0.00
Premiums earned	Gross	R1510	0.00	72'126.58	0.00	72'126.58
	Reinsurers' share	R1520	0.00	72'126.58	0.00	72'126.58
	Net	R1600	0.00	0.00	0.00	0.00
Claims incurred	Gross	R1610	0.00	1'318'905.24	2'883'367.78	4'202'273.02
	Reinsurers' share	R1620	0.00	971'841.00	0.00	971'841.00
	Net	R1700	0.00	347'064.24	2'883'367.78	3'230'432.02
Changes in other technical provisions	Gross	R1710	0.00	0.00	0.00	0.00
	Reinsurers' share	R1720	0.00	0.00	0.00	0.00
	Net	R1800	0.00	0.00	0.00	0.00
Expenses incurred		R1900	1'155'653.27	3'567.35	87.88	1'159'308.50
Other expenses		R2500				0.00
Total expenses		R2600				1'159'308.50

QRT S.06.01.01

			Life
			C0010
Assets listing	Assets listed	R0010	24'670'771.48
	Assets that are not listed in a stock exchange	R0020	36'537.51
	Assets that are not exchange tradable	R0030	1'769'259.96
By category	Government bonds	R0040	11'487'132.30
	Corporate bonds	R0050	13'183'639.17
	Equity	R0060	36'537.51
	Collective Investment Undertakings	R0070	0.00
	Structured notes	R0080	0.00
	Collateralised securities	R0090	0.00
	Cash and deposits	R0100	1'413'294.96
	Mortgages and loans	R0110	0.00
	Property	R0120	0.00
	Other investments	R0130	355'965.00
	Futures	R0140	0.00
	Call Options	R0150	0.00
	Put Options	R0160	0.00
	Swaps	R0170	0.00
	Forwards	R0180	0.00
	Credit derivatives	R0190	0.00

American Security Life

QRT S.09.01.01

Asset category	Portfolio	Asset held in unit-linked and index-linked contracts	Dividends	Interest	Rent	Net gains and losses	Unrealised gains and losses
C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Government Bonds	Life	Neither unit-linked nor index-linked	0.00	216'801.52	0.00	-67'706.69	-706'963.71
Corporate Bonds	Life	Neither unit-linked nor index-linked	0.00	193'719.99	0.00	-60'498.37	-631'697.62
Equity instruments	Life	Neither unit-linked nor index-linked	0.00	0.00	0.00	0.00	0.00
Cash and deposits	Life	Neither unit-linked nor index-linked	0.00	0.00	0.00	0.00	3'924.30
Cash and deposits	Life	Unit-linked or index-linked	0.00	0.00	0.00	0.00	0.00
Other investments	Life	Neither unit-linked nor index-linked	0.00	4'218.08	0.00	0.00	0.00

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				Insurance with profit participation	Index-linked and unit-linked insurance	Total (Life other than health insurance, incl.
				C0020	C0030	C0150
Technical provisions calculated as a whole			R0010	0.00	0.00	0.00
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			R0020	0.00	0.00	0.00
Technical provisions calculated as a sum of BE and RM	Best Estimate	Gross Best Estimate	R0030	8'688'986.28		8'688'986.28
		Total recoverables from reinsurance/SPV and Finite Re	R0040	4'385'250.00		4'385'250.00
		Recoverables from reinsurance (except SPV and Finite Re) before adjustment for expected losses	R0050	4'385'250.00		4'385'250.00
		Recoverables from SPV before adjustment for expected losses	R0060	0.00		0.00
		Recoverables from Finite Re before adjustment for expected losses	R0070	0.00		0.00
		Total Recoverables from reinsurance/SPV and Finite Re	R0080	4'385'250.00		4'385'250.00
		Best estimate minus recoverables from reinsurance/SPV and Finite Re	R0090	4'303'736.28		4'303'736.28
	Risk Margin		R0100	0.00	0.00	0.00
Amount of the transitional on Technical Provisions	Technical Provisions calculated as a whole		R0110	0.00	0.00	0.00
	Best estimate		R0120	0.00		0.00
	Risk margin		R0130	0.00	0.00	0.00
Technical provisions - total			R0200	8'688'986.28	0.00	8'688'986.28
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total			R0210	4'303'736.28	0.00	4'303'736.28
Best Estimate of products with a surrender option			R0220	8'688'986.28	0.00	8'688'986.28
Gross BE for Cash flow	Cash out-flows	Future guaranteed and discretionary benefits	R0230		0.00	
		Future guaranteed benefits	R0240	0.00		
		Future discretionary benefits	R0250	0.00		
		Future expenses and other cash out-flows	R0260	0.00	0.00	0.00
	Cash in-flows	Future premiums	R0270	0.00	0.00	0.00
		Other cash in-flows	R0280	0.00	0.00	0.00
Percentage of gross Best Estimate calculated using approximations			R0290	1.00	1.00	
Surrender value			R0300	5'000'518.26	0.00	5'000'518.26
Best estimate subject to transitional of the interest rate			R0310	0.00	0.00	0.00
Technical provisions without transitional on interest rate			R0320	0.00	0.00	0.00
Best estimate subject to volatility adjustment			R0330	0.00	0.00	0.00
Technical provisions without volatility adjustment and without others			R0340	0.00	0.00	0.00
Best estimate subject to matching adjustment			R0350	0.00	0.00	0.00
Technical provisions without matching adjustment and without all the others			R0360	0.00	0.00	0.00

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		Insurance with profit participation	Index-linked and unit-linked insurance	Total (Life other than health insurance, including Unit-Linked)
		C0020	C0030	C0150
Home country	R0010	131'093.09		131'093.09
EEA countries outside the materiality threshold - not reported by country	R0020			0.00
Non-EEA countries outside the materiality threshold - not reported by country	R0030			0.00

		Insurance with profit participation	Index-linked and unit-linked insurance	Total (Life other than health insurance, including Unit-Linked)
		C0020	C0030	C0150
Countries in the materiality threshold	UNITED STATES	4'385'250.00		4'385'250.00

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	Line of Business	Number of contracts at the end of the year	Number of new contracts during year	Total amount of Written premiums	Total amount of claims paid during	Country
	C0030	C0040	C0050	C0060	C0070	C0080
WB	Insurance with profit participation	0.00	0.00	0.00	2'362'178.06	AT
MM	Insurance with profit participation	11.00	0.00	0.00	521'189.72	LI
UL	Insurance with profit participation	14.00	0.00	72'126.58	1'318'905.24	US
PVL	Unit-linked or index-linked	0.00	0.00	0.00	0.00	LI

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	Product classification	Type of product	Product denomination	Product still commercialised?	Type of premium	instrument for replication?	Number of HRGs in products
	C0100	C0110	C0120	C0130	C0140	C0150	C0160
MM	Single life	Whole life	Money Multiplier	In run-off	Single premium with possibility of additional premiums with additional	Product is not considered replicable by a financial instrument	0.00
PVL	Single life	Unit link	Personalized Single Premium Variable Life Insurance	In run-off	Single premium with possibility of additional premiums with additional	Product is not considered replicable by a financial instrument	0.00
UL	Single life	Universal life	Universal life	In run-off	Regular premium	Product is not considered replicable by a	0.00
WB	Single life	Endowment	Wealth Builder	In run-off	Regular premium	Product is not considered replicable by a	0.00

	Best Estimate and Technical Provisions as a whole	Capital-at-risk	Surrender value	Annualised guaranteed rate (over average duration of guarantee)
	C0180	C0190	C0200	C0210
MM	131'093.09	0.00	131'093.09	0.0000
PVL	0.00	0.00	0.00	0.0000
UL	4'385'250.00	0.00	4'385'250.00	0.0450
WB	4'172'643.19	0.00	0.00	0.0000

	Link
	C0250
MM	true
PVL	true
UL	true
WB	true

QRT S.23.01.01

			Total	Tier 1 - unrestricted
			C0010	C0020
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	5'000'000.00	5'000'000.00
	Share premium account related to ordinary share capital	R0030	0.00	0.00
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040	4'900'000.00	4'900'000.00
	Subordinated mutual member accounts	R0050	0.00	
	Surplus funds	R0070	0.00	0.00
	Preference shares	R0090	0.00	
	Share premium account related to preference shares	R0110	0.00	
	Reconciliation reserve	R0130	5'907'177.28	5'907'177.28
	Subordinated liabilities	R0140	0.00	
	An amount equal to the value of net deferred tax assets	R0160	0.00	
	Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180	0.00	0.00
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	0.00	
Deductions	Deductions for participations in financial and credit institutions	R0230	0.00	0.00
Total basic own funds after deductions		R0290	15'807'177.28	15'807'177.28
Ancillary own funds	Unpaid and uncalled ordinary share capital callable on demand	R0300	0.00	
	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310	0.00	
	Unpaid and uncalled preference shares callable on demand	R0320	0.00	
	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330	0.00	
	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340	0.00	
	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350	0.00	
	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360	0.00	
	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370	0.00	
	Other ancillary own funds	R0390	0.00	
Total ancillary own funds		R0400	0.00	
Available and eligible own funds	Total available own funds to meet the SCR	R0500	15'807'177.28	15'807'177.28
	Total available own funds to meet the MCR	R0510	15'807'177.28	15'807'177.28
	Total eligible own funds to meet the SCR	R0540	15'807'177.28	15'807'177.28
	Total eligible own funds to meet the MCR	R0550	15'807'177.28	15'807'177.28
SCR		R0580	5'351'426.84	
MCR		R0600	4'329'370.00	
Ratio of Eligible own funds to SCR		R0620	295%	
Ratio of Eligible own funds to MCR		R0640	365%	

			C0060
Reconciliation reserve	Excess of assets over liabilities	R0700	15'807'177.28
	Own shares (held directly and indirectly)	R0710	0.00
	Foreseeable dividends, distributions and charges	R0720	
	Other basic own fund items	R0730	9'900'000.00
	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	0.00
Reconciliation reserve		R0760	5'907'177.28
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	0.00

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			Total	Tier 1	
					Of which counted under transitionals
			C0010	C0020	C0030
Ordinary share capital	Paid in	R0010	5'000'000.00	5'000'000.00	
	Called up but not yet paid in	R0020	0.00		
	Own shares held	R0030	0.00	0.00	
Total ordinary share capital		R0100	5'000'000.00	5'000'000.00	
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual type undertakings	Paid in	R0110	4'900'000.00	4'900'000.00	
	Called up but not yet paid in	R0120	0.00		
Total initial fund members' contributions or the equivalent basic own fund item for mutual and mutual type undertakings		R0200	4'900'000.00	4'900'000.00	
Subordinated mutual members accounts	Dated subordinated	R0210	0.00	0.00	0.00
	Undated subordinated with a call option	R0220	0.00	0.00	0.00
	Undated subordinated with no contractual opportunity to redeem	R0230	0.00	0.00	0.00
Total subordinated mutual members accounts		R0300	0.00	0.00	0.00
Preference shares	Dated preference shares	R0310	0.00	0.00	0.00
	Undated preference shares with a call option	R0320	0.00	0.00	0.00
	Undated preference shares with no contractual opportunity to redeem	R0330	0.00	0.00	0.00
Total preference shares		R0400	0.00	0.00	0.00
Subordinated liabilities	Dated subordinated liabilities	R0410	0.00	0.00	0.00
	Undated subordinated liabilities with a contractual opportunity to redeem	R0420	0.00	0.00	0.00
	Undated subordinated liabilities with no contractual opportunity to redeem	R0430	0.00	0.00	0.00
Total subordinated liabilities		R0500	0.00	0.00	0.00

			Total
			C0110
Excess of assets over liabilities - attribution of valuation differences	Difference in the valuation of assets	R0600	61'209.42
	Difference in the valuation of technical provisions	R0610	-592.87
	Difference in the valuation of other liabilities	R0620	-500'000.00
	Total of reserves and retained earnings from financial statements	R0630	5'345'375.00
	Other, please explain why you need to use this line	R0640	0.00
	Reserves from financial statements adjusted for Solvency II valuation differences	R0650	5'907'177.28
	Excess of assets over liabilities attributable to basic own fund items (excluding the reconciliation reserve)	R0660	9'900'000.00
	Excess of assets over liabilities	R0700	15'807'177.28

QRT S.23.03.01

			Balance b/fwd	Increase	Reduction	Balance c/fwd
			C0010	C0020	C0030	C0060
Ordinary share capital - movements in the reporting period	Paid in	R0010	5'000'000.00	0.00	0.00	5'000'000.00
	Called up but not yet paid in	R0020	0.00	0.00	0.00	0.00
	Own shares held	R0030	0.00	0.00	0.00	0.00
Total ordinary share capital		R0100	5'000'000.00	0.00	0.00	5'000'000.00
Share premium account related to ordinary share capital -	Tier 1	R0110	0.00	0.00	0.00	0.00
	Tier 2	R0120	0.00	0.00	0.00	0.00
Total		R0200	0.00	0.00	0.00	0.00
Initial funds, members' contributions or the equivalent	Paid in	R0210	4'900'000.00	0.00	0.00	4'900'000.00
	Called up but not yet paid in	R0220	0.00	0.00	0.00	0.00
Total initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual type undertakings		R0300	4'900'000.00	0.00	0.00	4'900'000.00

QRT S.25.01.01

		Net solvency capital requirement	Gross solvency capital requirement	Allocation from adjustments due to RFF and Matching adjustments portfolios
		C0030	C0040	C0050
Market risk	R0010	5'256'162.17	5'256'162.17	0.00
Counterparty default risk	R0020	215'469.57	215'469.57	0.00
Life underwriting risk	R0030	0.00	0.00	0.00
Health underwriting risk	R0040	0.00	0.00	0.00
Non-life underwriting risk	R0050	0.00	0.00	0.00
Diversification	R0060	-157'505.34	-157'505.34	
Intangible asset risk	R0070	0.00	0.00	
Basic Solvency Capital Requirement	R0100	5'314'126.40	5'314'126.40	

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			C0100
Adjustment due to RFF/MAP nSCR aggregation		R0120	0.00
Operational risk		R0130	39'100.44
Loss-absorbing capacity of technical provisions		R0140	0.00
Loss-absorbing capacity of deferred taxes		R0150	-1'800.00
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC		R0160	0.00
Solvency Capital Requirement excluding capital add-on		R0200	5'351'426.84
Capital add-on already set		R0210	0.00
Solvency capital requirement		R0220	5'351'426.84
Other information on SCR	Capital requirement for duration-based equity risk sub-module	R0400	
	Total amount of Notional Solvency Capital Requirements for remaining part	R0410	
	Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	
	Diversification effects due to RFF nSCR aggregation for article 304	R0440	
	Method used to calculate the adjustment due to RFF/MAP nSCR aggregation	R0450	No adjustment
	Net future discretionary benefits	R0460	

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				Initial absolute values before shock		Absolute values after shock		
				Assets	Liabilities	Assets	Liabilities (after the loss absorbing capacity of technical provisions)	Liabilities (before the loss-absorbing capacity of technical provisions)
				C0020	C0030	C0040	C0050	C0070
Interest rate risk	interest rate down shock		R0110	24'541'290.54	0.00	24'923'278.98	0.00	0.00
	interest rate up shock		R0120	24'541'290.54	0.00	24'181'320.31	0.00	0.00
Equity risk	type 1 equities		R0210	0.00	0.00	0.00	0.00	0.00
		type 1 equity	R0220	0.00		0.00		
		strategic participations (type 1 equities)	R0230	0.00		0.00		
		duration-based (type 1 equities)	R0240	0.00		0.00		
	type 2 equities		R0250	36'537.51	0.00	17'939.65	0.00	0.00
		type 2 equity	R0260	36'537.51		17'939.65		
		strategic participations (type 2 equities)	R0270	0.00		0.00		
		duration-based (type 2 equities)	R0280	0.00		0.00		
	qualifying infrastructure equities		R0290	0.00	0.00	0.00	0.00	0.00
Property risk			R0300	0.00	0.00	0.00	0.00	0.00
Spread risk	bonds and loans		R0410	24'541'290.54	0.00	24'415'093.60	0.00	0.00
		loans and bonds (qualifying investment infrastructure)	R0411	0.00	0.00	0.00	0.00	0.00
		loans and bonds (other than qualifying investment infrastructure)	R0412	24'541'290.54	0.00	24'415'093.60	0.00	0.00
	credit deri	downward shock on credit derivatives	R0430	0.00	0.00	0.00	0.00	0.00
		upward shock on credit derivatives	R0440	0.00	0.00	0.00	0.00	0.00
	Securitisation positions		R0450	0.00	0.00	0.00	0.00	0.00
		type 1 securitisations	R0460	0.00	0.00	0.00	0.00	0.00
		type 2 securitisations	R0470	0.00	0.00	0.00	0.00	0.00
		resecuritisations	R0480	0.00	0.00	0.00	0.00	0.00
Market risk concentrations			R0500	24'541'290.54				
Currency risk	increase in the value of the foreign currency		R0610	31'561'389.08	11'135'632.09	39'451'736.35	13'919'540.11	13'919'540.11
	decrease in the value of the foreign currency		R0620	31'561'389.08	11'135'632.09	23'671'041.81	8'351'724.07	8'351'724.07
Diversification within market risk module			R0700					
Total market risk			R0800					

			Absolute values after shock	
			Net solvency capital requirement	Gross solvency capital requirement
			C0060	C0080
Interest rate risk		R0100	359'970.23	359'970.23
	interest rate down shock	R0110	0.00	0.00
	interest rate up shock	R0120	359'970.23	359'970.23
Equity risk		R0200	18'597.86	18'597.86
	type 1 equities	R0210	0.00	0.00
	type 1 equity	R0220		
	strategic participations (type 1 equities)	R0230		
	duration-based (type 1 equities)	R0240		
	type 2 equities	R0250	18'597.86	18'597.86
	type 2 equity	R0260		
	strategic participations (type 2 equities)	R0270		
	duration-based (type 2 equities)	R0280		
	qualifying infrastructure equities	R0290	0.00	0.00
Property risk		R0300	0.00	0.00
Spread risk		R0400	126'196.94	126'196.94
	bonds and loans	R0410	126'196.94	126'196.94
	loans and bonds (qualifying investment infrastructure)	R0411	0.00	0.00
	loans and bonds (other than qualifying investment infrastructure)	R0412	126'196.94	126'196.94
	credit derivatives	R0420	0.00	0.00
	downward shock on credit derivatives	R0430	0.00	0.00
	upward shock on credit derivatives	R0440	0.00	0.00
	Securitisation positions	R0450	0.00	0.00
	type 1 securitisations	R0460	0.00	0.00
	type 2 securitisations	R0470	0.00	0.00
	resecuritisations	R0480	0.00	0.00
Market risk concentrations		R0500	336'708.19	336'708.19
Currency risk		R0600	5'106'439.25	5'106'439.25
	increase in the value of the foreign currency	R0610	0.00	0.00
	decrease in the value of the foreign currency	R0620	5'106'439.25	5'106'439.25
Diversification within market risk module		R0700	-691'750.30	-691'750.30
Total market risk		R0800	5'256'162.17	5'256'162.17

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			Name of single name exposure	Code and type of code of single name exposure	Loss Given Default	Probability of Default	Net solvency capital requirement	Gross solvency capital requirement
			C0020	C0030	C0050	C0060	C0070	C0080
Type 1 exposures		R0100						200'327.76
	Single name exposure 1	R0110	Liechtensteinische La	LEI/529900OE1FOAM5	1'760'873.90	0.00		
	Single name exposure 2	R0120	MetLife, Inc.	LEI/C4BXATY60WC6XE	2'192'625.00	0.00		
	Single name exposure 3	R0130	JP Morgan	LEI/549300SOGM3USX	44'225.47	0.00		
	Single name exposure 4	R0140						
	Single name exposure 5	R0150						
	Single name exposure 6	R0160						
	Single name exposure 7	R0170						
	Single name exposure 8	R0180						
	Single name exposure 9	R0190						
	Single name exposure 10	R0200						
Type 2 exposures		R0300						19'665.13
	Receivables from Intermediaries due for more than 3 months	R0310			0.00			
	All type 2 exposures other than receivables from Intermediaries due for more than 3 months	R0320			131'100.84			
Diversification within counterparty default risk module		R0330						-4'523.32
Total counterparty default risk		R0400					215'469.57	215'469.57

QRT S.26.06.01

			C0020
Operational risk - Information on technical provisions	Life gross technical provisions (excluding risk margin)	R0100	8'688'986.28
	Life gross technical provisions unit-linked (excluding risk margin)	R0110	0.00
	Non-life gross technical provisions (excluding risk margin)	R0120	0.00
Capital requirement for operational risk based on technical provisions		R0130	39'100.44
Operational risk - Information on earned premiums	Earned life gross premiums (previous 12 months)	R0200	72'126.58
	Earned life gross premiums unit-linked (previous 12 months)	R0210	0.00
	Earned non-life gross premiums (previous 12 months)	R0220	0.00
	Earned life gross premiums (12 months prior to the previous 12 months)	R0230	188'912.93
	Earned life gross premiums unit-linked (12 months prior to the previous 12 months)	R0240	0.00
	Earned non-life gross premiums (12 months prior to the previous 12 months)	R0250	0.00
Capital requirement for operational risk based on earned premiums		R0260	2'885.06
Operational risk - calculation of the SCR	Capital requirement for operational risk charge before capping	R0300	39'100.44
	Percentage of Basic Solvency Capital Requirement	R0310	1'594'237.92
	Capital requirement for operational risk charge after capping	R0320	39'100.44
	Expenses incurred in respect of unit linked business (previous 12 months)	R0330	0.00
Total capital requirement for operational risk		R0340	39'100.44

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		Interest rate up	Interest rate down
		C0100	C0110
Currency	R0040	359'970.23	0.00

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		C0040
MCRL Result	R0200	162'250.86

QRT S.28.01.01

		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	4'303'736.28	
Obligations with profit participation - future discretionary benefits	R0220	0.00	
Index-linked and unit-linked insurance obligations	R0230	0.00	
Other life (re)insurance and health (re)insurance obligations	R0240	0.00	
Total capital at risk for all life (re)insurance obligations	R0250		4'303'736.28

		C0070
Linear MCR	R0300	162'250.86
SCR	R0310	5'351'426.84
MCR cap	R0320	2'408'142.08
MCR floor	R0330	1'337'856.71
Combined MCR	R0340	1'337'856.71
Absolute floor of the MCR	R0350	4'329'370.00
Minimum Capital Requirement	R0400	4'329'370.00

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		C0130
Linear MCR	R0300	162'250.86
SCR	R0310	
MCR cap	R0320	2'408'142.08
MCR floor	R0330	1'337'856.71
Combined MCR	R0340	1'337'856.71
Absolute floor of the MCR	R0350	4'329'370.00
Minimum Capital Requirement	R0400	4'329'370.00

QRT S.29.01.01

			Year N	Year N-1	Variation
			C0010	C0020	C0030
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	5'000'000.00	5'000'000.00	0.00
	Share premium account related to ordinary share capital	R0020	0.00	0.00	0.00
	Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0030	4'900'000.00	4'900'000.00	0.00
	Subordinated mutual member accounts	R0040	0.00	0.00	0.00
	Surplus funds	R0050	0.00		0.00
	Preference shares	R0060	0.00	0.00	0.00
	Share premium account related to preference shares	R0070	0.00	0.00	0.00
	Reconciliation reserve before deduction for participations	R0080	5'907'177.28	6'467'311.08	-560'133.80
	Subordinated liabilities	R0090	0.00	0.00	0.00
	An amount equal to the value of net deferred tax assets	R0100	0.00		0.00
	Other own fund items approved by the supervisory authority as basic own funds not specified above	R0110	0.00	0.00	0.00
	Variation of total BOF items before adjustments	R0120	15'807'177.28	16'367'311.08	-560'133.80

			Variation
			C0030
Variation of components of reconciliation reserve - Items reported in "Own funds"	Excess of assets over liabilities (Variations of BOF explained by Variation Analysis Templates)	R0130	-560'133.80
	Own shares	R0140	0.00
	Forseeable dividends, distributions and charges	R0150	0.00
	Other basic own fund items	R0160	0.00
	Restricted own fund items due to ring fencing and matching	R0170	0.00
	Total variation of Reconciliation Reserve	R0180	-560'133.80
Summary Analysis of Variation of Excess of Assets over Liabilities	Variations due to investments and financial liabilities	R0190	-313'357.73
	Variations due to net technical provisions	R0200	-143'468.08
	Variations in capital basic own fund items and other items approved	R0210	0.00
	Variation in Deffered Tax position	R0220	0.00
	Income Tax of the reporting period	R0230	-77'145.25
	Dividend distribution	R0240	0.00
	Other variations in Excess of Assets over Liabilities	R0250	-26'162.74

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			C0010
Of which movements in valuation with an impact on Excess of Assets over Liabilities	Valuation movements on investments	R0010	-668'389.02
	Valuation movements on own shares	R0020	0.00
	Valuation movements on financial liabilities and subordinated liabilities	R0030	0.00
Of which Investments revenues and expenses with an impact on Excess of Assets over Liabilities	Investment revenues	R0040	414'739.59
	Investments expenses incl. Interest charges on subordinated and financial liabilities	R0050	59'708.30
Variation in Excess of Assets over Liabilities explained by Investments and financial liabilities management		R0060	-313'357.73
Detail of Investment revenues	Dividends	R0070	0.00
	Interests	R0080	414'739.59
	Rents	R0090	0.00
	Other	R0100	0.00

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		LIFE - Gross of reinsurance
		C0010
Opening Best Estimate	R0010	21'300'898.12
Exceptional elements triggering restating of opening Best Estimate	R0020	0.00
Changes in perimeter	R0030	0.00
Foreign exchange variation	R0040	-644'529.45
Best Estimate on risk accepted during the period	R0050	0.00
Variation of Best Estimate due to unwinding of discount rate - risks accepted prior to period	R0060	0.00
Variation of Best Estimate due to year N projected in and out flows - risks accepted prior to period	R0070	-2'316'240.64
Variation of Best Estimate due to experience - risks accepted prior to period	R0080	-9'651'141.75
Variation of Best Estimate due to changes in non economic assumptions - risks accepted prior to period	R0090	0.00
Variation of Best Estimate due to changes in economic environment - risks accepted prior to period	R0100	0.00
Other changes not elsewhere explained	R0110	0.00
Closing Best Estimate	R0120	8'688'986.28

		LIFE - Reinsurance recoverables
		C0030
Opening Best Estimate	R0130	12'488'185.62
Closing Best Estimate	R0140	4'385'250.00

		LIFE
		C0090
Variation in Investments in unit-linked	R0300	-273'049.25

		LIFE
		C0100
Premiums written during the period	R0310	72'126.58
Claims and Benefits during the period, net of salvages and subrogations	R0320	4'202'273.02
Expenses (excluding Investment expenses)	R0330	1'152'530.38
Total technical flows on gross technical provisions	R0340	-5'282'676.82
Technical flows related to reinsurance during the period (recoverables received net of premiums paid)	R0350	903'281.77

		LIFE
		C0120
Gross Technical Provisions	R0360	7'056'185.77
Reinsurance recoverables	R0370	-7'199'653.85

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		Risks accepted during period	Risks accepted prior to period
		C0010	C0020
Written premiums underwritten during period	R0010	0.00	72'126.58
Claims and benefits - net of salvages and subrogations recovered	R0020	0.00	4'202'273.02
Expenses (related to insurance and reinsurance obligations)	R0030	0.00	1'152'530.38
Variation of Best Estimate	R0040	0.00	-12'611'911.84
Variation of TP as a whole	R0050	0.00	0.00
Adjustment of valuation of Assets held for unit-linked funds	R0060	0.00	-273'049.25
Total	R0070	0.00	7'056'185.77

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					Quantity of surplus/layers in program	Finite reinsurance or similar arrangements	Description risk category covered	Type of reinsurance treaty	Inclusion of catastrophic reinsurance cover	Validity period (start date)	Validity period (expiry date)	Currency	Type of underwriting model	Estimated Subject Premium income (XL-ESPI)
C0010	C0020	C0030	C0040	C0050	C0050	C0060	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150
Alico	ALICO-UL	None	1	Insurance with profit participation	1.00	Other than non-traditional or Finite RE	100% reinsurance of Universal Life	Quota share	8,9	1997-07-01	2017-12-31	USD	Sum Insured	

Gross Estimated Treaty Premium Income (proportional and non proportional)	Aggregate deductibles (amount)	Aggregate deductibles (%)	Retention or priority (amount)	Retention or priority (%)	Limit (amount)	Limit (%)	Maximum cover per risk or event	Maximum cover per treaty	Number of reinstatements	Descriptions of reinstatements
C0160	C0170	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
0.00		0.00		0.00	-1.00		-1.00	-1.00		Unlimited number of reinstatements

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	Reinsurance recoverables: Premium provision Non-life including Non-SLT Health	Reinsurance recoverables: Claims provisions Non-life including Non-SLT Health	Reinsurance recoverables: Technical provisions Life including SLT Health	Adjustment for expected losses due to counterparty default	Reinsurance recoverables: Total reinsurance recoverables	Net receivables	Assets pledged by reinsurer	Financial guarantees	Cash deposits	Total guarantees received
C0040	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150
SC/ALICO			4'385'250.00	0.00	4'385'250.00	761'988.89	0.00	0.00	0.00	0.00

	Legal name reinsurer	Type of reinsurer	Country of residency	External rating assessment b	Nominated ECAI	Credit quality step	Internal rating
C0160	C0180	C0190	C0200	C0210	C0220	C0230	C0240
SC/ALICO	American Life Insurance Company	Direct Life insurer	UNITED STATES	AA-	Standard & Poor's Credit Market Services Europe Limited (LEI code: 549300363WVTTH0TW460)	Credit quality step 1	