Assurant Group Limited
Single Group Solvency and Financial Condition Report

Period ended 31 December 2016

Contents

Introduction

Assurant Group Limited ("AGL") is a UK based insurance holding company. As the EEA parent of Assurant's two European insurance companies, Assurant General Insurance Limited ("AGIL") and Assurant Life Limited ("ALL"), AGL is supervised on a group basis by the Prudential Regulation Authority ("PRA"). AGL also owns directly, and indirectly, a number of other regulated insurance intermediaries and unregulated non-insurance companies. Together these companies are referred to in this document as "Assurant Europe" or "the Group".

AGIL and ALL are based in the UK and have branches in countries in which Assurant operates in Europe. Both are regulated by the Financial Conduct Authority ("FCA") and PRA. AGIL and ALL are both subject to Solvency II ("SII") regulations and are at times referred to in this document as the "SII insurance firms". The group has no other entities that are subject to SII on a solo basis.

This Solvency and Financial Condition Report ("SFCR" or "Report") has been prepared under the requirements of the SII regulations as implemented in the UK by the PRA, which became effective from 1 January 2016. This is the first SFCR that has been produced by Assurant Europe under the SII regime.

The SFCR covers insurance and non-insurance business undertaken by Assurant Europe as well as its two SII insurance firms, AGIL and ALL. AGL has obtained a waiver from the PRA allowing the preparation of a single group SFCR rather than being required to prepare individual SFCRs for the Group, for AGIL and for ALL. The information in this SFCR contains all of the information that would otherwise have been included in the individual SFCRs. Unless specifically stated, references in this document to Assurant Europe or the Group should be assumed to apply equally to the SII insurance firms AGIL and ALL.

The SFCR includes the public quantitative reporting templates included in Appendix F of this document.

Terms and acronyms used in this document:

Term	Definition
AGIL	Assurant General Insurance Limited
AGL	Assurant Group Limited, the EU holding company of Assurant General Insurance Group Limited and Assurant Life Limited. The supervised insurance holding company under SII.
ALL	Assurant Life Limited
ARCC	Audit, Risk and Compliance Committee of Assurant Group Limited group
Assurant Europe	The Assurant Group Limited group of companies in Europe, including AGIL and ALL and their related branches.
Assurant, Inc. or AIZ	Assurant, Inc. - the ultimate parent and controlling party of AGL.
Brexit	The exit of the UK from the EU
CAE	Chief Audit Executive of Assurant, Inc.
Connected Living Device	Mobile devices and other portable gadgets including related accessories.
EEA	European Economic Area
EIOPA	European Insurance and Occupational Pensions Authority
ESC	Extended Service Contracts
EU	European Union
ExCom	Executive Committee of Assurant Group Limited group
FCA	Financial Conduct Authority in the UK
GAAP	Generally Accepted Accounting Practices
Group, the Group	Assurant Europe
IAS	Internal Audit Services
KFH	A Key Function Holder (KFH) is one which has been identified by the PRA because of their influence within the system of governance.
LSG	Lifestyle Services Group Limited, an intermediary and insurance administration company within the Group
MCR	Minimum Capital Requirement, calculated as per the SII Directive
MI	Management information
ORSA	Own Risk and Solvency Assessment
PRA	Prudential Regulation Authority in the UK
RMF	Risk Management Framework
SCR	Solvency Capital Requirement, calculated as per the Standard Formula set out in the SII Directive.
SFCR, the Report	Solvency and Financial Condition Report
SIMF	Senior Insurance Manager Function: A SIMF is one which has been identified by the PRA as having ‘significant influence’ on the management and conduct of a firm’s regulated activities. These are identified in a firm’s Governance Map.
SoG	Systems of Governance
Solvency II or SII	The Solvency II Regulations of the EU as implemented in the UK by the PRA
Standard Formula	The Standard Formula calculation of solvency capital requirements for firms not using an internal model or partial internal model as set out in the SII Directive.

Summary

Assurant Europe is part of the International business unit of Assurant, Inc. group. Assurant, Inc. is a global provider of risk management solutions, protecting where consumers live and the goods they buy. A Fortune 500 company, Assurant, Inc. focuses on the housing and lifestyle markets, and is among the market leaders in mobile device protection; extended service contracts; vehicle protection; pre-funded funeral insurance; renters insurance; lender-placed homeowners insurance; and mortgage valuation and field services.

Assurant Europe is a leading provider of mobile and consumer electronics protection. Assurant Europe operates in the UK, France, Germany, Spain and Italy.

Products	Programme Solutions	Services
As people become more dependent on connectivity and technology, we design, create and manage various products that meet consumer needs within a connected and mobile life. Our product philosophy is to continually innovate and deliver the type of solutions that meet ever changing needs. All of our products are distributed by well-known brands throughout the UK and across Europe.	Assurant can create tailor-made product and service programmes across a range of consumer markets to offer an end-to-end packaged solution.	Our propositions to clients are highly flexible and can range from a full “turn-key” solution through to an individual outsourced service. No two businesses are the same and we believe that offering flexibility to suit our clients’ needs, has always been, and will continue to be paramount to a successful business relationship.

What we offer:		
• Mobile Device Protection • Extended Warranty • Digital Secure • Airport Lounge Access • Mobile Security • Protection Accessories	• Connected Living • “The Hubb” • Lifestyle Bundles	• Sales Support and Consultancy • Outsourced Customer Servicing • Fraud Investigation • Supply Chain Management • Brokering • Underwriting

Performance for the period

For the year ended 31 December 2016, Assurant Europe made an underwriting profit of £3,643,000 under UK generally accepted accounting practices (GAAP) but excluding the movement in statutory general insurance claims equalisation reserves. AGIL made an underwriting profit of £2,322,000 and ALL an underwriting profit of £1,345,000 under UK GAAP.

Overall Assurant Europe's profit before tax, excluding the amortisation of goodwill and intangible assets, was £8,982,000. AGIL and ALL made profits before tax of £2,768,000 and £1,421,000 respectively.

Further details are provided in Section A.

Risk Management

As a provider of insurance products and services to a variety of corporate and individual clients, risk management is an integral part of Assurant Europe's business processes.

Assurant Europe has a documented risk strategy. The risk strategy is owned by the Assurant Europe Board, and it is the Board's responsibility to ensure that the business strategy and risk strategy do not diverge. The Risk Function has responsibility to report divergence to the Audit, Risk and Compliance Committee together with the appropriate recommendations, including risk mitigation, which could include reassessing risk appetite.

Assurant Europe employs a comprehensive Risk Management Framework that includes a full range of policies, procedures, measurement, reporting and monitoring techniques to ensure that the risk exposures that arise from operating the Group's business are appropriately managed.

All employees are required to follow the Risk Management Framework and risk management policies and procedures, and the executive and senior management are assessed on their effectiveness as part of the annual performance assessment.

The Risk function is responsible for overseeing implementation of the risk strategy and challenging the risks inherent within the business strategy.

Capital and Solvency

AGL group, AGIL and ALL calculate their solvency capital requirement (SCR) using the Standard Formula. Own Funds, including the calculation of technical provisions, are calculated based on the valuation requirements set out in the SII Directive.

The capital positions of Assurant Europe and the two SII insurance firms are summarised below:

As at 31 December 2016 **£'000**	Assurant Europe	AGIL	ALL
Available Own Funds	101,905	88,609	11,269
Eligible Own Funds to meet the SCR and MCR	96,368	88,609	11,269
SCR (MCR in respect of ALL)	61,131	61,814	3,332
Solvency Ratio %	**158%**	**143%**	**338%**

ALL’s minimum capital requirement (“MCR”) is in excess of its solvency capital requirement (“SCR”) calculated under the Standard Formula. Assurant Europe, AGIL and ALL maintained own funds in excess of their SCR and MCR requirements for the full year.

The difference between available and eligible own funds relates to the quantitative restrictions applied under the SII Directive to the amount of Tier 2 and Tier 3 capital that is eligible to meet the SCR and MCR. During the year AGL repaid £18,000,000 of subordinated loans that are recognised as Tier 2 capital. Further detail is given in Section E.

Prior year comparatives

This is the first Solvency and Financial Condition Report that has been produced by Assurant Europe under the SII regime and therefore no comparative information is presented.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the single group SFCR in accordance with the Prudential Regulatory Authority (PRA) rules and SII Regulations.

The PRA Rulebook for SII firms in Rule 6.1(2) and Rule 6.2(1) of the Reporting Part requires that the Group must have in place a written policy ensuring the ongoing appropriateness of any information disclosed and that the Group must ensure that its SFCR is subject to approval by the Directors.

Each of the Directors, whose names and functions are listed in section B1 of this document on page 26, confirm that, to the best of their knowledge:

a) Throughout the financial year in question, the Group and its solo insurance undertakings have complied in all material respects with the requirements of the PRA rules and SII Regulations as applicable; and

(b) It is reasonable to believe that, at the date of the publication of the SFCR, the Group and its solo insurance undertakings continue so to comply, and will continue so to comply in future.

By Order of the Board

Tim Clancy

Chief Financial Officer

21st June 2017

Independent Auditors' Report

Report of the external independent auditors to the Directors of Assurant Group Limited ('the Company') pursuant to Rule 4.1 (2) of the External Audit Part of the PRA Rulebook applicable to Solvency II firms

Report on the Audit of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report

Opinion

Except as stated below, we have audited the following documents prepared by the Company as at 31 December 2016:

- The 'Valuation for solvency purposes' and 'Capital Management' sections of the Single Group-Wide Solvency and Financial Condition Report of the Company as at 31 December 2016, (**'the Narrative Disclosures subject to audit'**); and
- Group templates S.02.01.02, S.23.01.22, S.25.01.22 and S.32.01.22 (**'the Group Templates subject to audit'**).
- Company templates S.02.01.02, S.12.01.02, S.17.01.02, S.23.01.01, S.25.01.21 and S.28.01.01 in respect of Assurant Life Limited and Assurant General Insurance Limited (**'the Company Templates subject to audit'**)

The Narrative Disclosures subject to audit, the Group Templates subject to audit and the Company Templates subject to audit are collectively referred to as the '**relevant elements of the Single Group-Wide Solvency and Financial Condition Report'**.

We are not required to audit, nor have we audited, and as a consequence do not express an opinion on the Other Information which comprises:

- The 'Business and performance', 'System of governance' and 'Risk profile' elements of the Single Group-Wide Solvency and Financial Condition Report;
- Group templates S.05.01.02 and S.05.02.01 and Company templates S.05.01.02, S.05.02.01 and S.19.01.21;
- The written acknowledgement by management of their responsibilities, including for the preparation of the Single Group-Wide Solvency and Financial Condition Report **('the Responsibility Statement'**);

In our opinion, the information subject to audit in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report of the Company as at 31 December 2016 is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based, as modified by relevant supervisory modifications, and as supplemented by supervisory approvals and determinations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (ISAs (UK & I)), International Standard on Auditing (UK) 800 and International Standard on Auditing (UK) 805, and applicable law. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report section of our report.

Emphasis of Matter - Basis of Accounting

We draw attention to the 'Valuation for solvency purposes' and 'Capital Management' of the Single Group-Wide Solvency and Financial Condition Report, which describe the basis of accounting. The Single Group-Wide Solvency and Financial Condition Report is prepared in compliance with the financial reporting provisions of the PRA Rules and Solvency II regulations, and therefore in accordance with a special purpose financial reporting framework. The Single Group-Wide Solvency and Financial Condition Report is required to be published, and intended users include but are not limited to the Prudential Regulation Authority. As a result, the Single Group-Wide Solvency and Financial Condition Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Directors for the Single Group-Wide Solvency and Financial Condition Report

The Directors are responsible for the preparation of the Single Group-Wide Solvency and Financial Condition Report in accordance with the financial reporting provisions of the PRA rules and Solvency II regulations, which have been modified by the modifications made by the PRA under section 138A of FSMA, the PRA Rules and Solvency II regulations on which they are based, as detailed below:

- Permission to create a Single Group-Wide SFCR.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Single Group-Wide Solvency and Financial Condition Report that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report

It is our responsibility to form an independent opinion, in accordance with applicable law, ISAs (UK & I) and ISAs (UK) 800 and 805 as to whether the information subject to audit in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report is prepared, in all material respects, in accordance with the financial reporting provisions of the PRA Rules and Solvency II regulations on which they are based. ISAs (UK & I) require us to comply with the Auditing Practices Board's Ethical Standard for Auditors.

An audit involves obtaining evidence about the amounts and disclosures in the relevant elements of the Single Group-Wide Solvency and Financial Condition Report sufficient to give reasonable assurance that the relevant elements of the Single Group-Wide Solvency and Financial Condition Report are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the relevant elements of the Single Group-Wide Solvency and Financial Condition Report. In addition, we read all the financial and non-financial information in the Single Group-Wide Solvency and Financial Condition Report to identify material inconsistencies with the audited relevant elements of the Single Group-Wide Solvency and Financial Condition Report. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

This report, including the opinion, has been prepared for the Directors of the Company to comply with their obligations under External Audit rule 2.1 of the Solvency II firms Sector of the PRA Rulebook and for no other purpose. We do not, in providing this report, accept or assume responsibility for any other purpose save where expressly agreed by our prior consent in writing.

Report on Other Legal and Regulatory Requirements.

Other Information

In accordance with Rule 4.1 (3) of the External Audit Part of the PRA Rulebook for Solvency II firms we are required to read the Other Information and consider whether it is materially inconsistent with the relevant elements of the Single Group-Wide Solvency and Financial Condition Report and our knowledge obtained in the audits of the Single Group-Wide Solvency and Financial Condition Report and of the Company's statutory financial statements. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PricewaterhouseCoopers LLP

Chartered Accountants

Birmingham

21st June 2017

The maintenance and integrity of the Assurant Group Limited website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the Single Group-Wide Solvency and Financial Condition Report since it was initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of Solvency and Financial Condition Reports may differ from legislation in other jurisdictions.

A Business and performance

A.1 Business

Undertakings included in the SFCR

This is the single Group SFCR for Assurant Europe. It covers the business of Assurant Europe on a consolidated group basis, with AGL as the supervised parent company, and individually for the two UK incorporated insurance firms AGIL and ALL.

		Legal Form	Principle activity
EEA Supervised Group Parent:	Assurant Group Limited	Limited company	Holding company
SII Firms:	Assurant General Insurance Limited PRA firm reference number: 212375	Limited company	General insurance
	Assurant Life Limited PRA firm reference number: 202760	Limited company	Life insurance

Unless otherwise stated the information in this document should be understood to refer to the AGL group, to AGIL and to ALL.

Regulator

Assurant Europe (on a group basis), AGIL and ALL are supervised by the PRA in the UK. AGIL and ALL are also regulated by the FCA in the UK. PRA and FCA contact details are below:

Prudential Regulation Authority
20 Moorgate
London
EC2R 6DA
0207 601 4878

Financial Conduct Authority
25 The North Colonnade
London
E14 5HS
0800 111 6768

Auditor

This SFCR and the financial statements of AGIL and ALL are audited by PricewaterhouseCoopers LLP who can be contacted on:

PricewaterhouseCoopers LLP, Chartered accountants and statutory auditor
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Shareholder

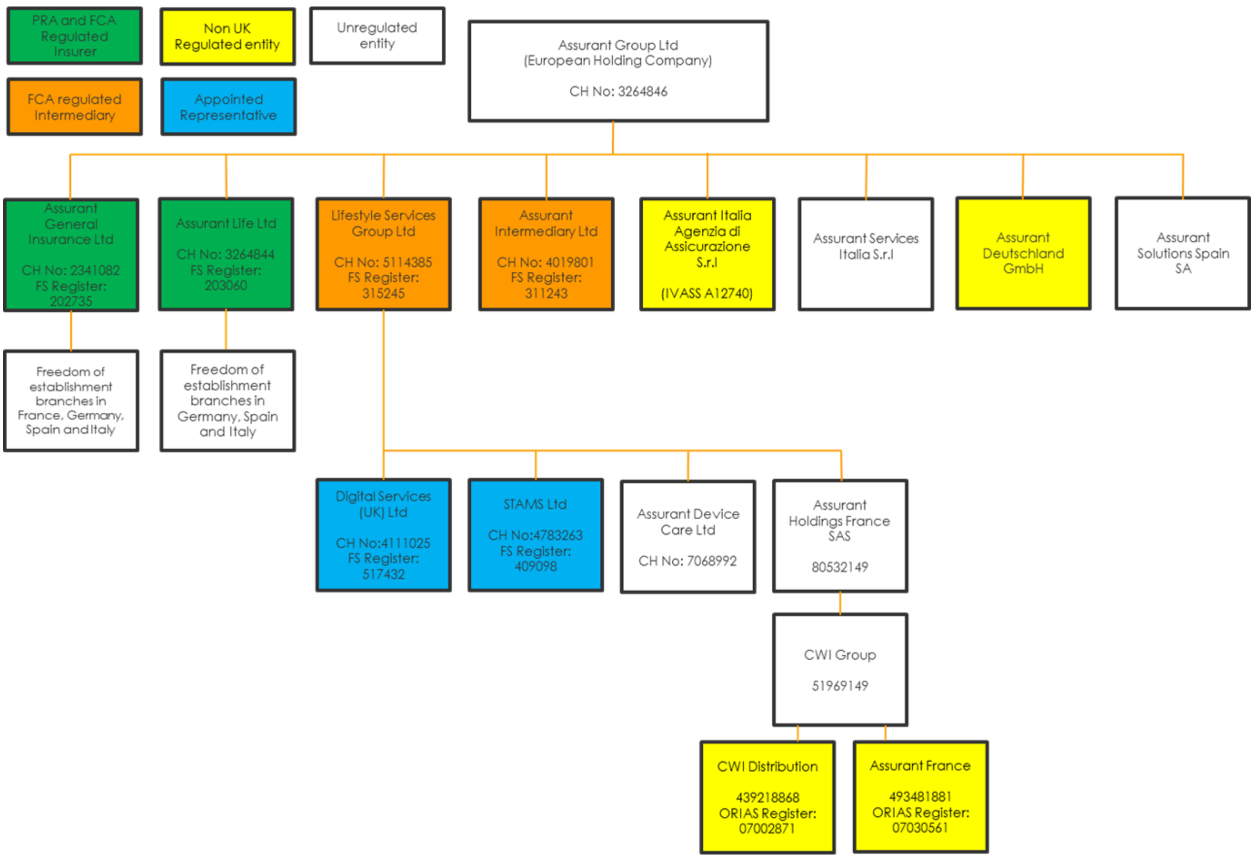
AGL directly holds 100% of the issued share capital and voting rights of AGIL and ALL.

AGL's immediate parent undertaking is Solutions Cayman, a wholly owned subsidiary jointly owned by Solutions Holdings and ABI International, registered in the Grand Cayman Islands. Solutions Cayman holds 100% of the issued share capital and voting rights of AGL.

The ultimate parent undertaking is Assurant, Inc., a publicly listed company on the New York Stock Exchange, registered in Delaware, United States of America.

Assurant Europe Group Structure

The scope of the Group included in this SFCR for the purposes of providing consolidated SII and financial statement information is shown in the table below. The chart excludes entities that are in liquidation including LSG Insurance (IOM) Limited.



Lines of Business and Geographical Areas

Assurant Europe is a mixed business of insurance underwriting, claims management and insurance administration, which it operates through companies based in the UK and Europe. Its clients are largely business clients. The Group provides extended warranty, Connected Living Device insurance and blended insurance and non-insurance “lifestyle” products.

Assurant Europe operates two UK insurance companies, AGIL and ALL. It issues service contracts through an Italian company, Assurant Services Italia S.r.l., which have some insurance properties but are not insurance contracts for Italian regulatory purposes and it operates a number of insurance service companies providing insurance administration services to corporate clients and insurance intermediary services offering general insurance products and services to UK brokers and independent financial advisors.

In addition to the above Assurant Europe continues to operate a number of creditor insurance programmes, offering unemployment, disability, death and critical illness cover. These programmes were underwritten by both AGIL and ALL, depending on the length of the policy term.

The majority of AGL’s operations are based in the UK and France and the table below shows a subset of the main operating entities. These entities are regulated by the PRA and/or FCA and by the relevant supervisor where applicable for non-UK jurisdictions.

Legal Entity	Country of incorporation and branches	Principal activity	Major lines of business
European Parent Company			
• Assurant Group Limited	• United Kingdom	• European holding company	• N/a
SII insurance entities			

• Assurant General Insurance Limited	• United Kingdom
	• Branches
	  • France
	  • Italy
	  • Germany
	  • Spain
		• General Insurance underwriter	• Fire and Other Property Damage
			• Income Protection
			• Miscellaneous Financial Loss

• Assurant Life Limited	• United Kingdom
	• Branches
	  • Italy
	  • Germany
	  • Spain
		• Life Insurance underwriter	• Health SLT
			• Other Life

Other insurance entities (not SII)			
• LSG Insurance (IOM) Limited (in voluntary liquidation)	• Isle of Man	• In voluntary liquidation • Insurance licence expired in 2016.	• Fire and Other Property Damage

Legal Entity	Country of incorporation and branches	Principal activity	Major lines of business
Insurance intermediary entities			
• Lifestyle Services Group Limited	• United Kingdom	• Intermediary and administrator for products underwritten by AGIL and other underwriters.	
• Assurant Intermediary Limited	• United Kingdom	• Intermediary and administrator for products underwritten by AGIL and other underwriters.	
• CWI Distribution SAS	• France	• Intermediary and administrator for products underwritten by AGIL and other underwriters.	
Other material service companies			
• Assurant Services Italia S.r.l.	• Italy	• Service contracts covering mobile device repair, replacement and upgrade programmes.	• Fire and Other Property Damage (service contracts deemed to have insurance properties under SII)

Other group entities not included above do not have a material impact on the Assurant Europe solvency and capital position.

Significant events during the reporting period

Establishment of Assurant General Insurance Limited branch in France

Assurant Europe acquired the CWI Group in France in October 2014 and in 2016 obtained authorisation to establish a branch of AGIL in France. AGIL France began to underwrite new Connected Living Device insurance products and other new insurance programmes in France in the second half of the year.

Volumes in 2016 were small and there was no material impact on the solvency position of Assurant Europe or AGIL in the year.

Closure of LSG Insurance (IOM) Limited

Assurant Europe operates a number of insurance programmes that were underwritten in the UK by AGIL or a third party insurer and 100% reinsured to LSG Insurance (IOM) Limited, the Group's previous Isle of Man insurance captive. This structure existed as part of the Lifestyle Services Group ("LSG") group, which Assurant Europe acquired in October 2013, as LSG had no UK underwriting authorisation.

As part of the integration of the LSG business into Assurant Europe, all reinsurance to LSG Insurance (IOM) Limited was commuted back to the original underwriter with effect from 1 January 2016. The third party UK insurer subsequently reinsured 100% of the risks it underwrites to AGIL with effect from the same date.

This had minimal effect on the Group as underwriting risks were merely transferred from one group insurance company to another, although it did give rise to a material increase in AGIL's SCR under the standard formula due to the increase in expected net earned premiums in the 12 months following the transaction. AGIL's own funds were sufficient to cover this increase and no additional capital infusion was required.

Policies that continue to be underwritten by the third party UK insurer, and reinsured to AGIL, are being transferred to AGIL's direct underwriting over time.

LSG Insurance (IOM) Limited terminated its insurance licence and was placed into voluntary liquidation in 2016 and is expected to be dissolved in 2017.

A.2 Underwriting Performance

Consolidated financial statement information in this SFCR is presented on a proforma UK GAAP basis.

AGIL and ALL prepare financial statements under UK generally accepted accounting principles ("UK GAAP"). No consolidated financial statements are prepared for the Group as AGL has taken advantage of the exemption from preparing consolidated financial statements, under the Companies Act 2006 Part 15 Section 401, as the results of the AGL group are consolidated in the financial statements of the ultimate parent undertaking Assurant, Inc., which are publicly available.

Reference to "financial statements" below should be understood to refer to audited UK GAAP financial statements in respect of AGIL and ALL and to unaudited proforma UK GAAP financial statements in respect of Assurant Europe.

The underwriting performance of Assurant Europe, AGIL and ALL by material SII line of business as reported in the proforma or audited financial statements is set out below:

Assurant Europe (proforma) Year ended 31 December 2016 £'000	Fire and Other Damage to Property	Other	General Business Technical Account	Long Term Business Technical Account	Total
Net written premiums	183,755	2,955	186,710	(520)	186,191
Net premiums earned	206,947	6,848	213,795	(520)	213,276
Net movement in long term business provision	-	-	-	3,919	3,919
Net claims incurred including claims management expenses	(124,845)	(741)	(125,587)	494	(125,093)
Net operating expenses	(83,154)	(3,177)	(86,331)	(2,128)	(88,458)
Net underwriting result before equalisation	**(1,052)**	**2,930**	**1,878**	**1,766**	**3,643**

AGIL Year ended 31 December 2016 £'000	Fire and Other Damage to Property*	Other	General Business Technical Account
Net written premiums	171,181	2,955	174,136
Net premiums earned	200,075	6,848	206,923
Net claims incurred including claims management expenses	(121,138)	(741)	(121,880)
Net operating expenses	(79,460)	(3,262)	(82,721)
Net underwriting result before equalisation	**(522)**	**2,845**	**2,322**

ALL Year ended 31 December 2016 £'000	Health Insurance	Other Life Business	Long Term Business Technical Account
Net written premiums	(278)	(241)	(520)
Net premiums earned	(278)	(241)	(520)
Net movement in long term business provision	1,311	2,609	3,919
Net claims incurred including claims management expenses	562	(68)	494
Net operating expenses	(785)	(1,343)	(2,128)
Net underwriting result before equalisation	**810**	**956**	**1,766**
Other expenses attributed to the long term business account			(383)
Tax and investment income attributed to the long term business account			(38)
Statutory balance on the long term business account			**1,345**

The analysis of the general business technical account for Assurant Europe and AGIL excludes an increase of £4,997,000 in the statutory general insurance claims equalisation reserve.

The analysis of the long-term business technical account for Assurant Europe and ALL excludes investment income and tax charges/credits that are attributed to long-term business for the purposes of statutory reporting.

For purposes of the consolidation, commission and other expenses paid by the SII insurance entities to other Assurant Europe intermediary and service companies has not been eliminated from the underwriting result and so the figures are in line with those reported in the reporting templates P.05.01 and P.05.02 in Appendix F. The equivalent commission and fee income in the intermediary and service companies and their own expenses e.g. staff wages, sub-broker commissions, overheads etc. are reported as other income and expenses and noted in section A.4 below.

Analysis of premium, claims and expenses by full SII line of business are included in templates P.05.01 for AGL, AGIL and ALL in Appendix F.

As this is the first year of reporting under SII, no comparative information has been reported.

Results and performance

Consolidated

The underwriting performance of the two SII insurers is discussed below. As previously described Assurant Europe also issues service contracts in Italy that have some insurance properties but are not insurance contracts for Italian regulatory purposes. The performance of these contracts was not material during the year.

AGIL

AGIL's net earned premiums have increased by £49,681,000 to £206,923,000. Much of this growth was due to the assumption during 2016 of all business related to Connected Living Device insurance previously reinsured to a fellow company within the AGL Group, LSG Insurance (IOM) Limited, which is now in voluntary liquidation. This transition of Connected Living Device insurance business to AGIL began in 2015, with the majority of business transferring in early 2016, resulting in significant increases in gross written premium (GWP), net earned premium (NEP) and gross claims in the year.

New business, of which the Connected Living Device insurance business represents a significant element, has contributed an additional £23,354,000 to GWP. Claims incurred, net of reinsurance have increased by £45,734,000 to £121,880,000 in 2016. of which new business represents £16,739,000 of the movement. Increased costs per claim reflect the increasing level of protection offered by AGIL and the impact of external market forces.

In addition to this significant new Connected Living Device insurance business, there continues to be focus on improving the underwriting performance of AGIL, through the acquisition of new business, focus on improved underwriting performance from key clients, reducing operating expenses and other ongoing efforts to improve profitability. AGIL continues to see a reduction overall in its creditor exposure, whilst increasing its share of extended warranty and property lines. Property lines primarily comprises of Connected Living Devices and white goods as well as the furniture and jewellery insurance (which are no longer on sale).

AGIL's performance for the year has therefore balanced the impact of assuming new business, alongside the impact of a reduced focus on creditor insurance and a reduction in property reinsurance accepted from a fellow group company in North America.

Net operating expenses have increased by £8,975,000.

- This movement includes an increase in acquisition costs incurred of £10,910,000 driven by an increase of £19,893,000 relating to increased commissions paid to a fellow group company in relation to Connected Living Device insurance business newly transferred to AGIL offset by a decrease in movement in deferred acquisition costs of £8,188,000, primarily due to AGIL no longer writing business or incurring commissions with one legacy client.
- Administrative expenses have reduced by £1,336,000 to £5,661,000. The key driver for this movement has been a reduction in costs recharged to the entity from group companies. This has been attributable to a reduction in overall costs at a Group level.
- The remainder of the increase in net operating expenses includes an increase to provisions charged to the profit and loss account of £1,191,000 to £2,125,000.
    - During the year AGIL identified a legacy issue with Product and Payment Protection products sold through our retail catalogue partners between January 2005 and May 2015, which relates to a class of business that is no longer active. The identification of this issue follows a review conducted by AGIL, a retail catalogue partner and the Financial Conduct Authority (FCA), with the conclusion being that a refund of premiums and compensation for loss of interest to policyholders would be appropriate.
    - Whilst AGIL was not responsible for the sale of this product, the entity acknowledges that it was the insurer and therefore benefitted from a small proportion of the premiums paid and therefore accepts that it is required to reimburse this element when the retailers make refunds to policyholders.
    - As at 31 December 2016 no amounts had been paid and the actual amount payable will depend on the volume of claims following a contact strategy as well as the output of the claims assessment process undertaken by AGIL and its catalogue retail partners upon each individual claim. Based on the current assessment of the potential obligation, including claims

management expenses, AGIL has made a provision of £2,125,000 and the charge is included within operating expenses.

ALL

The underwriting profit for the year with respect of the long term business was driven by a reduction in the long-term business provision, and due to reductions in the required level of provisions for claims. Future movements in claims provisions will depend on the actual claims experience.

The UK business previously written by ALL provided complementary life and permanent health insurance cover alongside creditor business written by its fellow subsidiary undertaking AGIL.

Gross written premiums are negative due to single premium cancellations. Each year, as the policies expire the level of cancellations reduces.

During the year, long-term gross premiums written in the United Kingdom and the Republic of Ireland decreased by £284,000 to £212,000, as ALL ceased writing new business or renewals in the prior year. In 2016 ALL recognised negative premium of £345,000, an increase of £311,000, in long-term creditor insurance in Germany and Italy.

Analysis by geography

All general insurance business is underwritten in Europe and all risks are located in Europe or the United States of America. All long-term business underwritten by ALL is underwritten in Europe and all risks are located in Europe.

An analysis of premium, claims and expenses by material country of risk location is provided in the template P.05.02 in the appendices.

A.3 Investment Performance

Assurant Europe's investment portfolio is a mix of longer term government and corporate bonds as well as short term investments in collective investment undertakings, being money market liquidity funds, and other short term cash deposits. In addition to the investments held to support capital required and technical provisions in AGIL and ALL, the Group may also hold surplus working capital relating to the non-insurance businesses in short term deposits. All investments are made subject to the Group's agreed financial risk policies.

Interest income is reducing as higher yielding investments purchased in the past have matured and been replaced with more recently issued bonds with lower yields as a result of the prolonged general low yield environment.

AGIL holds investments in collateralised securities, backed by personal loans and mortgages and by commercial mortgages.

Assurant Europe (proforma) £'000	Interest income / (expense)	Realised gains / (losses)	Unrealised gains / (losses)	2016 Total
Government Bonds	170	5	240	414
Corporate Bonds	1,995	885	604	3,483
Collateralised Securities	11	-	30	41
Collective Investment Undertakings	150	-	-	150
Cash and Deposits	21	-	-	21
Loans and mortgages	101	-	-	101
Total investment income	**2,447**	**890**	**873**	**4,210**

AGIL £'000	Interest income / (expense)	Realised gains / (losses)	Unrealised gains / (losses)	2016 Total
Government Bonds	116	5	295	416
Corporate Bonds	1,995	885	604	3,483
Collateralised Securities	11	-	30	41
Collective Investment Undertakings	102	-	-	102
Cash and Deposits	1	-	-	1
Loans and mortgages	-	-	-	-
Total investment income	**2,225**	**890**	**928**	**4,043**

ALL £'000	Interest income / (expense)	Realised gains / (losses)	Unrealised gains / (losses)	2016 Total
Government Bonds	53	-	(55)	(2)
Corporate Bonds	-	-	-	-
Collective Investment Undertakings	30	-	-	30
Cash and Deposits	10	-	-	10
Loans and mortgages	-	-	-	-
Total investment income	**93**	**-**	**(55)**	**38**

Investment expenses include fees payable to the investment fund manager and an allocation of costs of the Assurant Europe treasury function:

Year ended 31 December 2016 £'000	Assurant Europe Proforma	AGIL	ALL
Investment expenses	217	203	14

A.4 Performance of other activities

Assurant Europe has a significant amount of non-insurance business including commission income from acting as intermediary for third party insurers, fees for providing insurance and claims administration services and revenue and other fee income in respect of non-insurance products. These fees are generated by the Group's intermediary entities and service companies and are not part of the activity of the insurance firms.

AGIL and ALL do not have any sources of material non-insurance income. Non-insurance expenses primarily relate to realised and unrealised foreign exchange gains, which are recognised in the non-technical account in the financial statements. Both insurance firms have net assets denominated in Euros and made gains on the decrease in the value of British Pound Sterling against the Euro in the year.

Year ended 31 December 2016 **£'000**	Assurant Europe Proforma	AGIL	ALL
Commission and fee income external	60,050	-	-
Commission income from other group companies	33,744	-	-
Operating expenses	(89,403)	1,603	(370)
Non-insurance result	**4,421**	**1,603**	**(370)**

The above expenses exclude amortisation of goodwill and intangibles arising on consolidation of the group.

Assurant Europe makes use of operating leases for its principle office locations in each of the footprint countries. These arrangements are on standard commercial leases. The Group does not have any material finance leases.

AGIL and ALL do not have any leasing arrangements in place.

A.5 Any other disclosures

None.

B System of governance

B.1 General governance arrangements

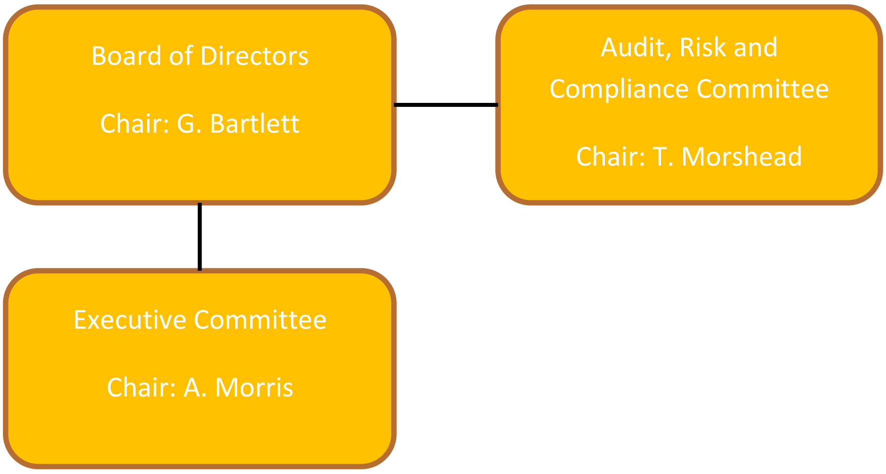
Governance Framework

Assurant Europe has organised its internal governance forums in a manner relevant to its business, having management and oversight committees to control its activities in:

- Setting and monitoring strategy and business plans;
- Managing the day-to-day activities of the business and monitoring overall business performance, including, but not limited to:

- Financial performance;
- Sales and client management
- Client interactions;
- Risk management;
- Performance against plan;
- Reporting and escalation.

The governance framework at 31 December 2016 is organised through Assurant Europe as shown below:



The Executive Committee and Audit, Risk and Compliance Committees have various sub-committees to enable them to perform their duties but retain all the responsibilities delegated to them by the Board.

Board

Structure and Membership

The Boards of AGL and each of its direct UK subsidiaries, being AGIL, ALL, Assurant Intermediary Limited and Lifestyle Services Group Limited, have identical membership save for Assurant Intermediary Limited which has the same identical membership plus one additional specialist executive director.

The following were members of the Boards of AGL, AGIL and ALL at 31 December 2016:

Director	Approved Function
A Morris	SIMF1 - Chief Executive Officer
T Clancy	SIMF2 - Chief Finance Officer
D Billings	SIMF7 - Group Entity Senior Insurance Manager
K Demmings	SIMF7 - Group Entity Senior Insurance Manager and SIMF14 - assessor of Chairman
D Vigo	SIMF7 - Group Entity Senior Insurance Manager
G Bartlett	SIMF9 – Chairman

T Morshead	SIMF11 - Chair of Audit Committee

Role and Responsibilities of the Board

The Board has ultimate responsibility for Assurant Europe's business, including approving and overseeing the implementation of the Group's strategic objectives, risk strategy, financial soundness, corporate governance arrangements, corporate values and regulatory compliance including prudential oversight.

The Board approves strategy taking into account AGL's long term financial interests and safety, and is collectively responsible for the long term success of the Group.

The role of the Board is to provide entrepreneurial leadership of the Group within a framework of prudent and effective controls which enables risk to be assessed and managed. The Board sets the Group's strategic aims, ensures that the necessary financial and human resources are in place for the Group to meet its objectives and reviews management performance.

The Board sets the Group's values and standards and ensures that its obligations to its shareholders and others are understood and met.

The Board ensures that that the Group's organisational structure facilitates effective decision making and good governance. This includes setting and enforcing lines of responsibility and accountability which define clearly the key responsibilities of the Board itself as well as of senior management and the control functions. It is the responsibility of the Board to ensure that the control functions are properly positioned, staffed and resourced and are carrying out their roles independently and effectively.

The Board oversees senior management, monitors that senior management's actions are consistent with the strategy and policies approved by the Board, including risk appetite and tolerance, and questions and reviews critically reports and explanations from the senior management team.

Executive Directors have an intimate knowledge of the Group, whereas Non-Executive Directors bring a wider perspective; with relevant skills and experience of best practices they have a key role in constructively and independently challenging the Board and helping to develop strategy and business plans.

The Non-Executive Directors also scrutinise the performance of the Executive in meeting agreed goals and objectives and monitor the reporting of performance. They satisfy themselves on the integrity of financial information, and that the Group's financial controls and systems of risk management, are rigorous and robust.

Audit, Risk and Compliance Committee "ARCC"

To increase efficiency and achieve a deeper focus on financial soundness, risk and compliance, the Board has established a board-level ARCC. The ARCC is chaired by an Independent Non-Executive Director. Formal and regular ARCC meetings are held which include regular reports from Risk, Compliance, External Audit, Internal Audit and Actuarial.

The ARCC's key responsibilities include:

- assessing the integrity of the annual report and accounts;
- scrutiny of internal financial systems and control and risk management systems;
- oversight of AGL's internal and external auditors;
- recommending the remuneration and terms of engagement of the external auditors to the Board;
- oversight of the solvency and capital position of the Group;
- ensuring compliance with legal and regulatory requirements; and
- managing the whistleblowing and fraud investigation process.

Executive Committee "ExCom"

The CEO of AGL is supported by a group of key senior individuals who have functional responsibilities. Collectively they compromise the ExCom and are responsible for overseeing the management of AGL:

- Chief Executive Officer (Chair)
- Chief Financial Officer
- Senior European Compliance Officer
- European Legal Director
- Chief Risk Officer
- Senior HR Director
- Director of Solutions and Technology
- Customer Service Director
- Strategic Partnerships Director
- Digital Director

The Committee ensures that AGL's activities are consistent with the business strategy, risk tolerance/appetite and policies approved by the Board, in order to assist the CEO to discharge his responsibilities.

The Committee manages business functions under their supervision as well as controlling the key individuals in their areas, and has considerable influence over AGL's corporate governance by determining the items to be recommended to the Board for a decision, setting the "tone from the top" and providing oversight of those it manages.

The Committee does review performance against AGL's business plan and budget, and ensures that its activities are consistent with business strategy and risk tolerance. The Committee is responsible for delegating duties to management and for establishing a management structure that promotes accountability.

The Committee is responsible for implementing appropriate systems for managing risks – both financial and non-financial – to which AGL is exposed. This includes an effective system of internal management controls in accordance with the AGL Risk Management Framework.

The Committee does consider organisational wide issues affecting more than one business unit or function that warrant consideration, and discharges any other function delegated to it by the Terms of Reference of any other committee or the Board.

Key Functions

A Fit and Proper Person framework is followed to ensure functions are led by appropriately skilled people. In addition to the Directors listed in above, the following officers have also been approved by the appropriate UK regulatory bodies as at 31 December 2016 and all are subject to Assurant Europe's Fit and Proper policy:

Approved Person	Provider where not Assurant Europe Employee	Approved Function
R Moorehead-Lane	Assurant, Inc.	SIMF4 - Chief Risk Officer
D Dufek	Assurant, Inc.	SIMF5 - Head of Internal Audit
K Moore	Steve Dixon Associates LLP	SIMF20 - Chief Actuary (AGIL)
A Carr	Steve Dixon Associates LLP	SIMF20 - Chief Actuary (ALL)
C Clarke	N/a	SIMF21 - Chief Underwriting Officer
M Carter	N/a	Key Function Holder - HR
R Weddell	N/a	Key Function Holder - Compliance
K Crompton	N/a	Key Function Holder - Legal
J Jennings	N/a	Key Function Holder - IT
N Paddock	N/a	Key Function Holder - Company Secretarial
C Graham	N/a	Key Function Holder - Country Manager
A Auer	N/a	Key Function Holder - Country Manager
M Prada	N/a	Key Function Holder - Country Manager

All key functions report to the Board or to a SIMF.

Material changes in governance structure

There have been no material changes in the governance structure during 2016.

Remuneration Policy

Assurant Europe's ExCom oversees remuneration policies and procedures for all staff below Executive level. Executive incentive plans and remuneration policies are governed at an Assurant, Inc. level by people with knowledge of relevant UK laws and regulations. For this reason, there is no UK based Remuneration Committee.

Assurant Europe places great value upon the contributions, skills and expertise of our employees and recognises the need to attract and retain the best talent to drive business performance. The remuneration policy not only helps to ensure that the Group has employees with the right skills and qualifications, it also recognises the importance of aligning incentives to encourage appropriate decision making and alignment with the business' objectives and risk management strategy.

Assurant Europe's remuneration policies and practices seek to provide incentives to employees that are within the approved risk tolerance limits of the European Group and do not undermine the effective risk management of the Group. It is therefore necessary to provide for requirements on remuneration for the purposes of the sound and prudent management of the business and establish remuneration arrangements which do not encourage excessive risk-taking.

Variable remuneration is performance related; the total amount of the variable remuneration is based on a combination of the assessment of performance of the Group and the individual. The performance of the Group always outweighs the performance on the individual to ensure appropriate variable remuneration decision making is made.

There are a number of variable remuneration programmes which cover both short and long-term incentive plans. The programme periods and deferral in respect of the short term programmes is in line with the short term nature of the insurance liabilities the business writes or are linked to client contracts. Each variable remuneration programme has a different scope of employees and performance measurements. Variable remuneration programmes are aligned to the nature of the role and key responsibilities.

Employees are only eligible to participate in one of the short-term incentive plans. Variable remuneration as a percentage of total direct compensation shall not exceed 100% of salary.

The deferral periods for the awards are considered to be appropriate and proportionate to the nature of the Assurant business and to the length of the risk profile described above.

Non-European based Directors receive no variable remuneration based directly on the performance of Assurant Europe, their remuneration being linked to the performance of the wider Assurant, Inc. group. Non-Executive Directors receive no variable remuneration.

Transactions with shareholders, with persons who exercise a significant influence on the undertaking, and with members of the administrative, management or supervisory body

During the year, AGL repaid £18,000,000 of subordinated loan notes issued to ABI International, another Assurant, Inc. group company and intermediate parent of AGL. The transaction was notified to and approved by the PRA.

B.2 Fit and proper

Assurant Europe must be able to demonstrate that it employs people who are fit and proper for the professional discharge of the responsibilities allocated to them, to assist in driving the appropriate culture in the business to minimise risk and to ensure sound and prudent management of the business.

Assurant Europe acknowledges that fitness and propriety across the business is essential for commercial reputation and customer confidence as well as regulatory compliance. This is ensured by operating consistent procedures during recruitment, and ongoing employment, to be satisfied that an individual:

- will be open and honest in their dealings and is able to comply with the requirements imposed upon them (honesty, integrity and reputation)
- has the necessary knowledge, skills and experience to carry out the function they are to perform (competence and capability)
- is financially sound (financial soundness).

The Group operates a robust recruitment process and carries out the appropriate due diligence on all candidates. Anyone who is being assessed to perform in a SIMF or KFH role is subject to a rigorous review of their fitness and propriety against the role requirements. All assessments with a fit and proper requirement are supported by an HR professional.

The following supporting evidence for every appointment is maintained: CV, Role Profile, and interview notes. For a prospective candidate to be passed as 'fit and proper', in addition to comprehensive interviews, additional checks include: credit checks, checks from the Disclosure and Barring Service (DBS) or Disclosure Scotland, or Access Northern Ireland, proof of qualifications, two references covering at least five years' previous employment; and self-certification regarding Conflicts of Interest.

For appointments for role holders based outside of the UK, similar checks are carried out locally which are aligned to appropriate legislation.

If the results of any screening are ambiguous and/or give cause for concern, the matter is raised with the prospective candidate to obtain a satisfactory explanation. Concerns are escalated to, and discussed with, the Senior European Compliance Officer, or the Chief Risk Officer. If screening concerns cannot be satisfactorily resolved, any offer of employment is withdrawn.

B.3 Risk management system including the ORSA

Risk Management System

Assurant Europe employs an enterprise wide approach to its Risk Strategy in order to embed a comprehensive and consistent risk management methodology. The objective of Assurant Europe's Risk Strategy is to establish a rigorous Risk Management Framework to ensure that the principles of good risk management are embedded throughout Assurant.

To this end the management of the organisation at all levels are required to be risk aware and understand that Risk Management is part of all employees responsibilities in delivering the business objectives in an efficient and effective manner in line with an agreed and established risk appetite and enterprise vision and values.

Risk Strategies

AGL adopts a number of risk management strategies to ensure that the group's Risk Appetite is not exceeded. The choice of strategy varies depending on the nature of the risk and related circumstances. These strategies include:

- Risk acceptance: the AGL Board accepts risks that fall within the boundaries/limits defined in the risk appetite framework. Any risk falling outside the specified limits or boundaries is reviewed to ascertain if the risk appetite requires updating or if an exception should be granted.
- Risk reduction/minimisation: these activities generally relate to control and mitigation activities, and therefore this strategy may include, any or all of the following, the design of new process or accounting controls, contracting controls, changes in product design, improvement in a set of Terms and Conditions, or other changes designed to control and/or mitigate risk.
- Risk transfer: risk is transferred principally through reinsurance agreements. These may include, but are not limited to stop loss, excess of loss, quota share, or other such treaties. Other types of risk transfer can also be considered.
- Risk Avoidance: where an activity is outside the risk appetite of the AGL Group, AGL will seek to avoid exposure to that type of risk.

Process

AGL works within the three lines of defence model and reinforces the requirement for first line management of risk, with oversight and challenge from the second line risk and compliance functions and third line internal audit function:

Enabling Risk Culture	Oversight	Board and Executive	• Establishes risk appetite and strategy • ARCC - Approves risk framework and challenges risk management function	Risk Management Framework and Process Alignment
	3rd Line of Defence	Internal Advisory Services (Internal Audit)	• Provides independent assurance on the effectiveness of first and second line of defence functions	
	2nd Line of Defence	Risk Management Function Compliance Function	• Design, interpret and develop overall risk management framework • Overview of AGL Risk Registers • Ownership of ORSA Process and Output • Monitor controls in place against key risks • Challenges risk mitigation and acceptance • Reports on Risk exposures, Issues, mitigations and resolutions.	
	1st Line of Defence	Business / Functions	• Executive Risk Owners • Owner of the risk management process • Identifies, manages and mitigates risks • Identifies, manages and reports on Issues	

Assurant Europe has implemented a robust governance structure around Risk Management that is proportionate to the scale and complexity of the group.

Business areas are responsible for completing a Risk and Control Self-Assessment or RCSA which contributes to the Risk Register of the business. They update the risk registers on a periodic basis defined in the risk register process, using measurement techniques specified in Assurant's Risk Management Framework.

Management are given authority to manage risks to within the agreed risk appetite. The monitoring processes and controls that operate over the organisation will be complementary to the processes and controls used by the Risk organisation and its committees.

The risk management processes and systems of the Group are combined and there are no separate processes for just AGIL and ALL separately. This includes the ORSA process. Assurant Europe has obtained a waiver from the PRA allowing a single group ORSA process. This process covers all the necessary requirements for each SII insurance firm had it been performed on a standalone basis.

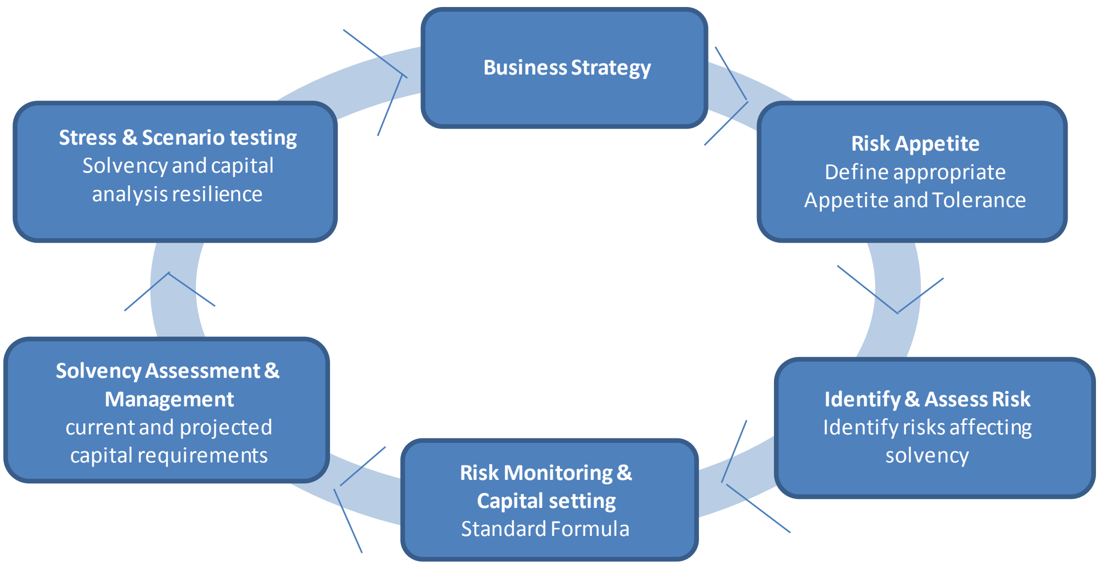
The ORSA is not something separate to the Risk Management Framework ("RMF"), but an integral tool to describe the whole risk to the business and, by implication, the ability of the business to meet the funding requirements of its overall business plans including its on-going liabilities now and into the future.

The ORSA Policy states that the principle objective of the ORSA is to "…define how Assurant Europe ensures that it is able to maintain appropriate levels of capital to support its short and long-term risks, which are created through it pursuing its business plan, and be able to do so on a continuous basis".

In general the "ORSA process" is one of coordinating with many areas of the business to ensure that the information, data and calculations are available for reporting through to the Results and ensuring that key stakeholders are available to review and comment on the ORSA outputs (this Approach and the Results).

The process is owned and operated by the Risk Function, which has access and continuing understanding and control of many of the key elements that go to make up the ORSA.

ORSA Process



B.4 Internal control

Assurant Europe's internal control system is designed to provide reasonable assurance that its financial reporting is reliable, it is compliant with applicable laws and regulations and its operations are effectively controlled.

The Board is ultimately responsible for overseeing and maintaining the adequacy and effectiveness of the risk management and internal control systems. In practise the oversight and management of these systems necessarily involves participation of the Board, the ARCC, the ExCom, senior management, Risk, Finance, Compliance, Legal, business managers, various committees and Internal Audit.

Primary responsibility for ensuring day-to-day oversight of the internal control system lies with the relevant Senior Insurance Manager Functions (SIMFs) and Key Function Holders.

Assurant Europe promotes the importance of appropriate internal controls by:

- ensuring that all personnel are aware of their role in the internal control system as per the Governance Map and Fit and Proper Policy;
- ensuring a consistent implementation of the internal control systems across the Group; and
- establishing monitoring and reporting mechanisms for decision making processes. Please see Risk Management and Controls section above for the brief description of the internal control systems relating to the risk function.

Assurant Europe has a Public Disclosure and Supervisory Reporting Policy, Risk Management Policy, Underwriting and Reinsurance Policy, Capital Management Policy, Internal Audit Policy, Outsourcing Policy, Compliance Policy, Fit and Proper Policy and Governance Map which set out its internal control systems in more detail.

Compliance

Assurant Europe operates within a financial services regulatory regime in Europe. The regulators define the standards required within a business via their rules and guidance, which cover key areas around customer protection and sustainability – with expectations that these principles are embedded in the culture of the business, driven from the top of the organisation and managed via robust governance frameworks. All Assurant Europe employees are required to have an awareness of the requirements on them within their role to ensure the business meets the standards required in both letter and spirit, with some Senior Management having specific accountabilities and obligations to the regulators.

Good compliance standards and risk management helps the business build trust with customers, and other stakeholders, and promotes a culture where positive individual behaviours ensure the customer is at the heart of the systems and controls which enable good customer outcomes and the identification/mitigation of poor practice.

Assurant Europe's Compliance function's purpose is to ensure that the Group meets the regulatory requirements in the jurisdictions in which it does business. Through engagement with the business leaders and a variety of activities and processes to identify, assess, control, measure, mitigate, monitor and report compliance risks across the Group as a part of its oversight and administration of the Compliance Plan, the Compliance function ensures a strong regulatory compliance culture within the Group.

The function operates independently from the business and is part of Assurant Europe's second line of defence, which specifically provides advice on regulatory requirements and assurance regarding the effectiveness of first line controls. It is led by the Senior European Compliance Officer who reports directly to the International Compliance Officer of the parent group and also has direct access to the Board and ARCC in order to assist with management of any conflicts of interest. The Senior European Compliance Officer provides regular updates on the Compliance monitoring activity to the Executive Committee, the ARCC and the Board.

The Compliance function also owns and develop Assurant Europe's relationships with key regulators, including the FCA and PRA, which includes taking a forward looking view to manage regulatory change.

B.5 Internal audit function

Reporting to the Chief Internal Auditor of the parent, Assurant, Inc., and to the ARCC, the Internal Audit Services function ("IAS") are responsible for regularly assessing the adequacy of the internal controls system of the AGL group and its subsidiary companies and reporting the findings to the Board (via the ARCC). The bi-annual audit plan is prepared and submitted to the Board of Directors and ARCC each six months for review and approval. Upon approval, IAS distributes the plan to Executive business leaders and executes the plan during the course of the audit plan period. Additionally, at IAS' discretion or at the request of the ARCC, or management other unannounced audits may be completed.

IAS personnel report directly and solely to the Chief Audit Executive ("CAE") of Assurant, Inc. and the CAE reports directly to the Chair of the Assurant, Inc. Audit Committee; and administratively to Assurant, Inc.'s Executive Vice President and Chief Legal Officer.

The internal audit reporting structure and the charter allow IAS to be independent of the functions audited; and it provides IAS full, free and unrestricted access to all operations, records, property and personnel. Additionally, it provides the authority to allocate resources, set frequencies, select subjects, determine scope of work, and apply the techniques required to accomplish audit objectives.

In executing the audit plan, IAS' methodology planning phase focuses on the independence of its staff undertaking any audit engagement. IAS personnel are not permitted to work in a business function or activity within which they have held responsibilities in the previous twelve month or during the timeframe covered by the engagement. Further, to maintain the independence and objectivity of IAS, management remains responsible for making the final decision on accepting and implementing any advice given.

B.6 Actuarial function

Reporting to the Assurant, Inc. actuarial function, the Assurant Europe actuarial function is responsible for calculating the technical provisions and claims reserves for Assurant Europe. It also calculates the SCR, MCR and ORSA capital on a regular basis. In addition to these key responsibilities, the actuarial function is also responsible for reviewing and calculating the appropriateness of insurance product pricing and contributing to the governance committees, capital initiatives and regulatory returns where appropriate.

AGIL and ALL currently outsource their Chief Actuary roles to ensure that the Chief Actuaries have the knowledge and experience, are appropriately qualified and have the appropriate level of skill necessary to perform this function in accordance with applicable professional and technical standards.

The Chief Actuaries coordinate the calculation of technical provisions, provide opinions on the underwriting policy and reinsurance arrangements, and contribute to the effectiveness of the risk management system.

The Chief Actuaries provide annual reports to the ARCC detailing the methodology, assumptions and results of their work for approval. ARCC is responsible for challenging those assumptions and ensuring that they are appropriate and not unduly influenced by management. The Chief Actuaries also have access to the independent Non-Executive Directors to escalate any issues or concerns.

B.7 Outsourcing

AGIL and ALL operate as part of the overall Assurant Europe group that is supervised on a group basis by the PRA. AGIL and ALL have no employees and all services are provided by other Assurant Europe group companies. The Board of AGL, the European group parent, and of AGIL and ALL are the same and as such these are not considered to be outsourced arrangements.

Many of Assurant Europe’s processes are part of wider Assurant, Inc., global activities and staff working and employed in the European business have responsibilities for the European organisation but also report up through the global enterprise structures. Similarly there are employees of the Global enterprise who perform activities on behalf of the European business. These processes include IT services.

Where such activities relate to critical functions, including Internal Audit and Risk where the SIMFs are employees of the Assurant, Inc. group as described in the previous sections, those employees are also directly responsible to the European board for activities performed on behalf of the European business and are therefore also not deemed to be outsourced arrangements.

Assurant Europe regularly makes use of third party organisations to provide goods and services to the business in various areas. From time to time Assurant Europe will choose to source services from third parties or from group companies that would normally be provided internally by the Group itself.

The rationale for this choice is frequently reviewed to make the business more efficient and/or bring innovation and new ideas into the business. However, while Assurant Europe can engage a third party to provide the service, Assurant Europe retains responsibility for ensuring that appropriate performance and quality standards are both set and achieved by the provider and that the services by design and performance deliver fair customer outcomes.

The Outsourcing policy sets out the standards and controls required for selection of providers of this type of arrangement as well as the requirements for ongoing management of these relationships to ensure adequate oversight and governance of performance of the services.

The Assurant Europe Outsourcing policy ensures that Assurant Europe only outsource services and processes where the risks associated with the relationship and provision of services can be appropriately managed and the service provider (third party or intra-group) can meet our required customer and regulatory obligations and mitigate any risk exposure in the areas of concentration risk and operational risk. Furthermore, any consideration of outsourcing a function or activity will be subject to detailed consideration and a detailed business case requiring executive committee approval before proceeding.

Critical and key functions that are outsourced:

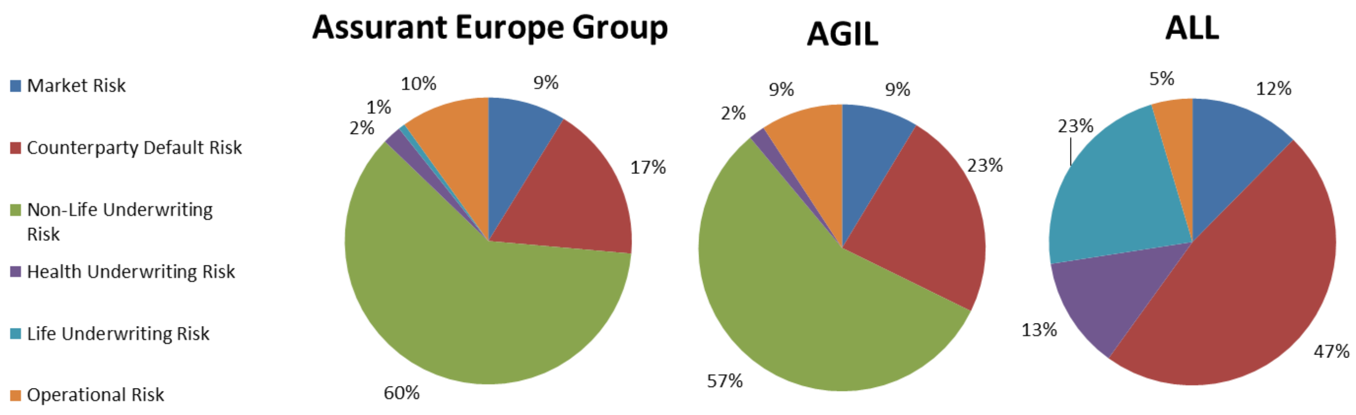
Outsourced function	Jurisdiction of service provider
Actuarial Function	UK
Investment management	UK, USA
Claims management	EU

B.8 Any other disclosures

None.

C Risk management

The main risks Assurant Europe, AGIL and ALL are exposed to are underwriting risk followed by credit risk due to counterparty default. The charts below show the distribution of the SCR required for the Group and each SII insurer by risk module (excluding the diversification effects between the risk modules).



Each risk type is considered below in turn.

C.1 Underwriting risk

Underwriting Risk is defined as the financial and contractual risks involved when writing or administering insurance policies. Unmitigated, the risk exposure would have a large, material impact on the total risk exposure of Assurant Europe.

Measures used to assess underwriting risk

Premium Risk, the risk that premiums are not sufficient to cover actual claims costs and expenses and to provide Assurant with an appropriate return for the risk taken:

- Expected premiums, claims and expenses (commissions and other acquisition costs, costs to service policyholders and fulfil claims and overheads) are projected three years ahead as part of the annual operating plan and forecast process. Variances between forecast and actual results are reviewed monthly by the senior management team and quarterly by the Board and actions identified and assigned.
- The impact of the 3 year plan on the Group's, AGIL's and ALL's future solvency and economic capital position is modelled through the annual ORSA process.
- All new business proposals are assessed by the Pricing team against target returns on capital and approved by a committee comprising at least one Executive Director and representatives from Risk or Compliance.

Reserve Risk, the risk that claims reserves are insufficient to cover the actual costs of claims that have been incurred:

- In calculating the estimated cost of unpaid claims, the Group uses a variety of estimation techniques, generally based upon statistical analyses of historical experience, which assumes that the development pattern of the current claims will be consistent with past experience. Allowance is made, however, for changes or uncertainties which may create distortions in the underlying statistics or which might cause the cost of unsettled claims to increase or reduce when compared with the cost of previously settled claims.
- The run –off of historic claims reserves is reported to the ARCC annually and the cost of any potential reserve increase is included in the annual ORSA process.

Underwriting risk exposure is also assessed and quantified in Assurant Europe's Standard Formula solvency capital requirement calculation which is completed quarterly.

Material underwriting risks

Non-Life and Health Not Similar to Life Techniques

- Assurant Europe issues non-life insurance policies through AGIL but also considers the service contracts issued in Italy to have risks similar to that of non-life insurance and treats them as such for the purposes of risk management.
- Fluctuation in the frequency and severity of insured events, both relating to policies that were underwritten in the period and to unexpired policies from previous periods, present the most material elements of underwriting risk for Assurant Europe.
- Non-life business includes creditor policies (covering sickness, disability and unemployment), extended warranty contracts (covering mechanical breakdown) and property policies (covering loss, theft and accidental damage) where the actual experience could vary significantly from that anticipated when the policy was originally priced.
- In respect of non-life contracts, the business underwritten is short tail compared to other general insurance businesses. Claims are reported and decisions made quickly, especially for Connected Living Device and other property insurance claims. Speed of payment of claims reduces the uncertainty surrounding the ultimate claim amounts and reduces the exposure to Reserve risk.

Life and Health Similar to Life Techniques Business:

- ALL issued creditor policies, classified as Life business, of up to 10 years in length where the actual experience could vary significantly from that anticipated when the policy was originally priced. As ALL is not currently writing new business it is not in a position to make changes to future premiums to offset adverse performance of previously underwritten products. However, it is still able to control premium and reserve risk through appropriate claims control and reserve risk through setting appropriate reserves.

Risk management

Assurant Europe’s underwriting and reserving policy applies to all companies within the Group. In general, the risk appetite of Assurant Europe is to limit the time period for exposure on underwriting risk to less than one year. Where we accept risk beyond one year, this will be in exchange for a higher anticipated financial return.

Assurant Europe has a range of contractual mitigations included within contracts. These allow for Assurant Europe to re-price contracts for new business and renewals and therefore reduce underwriting risk in different scenarios including unexpected financial performance, change of product or processes by the client, impact of regulatory change or change in the supply chain market environment.

Due to the nature of the primary business lines insured, it is continually necessary to scan the horizon for emerging risks with regards to changes in customer behaviour and changes in technology. Assurant Europe’s commercial contracts contain controls to protect against any future change in the landscape.

Concentration of underwriting risk

The Group’s and insurance firms’ policies are held by individuals across a number of geographic areas and it is not exposed to significant insurance concentration risk.

Assurant Europe does not have any material exposure to catastrophe risk.

Risk mitigations

Assurant Europe’s use of risk mitigation techniques is set out in its Underwriting and Reinsurance Policy.

The Group will consider reinsurance in the following cases:

- The distributor or client of policies issued by AGIL or ALL, requests Assurant Europe cede insurance risk to a third party including to a client’s captive.
- To maximise capital efficiencies in relations to applicable regulatory and internal capital requirements including reinsurance to other Assurant, Inc. group firms.
- To reduce the volatility of Assurant Europe’s portfolio by reducing aggregation risk and overall levels of exposure.
- Assurant Europe wishes to utilise reinsure expertise for a contract AGL deems outside of the Group’s risk profile.

The Group will consider any level of risk transfer as is appropriate to the situation.

All reinsurance must meet the selection criteria set out in the Underwriting and Reinsurance policy in order for the risk mitigation to be recognised in Assurant Europe’s capital calculations.

The Chief Underwriter assesses the risk transfer and the effectiveness of the risk mitigation. In completing the assessment consideration is given to all related contracts and the overall economic reality of the deal to ensure that risk transfer is not undermined by other arrangements e.g. a profit/loss share transferring a significant proportion of the risk back from the reinsurer to the cedant. All new reinsurance arrangements are approved by the Underwriting Committee.

Performance of reinsurance contracts is monitored through regular reporting to management and, where appropriate, the ARCC.

Assurant Europe does not normally seek to utilise risk mitigation techniques other than reinsurance. Should situations arise where other risk mitigation techniques are considered or present a significant opportunity these will be subject to a full business case review and Underwriting Committee approval.

C.2 Market risk

Market risk is defined as the risk of loss or of adverse change in the financial situation resulting, directly or indirectly, from fluctuations in the level and in the volatility of market prices of assets, liabilities and financial instruments.

Measures used to assess market risk

The Group is exposed to market risk and exposures are monitored by the ARCC. The factors that are likely to affect market risk include, but are not limited to, large fluctuations in, or changes to, interest rates, volatility in foreign exchange markets, sudden inflation/deflation, recession, conflict (war, terrorist attack), and political instability.

Management of the AGIL and ALL investment portfolios is outsourced to the investment managers, which operate within the agreed mandates set in accordance with the risk appetite and subject to the prudent person principle. The Assurant Europe Treasury function is responsible for monitoring the activities of the investment managers, as well as monitoring and reporting on performance. Material deviations from the mandate or expected risk appetite are escalated through the Assurant Europe system of governance and to the ARCC and Board if appropriate.

The Group's, AGIL's and ALL's solvency and economic capital positions are modelled through the annual ORSA process. Market risk exposure is also assessed and quantified in Assurant Europe's Standard Formula solvency capital requirement calculation which is completed quarterly.

Material market risks

Assurant Europe does not seek market risk as a means to increase revenue or profit. Market risk is a necessary aspect of managing the solvency of the business. AGL is tolerant of market risk as a mechanism to fund policy liabilities and contribute to the growth of surplus and maintenance of capital requirements.

Included within market risk are:

Interest Rate Risk	The fair value of Assurant Europe's portfolio of fixed income securities is inversely correlated to changes in the market interest rates. Thus if interest rates fall, the fair value of the portfolio would tend to rise and vice versa.
Currency Risk	Assurant Europe operates in the UK and in other European countries, via branches, and is also part of a wider United States group. Accordingly its net assets are subject to currency risk. The primary foreign currency exposures are to Euro and United States Dollar. If the value of Sterling strengthens then the value of the non-Sterling net assets will decline when translated into Sterling. Assurant Europe incurs currency risk in two ways: • Operational currency risk - by holding assets and by underwriting liabilities in currencies other than the currency of the primary environment in which the business units operate (non-functional currencies) • Structural currency risk - by operating overseas branches where the currency of the primary environment differs to that of the principal business and being part of an international insurance group
Spread Risk	Spread risk does present a material risk to the business but is closely managed by the use of a suitably diverse investment portfolio. Market value movements or losses caused by the early close out of investments are not considered to be of sufficient materiality to impact solvency.
Property Risk	The Group, AGIL and ALL had no exposure to property risk in the year ended 31 December 2016.
Equity Risk	The Group, AGIL and ALL had no exposure to equity risk in the year ended 31 December 2016.

Risk management

The investment portfolio is structured so that asset quality is a primary feature rather than investment return. As a result the portfolio is limited to Government Bonds, Sovereign and Sub-Sovereign debt, Collateralised Securities and investment grade Corporate Bonds which are actively traded.

Investments are required to be above investment grade (BBB-) at purchase. Those that fall below investment grade subsequently are investigated with subject matter experts and the costs of early exit are assessed.

The AGL Board use Assurant Asset Management and Aberdeen Asset Management Limited to manage the investment portfolio. The Group’s requirements for the management of its investment portfolio are stipulated in the Investment Management Agreement with the appointed investment managers.

The investment portfolio mandates reflects AGL’s risk appetite to mitigate spread risk, and investments are diversified by industry, allocation and quality. The investment managers are given parameters against which they are measured quarterly.

Market risk to the investment portfolio is considered in real time. Risks to the value of investments are discussed quarterly with the investment managers.

Operational and structural currency risk is managed within the Group by broadly matching assets and liabilities by currency. Currency balance sheets are prepared and reviewed by management quarterly.

Concentration of market risk

Concentration of market risk arises when too much exposure is held in assets which respond to similar risk factors. As noted above, Assurant Europe seeks to diversify its market risk exposure and thereby limits concentration of market risk.

Prudent Person Principle

Assurant Europe's investment practices incorporate the principle of 'Prudent Person'. Accordingly the Board requires that the investment manager appointed to manage the investment portfolio only invests in assets and financial instruments whose risks Assurant Europe can properly identify, measure, monitor, manage, control and report, and appropriately take into account in the assessment of its overall solvency needs performed as part of the ORSA.

Risk mitigation techniques used for market risk

Assurant Europe does not use any derivatives or other specific risk mitigation instruments to manage its market risk exposure.

C.3 Credit risk

The Group, AGIL and ALL are exposed to credit risk via:

- default or delay in payments due upon cash;
- reinsurance counterparties failing to meet financial obligations or entering into restructuring arrangements that may adversely affect reinsurance recoveries; and
- default or delay of repayment of loans and receivables.

Assurant Europe considers the credit risk of holding assets in interest bearing investments as part of market risk. Refer to the market risk section above for further information.

Measures used to assess credit risk

Exposures to all counterparties are analysed each quarter and assessed and quantified in Assurant Europe's Standard Formula solvency capital requirement calculation. The output from the resulting analysis is presented to the ARCC, detailing any material changes from the previous period.

Material credit risks

Assurant Europe's maximum exposure to credit risk is represented by the values of financial assets included in the balance sheet at any given point in time. See also section D1 for details of the financial assets for Assurant Europe, AGIL and ALL at the reporting period end.

Risk management

Assurant Europe holds cash balances with a number of banks within Europe but diversifies its exposure to ensure that any bank failures do not materially impact liquidity. This includes holding cash in highly liquid money market funds with next day access which Assurant Europe treats as a counterparty exposure.

Holdings must follow the Financial Risk Policy, which requires cash holdings to be held in counterparties classified as investment grade or above by the main ratings agencies of Moody's, Fitch and/or S&P.

Third party reinsurers are required to be credit scored at 'A' (or equivalent) by two out of three of the main rating agencies (Fitch, Moody's or S&P) or be SII regulated in the EU, and in compliance with their solvency capital requirements, in order to be accepted unless appropriate collateral is provided to mitigate the exposure.

The Group extends payment terms to clients and will have significant amounts due from clients from time to time.

Concentration of credit risk

Clients for the UK Connected Living Device insurance programmes with UK banking clients generally represent the biggest credit exposures outside of cash holdings, but these can vary significantly, not only from client to client, but from time to time. As Assurant Europe has a number of UK banks who are clients as well as providing the Group, AGIL and ALL with banking services, concentration of credit risk is also monitored across asset classes.

Investments in structured entities - collateralised securities and money market funds

The Group invests in collateralised securities and funds managed by external specialist investment managers where investments are pooled within an investment vehicle to provide a diversified exposure to particular classes of underlying investments.

The use of these products allows the Group to broaden the diversification of its investment portfolio in a cost efficient manner.

Risk mitigation techniques used for credit risk

Assurant Europe does not use any specific risk mitigation techniques in respect of credit risk.

C.4 Liquidity risk

Liquidity risk is defined as the risk that Assurant Europe will have insufficient liquid assets available to meet liabilities as they fall due.

Measures used to assess liquidity risk

Liquidity risk is managed by the Group's Treasury management team. Future working capital and regulatory capital requirements are forecast monthly. Annually the AGL Board conducts stress testing scenarios to examine the effect on liquidity levels of various adverse business conditions.

Material liquidity risk

Assurant Europe's exposure to liquidity risks is related to its ability to convert and access its assets, and in particular its bond portfolio, collective investment fund (money market) holdings, deposits and cash and cash equivalents.

The AGIL bond portfolio primarily comprises a mixture of UK government securities and corporate bonds with investment grade ratings. The ALL bond portfolio comprises only German government securities. All the securities are in active markets and should be convertible into cash with 5 working days.

Investments in collective investment undertakings are in highly liquid money market funds with next day access.

Deposits other than cash equivalents comprise short term, up to 30 day bank deposits which are accessible in shorter timescales if necessary. Early access would only result in the loss of more favourable interest returns.

Risk management

The Group holds significant cash balances with a number of banks within Europe, but diversifies its exposure to ensure that any bank failures do not materially impact liquidity. Bank cash holdings must follow the liquidity and concentration requirements set out in the Financial Risk Policy.

AGL seeks to maintain assets in classes which can be realised into cash easily with minimal impact on asset valuation. All investible assets should be readily realisable and convertible into cash within 5 working days.

Concentration of liquidity risk

The Group has taken action to diversify the risk to assets, accurately forecast cash flow and future liabilities and maintain access to funding from its US parent in order to mitigate liquidity risk.

ALL holds a significant amount of cash in a single euro money market fund in order to diversify credit risk. This does give rise to a concentration of liquidity risk should a large number of investors in the money market fund all wish to remove their investment at the same time and the fund manager were not able to liquidate sufficient assets to satisfy all the requests. The fund is however highly liquid, with significant investments in cash holdings, cash equivalents and securities traded in active markets and therefore the risk is not considered material.

Risk mitigation techniques used for liquidity risk

Assurant Europe does not use any specific risk mitigation techniques in respect of liquidity risk.

Expected Profit in Future Premium

As required by Article 260(2) of the SII Directive, Assurant Europe calculated the amount of expected profit in future premiums included in the calculation of best estimate technical provisions.

At the end of the reporting period the amount of expected profit in future premiums was as below:

As at 31 December 2016 **£'000**	Assurant Europe	AGIL	ALL
Expected profit in future premiums	1,144	231	-

C.5 Operational risk

Assurant Europe is exposed to operational risk, which is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. In particular, this includes the failure of key outsourcing arrangements, business disruption, fraud and loss of key management.

This definition also includes legal risk and reputational risk, as the Group considers reputational risk critical to its franchise and therefore has adopted this broad definition of operational risk.

Measures used to assess operational risk

Operational risks are captured through Assurant Europe's risk register and risk reporting processes as part of the Risk Management Framework.

In assessing capital required in respect of operational risk the Standard Formula SCR uses earned premium and reserves as a proxy for exposure to operational risk. This is a different approach to that adopted in the Assurant Europe ORSA model where individual operational risks are identified and incorporated into the model by use of a frequency and severity approach. The impact of operational risk on the business is also assessed through the stress and scenario testing carried out as part of the ORSA process.

Material operational risk

Assurant Europe categorises the operational risks to which it is exposed as:

- Group Risk
- Legal/contract breach
- Regulatory risk including conduct risk
- People risk
- Process risk
- Technology risk
- Fraud risk

Assurant Europe provides products to a large number of individuals through direct brands, through networks of indirect dealers and under clients' own branding. It is critical to the success of the business, and in order to retain existing clients and attract new clients, that client and customer expectations in terms of service and product performance are met and that customer service is central to the operation. Service levels and other key indicators in both the customer contact centres and claims fulfilment supply chain are monitored closely by management to ensure that they continue to be met and that any issues that arise are dealt with. The Group also continues to innovate new products and enhancements to existing products to improve and add value to the offering to clients and their customers.

Clients may be lost due to failure to meet service levels but also clients review and put contracts to a competitive tender process periodically (usually between 3 to 5 years depending on the length of the original contract) where service and product quality are key factors. Failure to meet the expectations of both clients and their customers or competitor action during a tender period could result in the loss of that client and have a material impact on the business. Loss of a material client is included in the ORSA Stress and Scenario testing.

Risk management

Assurant Europe has established policies, processes and controls to manage and mitigate its key operational risks.

The process through which the Group's operational risk universe is determined, and subsequent estimates of frequency and severity are assessed is captured in the Operational Risk Policy document. This process safeguards the ongoing improvement of the control environment and ensures that operational risk is identifiable and mitigated as the Group continues to grow.

Risk mitigation techniques used for operational risk

Assurant Europe has a comprehensive insurance programme that provides protection against the majority of material operational risks e.g. property cover, business interruption etc. There are no other specific risk mitigation techniques applied in respect of operational risk.

C.6 Other material risks

UK exit from the EU ("Brexit")

A key focus for Assurant Europe is the continued growth of insurance products and services in Europe sold through its branches including through the French branch established in 2016.

Following the referendum result on the UK's membership of the EU in June 2016, the UK triggered Article 50 of the Lisbon Treaty on March 29th, 2017 starting the process and negotiations which will officially take the UK out of the EU by March 2019. The outcome of the negotiations and the future relations between the UK and EU are not known at this time. In the event that, as a result of changes in the laws applicable to the "passporting" rules for insurance business in the EU, Assurant Europe is no longer able to underwrite insurance business through its EU branches or under freedom to provide services regulations, there could potentially be a material impact to the business if not mitigated.

Assurant Europe is committed to maintaining underwriting capability in Europe and has established a project team to address the impacts of the UK's exit from the EU including the ability to continue to underwrite.

C.7 Stress testing and sensitivity analysis

A number of stress and scenario tests are conducted as part of the ORSA process. The outcomes of the stresses can be used to determine appropriate management actions as well as to assess the impact of assumptions in the ORSA model.

Stress Tests

- Significant premium increase
- Expense risk increase
- Exchange rate risk – Pound sterling strengthens or weakens against other currencies
- Market interest rates decrease or increase.
- Claims Risk: increase in either Severity or Frequency for Connected Living Devices
- Reserve Deterioration: deterioration in reserves on Connected Living Device insurance business
- Deterioration of disposition: the sale price of handsets falls below plan values.

Scenarios

- Weak global growth.
- Money market fund manager suffers a liquidity issue impacting the ability of Assurant Europe to access those funds
- Default by a major bank service provider which is also a client.
- Significant data breach.
- Business Continuity Event - this scenario covers the costs to the business in the event of a business continuity incident and Assurant Europe's ability to recover.
- Competitor pricing across the market reduces margins.
- Loss of key client.
- All Connected Living Devices are replaced with new, no repairs.
- Change in customer behaviour.

There are four identified situations in which the current solvency buffers that Assurant Europe and its SII firms hold would not be adequate to refrain from breaching the capital requirement over the business plan period:

- Significant premium increase – a 40% exposure increase would be a significant change to our risk profile and thus an ad-hoc ORSA would be run and the capital position reviewed prior to the acceptance of this business.
- Expense increase of 10% - on a 3 year basis over the business planning period the buffer is not adequate. On a 1 year basis the buffer would be adequate and it is expected that a review of the products and availability of capital would be performed.
- Connected Living Device insurance claims frequency – if the claims frequency increased significantly, particularly on all Connected Living Device insurance clients, a reforecast would be made and an ad-hoc ORSA run following the significant profit deviation. The majority of products have a reprice mechanism within 12 months to allow management to mitigate the impact of significant changes in claims activity.
- All Connected Living Devices replaced – this would lead to a significant change in the required capital and would require management actions to review the pricing of the products on offer. A review of the

product offering would take place and likely an ad-hoc ORSA would be performed following the change in risk.

Under these scenarios, the identified management actions would be taken and thus an appropriate level of solvency would be maintained.

Where appropriate, these tests are performed by changing assumptions within the ORSA capital model. This enables the output to be consistent with the capital calculations and to allow for secondary effects. For a small number of tests such as liquidity and business continuity, where these are not explicitly modelled, an impact assessment is made outside of the model.

C.8 Any other disclosures

There are no other matters to be disclosed.

D Regulatory balance sheet

AGIL and ALL prepare financial statements under UK generally accepted accounting principles ("UK GAAP"). No consolidated financial statements are prepared for the group as AGL has taken advantage of the exemption from preparing consolidated financial statements, under the Companies Act 2006 Part 15 Section 401, as the results of the AGL group are consolidated in the financial statements of the ultimate parent undertaking Assurant, Inc., which are publicly available.

Reference to "financial statements" below should be understood to refer to audited UK GAAP financial statements in respect of AGIL and ALL and to unaudited proforma UK GAAP financial statements in respect of AGL.

Individual assets and liabilities are recognised and valued separately unless a legal right of set-off exists and the assets and liabilities will be settled on a net basis.

All valuations are made on the basis that Assurant Europe, AGIL and ALL are going concerns.

D.1 Assets

The material classes of assets shown on the SII Balance sheets, the SII values and values for the corresponding assets shown in the corresponding proforma or audited financial statements are summarised in the table below:

	SII			Financial Statements		
As at 31 December 2016 £'000	Assurant Europe	AGIL	ALL	Assurant Europe	AGIL	ALL
Goodwill and Intangible Assets	-	-	-	80,510	-	-
Deferred acquisition costs	-	-	-	32,754	29,199	2,782
Deferred tax assets	3,329	945	-	5,508	4,893	-
Property, plant and equipment held for own use	-	-	-	1,327	-	-
Investments, comprising:	**96,324**	**71,066**	**11,740**	**95,026**	**69,832**	**11,676**
Bonds comprising:	70,909	69,121	1,788	69,610	67,887	1,723
Government Bonds	*8,793*	*7,005*	*1,788*	*7,747*	*6,024*	*1,723*
Corporate Bonds	*60,916*	*60,916*	-	*60,664*	*60,664*	-
Collateralised securities	*1,200*	*1,200*	-	*1,199*	*1,199*	-
Collective Investments Undertakings	19,050	1,945	9,953	19,050	1,945	9,953
Deposits other than cash equivalents	6,366	-	-	6,366	-	-
Loans and mortgages	3,942	-	-	3,942	-	-
Reinsurance recoverables	1,766	1,452	314	2,113	1,873	239
Deposits to cedants	257	257	-	257	257	-
Insurance and intermediaries receivables	62,101	21,828	137	62,101	21,828	137
Reinsurance receivables	21	18	3	21	18	3
Receivables (trade, not insurance)	12,078	23,075	2,113	12,078	23,075	2,113
Cash and cash equivalents	23,767	7,682	1,179	23,767	7,682	1,179
Other assets	11,767	388	411	17,380	1,622	476
Total assets	**215,353**	**126,711**	**15,898**	**336,553**	**160,165**	**18,488**

Goodwill and Intangible Assets

On the SII balance sheet goodwill and intangible assets are valued at zero.

In the financial statements goodwill represents the excess of acquisition costs over the net fair value of identifiable assets acquired and liabilities assumed in a business combination. The cost of the acquisition is the amount of cash paid and the fair value of other purchase consideration. Other intangible assets are initially recognised at cost.

Goodwill and other intangibles are amortised in the financial statements over the expected useful economic lives and tested for impairment at least annually.

Deferred acquisition costs

The table above includes deferred acquisition costs, which are shown as a separate asset in the financial statements. In the financial statements acquisition costs comprise all direct and indirect costs arising from the conclusion of insurance contracts. Acquisition costs are deferred to the extent that they are recoverable out of future revenue margins and are amortised in accordance with the pattern of emergence of future related margins.

Under SII deferred acquisition costs are valued at zero.

Deferred tax assets

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income. These timing differences arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Deferred tax assets are recognised on the same basis for SII and in the financial statements. However valuation differences between SII and the financial statements, upon which the tax is calculated, for technical provisions and in respect of other assets and liabilities give rise to a reduction in the overall deferred tax assets.

The deferred tax assets arise due to net operating losses brought forward from prior years for tax purposes that are available to offset against future taxable profits. Assurant Europe reviews the likelihood of recovery of the deferred tax assets based on the expected profitability over the business planning horizon and with due regard to known changes in respect of the relevant tax regulation over that period.

Property, plant and equipment held for own use

Property, plant and equipment is held at depreciated cost in the financial statements. For SII, property, plant and equipment has been valued at zero as the Group does not consider it material or proportionate to expend resource in maintaining records of the items’ market values.

Investments and Loans and mortgages

Assurant Europe measures its investments at fair value on the SII balance sheet. The Group uses an exit price for its fair value measurements. An exit price is defined as the amount received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair values of financial instruments traded in active markets are based on quoted bid prices on the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If listed prices or quotations are not available, fair value is determined by reference to prices for similar instruments, quoted prices or recent transactions in less active markets, or internally developed models that primarily use, as inputs, market based or independently sourced parameters. All investments are valued based on quoted prices.

The difference between the SII value of investments in the table above is due to a difference in the classification of accrued investment income recognised in investments for SII and Other assets in the financial statements.

Reinsurance recoverables

Reinsurance recoverables are valued according to the SII technical provision principles as explained in Section D2.

Deposits to cedants, insurance and intermediaries receivables and reinsurance receivables

Receivables are measured at the undiscounted amount of the cash or other consideration expected to be received, net of any allowance for impairment.

Cash and cash equivalents

Cash and cash equivalents are recognised at fair value which is not considered to be materially different to cost.

Other Assets

Prepaid expenses and advance commissions represent the deferral of expenses paid for accounting purposes until they have been deemed to be consumed. In the SII balance sheet these assets are valued at zero unless the Group has a contractual ability to recover all or part of the asset from the third party in result of the termination of the arrangement. Where the group has such ability, the assets are recognised at the contractual amount recoverable less any allowance for impairment. These assets are recognised at amortised cost in the financial statements.

As noted above under “Investments and Loans and mortgages”, accrued investment income is reported as part of Other Assets in the financial statement but is included in the valuation of the related investment for SII reporting

Any other assets are valued at fair value that is not considered to be materially different to the amortised cost basis as recorded per the financial statements.

Changes to the recognition and valuation bases

There have been no material changes to the recognition and valuation bases in the reporting period.

D.2 Technical provisions

Results

Assurant Europe's technical provisions by material line of business as at 31 December 2016 are set out in reporting templates 12.01.02 Life and Health SLT Technical Provisions (for AGL and ALL) and also 17.01.02 Non-Life Technical Provisions (AGL and AGIL).

As at 31 December 2016 £'000	Income Protection	Fire and Other Damage to Property*	Misc. Financial Loss	**Total Non-Life**	Other Life	Health (Similar to life)	**Total**
Assurant Europe							
Gross best estimate	1,370	17,853	3,038	22,261	2,707	1,747	26,715
Reinsurance recoverable	(5)	(1,379)	(67)	(1,452)	(141)	(174)	(1,766)
Net best estimate	**1,365**	**16,473**	**2,971**	**20,809**	**2,566**	**1,573**	**24,949**
Risk margin	441	3,974	582	4,997	53	32	5,082
Total technical provisions	**1,806**	**20,447**	**3,553**	**25,806**	**2,619**	**1,606**	**30,031**
AGIL							
Gross best estimate	1,370	13,655	1,593	16,619			16,619
Reinsurance recoverable	(5)	(1,379)	(67)	(1,452)			(1,452)
Net best estimate	**1,365**	**12,276**	**1,526**	**15,167**			**15,167**
Risk margin	405	3,640	453	4,498			4,498
Total technical provisions	**1,769**	**15,917**	**1,978**	**19,664**			**19,664**
ALL							
Gross best estimate					2,707	1,747	4,454
Reinsurance recoverable					(141)	(174)	(314)
Net best estimate					**2,566**	**1,573**	**4,140**
Risk margin					53	32	85
Total technical provisions					**2,619**	**1,606**	**4,225**

*direct and proportional reinsurance

Bases, methods and main assumptions

Under SII, liabilities must be valued at the amount for which they could be transferred between knowledgeable parties.

Technical Provisions are defined as the sum of a best estimate and a risk margin. The best estimate is the probability weighted mean average of all future cash-flows and the risk margin is the cost of providing the solvency capital requirement necessary to support the liabilities.

The liabilities valued in the technical provisions are those associated with existing contracts at the valuation date. Under SII, contracts must be valued if there is a legal obligation to provide cover even if this is before the commencement date of the policy which is different to the approach under UK GAAP.

The non-life business of AGL and AGIL is split into homogeneous risk groupings referred to as model points. These homogeneous risk groups split the business by currency, cover and underlying product.

The ALL life and health SLT business is examined at an individual policy level, with consideration given to future exposure and expected claims costs. These are then aggregated into the model points and then into SII line of business.

The technical provisions for each model point are calculated using a cash-flow model. This is carried out by predicting the expected cash-flow for each model point separately for each future year until all existing contracts have expired.

Expenses are projected as for the cash flow projections and allocated between model points and currency and between earned and unearned exposure.

The best estimate is calculated separately for premium provisions and claim provision. Premium provisions are established in respect of unearned exposure and claims provisions are established in respect of earned exposure.

Gross cash-flows are calculated separately from reinsurance cash flows in order to recognise if there are significant differences in the timing of these cash flows.

The best estimates are calculated separately for each material currency.

The assumptions underlying the calculation of the technical provisions are derived based on the assumption that AGL and AGIL will continue to write new business, and that ALL will not write any new business.

The yield curve is required in order to discount future cash flows. This enables future cash flows to be evaluated in present-value terms. The present value of future liability cash flows must be evaluated as part of the best estimate liabilities calculation. The yield curve, which is used in the discounting process, represents a risk-free curve.

The risk-free rate of return is the theoretical interest rate that could be earned on an absolutely risk-free investment over a specified period of time. In practice, there is no such thing as an absolutely risk-free investment, as even the most secure investments carry a very small amount of risk. Typically, government bond yields offer a good approximation to a risk-free rate of return. The risk-free rate of return varies according to the term and currency of an investment.

A different risk-free yield curve is required for each currency, in order to reflect the different cost of borrowing in different currencies.

The yield curve is defined based on the zero coupon swap rates which are currently available in the market. Hence the yield curve assumptions are based on "up-to-date and credible information and realistic assumptions" and are consistent with Article 77 of the SII Directive.

The most material AGL and AGIL assumptions are those relating to the loss assumptions and the future earned premium. The loss assumptions are outputs from the existing claims reserving process and the future earned premium assumptions are reconciled with the financial statements.

The most material ALL assumptions are those which underpin the future exposure periods, and the associated claims and expenses cash flows. These cash flows are calculated by combining a number of different assumptions which are set based on past and expected future experience and are outputs of the valuation model which is part of the valuation process.

The material assumptions used in the calculation of the Technical Provisions are presented annually to the ARCC for approval by the Board.

Level of uncertainty

The table below shows the impact on the total gross technical provisions of changing the underlying assumptions for Assurant Europe's and AGIL's non-life business. The most material assumptions are those relating to claims experience.

Assumptions	Cover	Sensitivity Used	Movement in TP
Historic and Future exposure and earned premium	All	+5%	5%
	Property only	+5%	5%
	Miscellaneous only	+5%	<0.5%
	Health only	+5%	<0.5%
Future exposure only	All	+5%	-0.2%
Claim Frequency or Average Cost or Loss Ratio	All	+5%	7%
	Property only	+5%	6%
	Miscellaneous only	+5%	<0.5%
	Health only	+5%	<0.5%
Lapse Rate	All	Double	-1.7%
Expenses	All	Double	7%
Catastrophe Exposure	All	Double	1.1%
No bound but not incepted premium	All (property only)	-100%	4%

For Assurant Europe's and the ALL's business sensitivities are applied to technical provisions based on the stresses used to calculate the Solvency Capital Requirement and are therefore deemed by EIOPA to be 1 in 200 stresses.

Assumption	Sensitivity used	Movement in TP
Increase mortality	+15%	2%
Reduce mortality	-20%	(4)%
Increase morbidity	+35% year 1, +25% thereafter +20% duration	7%
Reduce morbidity	35% year 1, -25% thereafter -20% duration	(5)%
Increase expenses	+10%, plus 1% pa increase in inflation	3%
Decrease expenses	-10%, plus 1% pa decrease in inflation	(4)%

It can be seen that the experience that is likely to have the most material impact is morbidity. The morbidity assumptions are derived from the 2016 experience analysis.

The underlying data and methodology used to inform these assumptions was also the subject of independent validation by the Assurant, Inc. actuarial team.

Uncertainty in respect of other business is not material.

Differences between SII and the valuation bases for financial statements

The most material assumptions used in the calculation of the SII best estimates are based on existing Assurant processes which are the same as those used in the preparation of the proforma and audited financial statements.

The methodology for the calculation of the premium provision for the non-life business, in AGIL and the rest of the Group, under SII is fundamentally different to that used in the financial statements. The Premium provision is based on the probability weighted average of future cash flows related to policies within contract boundaries whereas UK GAAP unearned premium reserve is an allocation of premium income to the remaining time to expiry of the insurance contracts already issued. Though not directly comparable the main difference arises due to the recognition of future profit on issued policies and expected profit in future premiums.

The methodology for the calculation of the best estimate premium provision under SII for the Life and Health SLT business in ALL is essentially the same as that used in ALL's financial statements for the long term business provision. The only differences are:

- use of risk-free discount rates under SII, whilst the financial statements use discount rates based on the assets held by ALL
- use of best estimate assumptions for SII, whilst prudent assumptions are used for the financial statements.

In the financial statements the long-term business provision is presented gross of deferred acquisition costs, which are shown as a separate asset on the balance sheet.

Claims Provision

The calculation of the SII best estimate claims provision is based closely on the UK GAAP. Under SII additional adjustments are made to allow for Events Not in Data (ENIDs), an estimate for unknown liabilities not yet captured by the actuarial estimates.

Other Technical Provisions

Under UK GAAP, AGIL recognises a claims equalisation reserve in respect of property type risks. The required calculation of the reserve is set out in the PRA Rulebook and is based on the prior 5 years net earned property premiums. There is no equivalent requirement under SII.

Risk Margin

For SII risk margin is calculated using a cost of capital approach which involves calculating the cost of holding the SCR per SF calculation at each future time period until the technical provisions at the reporting date have run off. The amounts are then discounted back to the current time period. The calculation excludes new business and market risk.

No Risk Margin is recognised under UK GAAP.

Discounting

Under SII the best estimate technical provisions are discounted but, other than ALL's long term business provision, are undiscounted under UK GAAP.

The main differences between technical provisions as shown in the proforma or audited financial statements and the SII technical provisions are shown in the table below:

All lines of business **As at 31 December 2016 £'000**	Assurant Europe Proforma	AGIL Audited	ALL Audited
Technical provisions per financial statements*	**55,069**	**39,893**	**4,554**
Remove claims equalisation reserves	(17,452)	(17,452)	-
Contract boundary adjustment	(1,691)	(727)	-
Adjustment to best estimate premium provision	(8,818)	(4,359)	(122)
Difference in expense assumptions	1,027	862	(161)
Allowance for lapses	384	235	149
Adjustment to best estimate claims reserves	(3,398)	(3,217)	(180)
Discounting	(173)	(66)	(100)
Risk Margin	5,082	4,498	85
Technical provisions per SII balance sheet	**30,031**	**19,664**	**4,225**

* unearned premium reserve less deferred acquisition costs plus claims reserves and claims equalisation reserve, net of reinsurance.

Matching Adjustment

Assurant Europe has not applied the matching adjustment referred to in Article 77b of Directive 2009/138/EC.

Volatility adjustment

Assurant Europe has not used the volatility adjustment referred to in Article 77d of Directive 2009/138/EC.

Transitional risk-free interest rate-term structure

Assurant Europe has not applied the transitional risk-free interest rate-term structure referred to in Article 308c of Directive 2009/138/EC.

Transitional deductions

Assurant Europe has not applied the transitional deduction referred to in Article 308d of Directive 2009/138/EC.

Reinsurance

Reinsurance recoverables represent the net discounted cash flow expected to be received from Assurant Europe's reinsurers. Assurant Europe utilises a variety of reinsurance treaties, primarily of a quota share nature, in order to share risk by ceding back to a client's captive or to remove risks underwritten that are outside of the group's appetite.

Material changes in the relevant assumptions made in the calculation of technical provisions

No material changes have arisen in the assumptions made in the calculation of technical provisions in the period. This is the first period of reporting under SII.

D.3 Other liabilities

As at 31 December 2016 £'000	SII Balance Sheet Assurant Europe	AGIL	ALL	Financial Statements Assurant Europe	AGIL	ALL
Deferred tax liabilities	812	-	-	7,914	-	-
Insurance and intermediaries payables	17,155	7,649	51	17,155	7,649	51
Payables (trade, not insurance)	37,415	1,477	-	37,415	1,477	-
Subordinated liabilities in basic own funds	32,773	-	-	32,773	-	-
Other liabilities	26,268	7,860	38	26,498	7,974	154
Other liabilities total	**114,424**	**16,986**	**89**	**121,756**	**17,100**	**205**

Deferred tax liabilities

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income. These timing differences arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions.

Deferred tax is measured using tax rates that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Deferred tax liabilities are recognised on the same basis for SII and in the financial statements. However valuation differences between SII and the financial statements, upon which the tax is calculated, for technical provisions and in respect of other assets and liabilities give rise to differences between the amounts reported.

The deferred tax liability in the Assurant Europe proforma consolidated financial statements relates to deferred tax recognised in respect of goodwill and intangibles arising on consolidation that are being amortised to the UK GAAP profit and loss account over those assets' useful economic lives of up to 10 years. As the assets only arise on consolidation they are not taxable and therefore give rise to a timing difference. Under SII the goodwill and intangible assets are valued at zero and therefore no deferred tax timing difference arises.

Deferred tax liabilities in the Assurant Europe SII balance sheet arise due to the tax impact of the other SII valuation adjustments.

Subordinated loans included in basic own funds

AGL has issued subordinated loan notes to an intermediate parent company, outside of the European supervised group. During the year £18,000,000 of the loan notes were repaid.

The loan notes are valued under SII at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction. When valuing liabilities, no adjustment to take account of the own credit standing of the issuer is made. In the financial statements the loan notes are valued at amortised cost.

The subordinated loan notes qualify as Tier 2 basic own funds. Further details of the notes and the repayment during the year are given in Section E.1.

Insurance and Intermediary Payables, Trade Payables and Other Liabilities

For SII, liabilities other than technical provisions are valued at the amount for which they could be transferred, or settled, between knowledgeable willing parties in an arm's length transaction. When valuing liabilities, no adjustment to take account of the own credit standing of the issuer is made. In the financial statements, liabilities are valued at amortised cost.

There are no material differences between the valuation bases, methods and main assumptions used by Assurant Europe, AGIL or ALL for the valuation for solvency purposes and those used for the valuation in the relevant financial statements. The small differences in respect of Other Liabilities relates to reinsurance deferred acquisition costs which are valued at zero for SII (refer also to disclosure in respect of deferred acquisition costs in D.1.)

Other liabilities included above relate to accruals, deferred income and other amounts payable that have not been categorised as insurance or trade payables for the purpose of reporting.

Assurant Europe, AGIL and ALL have no material liabilities under finance leases.

Assurant Europe, AGIL and ALL have no liabilities related to defined benefit pension schemes.

Changes to the recognition and valuation bases

There have been no material changes to the recognition and valuation bases in the reporting period.

D.4 Alternative methods for valuation

No alternative methods of valuation have been used.

D.5 Any other disclosures

There are no material differences between the valuation bases for the consolidated information provided for Assurant Europe group and those used for the solo entity information for AGIL and ALL.

E Capital management

E.1 Own funds

Capital Management Policy

The group internal capital target is to hold the Pillar 1 SCR, or the requirement identified during the ORSA process if higher, plus a Board approved buffer. Separate buffers are set for AGL group, AGIL and ALL. The buffers to be held are set annually, having regard to the results of stress tests applied to projections over the three year planning period. The Board will also consider whether any subordinated loans should be repaid or dividend made to remit any surplus capital above the target to AGL's parent or to release capital out of the insurance firms for use elsewhere in the group.

The Group's , AGIL's and ALL's capital positions are formally assessed quarterly, and reported to the ARCC, to ensure that own funds continue to meet the targets set.

Own Funds

Available own funds for AGL, AGIL and ALL comprise:

As at 31 December 2016 £'000	Assurant Europe	AGIL	ALL
Tier 1	65,803	87,663	11,269
Tier 2	32,773	-	-
Tier 3	3,329	945	-
Available Own Funds	**101,905**	**88,609**	**11,269**

Tier 1 own funds have three components: share capital, share premium and the reconciliation reserve. The reconciliation reserve comprises retained earnings and other distributable reserves as per the financial statements adjusted for SII valuation differences.

Only AGL has any Tier 2 own funds that are made up of subordinated loans issued to ABI International, an intermediate holding company of AGL. The loans are subordinate to the claims of policyholders of the Group, available to absorb losses, have a minimum term of at least 10 years and no contractual repayment within the first 5 years. Interest is payable annually. No principal or interest is repayable if AGL is in breach of the group SCR or if payment would result in a breach. During the year AGL repaid £18,000,000 of the subordinated loans from surplus capital.

Tier 3 capital comprises deferred tax assets relating to timing differences and unutilised tax losses that are expected to be recovered against future taxable profits.

Available own funds for Assurant Europe decreased slightly during the year as increases arising from the performance of the group and increasing net assets were offset by the reduction in available own funds resulting from the repayment of the SII loan notes. AGIL and ALL available own funds both increased during the year as net assets increased.

The amount of Tier 2 and Tier 3 own funds that are eligible to be set against the SCR is restricted to 50% of that requirement.

Eligible own funds for AGL, AGIL and ALL comprise:

As at 31 December 2016 £'000	Assurant Europe	AGIL	ALL
Tier 1	65,803	87,663	11,269
Tier 2	30,566	-	-
Tier 3	-	945	-
Eligible Own Funds	**96,368**	**88,609**	**11,269**

Eligible own funds for Assurant Europe have increased during the year. As the repayment of the subordinated loan note in the period did not reduce the total Tier 2 own funds for the Group to below the quantitative eligibility restriction, eligible own funds were not impacted. Eligible own funds for AGIL and ALL are the same as available own funds.

The main differences between equity as shown in the proforma or audited financial statements and the excess of assets over liabilities as calculated for solvency purposes are shown in the table below:

As at 31 December 2016 £'000	Assurant Europe Proforma	AGIL Audited	ALL Audited
Equity per financial statements	**125,322**	**72,328**	**10,940**
Valuation of goodwill and intangibles	(72,596)	-	-
Difference between the valuation of technical provisions on a UK GAAP basis and under SII	25,038	20,228	328
Other valuation differences	(5,642)	-	-
Deferred tax adjustment	(2,990)	(3,948)	-
Excess of assets over liabilities for solvency purposes	**69,132**	**88,609**	**11,269**
Subordinated loans in basic own funds	32,773	-	-
Available own funds	**101,905**	**88,609**	**11,269**

Other valuation differences relate to differences between assets and liabilities valued on a Solvency II basis or on a financial statements basis as discussed in sections D.1 and D.3.

Group own funds are calculated on an accounting consolidation basis. There are no items included in Group own funds that are issued by an undertaking other than AGL, the group insurance holding company.

No deductions are applied to own funds and there are no significant restrictions affecting their availability and transferability.

Neither the Group's nor the SII firms' own funds are subject to transitional arrangements and none have ancillary own funds.

As this is the first year of SII reporting comparative figures have not been provided.

E.2 Minimum capital requirement and solvency capital requirement

The SCR and MCR for AGL group, AGIL and ALL as at 31 December 2016 are:

As at 31 December 2016 £'000	Assurant Europe	AGIL	ALL
Market Risk	6,372	6,380	294
Counterparty Default Risk	12,758	17,420	1,130
Non-Life Underwriting Risk	44,044	41,804	-
Health Underwriting Risk	1,541	1,368	300
Life Underwriting Risk	542	-	542
Sum of risk modules	**65,256**	**66,972**	**2,265**
Diversification between risk modules	(11,320)	(11,954)	(655)
Basic SCR	**53,936**	**55,018**	**1,610**
Operational Risk	7,195	6,796	110
Standard Formula SCR	**61,131**	**61,814**	**1,720**
MCR	21,036	15,453	3,332

The Assurant Europe, AGIL and ALL SCRs are all calculated using the Standard Formula and no undertaking specific parameters or simplifications are used.

The Assurant Europe Group SCR is calculated on an accounting consolidation basis ("method 1") and relates to fully consolidated insurance undertakings, insurance holding companies and other ancillary service undertakings only. There are no components of the Group SCR arising from other entities.

The MCR has been calculated using the linear calculation as set out in the SII Directive and noted in the accompanying QRTs.

Details of the SCR and MCR calculations, including the MCR inputs and floor, are provided in QRTs S.25.01 and S.28.01 in Appendix F.

Assurant Europe's group SCR has decreased over the reporting period as the focus of the business moves from creditor and multi-year property risk contracts to shorter term Connected Living products. The MCR is below the floor set in the SII regulation as a percentage of SCR and therefore the requirement decreases in line with the SCR.

AGIL has experienced the same decrease in SCR as a result of the change in business mix, however this has been offset by the increase due to closure of LSG Insurance (IOM) Limited as described in Section A.1. As for Assurant Europe, the MCR is at the SCR floor and so moves in line with the SCR.

ALL's SCR has fallen due to the reduction in technical provisions over the reporting period. However, as the SCR is below the MCR, SCR movements do not affect ALL's capital requirement. The MCR is at the absolute floor required by the SII regulation, which is based in Euros, and only changes when the Eurosterling rates that firms are required to apply in the calculation change, which occurs annually.

As this is the first year of SII reporting no comparative figures are presented.

E.3 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

Neither the group, AGIL nor ALL make use of the duration-based equity risk sub-module in the calculation of the SCR.

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

The Standard Formula is used in the calculation of the group SCR and the solo SCRs for AGIL and ALL.

E.5 Non-compliance with the minimum capital requirement and significant non-compliance with the solvency capital requirement

During the year there were no instances of non-compliance with either the SCR or MCR for the AGL group, for AGIL or for ALL.

E.6 Any other disclosures

There is no other material information to disclose regarding the capital management of the Assurant Europe, of AGIL or of ALL.

F. Appendices

Public Group QRTs – Assurant Group Limited

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Balance Sheet S.02.01.02

		Solvency II value
	Assets	C0010
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	0
R0040	Deferred tax assets	3,329
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	96,324
R0080	Property (other than for own use)	0
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	0
R0110	Equities - listed	0
R0120	Equities - unlisted	0
R0130	Bonds	70,909
R0140	Government Bonds	8,793
R0150	Corporate Bonds	60,916
R0160	Structured notes	0
R0170	Collateralised securities	1,200
R0180	Collective Investments Undertakings	19,050
R0190	Derivatives	0
R0200	Deposits other than cash equivalents	6,366
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	3,942
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	0
R0260	Other loans and mortgages	3,942
R0270	Reinsurance recoverables from:	1,766
R0280	Non-life and health similar to non-life	1,452
R0290	Non-life excluding health	1,447
R0300	Health similar to non-life	5
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	314
R0320	Health similar to life	174
R0330	Life excluding health and index-linked and unit-linked	141
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	257
R0360	Insurance and intermediaries receivables	62,101
R0370	Reinsurance receivables	21
R0380	Receivables (trade, not insurance)	12,078
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	23,767
R0420	Any other assets, not elsewhere shown	11,767
R0500	**Total assets**	215,353

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	27,258
R0520	Technical provisions - non-life (excluding health)	25,446
R0530	TP calculated as a whole	0
R0540	Best Estimate	20,891
R0550	Risk margin	4,555
R0560	Technical provisions - health (similar to non-life)	1,811
R0570	TP calculated as a whole	0
R0580	Best Estimate	1,370
R0590	Risk margin	441
R0600	Technical provisions - life (excluding index-linked and unit-linked)	4,539
R0610	Technical provisions - health (similar to life)	1,779
R0620	TP calculated as a whole	0
R0630	Best Estimate	1,747
R0640	Risk margin	32
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	2,760
R0660	TP calculated as a whole	0
R0670	Best Estimate	2,707
R0680	Risk margin	53
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	0
R0710	Best Estimate	0
R0720	Risk margin	0
R0730	Other technical provisions	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	812
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	17,155
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	37,415
R0850	Subordinated liabilities	32,773
R0860	Subordinated liabilities not in Basic Own Funds	0
R0870	Subordinated liabilities in Basic Own Funds	32,773
R0880	Any other liabilities, not elsewhere shown	26,268
R0900	**Total liabilities**	146,221
R1000	**Excess of assets over liabilities**	69,132

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Premiums, claims and expenses by line of business - Table 1 S.05.01.02.01

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Total
		Income protection insurance	Fire and other damage to property insurance	Miscellaneous financial loss	
		C0020	C0070	C0120	C0200
	Premiums written				
R0110	Gross - Direct Business	1,546	132,894	3,369	137,810
R0120	Gross - Proportional reinsurance accepted	0	52,761	0	52,761
R0130	Gross - Non-proportional reinsurance accepted				0
R0140	Reinsurers' share	123	3,760	(22)	3,861
R0200	Net	1,423	181,895	3,392	186,710
	Premiums earned				
R0210	Gross - Direct Business	3,679	155,033	6,335	165,047
R0220	Gross - Proportional reinsurance accepted	0	52,761	0	52,761
R0230	Gross - Non-proportional reinsurance accepted				0
R0240	Reinsurers' share	162	3,760	91	4,013
R0300	Net	3,517	204,034	6,244	213,795
	Claims incurred				
R0310	Gross - Direct Business	865	96,300	1,379	98,544
R0320	Gross - Proportional reinsurance accepted	0	28,652	0	28,652
R0330	Gross - Non-proportional reinsurance accepted				0
R0340	Reinsurers' share	210	2,193	63	2,466
R0400	Net	655	122,760	1,316	124,730
	Changes in other technical provisions				
R0410	Gross - Direct Business	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted				0
R0440	Reinsurers'share	0	0	0	0
R0500	Net	0	0	0	0
R0550	**Expenses incurred**	1,893	82,122	3,460	87,474
R1200	**Other expenses**				
R1300	**Total expenses**				87,474

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Premiums, claims and expenses by line of business — S.05.01.02.02

		Line of Business for: **life insurance obligations**		
		Health insurance	Other life insurance	**Total**
		C0210	C0240	C0300
	Premiums written			
R1410	Gross	(316)	(241)	(557)
R1420	Reinsurers' share	(38)	0	(38)
R1500	Net	(278)	(241)	(520)
	Premiums earned			
R1510	Gross	(316)	(241)	(557)
R1520	Reinsurers' share	(38)	0	(38)
R1600	Net	(278)	(241)	(520)
	Claims incurred			
R1610	Gross	(339)	92	(247)
R1620	Reinsurers' share	239	37	277
R1700	Net	(579)	55	(524)
	Changes in other technical provisions			
R1710	Gross	(1,388)	(2,762)	(4,150)
R1720	Reinsurers' share	(77)	(153)	(230)
R1800	Net	(1,311)	(2,609)	(3,919)
R1900	**Expenses incurred**	809	1,362	2,171
R2500	**Other expenses**			0
R2600	**Total expenses**			2,171

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Premium, claims and expenses by country S.05.02.01

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
R0010			US	IT				
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	112,645	0	12,574				125,220
R0120	Gross - Proportional reinsurance accepted	36,752	16,010	0				52,761
R0130	Gross - Non-proportional reinsurance accepted	0	0	0				0
R0140	Reinsurers' share	3,760	0	0				3,760
R0200	Net	145,637	16,010	12,574	0	0	0	174,221
	Premiums earned							
R0210	Gross - Direct Business	141,929	0	6,872				148,801
R0220	Gross - Proportional reinsurance accepted	36,752	16,010	0				52,761
R0230	Gross - Non-proportional reinsurance accepted	0	0	0				0
R0240	Reinsurers' share	3,760	0	0				3,760
R0300	Net	174,920	16,010	6,872	0	0	0	197,802
	Claims incurred							
R0310	Gross - Direct Business	85,743	0	3,569				89,312
R0320	Gross - Proportional reinsurance accepted	23,257	5,395	0				28,652
R0330	Gross - Non-proportional reinsurance accepted	0	0	0				0
R0340	Reinsurers' share	2,193	0	0				2,193
R0400	Net	106,808	5,395	3,569	0	0	0	115,772
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0				0
R0420	Gross - Proportional reinsurance accepted	0	0	0				0
R0430	Gross - Non- proportional reinsurance accepted	0	0	0				0
R0440	Reinsurers'share	0	0	0				0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	72,646	2,272	3,747				78,665
R1200	**Other expenses**							
R1300	**Total expenses**							78,665

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
R1400			DE	IE	IT			
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	0	(263)	(225)	(69)			(557)
R1420	Reinsurers' share	0	(38)	0	0			(38)
R1500	Net	0	(225)	(225)	(69)			(520)
	Premiums earned							
R1510	Gross	0	(263)	(225)	(69)			(557)
R1520	Reinsurers' share	0	(38)	0	0			(38)
R1600	Net	0	(225)	(225)	(69)			(520)
	Claims incurred							
R1610	Gross	(9)	(554)	59	257			(247)
R1620	Reinsurers' share	0	239	0	37			277
R1700	Net	(9)	(793)	59	220			(524)
	Changes in other technical provisions							
R1710	Gross	(26)	(2,051)	(564)	(1,508)			(4,150)
R1720	Reinsurers' share	(1)	(114)	(31)	(84)			(230)
R1800	Net	(25)	(1,937)	(533)	(1,424)			(3,919)
R1900	**Expenses incurred**	0	1,285	279	614			2,178
R2500	**Other expenses**							0
R2600	**Total expenses**							2,178

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Own Funds S.23.01.22

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
	Basic own funds before deduction for participations in other financial sector					
R0010	Ordinary share capital (gross of own shares)	277,109	277,109		0	
R0020	Non-available called but not paid in ordinary share capital at group level	0	0		0	
R0030	Share premium account related to ordinary share capital	6,277	6,277		0	
R0040	Iinitial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0060	Non-available subordinated mutual member accounts at group level	0		0	0	0
R0070	Surplus funds	0	0			
R0080	Non-available surplus funds at group level	0	0			
R0090	Preference shares	0		0	0	0
R0100	Non-available preference shares at group level	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0120	Non-available share premium account related to preference shares at group level	0		0	0	0
R0130	Reconciliation reserve	(217,584)	(217,584)			
R0140	Subordinated liabilities	32,773		0	32,773	0
R0150	Non-available subordinated liabilities at group level	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	3,329				3,329
R0170	The amount equal to the value of net deferred tax assets not available at the group level	0				0
R0180	Other items approved by supervisory authority as basic own funds not specified above	0	0	0	0	0
R0190	Non available own funds related to other own funds items approved by supervisory authority	0	0	0	0	0
R0200	Minority interests (if not reported as part of a specific own fund item)	0	0	0	0	0
R0210	Non-available minority interests at group level	0	0	0	0	0
	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
R0220	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	0				
	Deductions					
R0230	Deductions for participations in other financial undertakings, including non-regulated undertakings carrying out financial activities	0	0	0	0	
R0240	whereof deducted according to art 228 of the Directive 2009/138/EC	0	0	0	0	
R0250	Deductions for participations where there is non-availability of information (Article 229)	0	0	0	0	0
R0260	Deduction for participations included by using D&A when a combination of methods is used	0	0	0	0	0
R0270	Total of non-available own fund items	0	0	0	0	0
R0280	**Total deductions**	0	0	0	0	0
R0290	**Total basic own funds after deductions**	101,905	65,803	0	32,773	3,329
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0			0	
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0			0	
R0320	Unpaid and uncalled preference shares callable on demand	0			0	0
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
R0380	Non available ancillary own funds at group level	0			0	0
R0390	Other ancillary own funds	0			0	0
R0400	**Total ancillary own funds**	0			0	0
	Own funds of other financial sectors					
R0410	Credit Institutions, investment firms, financial insitutions, alternative investment fund manager, financial institutions	0	0	0	0	
R0420	Institutions for occupational retirement provision	0	0	0	0	0
R0430	Non regulated entities carrying out financial activities	0	0	0	0	
R0440	Total own funds of other financial sectors	0	0	0	0	
	Own funds when using the D&A, exclusively or in combination of method 1					
R0450	Own funds aggregated when using the D&A and combination of method	0	0	0	0	0
R0460	Own funds aggregated when using the D&A and a combination of method net of IGT	0	0	0	0	0
R0520	Total available own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings included via D&A)	101,905	65,803	0	32,773	3,329
R0530	Total available own funds to meet the minimum consolidated group SCR	98,576	65,803	0	32,773	
R0560	Total eligible own funds to meet the consolidated group SCR (excluding own funds from other financial sector and from the undertakings	96,368	65,803	0	30,566	0
R0570	Total eligible own funds to meet the minimum consolidated group SCR	70,010	65,803	0	4,207	
	Consolidated Group SCR					
R0610	**Minimum consolidated Group SCR**	21,036				
R0630	**Ratio of Eligible own funds to the consolidated Group SCR (excluding other financial sectors and the undertakings included via D&A)**					
R0650	**Ratio of Eligible own funds to Minimum Consolidated Group SCR**	3.3280				
R0660	**Total eligible own funds to meet the group SCR (including own funds from other financial sector and from the undertakings included via D&A)**	96,368				
R0670	**SCR for entities included with D&A method**					
R0680	**Group SCR**	61,131				
R0690	**Ratio of Eligible own funds to group SCR including other financial sectors and the undertakings included via D&A**	1.5764				

	Reconciliation reserve	C0060
R0700	Excess of assets over liabilities	69,132
R0710	Own shares (included as assets on the balance sheet)	0
R0720	Forseeable dividends, distributions and charges	0
R0730	Other basic own fund items	286,716
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0750	Other non available own funds	0
R0760	**Reconciliation reserve before deduction for participations**	(217,584)
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	0
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	1,144
R0790	**Total EPIFP**	1,144

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Solvency Capital Requirement - for undertakings on Standard Formula S.25.01.22

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
R0010	Market risk	6,372		0
R0020	Counterparty default risk	12,758		
R0030	Life underwriting risk	542	0	0
R0040	Health underwriting risk	1,541	0	0
R0050	Non-life underwriting risk	44,044	0	0
R0060	Diversification	-11,320		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	53,936		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	7,195
R0140	Loss-absorbing capacity of technical provisions	
R0150	Loss-absorbing capacity of deferred taxes	
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	
R0200	**Solvency capital requirement excluding capital add-on**	61,131
R0210	Capital add-on already set	0
R0220	**Solvency capital requirement**	61,131
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	
R0410	Total amount of Notional Solvency Capital Requirements for remaining part	
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	
R0430	Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	
R0440	Diversification effects due to RFF nSCR aggregation for article 304	
R0470	Minimum consolidated group solvency capital requirement	21,036
	Information on other entities	
R0500	Capital requirement for other financial sectors (Non-insurance capital requirements)	0
R0510	Capital requirement for other financial sectors (Non-insurance capital requirements) - Credit institutions, investment firms and financial institutions, alternative investment funds managers, UCITS management companies	
R0520	Capital requirement for other financial sectors (Non-insurance capital requirements) - Institutions for occupational retirement provisions	
R0530	Capital requirement for other financial sectors (Non-insurance capital requirements) - Capital requirement for non- regulated entities carrying out financial activities	
R0540	Capital requirement for non-controlled participation requirements	
R0550	Capital requirement for residual undertakings	
	Overall SCR	
R0560	SCR for undertakings included via D and A	
R0570	**Solvency capital requirement**	61,131

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Undertaking in the scope of the group S.23.01.22

								Criteria of influence						Inclusion in the scope of Group supervision		Group solvency calculation
Country	Identification code of the undertaking	Type of code of the ID of the undertaking	Legal name of the undertaking	Type of undertaking	Legal form	Category (mutual/non mutual)	Supervisory Authority	% capital share	% used for the establishment of consolidated accounts	% voting rights	Other criteria	Level of influence	Proportional share used for group solvency calculation	YES/NO	Date of decision if art. 214 is applied	Method used and under method 1, treatment of the undertaking
C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0180	C0190	C0200	C0210	C0220	C0230	C0240	C0250	C0260
DE	213800OS2BKD4IHVRX02	LEI	ASSURANT DEUTSCHLAND GMBH	99	GESELLSCHAFT MIT BESCHRANKTER HAFTUNG	2	N/A	1	1	1	0	1	1	1		1
GB	213800NAVWNSFXOSTP41	LEI	ASSURANT GENERAL INSURANCE LIMITED	2	PRIVATE LIMITED COMPANY	2	Prudential Risk Authority	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	213800L27R5N6AWK6751	LEI	ASSURANT GROUP LIMITED	5	PRIVATE LIMITED COMPANY	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
FR	2138003N6UVUWAHX3872	LEI	ASSURANT HOLDINGS FRANCE SAS	99	SOCIETE PAR ACTIONS SIMPLIFIEE A ASSOCIE UNIQUE	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
IT	213800HQ8R1PAEMFPF92	LEI	ASSURANT ITALIA AGENZIA DI ASSICURAZIONE S.R.L.	99	SOCIETA A RESPONSABILITA LIMITATA	2	Istituto per la Vigilanza sulle Assicurazioni	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	2138008J637EUY63UR16	LEI	ASSURANT Intermediary LIMITED	99	PRIVATE LIMITED COMPANY	2	Financial Conduct Authority	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	213800NJ8BPFNKETXQ08	LEI	ASSURANT LIFE LIMITED	1	PRIVATE LIMITED COMPANY	2	Prudential Risk Authority	1.0000	1.0000	1.0000	0	1	1.0000	1		1
IT	213800PUROWG3DZFHF98	LEI	ASSURANT SERVICES ITALIA SRL	99	SOCIETA A RESPONSABILITA LIMITATA	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
ES	213800YYR75A7HH9NY40	LEI	ASSURANT SOLUTIONS SPAIN SA	99	SOCIEDAD ANONIMA	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
FR	213800BW96SFPEDJ8S15	LEI	CWI CORPORATE	99	SOCIETE PAR ACTIONS SIMPLIFIEE A ASSOCIE UNIQUE	2	L'Organisme pour le registre des intermédiaires en assurance	1.0000	1.0000	1.0000	0	1	1.0000	1		1
FR	2138006DM9BMVGQATJ42	LEI	CWI DISTRIBUTION	99	SOCIETE PAR ACTIONS SIMPLIFIEE	2	L'Organisme pour le registre des intermédiaires en assurance	1.0000	1.0000	1.0000	0	1	1.0000	1		1
FR	213800RDYLW9H799ZR06	LEI	CWI GROUP	99	SOCIETE PAR ACTIONS SIMPLIFIEE	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	213800G4HFN4XA9XIZ61	LEI	DIGITAL SERVICES (UK) LIMITED	99	PRIVATE LIMITED COMPANY	2	Financial Conduct Authority	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	213800UVWMJMRT8XV213	LEI	LIFESTYLE SERVICES GROUP LIMITED	99	PRIVATE LIMITED COMPANY	2	Financial Conduct Authority	1.0000	1.0000	1.0000	0	1	1.0000	1		1
IM	213800ZNMRBQSDEKDE70	LEI	LSG INSURANCE (ISLE OF MAN) LIMITED	99	LIMITED COMPANY	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	213800UR97CT6LXZ5S71	LEI	ASSURANT DEVICE CARE LIMITED	99	PRIVATE LIMITED COMPANY	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
IE	213800C4CUQN2J1Q5F63	LEI	ASSURANT SERVICES LIMITED	99	LIMITED COMPANY	2	N/A	1.0000	1.0000	1.0000	0	1	1.0000	1		1
GB	21380045U6ZQZKARKU28	LEI	STAMS LIMITED	99	PRIVATE LIMITED COMPANY	2	Financial Conduct Authority	1.0000	1.0000	1.0000	0	1	1.0000	1		1

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Balance Sheet S.02.01.02

		Solvency II value
		C0010
	Assets	
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	0
R0040	Deferred tax assets	945
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	Investments (other than assets held for index-linked and unit-linked contracts)	71,066
R0080	Property (other than for own use)	0
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	0
R0110	Equities - listed	0
R0120	Equities - unlisted	0
R0130	Bonds	69,121
R0140	Government Bonds	7,005
R0150	Corporate Bonds	60,916
R0160	Structured notes	0
R0170	Collateralised securities	1,200
R0180	Collective Investments Undertakings	1,945
R0190	Derivatives	0
R0200	Deposits other than cash equivalents	0
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	0
R0260	Other loans and mortgages	0
R0270	Reinsurance recoverables from:	1,452
R0280	Non-life and health similar to non-life	1,452
R0290	Non-life excluding health	1,447
R0300	Health similar to non-life	5
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	0
R0320	Health similar to life	0
R0330	Life excluding health and index-linked and unit-linked	0
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	257
R0360	Insurance and intermediaries receivables	21,828
R0370	Reinsurance receivables	18
R0380	Receivables (trade, not insurance)	23,075
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	7,682
R0420	Any other assets, not elsewhere shown	388
R0500	**Total assets**	126,711

		Solvency II value
		C0010
	Liabilities	
R0510	Technical provisions - non-life	21,116
R0520	Technical provisions - non-life (excluding health)	19,342
R0530	TP calculated as a whole	0
R0540	Best Estimate	15,249
R0550	Risk margin	4,093
R0560	Technical provisions - health (similar to non-life)	1,775
R0570	TP calculated as a whole	0
R0580	Best Estimate	1,370
R0590	Risk margin	405
R0600	Technical provisions - life (excluding index-linked and unit-linked)	0
R0610	Technical provisions - health (similar to life)	0
R0620	TP calculated as a whole	0
R0630	Best Estimate	0
R0640	Risk margin	0
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	0
R0660	TP calculated as a whole	0
R0670	Best Estimate	0
R0680	Risk margin	0
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	0
R0710	Best Estimate	0
R0720	Risk margin	0
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	0
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	7,649
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	1,477
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in Basic Own Funds	0
R0870	Subordinated liabilities in Basic Own Funds	0
R0880	Any other liabilities, not elsewhere shown	7,860
R0900	**Total liabilities**	38,103
R1000	**Excess of assets over liabilities**	88,609

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Assurant General Insurance Limited

Premiums, claims and expenses by line of business - table 1 S.05.02.01

		Line of Business for: non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)			Total
		Income protection insurance	Fire and other damage to property insurance	Miscellaneous financial loss	
		C0020	C0070	C0120	C0200
	Premiums written				
R0110	Gross - Direct Business	1,546	122,180	1,509	125,236
R0120	Gross - Proportional reinsurance accepted	0	52,761	0	52,761
R0130	Gross - Non-proportional reinsurance accepted				0
R0140	Reinsurers' share	123	3,760	(22)	3,861
R0200	Net	1,423	171,181	1,532	174,136
	Premiums earned				
R0210	Gross - Direct Business	3,679	151,074	3,422	158,175
R0220	Gross - Proportional reinsurance accepted	0	52,761	0	52,761
R0230	Gross - Non-proportional reinsurance accepted				0
R0240	Reinsurers' share	162	3,760	91	4,013
R0300	Net	3,517	200,075	3,331	206,923
	Claims incurred				
R0310	Gross - Direct Business	865	93,993	117	94,975
R0320	Gross - Proportional reinsurance accepted	0	28,652	0	28,652
R0330	Gross - Non-proportional reinsurance accepted				0
R0340	Reinsurers' share	210	2,193	63	2,466
R0400	Net	655	120,452	55	121,162
	Changes in other technical provisions				
R0410	Gross - Direct Business	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted				0
R0440	Reinsurers'share	0	0	0	0
R0500	Net	0	0	0	0
R0550	**Expenses incurred**	1,893	80,337	1,412	83,641
R1200	**Other expenses**				
R1300	**Total expenses**				83,641

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Assurant General Insurance Limited

Premium, claims and expenses by country S.05.02.01

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
R0010			US	0	0	0	0	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	112,645	0	0	0	0	0	112,645
R0120	Gross - Proportional reinsurance accepted	36,752	16,010	0	0	0	0	52,761
R0130	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0140	Reinsurers' share	3,760	0	0	0	0	0	3,760
R0200	Net	145,637	16,010	0	0	0	0	161,646
	Premiums earned							
R0210	Gross - Direct Business	141,929	0	0	0	0	0	141,929
R0220	Gross - Proportional reinsurance accepted	36,752	16,010	0	0	0	0	52,761
R0230	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0240	Reinsurers' share	3,760	0	0	0	0	0	3,760
R0300	Net	174,920	16,010	0	0	0	0	190,930
	Claims incurred							
R0310	Gross - Direct Business	85,743	0	0	0	0	0	85,743
R0320	Gross - Proportional reinsurance accepted	23,257	5,395	0	0	0	0	28,652
R0330	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0340	Reinsurers' share	2,193	0	0	0	0	0	2,193
R0400	Net	106,808	5,395	0	0	0	0	112,203
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted	0	0	0	0	0	0	0
R0440	Reinsurers'share	0	0	0	0	0	0	0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	72,646	2,272	0	0	0	0	74,918
R1200	**Other expenses**							0
R1300	**Total expenses**							74,918

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
R1400			0	0	0	0	0	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	0	0	0	0	0	0	0
R1420	Reinsurers' share	0	0	0	0	0	0	0
R1500	Net	0	0	0	0	0	0	0
	Premiums earned							
R1510	Gross	0	0	0	0	0	0	0
R1520	Reinsurers' share	0	0	0	0	0	0	0
R1600	Net	0	0	0	0	0	0	0
	Claims incurred							
R1610	Gross	0	0	0	0	0	0	0
R1620	Reinsurers' share	0	0	0	0	0	0	0
R1700	Net	0	0	0	0	0	0	0
	Changes in other technical provisions							
R1710	Gross	0	0	0	0	0	0	0
R1720	Reinsurers' share	0	0	0	0	0	0	0
R1800	Net	0	0	0	0	0	0	0
R1900	**Expenses incurred**	0	0	0	0	0	0	0
R2500	**Other expenses**							0
R2600	**Total expenses**							0

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Assurant General Insurance Limited

Non-Life Technical Provisions S.17.01.02

		Direct business and accepted proportional reinsurance			Total Non-Life obligation
		Income protection insurance	Fire and other damage to property insurance	Miscellaneous financial loss	
		C0030	C0080	C0130	C0180
R0010	**Technical provisions calculated as a whole**	0	0	0	0
R0050	Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP as a whole	0	0	0	0
	Technical provisions calculated as a sum of BE and RM				
	Best estimate				
	Premium provisions				
R0060	Gross	474	4,764	867	6,105
R0140	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	5	(1)	32	36
R0150	Net Best Estimate of Premium Provisions	469	4,765	834	6,069
	Claims provisions				
R0160	Gross	895	8,891	727	10,513
R0240	Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	0	1,380	35	1,415
R0250	Net Best Estimate of Claims Provisions	895	7,511	692	9,098
R0260	**Total Best estimate - gross**	1,370	13,655	1,593	16,619
R0270	**Total Best estimate - net**	1,365	12,276	1,526	15,167
R0280	**Risk margin**	405	3,640	453	4,498
	Amount of the transitional on Technical Provisions				
R0290	Technical Provisions calculated as a whole	0	0	0	0
R0300	Best estimate	0	0	0	0
R0310	Risk margin	0	0	0	0
	Technical provisions - total				
R0320	Technical provisions - total	1,775	17,296	2,046	21,116
R0330	Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	5	1,379	67	1,452
R0340	Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	1,769	15,917	1,978	19,664

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Assurant General Insurance Limited

Non-Life Insurance Claims Information (simplified template for the public disclosure) S.19.01.21

Total Non-Life Business

Z0010	Accident year / Underwriting year	**Z0010**	Accident year [AY]

Gross Claims Paid (non-cumulative)
(absolute amount)

Development year

	Year	0	1	2	3	4	5	6	7	8	9	10 & +	In Current year	Sum of years (cumulative)
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0170	C0180
R0100	**Prior**											0	0	0
R0160	**N-9**	15,185	7,370	521	105	35	0	0	0	2	0		0	23,218
R0170	**N-8**	19,548	17,099	2,045	260	82	31	0	0	0			0	39,065
R0180	**N-7**	24,919	16,730	1,513	263	76	21	3	0				0	43,525
R0190	**N-6**	20,082	11,949	984	200	37	8	9					9	33,269
R0200	**N-5**	16,387	6,622	722	147	110	94						94	24,082
R0210	**N-4**	16,231	5,864	496	553	214							214	23,359
R0220	**N-3**	37,024	4,597	379	99								99	42,099
R0230	**N-2**	40,741	8,255	662									662	49,658
R0240	**N-1**	72,754	8,663										8,663	81,417
R0250	**N**	115,059											115,059	115,059
R0260												**Total**	124,800	474,752

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

Development year

	Year	0	1	2	3	4	5	6	7	8	9	10 & +	Year end (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300	C0360
R0100	**Prior**											0	0
R0160	**N-9**	0	0	0	0	0	0	0	0	0	0		0
R0170	**N-8**	0	0	0	0	0	0	0	0	0			0
R0180	**N-7**	0	0	0	0	0	0	0	0				0
R0190	**N-6**	0	0	0	0	0	0	0					0
R0200	**N-5**	0	0	0	0	0	0						0
R0210	**N-4**	0	0	0	0	0							0
R0220	**N-3**	0	0	0	64								64
R0230	**N-2**	0	0	113									113
R0240	**N-1**	0	328										328
R0250	**N**	10,023											10,008
R0260												**Total**	10,513

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Assurant General Insurance Limited

Own Funds S.23.01.01

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35					
R0010	Ordinary share capital (gross of own shares)	71.948	71.948		0	
R0030	Share premium account related to ordinary share capital	15.277	15.277		0	
R0040	Iinitial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	Preference shares	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	438	438			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	945				945
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
R0220	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	0				
	Deductions					
R0230	Deductions for participations in financial and credit institutions	0	0	0	0	
R0290	**Total basic own funds after deductions**	88.609	87.663	0	0	945
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0			0	
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0			0	
R0320	Unpaid and uncalled preference shares callable on demand	0			0	0
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
R0390	Other ancillary own funds	0			0	0
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	88.609	87.663	0	0	945
R0510	Total available own funds to meet the MCR	87.663	87.663	0	0	
R0540	Total eligible own funds to meet the SCR	88.609	87.663	0	0	945
R0550	Total eligible own funds to meet the MCR	87.663	87.663	0	0	
R0580	**SCR**	61.814				
R0600	**MCR**	15.453				
R0620	**Ratio of Eligible own funds to SCR**	1.4335				
R0640	**Ratio of Eligible own funds to MCR**	5.6728				

		C0060
	Reconciliation reserve	
R0700	Excess of assets over liabilities	88.609
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	0
R0730	Other basic own fund items	88.171
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	438
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	0
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	231
R0790	**Total Expected profits included in future premiums (EPIFP)**	231

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Solvency Capital Requirement - for undetakings on Standard Formula S.25.01.21

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
R0010	Market risk	6,380		
R0020	Counterparty default risk	17,420		
R0030	Life underwriting risk	0	0	0
R0040	Health underwriting risk	1,368	0	0
R0050	Non-life underwriting risk	41,804	0	0
R0060	Diversification	-11,954		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	55,018		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	6,796
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	0
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency capital requirement excluding capital add-on**	61,814
R0210	Capital add-on already set	0
R0220	**Solvency capital requirement**	61,814
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirement for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

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Assurant General Insurance Limited

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

S.28.01.01

Linear formula component for non-life insurance and reinsurance obligations

		C0010
R0010	MCRNL Result	14,763

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expenses insurance and proportional reinsurance	0	0
R0030	Income protection insurance and proportional reinsurance	1,365	1,423
R0040	Workers' compensation insurance and proportional reinsurance	0	0
R0050	Motor vehicle liability insurance and proportional reinsurance	0	0
R0060	Other motor insurance and proportional reinsurance	0	0
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	0
R0080	Fire and other damage to property insurance and proportional reinsurance	12,276	171,181
R0090	General liability insurance and proportional reinsurance	0	0
R0100	Credit and suretyship insurance and proportional reinsurance	0	0
R0110	Legal expenses insurance and proportional reinsurance	0	0
R0120	Assistance and proportional reinsurance	0	0
R0130	Miscellaneous financial loss insurance and proportional reinsurance	1,526	1,532
R0140	Non-proportional health reinsurance	0	0
R0150	Non-proportional casualty reinsurance	0	0
R0160	Non-proportional marine, aviation and transport reinsurance	0	0
R0170	Non-proportional property reinsurance	0	0

Linear formula component for life insurance and reinsurance obligations

		C0040
R0200	MCRL Result	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits	0	
R0220	Obligations with profit participation - future discretionary benefits	0	
R0230	Index-linked and unit-linked insurance obligations	0	
R0240	Other life (re)insurance and health (re)insurance obligations	0	
R0250	Total capital at risk for all life (re)insurance obligations		0

	Overall MCR calculation	C0070
R0300	Linear MCR	14,763
R0310	SCR	61,814
R0320	MCR cap	27,816
R0330	MCR floor	15,453
R0340	Combined MCR	15,453
R0350	Absolute floor of the MCR	2,251

		C0070
R0400	**Minimum Capital Requirement**	15,453

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Assurant Life Limited

Balance Sheet — S.02.01.02

		Solvency II value
	Assets	C0010
R0010	Goodwill	
R0020	Deferred acquisition costs	
R0030	Intangible assets	0
R0040	Deferred tax assets	0
R0050	Pension benefit surplus	0
R0060	Property, plant & equipment held for own use	0
R0070	4Q 2016	11,740
R0080	Property (other than for own use)	0
R0090	Holdings in related undertakings, including participations	0
R0100	Equities	0
R0110	Equities - listed	0
R0120	Equities - unlisted	0
R0130	Bonds	1,788
R0140	Government Bonds	1,788
R0150	Corporate Bonds	0
R0160	Structured notes	0
R0170	Collateralised securities	0
R0180	Collective Investments Undertakings	9,953
R0190	Derivatives	0
R0200	Deposits other than cash equivalents	(0)
R0210	Other investments	0
R0220	Assets held for index-linked and unit-linked contracts	0
R0230	Loans and mortgages	0
R0240	Loans on policies	0
R0250	Loans and mortgages to individuals	0
R0260	Other loans and mortgages	0
R0270	Reinsurance recoverables from:	314
R0280	Non-life and health similar to non-life	0
R0290	Non-life excluding health	0
R0300	Health similar to non-life	0
R0310	Life and health similar to life, excluding health and index-linked and unit-linked	314
R0320	Health similar to life	174
R0330	Life excluding health and index-linked and unit-linked	141
R0340	Life index-linked and unit-linked	0
R0350	Deposits to cedants	0
R0360	Insurance and intermediaries receivables	137
R0370	Reinsurance receivables	3
R0380	Receivables (trade, not insurance)	2,113
R0390	Own shares (held directly)	0
R0400	Amounts due in respect of own fund items or initial fund called up but not yet paid in	0
R0410	Cash and cash equivalents	1,179
R0420	Any other assets, not elsewhere shown	411
R0500	**Total assets**	15,898

		Solvency II value
	Liabilities	C0010
R0510	Technical provisions - non-life	0
R0520	Technical provisions - non-life (excluding health)	0
R0530	TP calculated as a whole	0
R0540	Best Estimate	0
R0550	Risk margin	0
R0560	Technical provisions - health (similar to non-life)	0
R0570	TP calculated as a whole	0
R0580	Best Estimate	0
R0590	Risk margin	0
R0600	Technical provisions - life (excluding index-linked and unit-linked)	4,539
R0610	Technical provisions - health (similar to life)	1,779
R0620	TP calculated as a whole	0
R0630	Best Estimate	1,747
R0640	Risk margin	32
R0650	Technical provisions - life (excluding health and index-linked and unit-linked)	2,760
R0660	TP calculated as a whole	0
R0670	Best Estimate	2,707
R0680	Risk margin	53
R0690	Technical provisions - index-linked and unit-linked	0
R0700	TP calculated as a whole	0
R0710	Best Estimate	0
R0720	Risk margin	0
R0730	Other technical provisions	
R0740	Contingent liabilities	0
R0750	Provisions other than technical provisions	0
R0760	Pension benefit obligations	0
R0770	Deposits from reinsurers	0
R0780	Deferred tax liabilities	0
R0790	Derivatives	0
R0800	Debts owed to credit institutions	0
R0810	Financial liabilities other than debts owed to credit institutions	0
R0820	Insurance & intermediaries payables	51
R0830	Reinsurance payables	0
R0840	Payables (trade, not insurance)	1
R0850	Subordinated liabilities	0
R0860	Subordinated liabilities not in Basic Own Funds	0
R0870	Subordinated liabilities in Basic Own Funds	0
R0880	Any other liabilities, not elsewhere shown	38
R0900	**Total liabilities**	4,629
R1000	**Excess of assets over liabilities**	11,269

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Assurant Life Limited

Premium, Claims and expenses by line of business - Table 2 S.05.01.02.02

		Line of Business for: **life insurance obligations**		
		Health insurance	Other life insurance	**Total**
		C0210	C0240	C0300
	Premiums written			
R1410	Gross	(316)	(241)	(557)
R1420	Reinsurers' share	(38)	0	(38)
R1500	Net	(278)	(241)	(520)
	Premiums earned			
R1510	4Q 2016	(316)	(241)	(557)
R1520	Reinsurers' share	(38)	0	(38)
R1600	Net	(278)	(241)	(520)
	Claims incurred			
R1610	Gross	(339)	92	(247)
R1620	Reinsurers' share	239	37	277
R1700	Net	(579)	55	(524)
	Changes in other technical provisions			
R1710	Gross	(1,388)	(2,762)	(4,150)
R1720	Reinsurers' share	(77)	(153)	(230)
R1800	Net	(1,311)	(2,609)	(3,919)
R1900	**Expenses incurred**	809	1,362	2,171
R2500	**Other expenses**			
R2600	**Total expenses**			2,171

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Assurant Life Limited

Premiums, claims and expenses by country S.05.02.01

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
R0010			0	0	0	0	0	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
	Premiums written							
R0110	Gross - Direct Business	0	0	0	0	0	0	0
R0120	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0130	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0140	**4Q 2016**	0	0	0	0	0	0	0
R0200	Net	0	0	0	0	0	0	0
	Premiums earned							
R0210	Gross - Direct Business	0	0	0	0	0	0	0
R0220	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0230	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0240	Reinsurers' share	0	0	0	0	0	0	0
R0300	Net	0	0	0	0	0	0	0
	Claims incurred							
R0310	Gross - Direct Business	0	0	0	0	0	0	0
R0320	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0330	Gross - Non-proportional reinsurance accepted	0	0	0	0	0	0	0
R0340	Reinsurers' share	0	0	0	0	0	0	0
R0400	Net	0	0	0	0	0	0	0
	Changes in other technical provisions							
R0410	Gross - Direct Business	0	0	0	0	0	0	0
R0420	Gross - Proportional reinsurance accepted	0	0	0	0	0	0	0
R0430	Gross - Non- proportional reinsurance accepted	0	0	0	0	0	0	0
R0440	Reinsurers'share	0	0	0	0	0	0	0
R0500	Net	0	0	0	0	0	0	0
R0550	**Expenses incurred**	0	0	0	0	0	0	0
R1200	**Other expenses**							0
R1300	**Total expenses**							0

		Home Country	Top 5 countries (by amount of gross premiums written) - life obligations					Total Top 5 and home country
		C0150	C0160	C0170	C0180	C0190	C0200	C0210
R1400			DE	IE	IT	0	0	
		C0220	C0230	C0240	C0250	C0260	C0270	C0280
	Premiums written							
R1410	Gross	0	-263	-225	-69	0	0	-557
R1420	Reinsurers' share	0	-38	0	0	0	0	-38
R1500	Net	0	-225	-225	-69	0	0	-520
	Premiums earned							
R1510	Gross	0	-263	-225	-69	0	0	-557
R1520	Reinsurers' share	0	-38	0	0	0	0	-38
R1600	Net	0	-225	-225	-69	0	0	-520
	Claims incurred							
R1610	Gross	-9	-554	59	257	0	0	-247
R1620	Reinsurers' share	0	239	0	37	0	0	277
R1700	Net	-9	-793	59	220	0	0	-524
	Changes in other technical provisions							
R1710	Gross	-26	-2,051	-564	-1,508	0	0	-4,150
R1720	Reinsurers' share	-1	-114	-31	-84	0	0	-230
R1800	Net	-25	-1,937	-533	-1,424	0	0	-3,919
R1900	**Expenses incurred**	0	1,285	279	614	0	0	2,178
R2500	**Other expenses**							0
R2600	**Total expenses**							2,178

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Assurant Life Limited

Life and Health SLT Technical Provisions S.12.01.02

			Other life insurance		Total (Life other than health insurance, including Unit-Linked)		Health insurance (direct business)		Total (Health similar to life insurance)
			Contracts without options and guarantees	Contracts with options or guarantees			Contracts without options and guarantees	Contracts with options or guarantees	
		C0060	C0070	C0080	C0150	C0160	C0170	C0180	C0210
R0010	**Technical provisions calculated as a whole**	0			0	0			0
R0020	**Total Recoverables from reinsurance/SPV and Finite Re** after the adjustment for expected losses due to counterparty default associated to TP as a whole	0			0	0			0
	Technical provisions calculated as a sum of BE and RM								
	Best Estimate								
R0030	**Gross Best Estimate**		2,707	0	2,707		891	856	1,747
R0080	4Q 2016		141	0	141		174	0	174
R0090	Best estimate minus recoverables from reinsurance/SPV and Finite Re - total		2,566	0	2,566		717	856	1,573
R0100	**Risk Margin**	53			53	32			32
	Amount of the transitional on Technical Provisions								
R0110	Technical Provisions calculated as a whole	0			0	0			0
R0120	Best estimate		0	0	0		0	0	0
R0130	Risk margin	0			0	0			0
R0200	**Technical provisions - total**	2,760			2,760	1,779			1,779

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Assurant Life Limited

Own Funds S.23.01.01

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
	Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation 2015/35					
R0010	Ordinary share capital (gross of own shares)	8.000	8.000		0	
R0030	Share premium account related to ordinary share capital	0	0		0	
R0040	Iinitial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	0	0		0	
R0050	Subordinated mutual member accounts	0		0	0	0
R0070	Surplus funds	0	0			
R0090	4O 2016	0		0	0	0
R0110	Share premium account related to preference shares	0		0	0	0
R0130	Reconciliation reserve	3.269	3.269			
R0140	Subordinated liabilities	0		0	0	0
R0160	An amount equal to the value of net deferred tax assets	0				0
R0180	Other own fund items approved by the supervisory authority as basic own funds not specified above	0	0	0	0	0
	Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds					
R0220	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	0				
	Deductions					
R0230	Deductions for participations in financial and credit institutions	0	0	0	0	
R0290	**Total basic own funds after deductions**	11.269	11.269	0	0	0
	Ancillary own funds					
R0300	Unpaid and uncalled ordinary share capital callable on demand	0			0	
R0310	Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	0			0	
R0320	Unpaid and uncalled preference shares callable on demand	0			0	0
R0330	A legally binding commitment to subscribe and pay for subordinated liabilities on demand	0			0	0
R0340	Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	0			0	
R0350	Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	0			0	0
R0360	Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	
R0370	Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	0			0	0
R0390	Other ancillary own funds	0			0	0
R0400	**Total ancillary own funds**	0			0	0
	Available and eligible own funds					
R0500	Total available own funds to meet the SCR	11.269	11.269	0	0	0
R0510	Total available own funds to meet the MCR	11.269	11.269	0	0	
R0540	Total eligible own funds to meet the SCR	11.269	11.269	0	0	0
R0550	Total eligible own funds to meet the MCR	11.269	11.269	0	0	
R0580	**SCR**	1.720				
R0600	**MCR**	3.332				
R0620	**Ratio of Eligible own funds to SCR**	6.5520				
R0640	**Ratio of Eligible own funds to MCR**	3.3821				

		C0060
	Reconciliation reserve	
R0700	Excess of assets over liabilities	11.269
R0710	Own shares (held directly and indirectly)	0
R0720	Foreseeable dividends, distributions and charges	0
R0730	Other basic own fund items	8.000
R0740	Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0
R0760	**Reconciliation reserve**	3,269
	Expected profits	
R0770	Expected profits included in future premiums (EPIFP) - Life business	0
R0780	Expected profits included in future premiums (EPIFP) - Non- life business	0
R0790	**Total Expected profits included in future premiums (EPIFP)**	0

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Solvency Capital Requirement - for undertakings on Standard Formula S.25.01.21

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0080	C0090
R0010	Market risk	294		0
R0020	Counterparty default risk	1,130		
R0030	Life underwriting risk	542	0	0
R0040	Health underwriting risk	300	0	0
R0050	Non-life underwriting risk	0	0	0
R0060	4Q 2016	-655		
R0070	Intangible asset risk	0		
R0100	**Basic Solvency Capital Requirement**	1,610		

	Calculation of Solvency Capital Requirement	C0100
R0130	Operational risk	110
R0140	Loss-absorbing capacity of technical provisions	0
R0150	Loss-absorbing capacity of deferred taxes	0
R0160	Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	0
R0200	**Solvency capital requirement excluding capital add-on**	1,720
R0210	Capital add-on already set	0
R0220	**Solvency capital requirement**	1,720
	Other information on SCR	
R0400	Capital requirement for duration-based equity risk sub-module	0
R0410	Total amount of Notional Solvency Capital Requirement for remaining part	0
R0420	Total amount of Notional Solvency Capital Requirements for ring fenced funds	0
R0430	Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	0
R0440	Diversification effects due to RFF nSCR aggregation for article 304	0

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Linear formula component for non-life insurance and reinsurance obligations S.28.01.01

		C0010
R0010	MCRNL Result	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	C0030
R0020	Medical expenses insurance and proportional reinsurance	0	0
R0030	Income protection insurance and proportional reinsurance	0	0
R0040	Workers' compensation insurance and proportional reinsurance	0	0
R0050	4Q 2016	0	0
R0060	Other motor insurance and proportional reinsurance	0	0
R0070	Marine, aviation and transport insurance and proportional reinsurance	0	0
R0080	Fire and other damage to property insurance and proportional reinsurance	0	0
R0090	General liability insurance and proportional reinsurance	0	0
R0100	Credit and suretyship insurance and proportional reinsurance	0	0
R0110	Legal expenses insurance and proportional reinsurance	0	0
R0120	Assistance and proportional reinsurance	0	0
R0130	Miscellaneous financial loss insurance and proportional reinsurance	0	0
R0140	Non-proportional health reinsurance	0	0
R0150	Non-proportional casualty reinsurance	0	0
R0160	Non-proportional marine, aviation and transport reinsurance	0	0
R0170	Non-proportional property reinsurance	0	0

Linear formula component for life insurance and reinsurance obligations

CHM		C0040
R0200	MCRL Result	295

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	C0060
R0210	Obligations with profit participation - guaranteed benefits	0	
R0220	Obligations with profit participation - future discretionary benefits	0	
R0230	Index-linked and unit-linked insurance obligations	0	
R0240	Other life (re)insurance and health (re)insurance obligations	4,140	
R0250	Total capital at risk for all life (re)insurance obligations		297,627

	Overall MCR calculation	C0070
R0300	Linear MCR	295
R0310	SCR	1,720
R0320	MCR cap	774
R0330	MCR floor	430
R0340	Combined MCR	430
R0350	Absolute floor of the MCR	3,332

		C0070
R0400	**Minimum Capital Requirement**	3,332