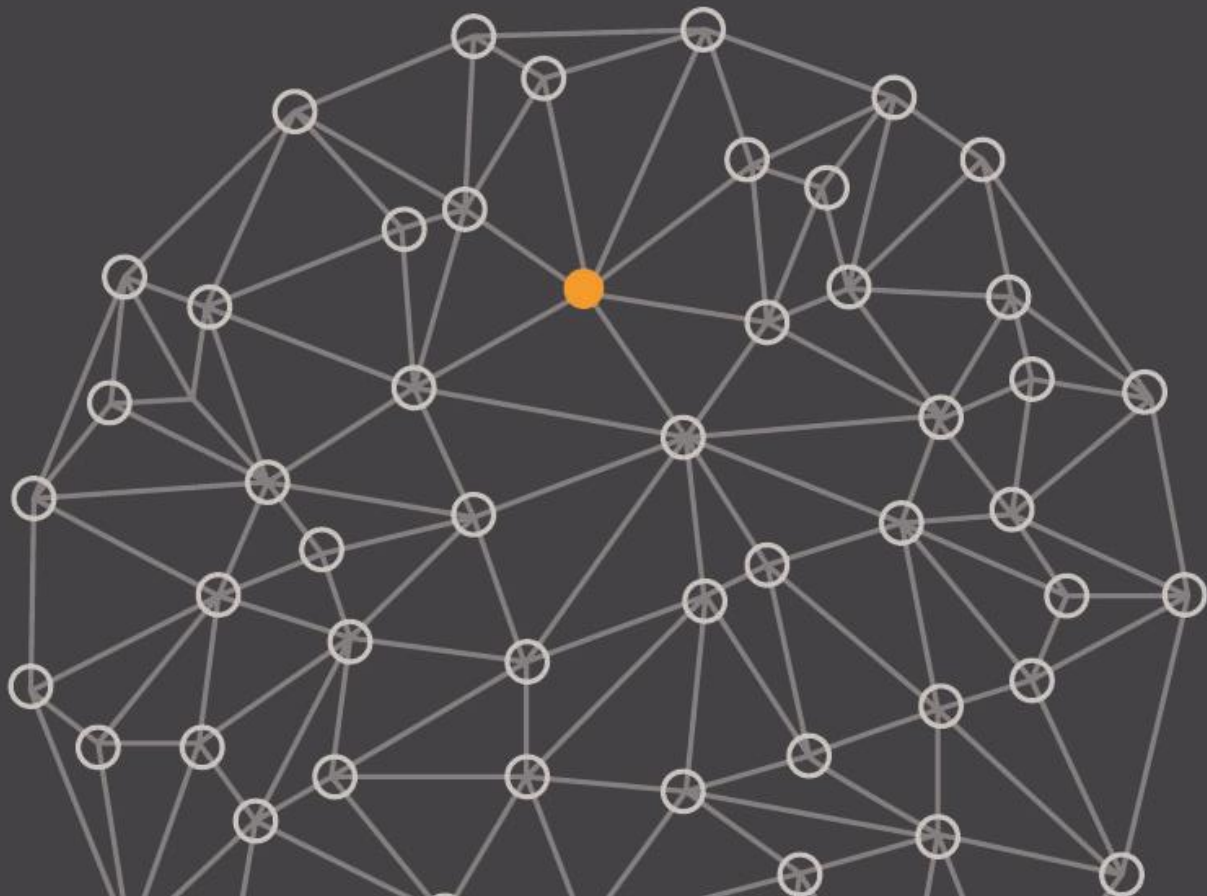


# Analysis of non-life insurers' Solvency and Financial Condition Reports

United Kingdom and Gibraltar non-life insurers  
Year-end 2018

October 2019

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## Introduction

### Three years have passed: Where are we?

In 2019, following initial publication in 2017, (re)insurance undertakings across the EU published their third set of Solvency II public reports, the Solvency and Financial Condition Reports (SFCRs). In this report, we summarise those SFCRs as they relate to non-life insurers regulated in the UK or in Gibraltar, and set out the results of our analyses of the reports. This includes comparison of the 2018 year-end SFCRs with the 2017 and 2016 year-end SFCRs.

The analyses underlying this report focus on the quantitative information contained in the Quantitative Reporting Templates (QRTs) within the SFCRs, but we have also studied the text within the SFCRs in order to gain additional insights into various companies, in particular those that displayed characteristics that differed materially from the market average. Our focus is on solo entities rather than groups.

Our report is laid out as follows:

- We first analyse the solvency position of the market as a whole, before taking a closer look at the top 30 players, by gross written premium (GWP).
- We then look at the components of the Solvency Capital Requirement (SCR), for the market as a whole and individually for the top 30, and the quality of the components of the own funds.
- Our report continues with an analysis of the main Solvency II balance sheet items, including invested assets and technical provisions.
- Finally, we look at some underwriting key performance indicators, such as loss ratios and operating margins, split by Solvency II line of business.

#### UNITED KINGDOM MARKET COVERAGE

Our analyses are based upon the SFCRs for 135 solo companies which are pursuing primarily non-life business in the UK and which are regulated in either the UK or Gibraltar. In aggregate, these companies represent over 90% of the GWP of the UK non-life direct market.

The Society of Lloyd's produces a single publicly available SFCR, covering in aggregate all of its syndicates. We have excluded it from our study, because of its size compared with the rest of the market, because much of its activities relate to insurance coverage outside of the UK, and because it contains significant reinsurance and retrocessional business. The Society of Lloyd's represents £37 billion of GWP and £55 billion of gross technical provisions (compared with a total £66 billion of GWP and £99 billion of gross technical provisions for the 135 solo companies that we analysed), and exhibits a solvency coverage ratio of 148% (made up of £26 billion of eligible own funds and £18 billion of SCR).

Appendix A contains a list of all of the companies that were included in our analysis.

The data analysed in this report has been sourced from Solvency II Wire Data and companies' disclosed SCFRs. The data is available via subscription from: <https://solvencyiiwiredata.com/about/>.

## United Kingdom (incl. Gibraltar) non-life undertakings

### SOLVENCY COVERAGE RATIOS: HOW DID THE MARKET DO? HOW SOLVENT IS THE MARKET?

FIGURE 1: UK SOLVENCY COVERAGE RATIOS AS AT THE 2018 YEAR-END

	2017 YEAR-END	2018 YEAR-END
RATIO OF ELIGIBLE OWN FUNDS TO SCR	160%	158%
RATIO OF ELIGIBLE OWN FUNDS TO MCR	460%	453%
MCR AS A % OF THE SCR	35%	35%

In aggregate, the UK non-life insurers that comprised our sample are sufficiently capitalised, with an average solvency coverage ratio of 158% (weighted by eligible own funds). This has marginally decreased from the equivalent figure of 160%, reported in the previous set of SFCRs as at 2017 year-end. Likewise, the Minimum Capital Requirement (MCR) coverage ratio has decreased from 460% to 453%.

Similarly to the two previous year-ends, there is a wide range of solvency coverage ratios as at the 2018 year-end, with several insurers being very well capitalised (with solvency coverage ratios well over 250%) but also with five insurers whose solvency coverage ratios were below 100% (Ambac Assurance UK Limited, CX Reinsurance Company Limited, Equitas Insurance Limited, FGIC UK Limited and Municipal Mutual Insurance Limited).

We note that these five insurers were also in breach of their solvency coverage ratios as at 2017 year-end and have failed to restore their solvency coverage ratios to over 100% as at 2018 year-end. However, it is worth noting that these companies are all in run-off.

We also note that a few companies display solvency coverage ratios of more than 10 times their regulated capital requirements. In the main, they are small entities within major insurance groups, such as Swiss Re Speciality Insurance UK Ltd (Swiss Re), Churchill Insurance Company Limited (Direct Line Group) and The Ocean Marine Insurance Company Ltd (Aviva).

Although we observe an increase of companies using internal models, the Standard Formula (SF) remains the preferred capital model for most insurers (more than 80% of the insurers included in our sample). Of those that did not use the SF, 17 have used a full internal model (FIM) and seven a partial internal model (PIM). Not surprisingly, we note that those insurers using a PIM have used it predominantly to model the underwriting risk.

These findings are illustrated in Figure 2, which shows how the solvency coverage ratios are distributed throughout the 135 insurers we analysed. It sets out the median, 25<sup>th</sup> and 75<sup>th</sup> percentiles and weighted average of the distribution of the solvency coverage ratios for the market as a whole and then separately for insurers using either the SF, PIM or FIM. We note that the median of the solvency coverage ratios is broadly similar, regardless of the calculation model – SF (167%), PIM (158%) or FIM (163%) – but, surprisingly, is higher when using the SF. Overall, for firms using the SF, their (weighted) average solvency coverage ratio has decreased by about 10%, from 154% to 147%, whereas that for companies using PIMs has decreased by 6% (from 180% to 174%) and that for companies using FIMs has increased from 152% to 158%. The undercapitalised companies mentioned above are all using the SF to derive their capital requirements.

Two companies have moved from using the SF to an internal model between 2017 and 2018 year-ends.

Typically, this improves a company's solvency coverage ratio. Ecclesiastical Insurance Office plc now uses a FIM to capture its risk profile, which reduced its SCR for counterparty default risk and non-life underwriting risk. This resulted in an increase in its solvency coverage ratio from 192% in 2017 to 215% in 2018. TransRe London Limited has adopted a PIM, which has increased its solvency capital ratio from 141% as at 2017 year-end to 162% as at 2018 year-end.

FIGURE 2: DISTRIBUTION OF SOLVENCY COVERAGE RATIOS AT 2018 YEAR-END



By design, the MCR is 'calibrated' to be the 85<sup>th</sup> percentile of the distribution of own funds over a one-year period. It means that, technically, for each insurer, there is a 15% likelihood that, over the following 12 month period, it will suffer a deterioration in own funds of a magnitude equal to or greater than the amount of the MCR. 30% of the firms within our sample would see their solvency coverage ratios falling to levels below 100% should they all suffer such deterioration.

Figure 3 shows the solvency coverage ratios for the 30 largest companies (in terms of GWP) and the impact on those ratios of a deterioration in the eligible own funds equal to the size of those companies' MCRs. The companies are ranked based on their solvency coverage ratios.

FIGURE 3: SOLVENCY COVERAGE RATIOS BOTH BEFORE AND AFTER A LOSS EQUAL TO THE MCR, GWP TOP 30

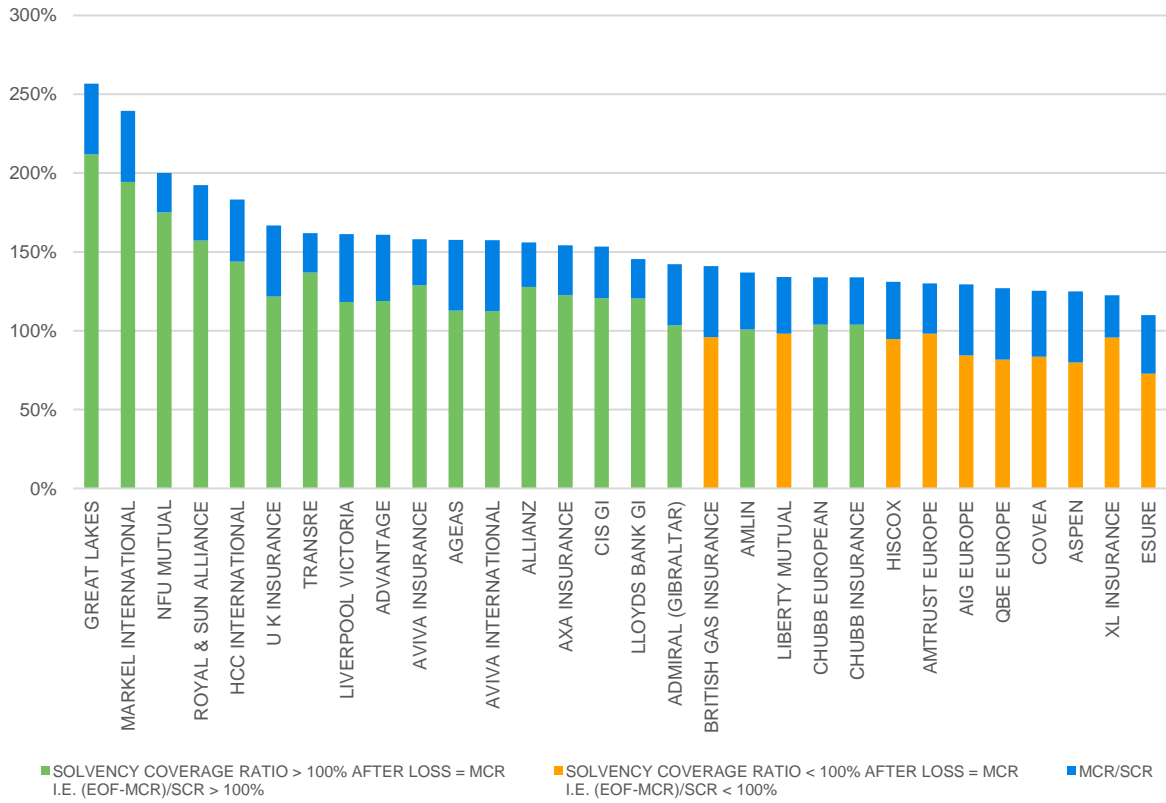
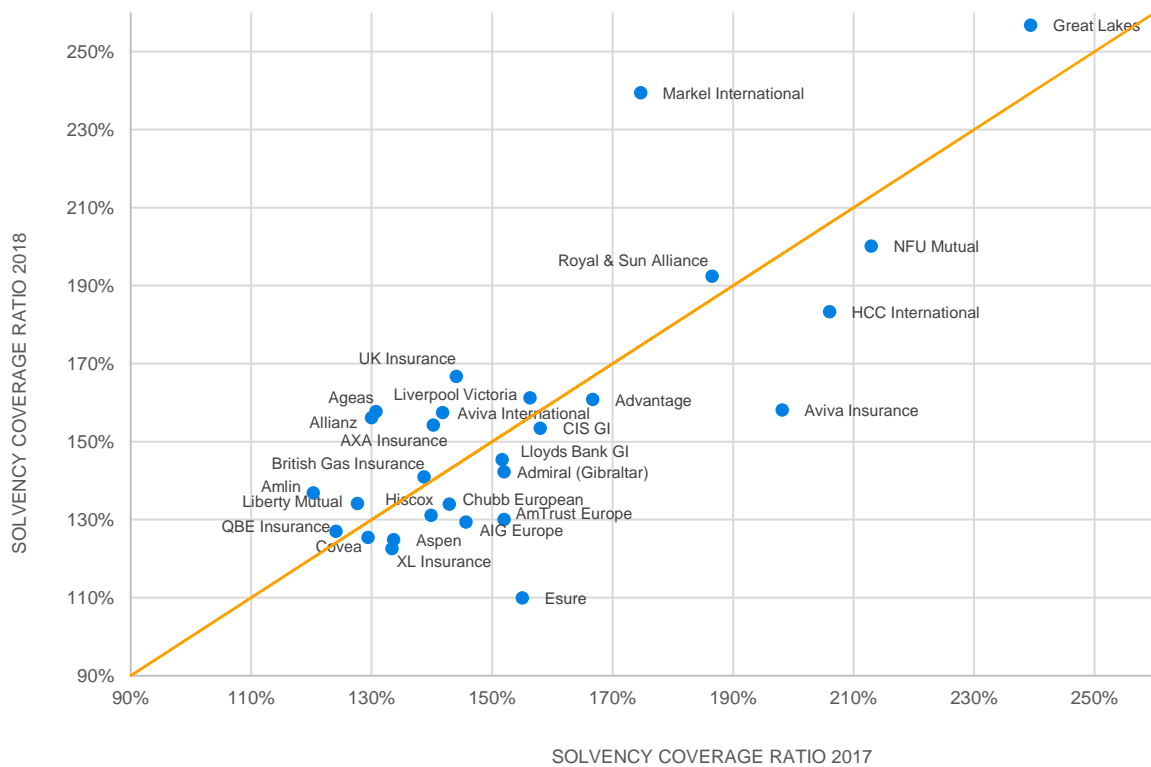


Figure 4 shows how the solvency coverage ratios have changed between the 2017 and 2018 year-ends for the top 30 companies (defined in terms of GWP) included in our sample.

FIGURE 4: SOLVENCY COVERAGE RATIOS 2017 AND 2018, GWP TOP 30



For those companies above the diagonal line, their solvency coverage ratios have strengthened between the 2017 and 2018 year-ends, whereas the solvency coverage ratios for those companies below the line have weakened over the 12-month period.

We note that most of the top 30 firms exhibit a solvency coverage ratio between 120% and 170%. We comment below on companies that saw movements in their solvency coverage ratios greater than +/-30%.

The solvency coverage ratio for Aviva Insurance Limited has decreased significantly, from 198% as at the 2017 year-end to 158% as at year-end 2018. This was caused by a reduction in the eligible own funds to meet the SCR from £2.5 billion to £2.0 billion. This reduction was predominantly driven by dividends paid of £0.4 billion and a foreseeable dividend of £0.4 billion, partly offset by capital generated from the company's operations.

Esure Insurance Limited also experienced a significant decrease in its solvency coverage ratio, decreasing from 155% as at 2017 year-end to 110% as at 2018 year-end. This reduction follows higher-than-expected claims costs, largely caused by exceptional weather costs in the home and motor accounts, against a backdrop of lower premiums across the market.

Markel International saw its solvency coverage ratio increasing from 175% as at 2017 year-end to 239% as at 2018 year-end. This was driven by a decrease in the SCR from £272 million to £192 million due to significant amounts of business transferring to its new German insurance carrier, Markel Insurance SE, and a reduction in its Latin American business, which led to a reduction in its premium income planned for 2019; while eligible own funds remained broadly consistent from 2017 year-end to 2018 year-end.

### ANALYSIS OF SCR AND MCR: WHERE IS THE RISK?

When conducting their SCR calculations, insurers have to cover all the risks that may affect their balance sheets and, consequently, their solvency positions. Figure 5 shows, on an aggregated basis, the breakdown of the SCR for firms using the SF. As expected, underwriting risk is the greatest risk for UK non-life insurers, comprising, on average, 67% of the overall SCR (before the application of any diversification benefits).

FIGURE 5: SCR BREAKDOWN BY RISK MODULE: FIRMS USING STANDARD FORMULA ONLY

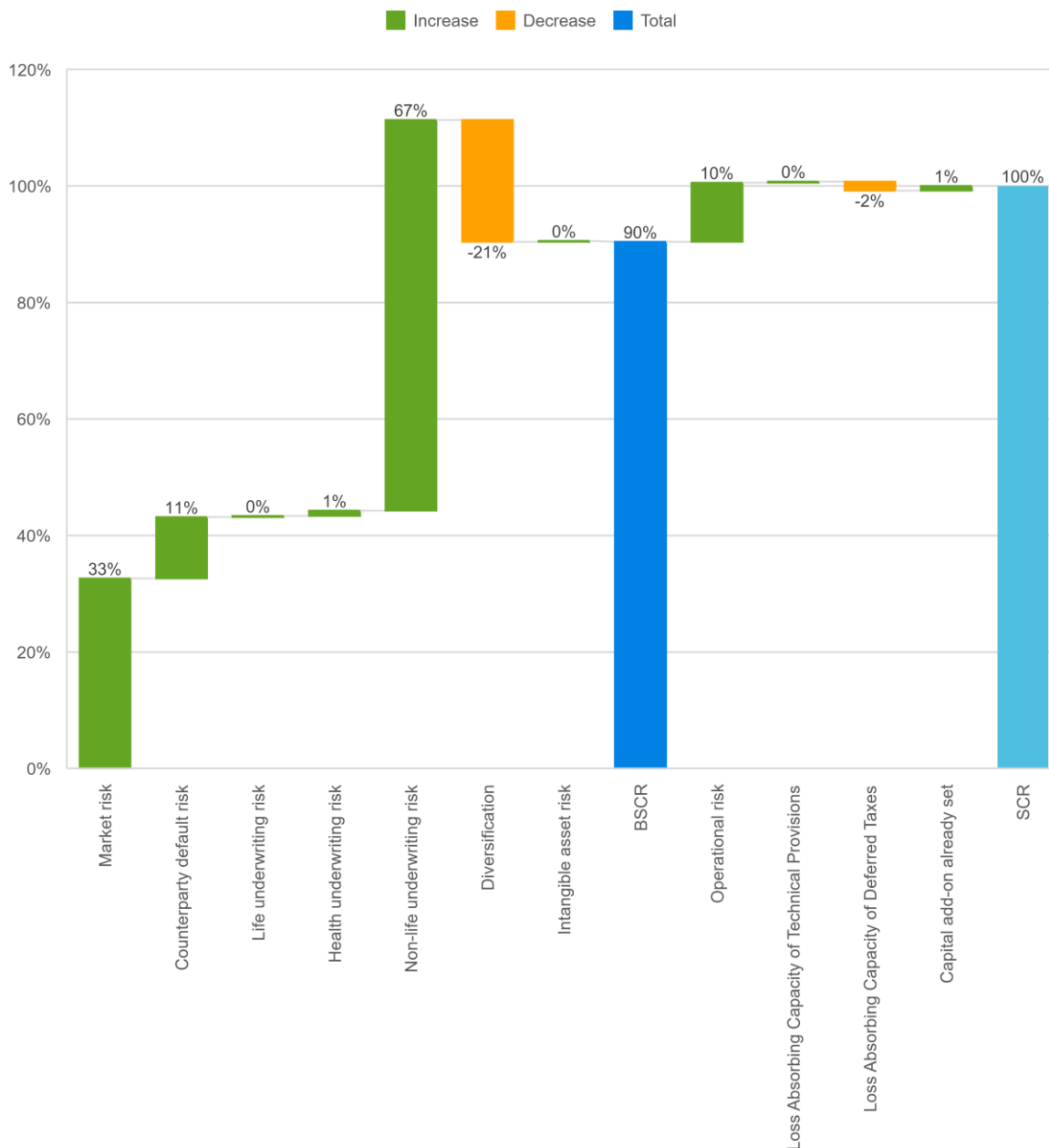
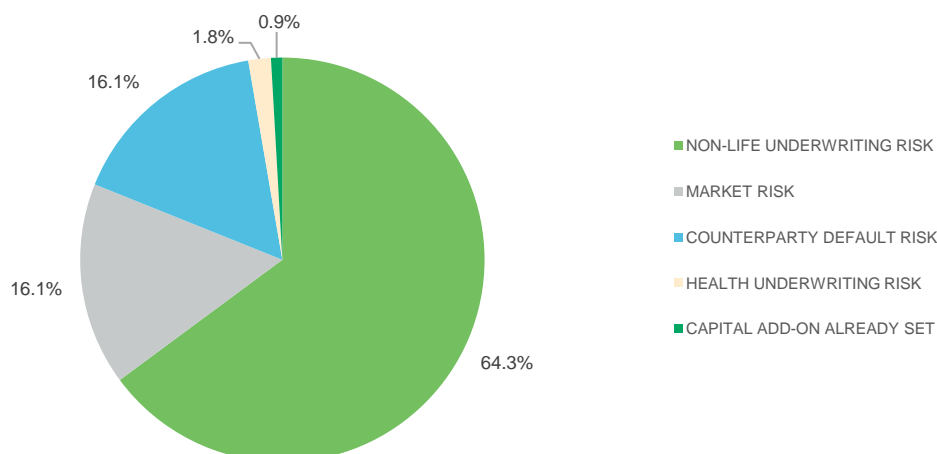


Figure 6 corroborates the above comment, by showing that, for about 64% of the companies in our sample, the underwriting risk is the major absorber of capital, with market risk or counterparty default risk being the main contributor to the SCR for a further 32% of the companies.



FIGURE 6: PERCENTAGE OF COMPANIES AND LARGEST RISK AREA: FIRMS USING STANDARD FORMULA ONLY



We note that the Prudential Regulation Authority (PRA) has barely used its power (under Section 55M of the Financial Services Market Act 2000) to apply a capital add-on in cases where it deems there to be a significant risk issue or governance deviation from Solvency II requirements. Overall, on average, capital add-ons represent less than 1% of the total SCR (1% for firms under SF only, as shown above). In most cases, for companies under SF, the capital add-on is required because the SF does not capture, fully and/or appropriately, some of the risks to which the company is exposed.

However, amongst the companies using the SF, four insurers were required to include significant capital add-ons, contributing materially to their SCRs. The capital add-on for Flood Re was the largest contributors to its total SCR.

- **Flood Re:** Until the PRA approves its PIM, it requires Flood Re to hold a capital add-on. As at year-end 2018, this capital add-on was £22.3 million (45% of Flood Re's overall SCR), which is the same capital add-on that was held as at 2017 year-end.
- **CIS GI** has a £40 million capital add-on (21% of its overall SCR), as the SF does not adequately reflect its risk profile in respect of operational risk and pension risk. This capital add-on follows a voluntary application by CIS GI to the PRA, which will be recalculated annually.
- **Steamship Mutual's** capital add-on of £15 million (28% of its overall SCR) had been added voluntarily, following an assessment of the appropriateness of the SF for its risk profile, which identified that its operational risk was not fully captured. This was approved by the PRA and requires Steamship Mutual to develop a PIM to incorporate this additional risk.
- **The North of England Protecting & Indemnity Association Limited** has a capital add-on of £22.5 million (14% of its overall SCR). Consistent with prior reviews, the SF does not capture the risk with respect to its defined benefit pension schemes, hence it has opted for a voluntary capital add-on, which has been approved by the PRA.

TransRe London Limited has decreased its capital add-on from £50 million to £15 million following the approval of its PIM.

We also note that British Gas Insurance (which uses a PIM in evaluating its SCR) held a capital add-on of £35 million (44% of its overall SCR) as at 2017 year-end to allow for a possible inappropriateness of the SF in reflecting its counterparty and operational risks. British Gas Insurance has since applied to the PRA for approval to extend its PIM to incorporate both counterparty default risk and operational risk, approval that was granted on 3 December 2018. As a result, British Gas Insurance no longer holds any capital add-on and operational risk is now the largest contributor (at 51%) to its overall SCR.

From the above, we note that capital add-ons are generally set in agreement with the regulator. In addition, companies that have a capital add-on requirement have disclosed their intentions to develop further their risk calculations in order to reflect better their respective risk profiles and hence negate the need for any add-ons in the future. It also appears that operational risk is often flagged in regards of the non-appropriateness of the SF and is therefore more likely to attract capital add-ons than other risk modules. In addition, we believe that, with emerging risks like cyber or climate change being increasingly scrutinised by the regulator, there will be a need in the future for more tailored calculations in order to better reflect companies' risk profiles.

We note in passing that greater transparency was expected regarding capital add-ons, as such information should have been publicly available in the UK since 2018 year-end. However, we do not observe a significant difference from last year's trend in terms of the number of firms holding such additional capital, suggesting that companies were already transparent in respect of their capital add-ons.

We also note that adjustments for the loss-absorbing capacity of deferred tax (LACDT), which reduce the SCRs, totalled £864 million as at year-end 2018 (compared to £911 million as at year-end 2017), of which £198 million relates to companies using the SF (£306 million as at year-end 2017). The Solvency II balance sheet indicates that the net deferred tax liabilities<sup>1</sup> for the whole market were £522 million, a decrease from £647 million as at year-end 2017. Therefore, £342 million of the LACDT arose from either tax rules that allow companies to carry back the 1-in-200-year instantaneous loss against taxable profit in the prior 12-month tax period or from expected tax payable on future profits (following a 1-in-200-year instantaneous loss) over a reasonable timeframe. The decrease observed in deferred tax benefits between year-ends 2017 and 2018 can be partially explained by the entry into force of lower UK tax rates (19% as at April 2019 and 18% for the year starting in April 2020 onwards).

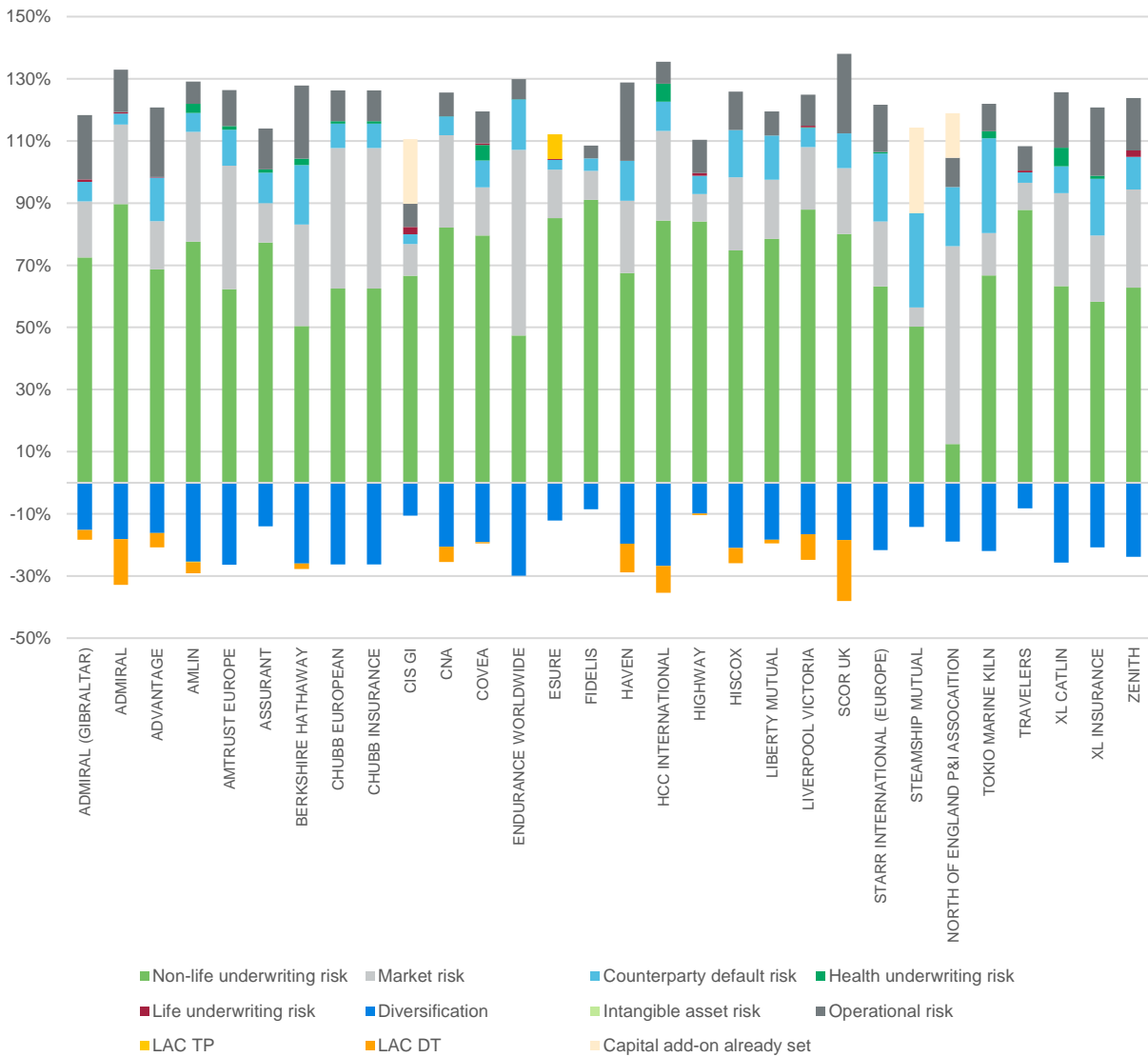
In Figure 7, we show the breakdown of SCRs for the 30 largest companies (in terms of GWP) within our sample that use the SF. While underwriting risk is the predominant risk for most of the biggest firms, market risk seems to attract a higher capital charge for a handful of insurers.

The counterparty default risk remains a low risk for UK non-life insurers, most of them having secured the bulk of their outwards reinsurance from well-rated carriers and most having few bad debts.

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<sup>1</sup> We define net deferred tax liabilities as the maximum of zero and the deferred tax liabilities less the deferred tax assets.

FIGURE 7: SCR BREAKDOWN BY RISK MODULE AND BY COMPANY, GWP TOP 30 (SF ONLY)



## ANALYSIS OF OWN FUNDS

Own funds are divided into three tiers based on quality: Tier 1 capital is the highest ranking with the greatest loss-absorbing capacity, such as equity or bonds; Tier 2 funds are composed of hybrid debt; and Tier 3 comprises deferred tax assets. As shown in Figure 8, insurers' eligible own funds are considered to be of good quality, with 93.7% classified in Tier 1.

**FIGURE 8: TIERING OF OWN FUNDS**

ELIGIBLE OWN FUNDS TO MEET THE SCR	2017 YEAR-END	2018 YEAR-END
TIER 1 UNRESTRICTED	92.4%	93.3%
TIER 1 RESTRICTED	0.4%	0.4%
TIER 2	5.7%	4.9%
TIER 3	1.4%	1.4%
<b>ELIGIBLE OWN FUNDS TO MEET THE MCR</b>		
TIER 1 UNRESTRICTED	98.4%	98.6%
TIER 1 RESTRICTED	0.4%	0.4%
TIER 2	1.2%	1.1%

We also note that Tier 2 eligible own funds are slightly less common for larger insurers (in terms of GWP) that have a significant capital requirement, with 3.4% of own funds for the 30 largest companies being classified as Tier 2 against 4.9% for the whole market.

For 93% of the companies we analysed, the available own funds were 100% eligible to cover the SCR.

In Figure 9, we look at the split of basic and ancillary own funds by type. It appears that basic own funds are primarily made by the reconciliation reserve (52.5%), with ordinary share capital, subordinated liabilities and deferred tax assets making up the rest. For the companies included in our sample, ancillary own funds were far less common than basic own funds, with 99% of total eligible own funds comprising of basic own funds.

**FIGURE 9: COMPONENTS OF OWN FUNDS**

	2018 YEAR-END
<b>BASIC OWN FUNDS</b>	
ORDINARY SHARE CAPITAL	27.0%
SHARE PREMIUM ACCOUNT RELATED TO ORDINARY SHARE CAPITAL	12.6%
SURPLUS FUNDS	2.9%
RECONCILIATION RESERVE	52.5%
OTHER BASIC OWN FUNDS	5.1%
<b>ANCILLARY OWN FUNDS</b>	
LETTERS OF CREDIT AND GUARANTEES	60.6%
SUPPLEMENTARY MEMBERS CALLS	25.3%
OTHER ANCILLARY OWN FUNDS	14.1%

We note in passing that the expected profits included in future premiums represent 15.0% of the overall reconciliation reserve.

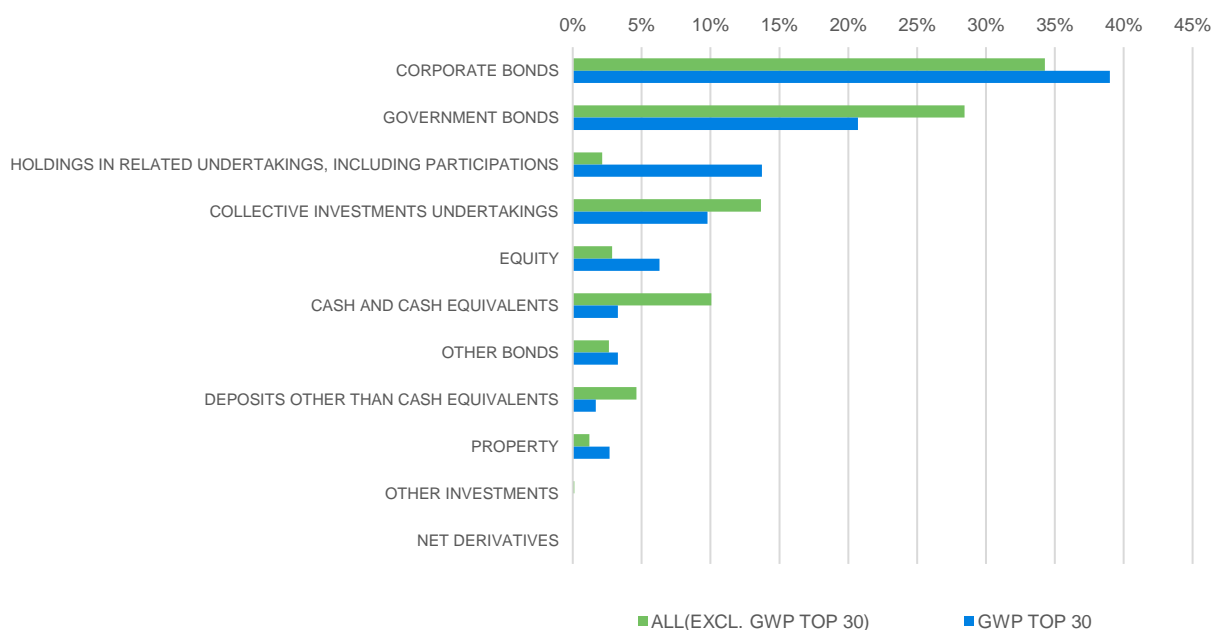
## ANALYSIS OF MAIN BALANCE SHEET ITEMS

### Assets

Investments in corporate and government bonds largely dominate the assets of the companies that we analysed, together accounting for more than 60% of total investments. Beyond their attractive nature - regular payments allowing non-life insurers to match the future claims payments - such bonds are also less expensive in terms of capital than more volatile assets such as equities.

As one would expect, larger firms hold a higher share of their invested assets in participations and equities than small insurers do (likely to reflect the longer durations of their liabilities). On the other hand, the smaller insurers hold higher proportions of their assets in cash and deposits (such assets are more liquid and less risky, but provide lower returns). Figure 10 sets out the split of assets by asset class.

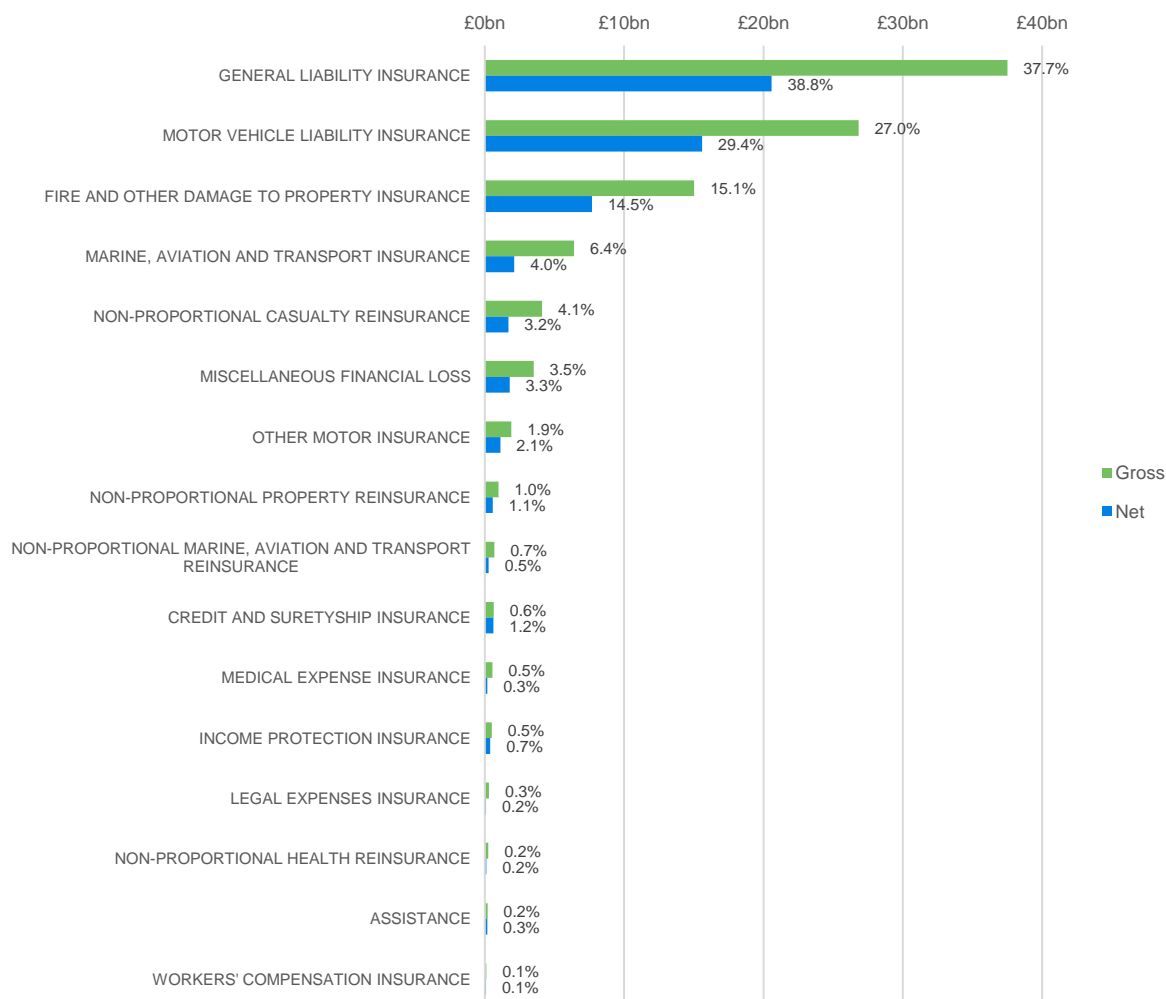
FIGURE 10: SPLIT OF INVESTMENTS BY ASSET CLASS



## Technical provisions

Figure 11 shows the composition of technical provisions across non-life lines of business (as categorised under Solvency II) as at 2018 year-end.

FIGURE 11: TECHNICAL PROVISIONS SPLIT BY SOLVENCY II SEGMENTS



The 135 insurers included in our sample have reserved £99 billion of technical provisions (excluding the Risk Margin), gross of reinsurance, and over £53 billion net of reinsurance. Almost 65% of the gross reserves are in respect of the long-tail business classes, general liability and motor vehicle liability.

The provisions in respect of annuities stemming from non-life insurance contracts (not included in Figure 11) reached more than £3 billion as at 2018 year-end gross of reinsurance, and slightly less than £1 billion net of reinsurance. These annuities mainly relate to Periodic Payment Order liabilities and are a key component of UK non-life firms' liabilities (ranking seventh in terms of gross technical provisions). Figure 12 sets out the component elements of the net technical provisions. It shows that, for most classes of business, the best estimate of claims provisions represents the biggest part of the Solvency II technical provisions. The best estimates shown here include allowance for claims events not in the data (ENIDs) and are discounted at the appropriate rate.

FIGURE 12: COMPONENTS OF NET TECHNICAL PROVISIONS



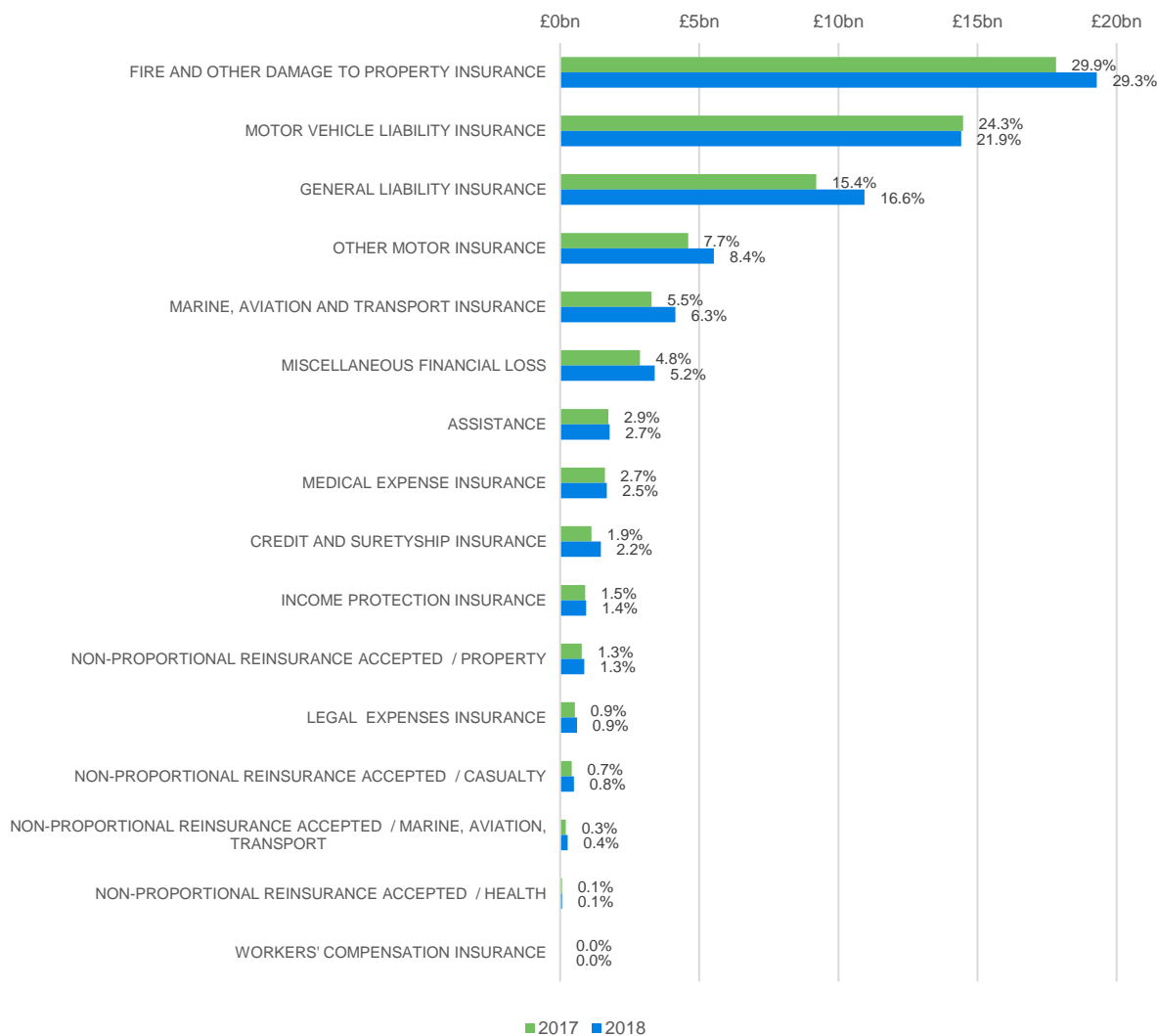
The following lines of business show negative best estimates of premium provisions: income protection; legal expenses; non-proportional casualty reinsurance; non-proportional property reinsurance; and non-proportional marine, aviation and transport reinsurance. On the other hand, the best estimate of premium provisions for other motor is materially higher than the best estimate of claims provisions, which reflects the short-term nature of the outstanding claims liabilities.

On an aggregated basis, the Risk Margin (RM) represents 8.8% of the net technical provisions.

### ANALYSIS OF UNDERWRITING

In 2018, our sample of UK non-life insurers wrote almost £66 billion of gross premiums, approximately £5 billion more than the amount that they wrote in both 2016 and 2017. 30% of the premium written relates to fire and other damage covers, with 24% relating to motor liability and 15% to general liability, the last two lines being the main contributors of technical provisions. We illustrate this in Figure 13.

FIGURE 13: GROSS WRITTEN PREMIUMS BY LINE OF BUSINESS





In Figure 14, we show the gross and net of reinsurance loss ratios by line of business (sorted by GWP volumes, as per Figure 13). We note that the gross and net loss ratios for workers' compensation (the class of business for which premium volumes are smallest) go beyond the graph and reach 199% and 205%, respectively.

FIGURE 14: GROSS AND NET LOSS RATIOS BY LINE OF BUSINESS

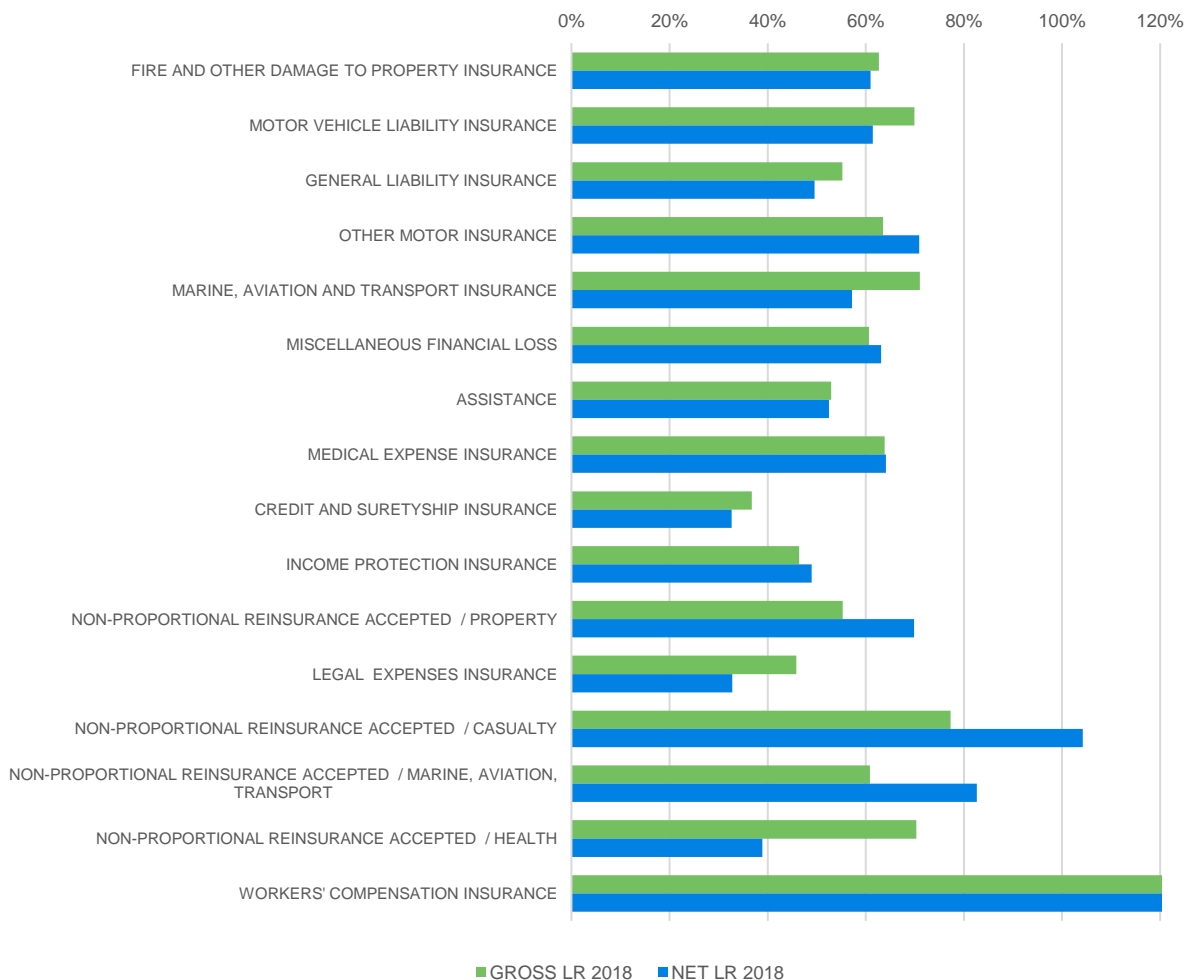
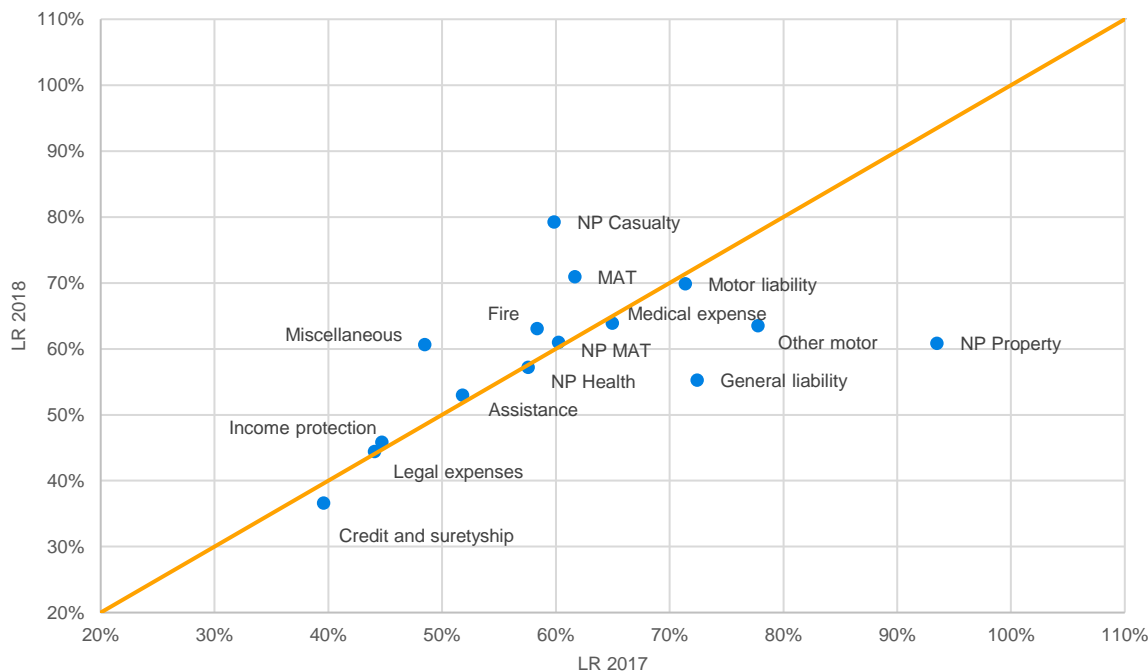


Figure 14 also indicates that, for most Solvency II lines of business, the purchase of reinsurance makes economic sense (in addition to protecting against extreme events), with the net of reinsurance loss ratios being lower than the gross loss ratios.

Figure 15 shows the changes in the gross loss ratios between year-end 2017 and year-end 2018. For those lines of business above the diagonal line, the gross loss ratios increased in 2018 relative to the equivalent gross loss ratios in 2017. Conversely, if a line of business lies below the line, its gross loss ratio reduced in 2018 relative to 2017. The loss ratios shown are on a calendar-year basis, and therefore reflect the gross loss ratio for the risks exposed during the calendar year, adjusted by any strengthening or weakening of the outstanding claims reserves relating to prior years' exposure.

FIGURE 15: CHANGE IN GROSS LOSS RATIOS BY YEAR<sup>2</sup>

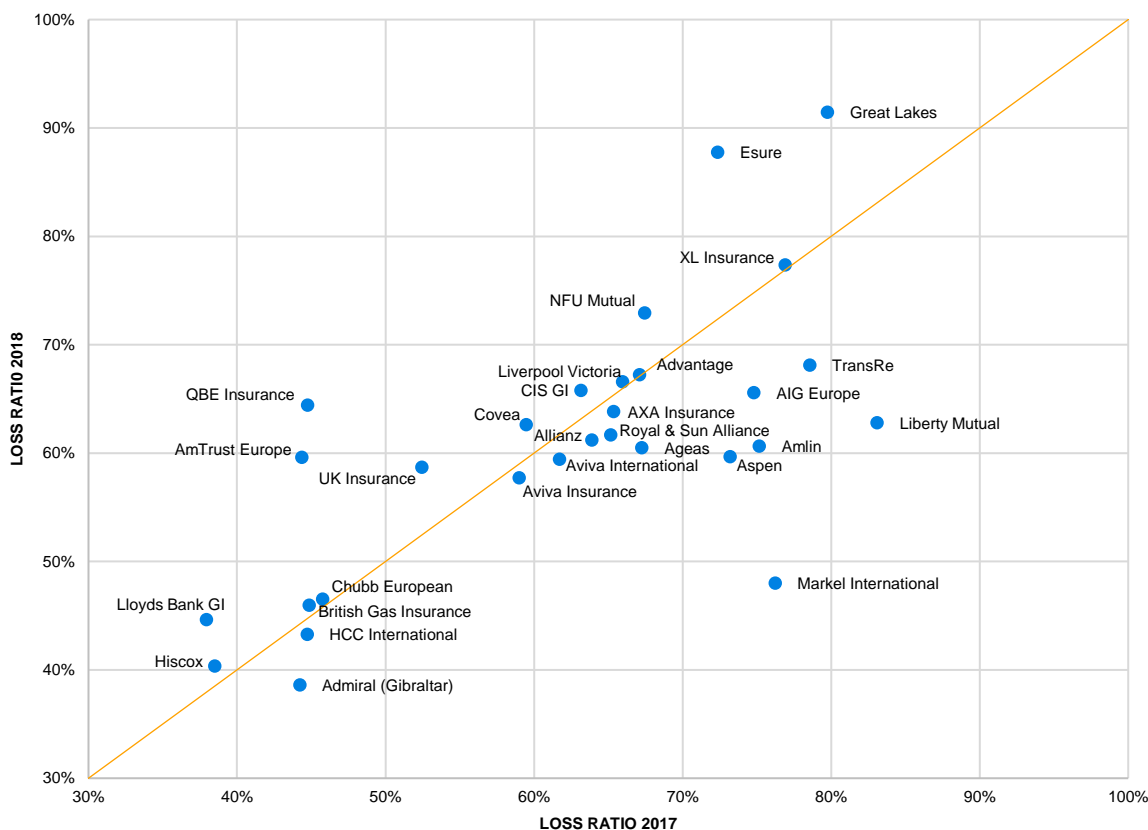


We note that the gross loss ratio for non-proportional property reinsurance has decreased materially between year-end 2017 and year-end 2018, from 93% to 61%, back to a level closer to 2016 (41%). While premiums written remained largely comparable across both years, gross incurred claims fell significantly from £605 million to £450 million. Indeed, after the large catastrophe losses (California wildfires, hurricanes Irma, Harvey and Maria etc.), 2018 has proven to be a better year for property reinsurers.

Figure 16 shows the movements in the net loss ratio between year-end 2017 and year-end 2018 for the top 30 insurers (by GWP).

<sup>2</sup> QBE Re (Europe) Limited and FM Insurance Company Limited have been excluded due to material movements in the NP Health line and NP Property lines of business respectively..

FIGURE 16: CHANGE IN NET LOSS RATIOS BY YEAR, GWP TOP 30



As shown in Figure 16, the movements in the net loss ratio between 2017 and 2018 were not significant for over half of the insurers comprising the top 30 (i.e., those close to the diagonal), although a few insurers experienced significantly favourable or adverse movements in their net loss ratios. Insurers that suffered a deterioration in their net loss ratios are mainly those that wrote direct property insurance in the US and Asia (which were therefore exposed to losses from some or all of hurricanes Michael and Florence and typhoon Jebi).

On the other hand, those insurers exhibiting significant improvements in their net loss ratios are those writing direct motor insurance and motor treaty covers, which suffered from the impact of the change in the Ogden discount rate in February 2017 that led to a deterioration of results as at 2017 year-end. The loss ratios for such companies have, at the very least, remained in line with last year's level.

In Figure 17, we show the operating margin for each line of business on an aggregated basis for the insurers included in our panel (sorted by GWP volumes, as per Figure 13 above). We defined (and derived) the operating margin as (net earned premium – net incurred – expenses incurred) / (gross earned premium). We note that the operating margin as defined includes movements in prior year reserves (part of the net incurred) but does not include investment income.

FIGURE 17: OPERATING MARGINS IN 2018 BY LINE OF BUSINESS

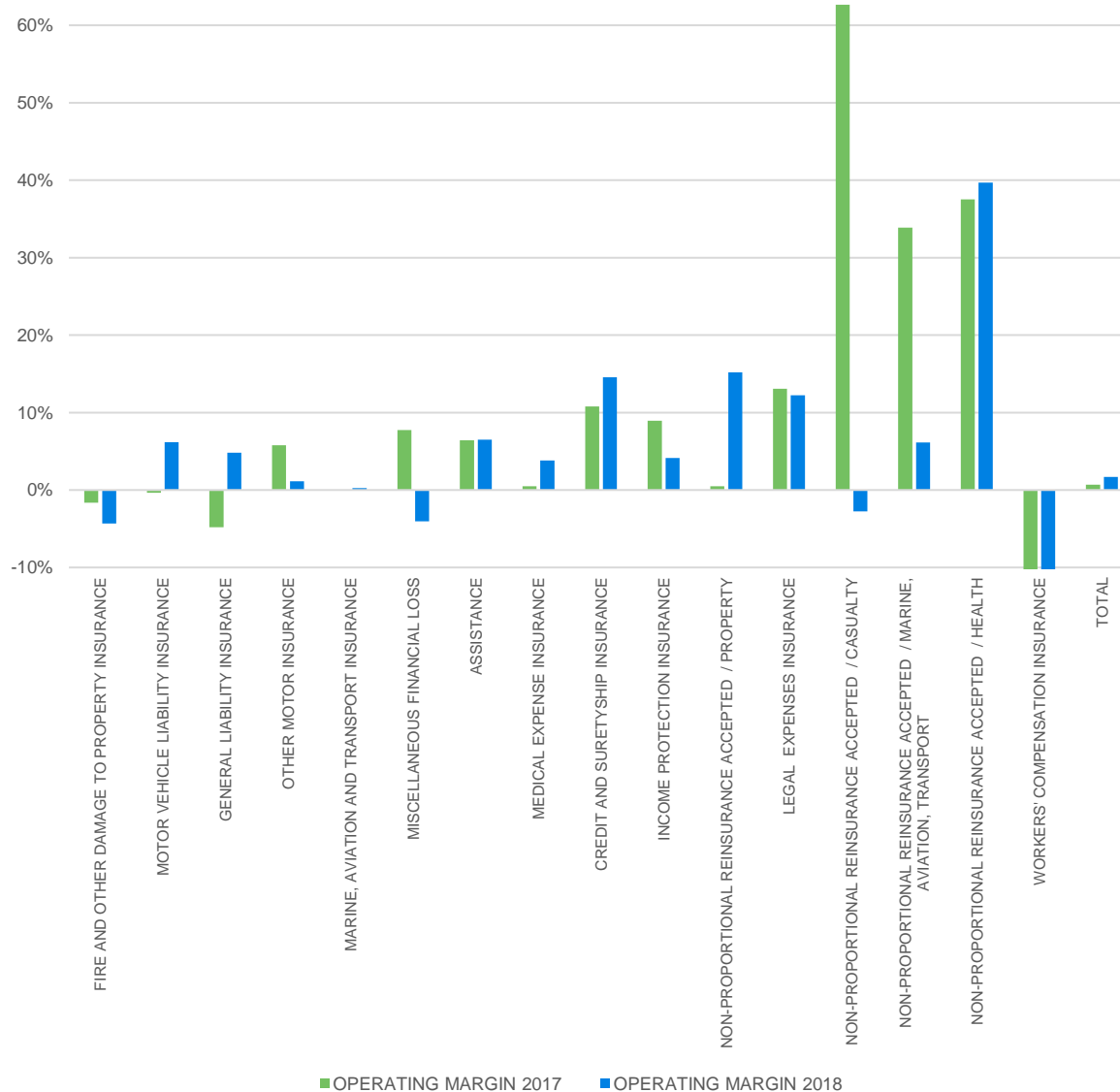
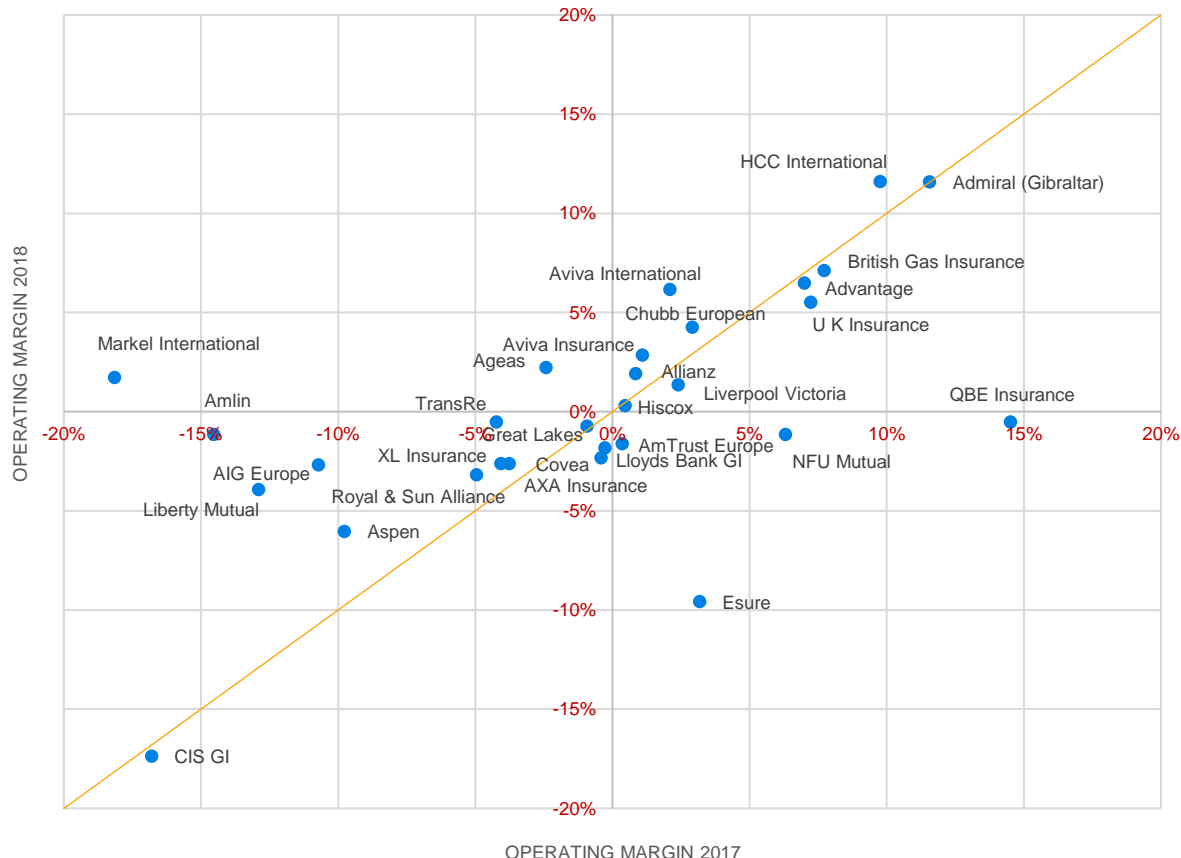


Figure 17 indicates that the property, miscellaneous financial loss, non-proportional casualty reinsurance and workers' compensation lines of business experienced negative operating margins in 2018, due in part to the market in those lines being highly competitive (we note that the operating margin for workers' compensation is -153% for year-end 2018, but also this is a very small line of business relative to the others shown in the above table). Most significantly, property is one of the loss-making businesses, which is the largest component of the UK market in terms of GWP. The most notable change in operating margin was observed in the non-proportional casualty reinsurance line of business, with the operating margin decreasing from 63% to -3%. This was due to a 63% increase in incurred claims (rising from £225 million to £366 million) combined with an 83% decrease in claims recoverables (falling from £252 million to £42 million), relative to a 41% increase in net premiums (rising from £221 million to £311 million). Overall, the operating margin in 2018 reported in the SFCRs was 1.7%. That compares with 0.7% in 2017.

Figure 18 shows the change in operating margin between 2017 and 2018 for the top 30 insurers by GWP. As opposed to Figure 17, the operating margin in Figure 18 includes 'Other expenses' which are not attributed to administrative, investment management, claims management, acquisition or overhead expenses, as they are not allocated by line of business.

FIGURE 18: CHANGE IN OPERATING MARGIN BY YEAR, GWP TOP 30



Movements in operating margin between 2017 and 2018, as exhibited in Figure 18, are broadly consistent with the movements in the loss ratios indicated in Figure 16 above. This implies that changes in loss ratios are the main drivers of changes in insurers' operating margin movements. However, we note that some insurers, such as Liberty Mutual, have seen a deterioration in their operating margins resulting from significant increases in their expenses. The impact of unfavourable claims experience for some other insurers (e.g. Great Lakes) has been dampened by lower expenses.

## Appendix A:

### List of entities whose data was included within the analysis

FULL NAME	SHORT NAME USED IN THE REPORT
AA UNDERWRITING INSURANCE COMPANY LIMITED	
ACASTA EUROPEAN INSURANCE COMPANY LIMITED	
ACROMAS INSURANCE COMPANY LIMITED	
ADMIRAL INSURANCE (GIBRALTAR) LIMITED	ADMIRAL (GIBRALTAR)
ADMIRAL INSURANCE COMPANY LIMITED	
ADVANTAGE INSURANCE COMPANY LIMITED	ADVANTAGE
AGEAS INSURANCE LIMITED	AGEAS
AGF INSURANCE LIMITED	
AIG EUROPE LIMITED	AIG EUROPE
ALLIANZ INSURANCE PLC	ALLIANZ
ALWYN INSURANCE COMPANY LIMITED	
AMBAC ASSURANCE UK LIMITED	
AMLIN INSURANCE S.E.	AMLIN
AMT MORTGAGE INSURANCE LIMITED	
AMTRUST EUROPE LIMITED	AMTRUST EUROPE
ARCH INSURANCE COMPANY (EUROPE) LIMITED	
ARGUS INSURANCE COMPANY (EUROPE) LIMITED	
ASPEN INSURANCE UK LIMITED	ASPEN
ASSURANT GENERAL INSURANCE LIMITED	
ASSURED GUARANTY (EUROPE) PLC	
AVIVA INSURANCE LIMITED	AVIVA INSURANCE
AVIVA INTERNATIONAL INSURANCE LIMITED	AVIVA INTERNATIONAL
AVON INSURANCE PLC	
AXA INSURANCE UK PLC	AXA INSURANCE
BAR MUTUAL INDEMNITY FUND LIMITED	
BERKSHIRE HATHAWAY INTERNATIONAL INSURANCE LIMITED	
BESTPARK INTERNATIONAL LIMITED	
BRITISH GAS INSURANCE LIMITED	BRITISH GAS INSURANCE
BRITISH RESERVE INSURANCE COMPANY LTD	
CALPE INSURANCE COMPANY LIMITED	
CASUALTY & GENERAL INSURANCE COMPANY (EUROPE) LIMITED	
CATALINA LONDON LIMITED	
CATALINA WORTHING INSURANCE LIMITED	
CHINA TAIPING INSURANCE (UK) CO LTD	
CHUBB EUROPEAN GROUP LIMITED	CHUBB EUROPEAN
CHUBB INSURANCE COMPANY OF EUROPE SE	CHUBB INSURANCE
CHURCHILL INSURANCE COMPANY LIMITED	
CIS GENERAL INSURANCE LIMITED	CIS GI
CNA INSURANCE COMPANY LIMITED	
CORNISH MUTUAL ASSURANCE COMPANY LIMITED	
COVEA INSURANCE PLC	COVEA

FULL NAME	SHORT NAME USED IN THE REPORT
CX REINSURANCE COMPANY LIMITED	
DAS LEGAL EXPENSES INSURANCE COMPANY LIMITED	
DIRAMIC INSURANCE LIMITED	
EAST WEST INSURANCE COMPANY LIMITED	
ECCLESIASTICAL INSURANCE OFFICE PLC	
ENDURANCE WORLDWIDE INSURANCE LIMITED	
EQUITAS INSURANCE LIMITED	
ESURE INSURANCE LIMITED	ESURE
EUROGUARD INSURANCE COMPANY PCC LIMITED	
EVOLUTION INSURANCE COMPANY LIMITED	
FGIC UK LTD	
FIDELIS UNDERWRITING LIMITED	
FINANCIAL & LEGAL INSURANCE COMPANY LTD	
FIRST TITLE INSURANCE PLC	
FLOOD RE LIMITED	
FM INSURANCE COMPANY LIMITED	
GREAT LAKES INSURANCE SE	GREAT LAKES
GRESHAM INSURANCE COMPANY LIMITED	
GUARANTEE PROTECTION INSURANCE LIMITED	
HAVEN INSURANCE COMPANY LIMITED	
HCC INTERNATIONAL INSURANCE COMPANY PLC	HCC INTERNATIONAL
HIGHWAY INSURANCE COMPANY LIMITED	
HISCOX INSURANCE COMPANY LIMITED	HISCOX
HOMECARE INSURANCE LTD	
HSB ENGINEERING INSURANCE LIMITED	
INCEPTUM INSURANCE COMPANY LIMITED	
INTERNATIONAL GENERAL INSURANCE COMPANY (UK) LIMITED	
LANCASHIRE INSURANCE COMPANY (UK) LIMITED	
LEGAL & GENERAL INSURANCE LTD	
LIBERTY MUTUAL INSURANCE EUROPE LIMITED	LIBERTY MUTUAL
LIGHTHOUSE GENERAL INSURANCE COMPANY LIMITED	
LIVERPOOL VICTORIA INSURANCE COMPANY LIMITED	LIVERPOOL VICTORIA
LLOYDS BANK GENERAL INSURANCE LIMITED	LLOYDS BANK GI
LONDON GENERAL INSURANCE COMPANY LIMITED	
LV PROTECTION LIMITED	
MARKEL INTERNATIONAL INSURANCE COMPANY LIMITED	MARKEL INTERNATIONAL
MARKERSTUDY INSURANCE COMPANY LIMITED	
METHODIST INSURANCE PLC	
MILLENNIUM INSURANCE COMPANY LIMITED	
MITSUI SUMITOMO INSURANCE COMPANY (EUROPE) LIMITED	
MOTORS INSURANCE COMPANY LIMITED	
MULSANNE INSURANCE COMPANY LIMITED	
MUNICIPAL MUTUAL INSURANCE LIMITED	
NATIONAL HOUSE-BUILDING COUNCIL	
NELSON INSURANCE COMPANY LIMITED	

FULL NAME	SHORT NAME USED IN THE REPORT
NEWLINE INSURANCE COMPANY LIMITED	
PINNACLE INSURANCE PLC	
PREMIUM INSURANCE COMPANY LIMITED	
QBE INSURANCE (EUROPE) LIMITED	QBE INSURANCE
QBE RE (EUROPE) LIMITED	
RAC INSURANCE LIMITED	
RED SANDS INSURANCE COMPANY (EUROPE) LIMITED	
RIVERSTONE INSURANCE (UK) LIMITED	
ROYAL & SUN ALLIANCE INSURANCE PLC	ROYAL & SUN ALLIANCE
ROYAL & SUN ALLIANCE REINSURANCE LIMITED	
SABRE INSURANCE COMPANY LIMITED	
SAMSUNG FIRE & MARINE INSURANCE COMPANY OF EUROPE LIMITED	
SCOR UK COMPANY LTD	
SKYFIRE INSURANCE COMPANY LIMITED	
ST. ANDREW'S INSURANCE PLC	
STARR INTERNATIONAL (EUROPE) LIMITED	
STARSTONE INSURANCE SE	
STEAMSHIP MUTUAL UNDERWRITING ASSOCIATION LIMITED	
STEWART TITLE LIMITED	
STONEBRIDGE INTERNATIONAL INSURANCE	
SWISS RE SPECIALTY INSURANCE (UK) LIMITED	
TEACHERS ASSURANCE COMPANY LIMITED	
TESCO UNDERWRITING LIMITED	
THE BAPTIST INSURANCE COMPANY PLC	
THE EQUINE AND LIVESTOCK INSURANCE COMPANY LIMITED	
THE GRIFFIN INSURANCE ASSOCIATION LIMITED	
THE MARINE INSURANCE COMPANY LIMITED	
THE NATIONAL FARMERS UNION MUTUAL INSURANCE SOCIETY LIMITED	NFU MUTUAL
THE NORTH OF ENGLAND PROTECTING & INDEMNITY ASSOCIATION LIMITED	
THE OCEAN MARINE INSURANCE COMPANY LIMITED	
THE PALATINE INSURANCE COMPANY LIMITED	
THE SALVATION ARMY GENERAL INSURANCE CORPORATION LTD	
THE STANDARD CLUB EUROPE LTD	
THE WREN INSURANCE ASSOCIATION LTD	
TOKIO MARINE KILN INSURANCE LIMITED	
TOKIO MILLENNIUM RE (UK) LIMITED	
TRADEWISE INSURANCE COMPANY LIMITED	
TRADEX INSURANCE COMPANY LIMITED	
TRAFALGAR INSURANCE PLC	
TRANSRE LONDON LIMITED	TRANSRE
TRAVELERS INSURANCE COMPANY LIMITED	
TT CLUB MUTUAL INSURANCE LIMITED	
U K INSURANCE LIMITED	UK INSURANCE
UIA (INSURANCE) LIMITED	
UNITED KINGDOM FREIGHT DEMURRAGE AND DEFENCE ASSOCIATION LIMITED	



FULL NAME	SHORT NAME USED IN THE REPORT
UNITED KINGDOM MUTUAL WAR RISKS ASSOCIATION LTD	
WATFORD INSURANCE COMPANY EUROPE LIMITED	
XL CATLIN INSURANCE COMPANY (UK) LTD	
XL INSURANCE COMPANY SE	XL INSURANCE
ZENITH INSURANCE PLC	



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