# AA Mutual International Insurance Company Limited

ED6 ME4REHRHEM 0148
COMPANIES HOUSE D4/07/00

Returns to the FSA For the year ended 31 December 1999

Accounts and Statements pursuant to the Insurance Companies Act 1982 and the Insurance Companies (Accounts and Statements) Regulations 1996

Directors' certificate required by regulation 28 (a) of the Insurance Companies (Accounts and Statements) Regulations 1996

#### AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global Business

Financial Year ended 31 December 1999

We certify:

- 1. a) that in relation to the part of this return comprising forms 9 to 13, 15, 16, 20 to 25, 28, 29, 31, 32, and 34 required by regulations 19 to 21, 23, 24 and 26 of the Insurance Companies (Accounts and Statements) Regulations 1996:
  - i) the return has been prepared in accordance with the Regulations;
  - ii) proper accounting records have been maintained and adequate information has been obtained by the company; and
  - iii) an appropriate system of control has been established and maintained by the company over its transactions and records;
  - b) that reasonable enquiries have been made by the company for the purpose of determining whether any person and anybody corporate are connected for the purposes of regulations 19, 20 and 21 of the Insurance Companies (Accounts and Statements) Regulations 1996;
  - c) that in respect of the company's business which is not excluded by Regulation 32 of the Insurance Companies Regulations 1994, the assets held throughout the financial year enabled the company to comply with regulations 27 to 31 (matching and localisation) of those Regulations;
- 2. that immediately following the end of the financial year the amount of the company's required minimum margin and the amount of the company's available assets and quantified contingent liabilities (other than those included in form 15) were as shown in form 9;
- 3. a) that the systems of control established and maintained by the company in respect of its business complied at the end of the financial year with the following published guidance:
  - i) Prudential Guidance Note 1994/6 "Systems of control over the investments (and counterparty exposure) of insurance companies with particular reference to the use of derivatives":
  - ii) Prudential Guidance Note 1996/1 "Control over general business claims provisions";

and it is reasonable to believe that those systems continued to so comply subsequently and will continue to so comply in future; and

Directors' certificate required by regulation 28 (a) of the Insurance Companies (Accounts and Statements) Regulations 1996 (continued)

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

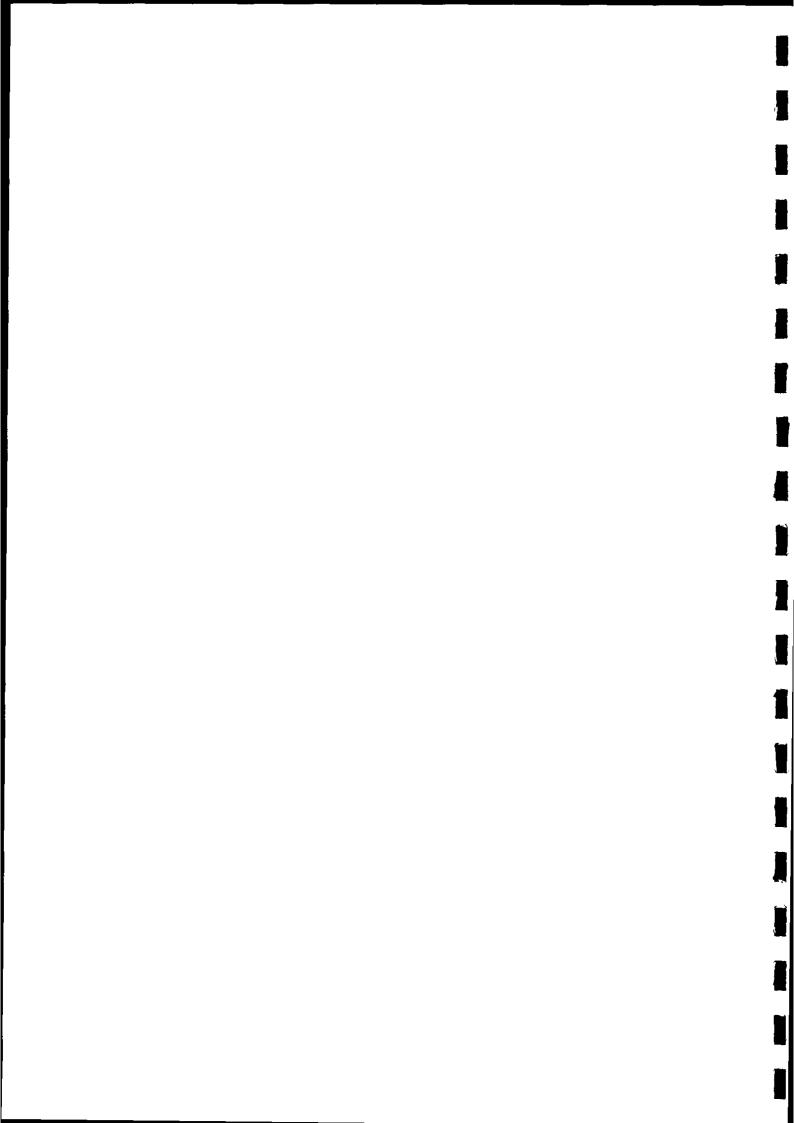
Global Business

Financial Year ended 31 December 1999

- b) that the return has been prepared in accordance with the following published guidance:
  - i) Prudential Guidance Note 1995/1 "Guidance for insurance companies and auditors on the Valuation of Assets Regulations";
  - ii) Prudential Guidance Note 1995/3 "The use of derivatives in insurance funds"; and
  - iii) Prudential Guidance Note 1998/1 "The preparation of annual returns to the Insurance Directorate of HM Treasury".

EJ Kok Director PJ Elliott Director

KJ Shulman Company Secretary



Report of the auditors to the Directors pursuant to regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1996

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global Business

Financial Year ended 31 December 1999

We have examined the following documents prepared by the company pursuant to section 17 of the Insurance Companies Act 1982 ("the Act") and the Insurance Companies (Accounts and Statements) Regulations 1996 ("the Regulations"):

- Forms 9 to 13, 15, 16, 20 to 25, 28, 29, 31, 32 and 34 (including the supplementary notes thereto) ("the Forms");
- the statements required by regulations 19 to 21 and 23 ("the statements"); and
- the certificate signed in accordance with regulation 28(a) ("the certificate").

In the case of the certificate our examination did not extend to paragraph 1(a) in relation to the statements required by regulations 24 and 26, concerning shareholders controllers and general business ceded.

#### Respective Responsibilities of the Company and its Auditors

The company is responsible for the preparation of the annual return (including the Forms statements and certificate) under the provisions of the Act and the Regulations. Under regulation 5 the Forms and statements are required to be prepared in the manner specified by the Regulations and to state fairly the information provided on the basis required by the Regulations.

It is our responsibility to form an independent opinion as to whether the Forms and statements meet these requirements, and in the case of the certificate whether it was or was not unreasonable for the person giving the certificate to have made the statements therein, and to report our opinion to you.

#### **Bases of Opinions**

We conducted our work in accordance with Practice Note 20 "The audit of insurers in the United Kingdom" issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence of the amounts and disclosures in the Forms and statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the company for the financial year on which we reported on 7 June 2000. It also included an assessment of the significant estimates and judgements made by the company and the preparation of the Forms and statements.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms and statements are free from material misstatement, whether caused by fraud or other irregularity or error, and comply with regulation 5.

In the case of the certificate, the work performed involved a review of the procedures undertaken by the signatories to enable them to make the statements therein, and does not extend to an evaluation of the effectiveness of the company's internal control systems.

Report of the auditors to the Directors pursuant to regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1996 (continued)

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global Business

Financial Year ended 31 December 1999

#### Fundamental Uncertainties

In forming our opinions, we have considered the adequacy of the disclosures made in the returns concerning the following matters:

a) Gross technical provisions and reinsurers' share thereof

Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £1,848,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £700,000. As explained in notes 1505 and 1307, the company has completed its twelfth year of run-off and accordingly the directors believe incurred claims to be effectively fully developed. Nevertheless they acknowledge that unexpected future experience may show adjustments are required to these amounts, particularly in respect of:

- i) assumptions made in estimating claims provisions and in the potential for new sources or types of claim to emerge; and
- ii) assumptions made in estimating the reinsuers' share of claims outstanding and the appropriate provision in respect of them.

#### b) Reinsurance creditors

Note 2408 refers to the write-back to the technical account of reinsurance creditors on the grounds that they are time-barred. Form 24.43.29 includes a credit of £340,000 in respect of such amounts written back in the year, making a total of £4,365,000 written back to the technical account over the past three years. Due to the inherent uncertainties in the legal process, it is impossible to confirm whether such treatment is appropriate unless all the creditors involved have their claims subsequently denied by the courts.

c) Amount anticipated from the liquidators of AA Mutual Insurance Association Limited

Note 1306 refers to the short-term insurance business of AA Mutual Insurance Association Limited, the company's former parent undertaking and major reinsurer, which was placed in liquidation on 24 June 1986. Notwithstanding the fact that the company's claims have been settled in full, subject to exchange movements, the liquidators have confirmed that they hold residual funds, a proportion of which is attributable to the company. Form 13.78.1 includes £6,000 and Form 13.92.1 includes a further £243,000 as being the company's attributable share of such funds. We are unable to confirm the recoverability of these amounts as the liquidators have not confirmed their distribution proposals.

In view of the possible significance of these uncertainties, we consider that they should be brought to your attention. Our opinion is not qualified in these respects.

Report of the auditors to the Directors pursuant to regulation 29 of the Insurance Companies (Accounts and Statements) Regulations 1996 (continued)

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global Business

Financial Year ended 31 December 1999

#### **Opinions**

In our opinion:

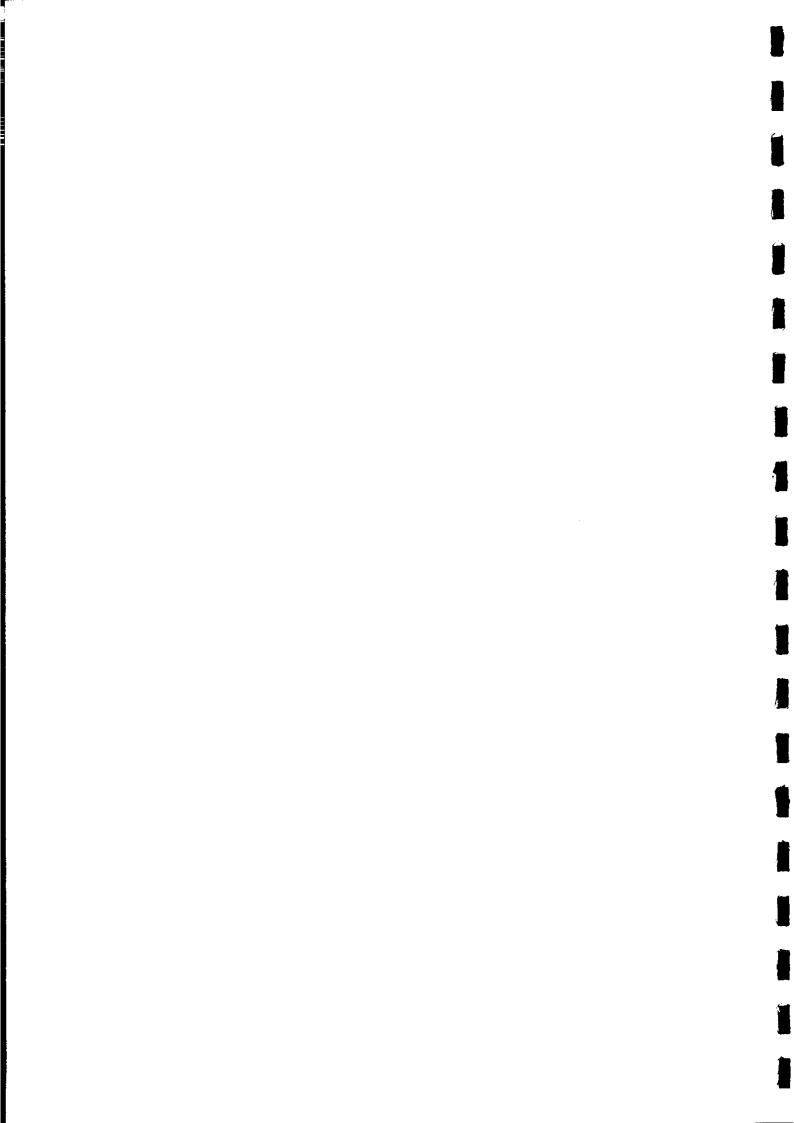
- a) the Forms and statements fairly state the information provided on the basis required by the Regulations and have been properly prepared in accordance with the provisions of those Regulations; and
- b) according to the information and explanations received by us;
  - i) the certificate has been properly prepared in accordance with the provisions of the regulations; and
  - ii) it was not unreasonable for the persons giving the certificate to have made the statements therein.

Moore Staphen

MOORE STEPHENS Registered Auditors Chartered Accountants

St. Paul's House Warwick Lane London EC4P 4BN

7 Jme 2000



Statement of solvency

Name of company

AÀ MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Global business									
Financial year ended 31st December 1999		Company registration number	GL/UI	K/CM	day	Period er month		-	Units
	R9	1432586	GL	-	31	12	199	9	£000
		As at the end		As at				Sou	rce
		year	"	the pro	evious	yeai	ء	_	Ę
		1			2		Form	l in	Column
GENERAL BUSINESS Available assets			***						
Other than long term business assets allocated towards general business required minimum margin	11	(581)			4360)		See in 1 and 2		ons
Required minimum margin									
Required minimum margin for general business	12	256			282		12	. 4	9
Excess (deficiency) of available assets over the required minimum margin (11-12)	13	(837)		(-	4642)				
LONG TERM BUSINESS Available assets		1							
Long term business admissible assets	21						10	. 1	<u> </u>
Other than long term business assets allocated towards long term business required minimum margin	22						See in		ons
Total mathematical reserves (after distribution of surplus)	23						See in:	structio	on 4
Other insurance and non-insurance liabilities	24						See in	structio	on 5
Available assets for long term business required minimum margin (21+22-23-24)	25								
Implicit items admitted under regulation 23(5) of the Insurance Companies Regulations 1994									
Future profits	31								
Zillmerising	32								
Hidden reserves	33								
Total of available assets and implicit items (25+31+32+33)	34				· · · · - · -				
Required minimum margin			L						· · · · · · · · · · · · · · · · · · ·
Required minimum margin for long term business	41						60	. 6	9
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42								
Excess (deficiency) of available assets over explicit required minimum margin (25-42)	43								
Excess (deficiency) of available assets and implicit items over the required minimum margin (34-41)	44								
CONTINGENT LIABILITIES	-					·			
Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	51						See in	structio	on 6
Quantifiable contingent liabilities in respect of long term business a shown in a supplementary note to Form 14	<sup>1S</sup> 52						See in	structio	on 6
	_								

## Covering sheet to Form 9

## AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31 December 1999

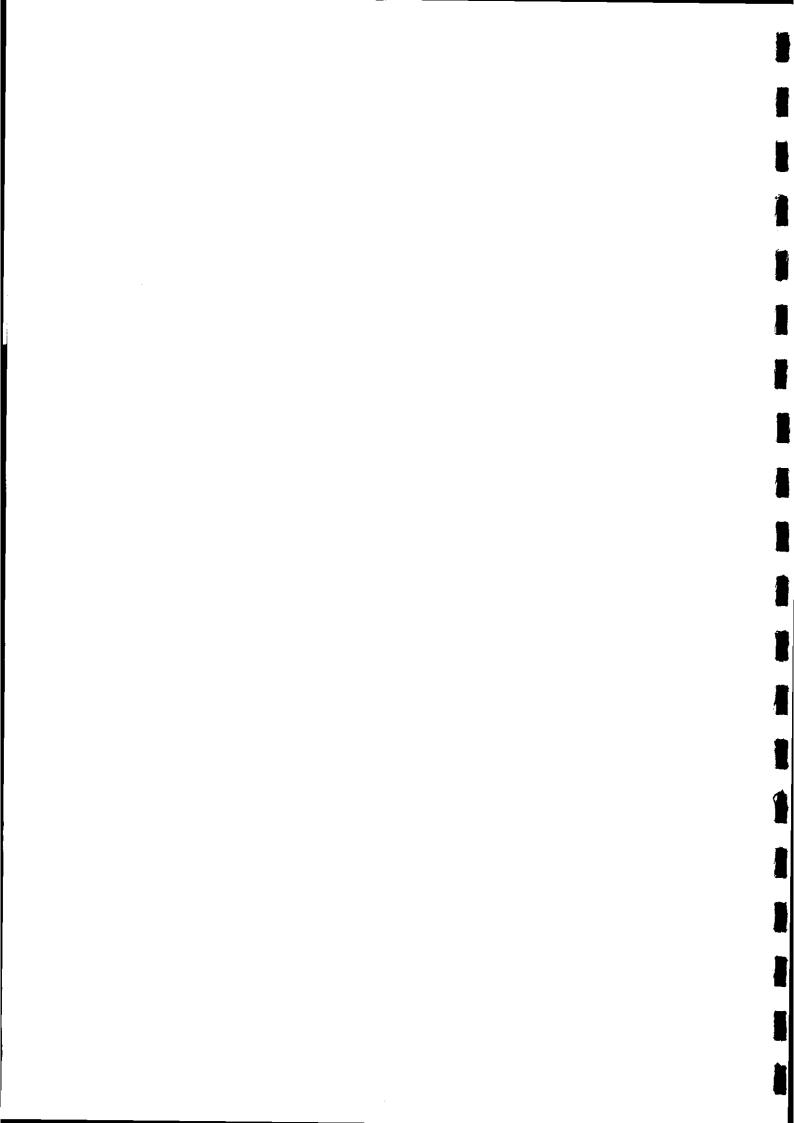
(5)

E J Kok Director

P J Elliott Director

K J Shulman Company Secretary

7 Juni 2000



## Statement of net assets

Name of company AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business									
Financial year ended 3	1st December 1999		Company registration number	GL/UK/CM	day	Period end month	ed year	– U:	nits
		R10	1432586	GL	31	12	1999	£	000
			As at the end of	1	at the e			Source	·
			this financial year 1	tne p	2	s year	Form	Line	Column
Long term business - adm	issible assets	11					13	. 89 .	1
Long term business - liabil	lities and margins	12					14	59 .	1
Other than Long term busi	iness - admissible assets	21	4364		1	585	13	. 89 .	1
Other than Long term busi	iness - liabilities	22	4945		5	945	15 .	69 .	1
Net admissible assets (21	-22)	23	(581)		(43	360)			
Other assets allowed to be taken into account in	Unpaid amounts (including share premium) on partly paid shares	24			•				
covering the required minimum margin	Supplementary contributions for a mutual carrying on general business	25							
Liabilities allowed to be left out of account in	Subordinated loan capital	26							
covering the required minimum margin	Cumulative preference share capital	27							
Available assets (23 to 27)	)	29	(581)		(4	360)			
Represented by:									
Paid up share capital (other preference share capital)	er than cumulative	51	4750		4	750			
Amounts included in lines	24 to 27 above	52							
Amounts representing the	balance of net assets	56	(5331)		(9	110)			
Total (51 to 56) and equal	to line 29 above	59	(581)		(4	360)			
Movement of balance of purposes - as per line 56									
Balance brought forward a financial year	t the beginning of the	61	(9110)		(95	17)	10 .	56 .	2
Retained profit/(loss) for the	ne financial year	62	22		(	(33)	16	<b>59</b> .	1
Movement in asset valuation differences		63	3757			140	See i	nstruct	ion 2
Decrease/(increase) in the changes	Decrease/(increase) in the provision for adverse changes						See ii	nstructi	on 3
Other movements (particul way of supplementary note		65							
Balance carried forward at (61 to 65)	the end of the financial year	69	(5331)		(9	110)			<del></del>

General business: Calculation of required margin of solvency - first method

Name of company

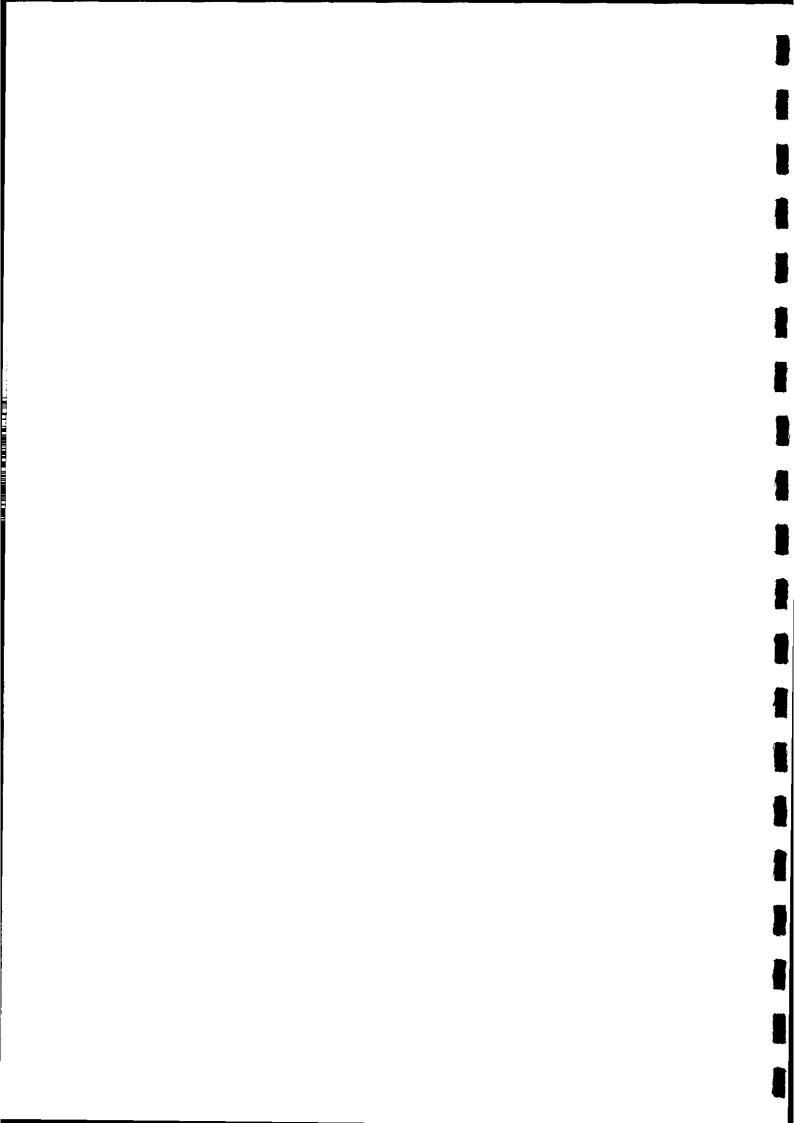
AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

				Company registration number	GL/UK/CM		riod en month	ded year	Units
			R11	1432586	GL	31	12	1999	£000
					This finar year 1	ncial		Prev ye: 2	ar
Gross premium	ns receivable			11					
Premium taxes	and levies (in	cluded in line 11)		12		•			*
Sub-total A (1	1-12)			13					
Adjusted Sub-to period to produ		sial year is not a 12 mont	th	14					
Division of	Other than	Up to and including ste		15		***			
Sub-total A (or adjusted	health insurance	Excess (if any) over 10M ECU x 16/100		16			-		
Sub-total A if appropriate)	ub-total A if			17					
	insurance	Excess (if any) over 10M ECU x 16/300		18					
Sub-total B (1	5+16+17 <b>+1</b> 8)			19					
Claims paid	·			21	503			321	
Claims outstar		For business accounte an underwriting year ba		22	1624			2022	
end of the fina year	ncial	For business accounter accident year basis	d for on a	n <b>23</b>	224			128	
Claims outstar brought forwar		For business accounte an underwriting year ba		24	2022			2100	)
beginning of the financial year	ne	For business accounter accident year basis		n 25	128			247	
Sub-total C (2	sb-total C (21+22+23-(24+25)			29	201			124	
Amounts recov		einsurers in respect		30	314			(14)	
Sub-total D (2	Sub-total D (29-30)			39	(113)			138	. ,
First result Sub-total B	x <u>Sub-total D</u> Sub-total C	_(or, if ½ is a greater frac	ction, x ½)	41					



## General business : Calculation of required margin of solvency - second method, and statement of required minimum margin

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial ye	Financial year ended 31st December 1999			Company registration number	GL/UK/CM	- F day	eriod end month	led year	- Units
			R12	1435286	GL	31	12	1999	£000
				This financia year	al	Previou year	IS	Form	Column
Reference peri no reference p	od (No. of fir eriod otherwi	nancial years) Insert "0" if there is 3 se insert "3" or "7"	11			Some States State			struction 1
Claims paid in	reference pe	eriod	21	1387		1975			
Claims outstar		For business accounted for on an underwriting year basis	22	1624		2022	•		
of the reference		For business accounted for on an accident year basis	23	224		128			
Claims outstar brought forward		For business accounted for on an underwriting year basis	24	2541		5347			
beginning of the		For business accounted for on an accident year basis	25	397		768			
Sub-total E (2	1+22+23-(24	+25))	29	297		(1990)			
l .	Sub-total F - Conversion of Sub-total E to annual figure (Multiply by 2 and divide by number of months in reference period)			99		(663)			
	Other than health	Up to and including sterling equivale 7M ECU x 26/100	nt of 32	26		<u> </u>			
Division of	insurance	Excess (if any) over 7M ECU x 23/10	00 33						
Sub-total F	Health	Up to and including sterling equivale 7M ECU x 26/300	ent of 34						
-	insurance	Excess (if any) over 7M ECU x 23/30	00 35						
Sub-total G (3	2 to 35)		39	26			•		
Second result	t Sub-total G	i x <u>Sub-total D</u> (or, if ½ is a greater Sub-total C fraction, x ½)	41	13					
								1	
First result			42					11 .	41
Required marg	in of solvenc	y (the higher of lines 41 and 42)	43	13					
								•	<u> </u>
Minimum guar	antee fund		44	256		282			
								-	
Required minir	num margin	(the higher of lines 43 and 44)	49	256		282			

## Analysis of admissible assets

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Category of assets

Total other than long term business assets

				Company registration number	GL/UK/CM	day	Period end month	led year	Units	Category of assets
			R13	1432586	GL	31	12	1999	\$00 <b>3</b>	
Investments							this	the end of financial year 1	1	he end of vious year 2
Land and buildings		· · · · · · · · · · · · · · · · · · ·				11				
	UK insurance	Shares				21				
	dependants	Debt securities issued by, and loans to, dependants								
	Other insurance	Shares 2						•		
decrease and a fe	dependants	Debt secu	rities issue	d by, and loans to,	dependants	24				
Investments in group undertakings and	Non-insurance	Shares				25				
participating interests	dependants	Debt secu	rities issue	d by, and loans to,	dependants	26				
		Shares				27				
	Other group undertakings and	Debt secu	rities issue	d by, and loans to,	group undertaking	28				
	participating interests	Participatir	ng interest	rests		29	-			
				d by, and loans to, nas a participating in		30				
Total sheet 1 (11 to	30)					39				

## Analysis of admissible assets

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Category of assets

Total other than long term business assets

		_		Company registration number	GL/UK/CM	day	Period er month		_	Units	Category of assets
			R13	1432586	GL	31	12	1999		£000	1
	(continued) th ceding undertal to cover linked lia							t the end s financial year 1			
	Equity shares					41					
	Other shares and other	r variable yie	eld securities			42					
	Holdings in collective	investment se	chemes			43					
	Rights under derivative	e contracts				44	**				
		Firm d index		Approved sec	urities	45					
	Debt securities and	Fixed intere	est	Other		46				£000 As at tithe pres	
	other fixed income securities	Mandala in		Approved sec	urities	47					
		Variable int	terest	Other		48					
Other financial investments	Participation in investr	nent pools		•		49					
	Loans secured by mor	mortgages				50					
			ublic or loca or undertakir	l authorities and n ngs	ationalised	51					
	Other loans	Loans secu company	red by polic	ies of insurance is	sued by the	52				·	
		Other								Ü	
	Deposits with approved credit institutions and	Withdrawal	subject to a	time restriction of	one month or le	es 54	·	3424			517
	approved financial institutions	Withdrawal month	subject to a	time restriction o	f more than one	55				£000 1  As at the entre previous	
	Other					56					
Deposits with ce	eding undertakings					57					
Assets held to n	natch linked liabilities	index linked	d			58					
, 13000 Held (0 II	nator mines habilities	Property lin	iked			59					
		Provision for	or uneamed	premiums		60					
Reinsurers' shar	e of technical	f technical Claims ou				61		700		7	24
provisions		Provision for	or unexpired	risks		62					
		Other				63					
Total sheet 2 (4	1 to 63)					69		4124		12	241

## Analysis of admissible assets

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Category of assets

Total other than long term business assets

			Company registration number	GL/UK/CM	day	Period end month	ed year	Units	Category of assets
		R13	1432586	GL	31	12	1999	£000	
Debtors Other assets						this	the end of financial year 1	1	= -
Debtors arising out of direct	Policyholders				71		• •		
insurance operations	Intermediaries				72				_
Salvage and subro	gation recoveries	·			73				
Debtors arising out of reinsurance	Due from ceding in accepted	surers and intermedi	aries under reinsuran	ce business	74				
operations	Due from reinsurer	s and intermediaries	under reinsurance co	ntracts ceded	75		71	2	200
	Due from	Due in 12 months of	r less after the end of ti	ne financial year	76				<u> </u>
Other debters	dependants	Due more than 12 n	nonths after the end of	the financial year	77			£000 As at the er	
Other debtors	Other	Due in 12 months o	r less after the end of the	ne financial year	78		43	•	79
	Other	Due more than 12 n	nonths after the end of	the financial year	79			£000 As at the 6 the previous 2  200  79  59	
Tangible assets		-			80				
Cash at bank and	1 '		on withdrawal, with ap	•	81	1	19	5	 i9
in hand	Cash in hand				82				
Other assets (partic	culars to be specified	by way of suppleme	ntary note)		83				
	Accrued interest an	nd rent			84		7		6
Prepayments and accrued income	Deferred acquisition	n costs			85				
	Other prepayments	and accrued income			86				
	regulations 57(2)(b) a regate value of asset		rance Companies Re	gulations	87				
Total sheet 3 (71 to	•				88	2	40	34	4
Grand total of adm	issible assets (39+69	+88)			89	43	64	158	35

#### Reconciliation to asset values determined in accordance with the shareholder accounts rules

Total admissible assets (as per line 89 above)	91	4364	1585
Total assets in excess of the admissibility limits of Schedule 12 of the Insurance Companies Regulations 1994, (as valued in accordance with those Regulations before applying admissibility limits)	92	1061	4818
Solvency margin deduction for insurance dependants	93		
Other differences in the valuation of assets (other than for assets not valued above)	94		
Assets of a type not valued above, (as valued in accordance with the shareholder accounts rules)	95		
Total assets determined in accordance with the shareholder accounts rules (91 to 95)	99	5425	6403

Amounts included in line 89 attributable to debts due from related companies, other than those unde		 
Amounts included in line of attributable to debts due from related companies, other trials trose diffe		i
contracts of insurance or reinsurance	100	

## Liabilities (other than long term business)

Name of company

AÁ MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 1999

			Company registration number	GL/UK/0	M day	Period end month	ed year	- Units
		R15	1432586	GL	31	12	1999	£000
					As at the this fina yea	nancial the lear		
	Provision for unearned premiums			11				
	Claims outstanding			12	269	8	3050	
Technical	Provision for unexpired risks			13			1999 £00  As at the end the previous y 2  3050  2717  178  5945	
provisions (gross amount)	Equalisation provisions	Credit bu	siness	14				
	Other			16			3050	
	Total (11 to 16)			19	269	8		3050
Provisions for	Taxation			21	<del>.</del>			
other risks and charges	Other			22				
Deposits receiv	red from reinsurers			31				
		Direct bu	siness	41				
	Arising out of insurance operations	Reinsura	nce accepted	42	21	86		2717
		Reinsura	nce ceded	43				
	Debenture loans	Secured		44				
Creditors	Dependire loans	Unsecure	ed	45				
	Amounts owed to credit institutions			46				
		Taxation		47				
	Other creditors	Recomme	ended dividend	48				
	,	Other		49		61		178
Accruals and d	leferred income			51				
Total (19 to 51)				59	494	45		5945
	dverse changes (calculated in accordance panies Regulations 1994)	with regula	ation 61 of the	61				
Cumulative pre	ference share capital			62				
Subordinated I	oan capital			63				
Total (59 to 63	)			69	494	5		5945
	ded in line 69 attributable to liabilities to reintracts of insurance or reinsurance	elated comp	anies, other than	71				

## Profit and loss account (non-technical account)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 1999

·				Company registration number	GL/UK	/CM	P	eriod end month	ied yea	<u> </u>	- U	inits
			R16	1432586	C	ìL.	31	12	1999	9	£	000
				This financi	ai	Previous year			;	Source	,	
				1			2		4 S	5	Line	Column
Transfer (to)/from the general business ted		From Form 20	11	(248)			(14	В)	20	)	. 59	
account	, i i i i Çai	Equalisation provisions	12				•					
Transfer from the lor	ng term bus	iness revenue account	13						40	)	. 26	
	Income		14	227			284	4				
Investment income	investments											
	Gains on the realisation of investments											
	Investment management charge including interest		, 17									
Investment charges	Value re-a	ue re-adjustments on estments										
	Loss on the	ne realisation of ts	19									
Allocated investment business technical a		sferred to the general	20					•	20	)	. 51	
Other income and ch by way of supplemen		ticulars to be specified	21	43			(169	)				
Profit or loss on ordin (11+12+13+14+15+1			29	22			(33	·)				
Tax on profit or loss	on ordinary	activities	31									
Profit or loss on ordin	nary activition	es after tax (29-31)	39	22			(33	)				
Extraordinary profit of by way of supplement		iculars to be specified	41		***				Ī			
Tax on extraordinary	profit or lo	ss	42									
Other taxes not shown under the preceding items		43										
Profit or loss for the financial year (39+41-(42+43))		49	22	• • •		(33)	)					
Dividends (paid and	proposed)		51									
Profit or loss retained	d for the fin	ancial year (49-51)	59	22			(33)	)				

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Summary

				Company registration number	GL/UK/C	M day	Period end month	ded year	Units		Accor class sumn	
			R20	1432586	GL	31	12	1999	£000		99	
			-	<u> </u>		This fin		Previou	s year	S	ourc	e
Items to be sho	own I	net of reinsurance				1		2		Form	Line	Column
	Earr	ned premium			11					21	. 19 .	
	Clai	ms incurred			12					22	. 17 .	4
	Clai	ms management costs			13		· ·			22	. 18 .	4
This year's	Adju	ustment for discounting			14					22	. 52 .	4
underwriting (accident year	Incr	ease in provision for unex	pired risks	<del></del>	15					22	. 19 .	4
accounting)		er technical income or cha cified by way of suppleme		16								
	Net operating expenses				17		•			22	. 42 .	4
	Bala	ance of year's underwriting	g (11-12-1	3+14-15+16-17)	19							
	Ear	ned premium	21					21	. 11 .	5		
	Clai	ms incurred			22	38	5		10	22	. 13 .	4
Adjustment for	Clai	ms management costs			23					22	. 14 .	4
prior years' underwriting	Adju	stment for discounting			24					22	. 51 .	4
(accident year accounting)		er technical income or cha cified by way of suppleme			25							
	Net	operating expenses			26					22	. 41 .	4
	Bala	ance (21-22-23+24+25-26	)		29	(35	i)	(1	0)			
		Per Form 24			31	(213	3)	(13	18)	24.	69. 9	9-99
	alance from Inderwriting year			32								
	Total				39	(21	3)	(13	18)			
Balance of all y	ears'	underwriting (19+29+39)			49	(24	В)	(14	<b>48</b> )			
Allocated invest	ment	return			51							
Transfer to non	-tech	nical account (49+51)		59	(24	B)	(14	48)				

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Accident and Health

				Company registration number	GL/UK/	CM	P day	ertod end month	ded year	- Units		Accor class sumn	
			R20	1432586	GL		31	12	1999	£000		1	
				<u></u>		Т	his fina		Previou	ıs year		ourc	e
Items to be sho	own I	net of reinsurance					1		2		Form	Line	Column
	Earr	ned premium			11						21	. 19 .	5
	Clai	ms incurred	•		12						22	. 17 .	4
	Clai	ms management costs		···	13						22	. 18 .	4
This year's underwriting	Adju	stment for discounting			14						22	. 52 .	4
(accident year	Incr	ease in provision for unex	pired risk	S	15		•				22	. 19 <i>.</i>	4
accounting)		er technical income or cha cified by way of suppleme			16								
	Net	operating expenses			17						22	. 42 .	4
	Bala	ance of year's underwriting	j (11-12-	13+14-15+16-17)	19								
	Earı	ned premium			21						21	. 11 .	5
	Clai	ms incurred	,		22	:	37		20		22	. 13 .	4
Adjustment for	Clai	ms management costs			23						22	. 14 .	4
prior years' underwriting	Adju	stment for discounting			24						22	. 51 .	4
(accident year accounting)		er technical income or cha cified by way of supplement			25								
	Net	operating expenses			26						22	. 41 .	4
	Bala	ance (21-22-23+24+25-26	)		29		(37)	)	(20	0)			
		Per Form 24		-	31		33				24.	69. 9	9-99
Balance from underwriting yea accounting	ar	Other technical income a be specified by way of su			32							•	
		Total			39		33	3					
Balance of all ye	ears'	underwriting (19+29+39)			49		(4	l)	(20	0)			
Allocated invest	ment	return			51								
Transfer to non-	techi	nical account (49+51)			59		(4	l)	(20	0)			

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Motor

				Company registration number	GĽUK	(/CM	f day	eriod end month	ded year	- Units		Accor class sumn	
			R20	1432586	GL		31	12	1999	£000		2	
Items to be sho	own i	net of reinsurance					This fin		Previou	us year	5	Sourc	
							1		2	2	Form	Line	Column
	Earı	ned premium			11	1					21	. 19 .	5
	Clai	ms incurred			12	2					22	. 17 .	4
	Clai	ms management costs			13	3					22	. 18 .	4
This year's underwriting	Adju	ustment for discounting			14	4					22	. 52 .	4
(accident year	Incr	ease in provision for unex	oired risk	s	15	5					22	. 19 .	4
accounting)		er technical income or cha cified by way of supplemen			16	5							
	Net	operating expenses			17	7					22	. 42 .	4
	Bala	ance of year's underwriting	j (11-12-1	13+14-15+16-17)	19	9							
	Earı	ned premium			21	1					21	. 11 .	5
	Clai	ms incurred			22	2	2				22	. 13 .	4
Adjustment for	Clai	ms management costs	<u> </u>		23	3					22	, 14 .	4
prior years' underwriting	Adju	stment for discounting			24	4					22	. 51 .	4
(accident year accounting)		er technical income or cha cified by way of supplemen			25	5							
	Net	operating expenses			26	3					22	. 41 .	4
	Bala	ance (21-22-23+24+25-26)	1		29	9	(2)						
		Per Form 24			31	1					24.	69. 9	9-99
Balance from underwriting yea accounting	ar	Other technical income a be specified by way of su			32	2							
,		Total			39	9							
Balance of all y	ears'	underwriting (19+29+39)			49	9	(2)						
Allocated invest	ment	return			51	1							
Transfer to non-	techi	nical account (49+51)			59	9	(2)						

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

**Aviation** 

				Company registration number	GL/UK/	CM day	Period end month	ded year	- Units	Accounting class/ summary
			R20	1432586	GL	31	12	1999	£000	3
Items to be sho	own i	net of reinsurance				This fir yea	аг	Previou 2		Form Line Column
<del> </del>	Ear	ned premium			11					21 . 19 . 5
	Clai	ms incurred	-		12					22 . 17 . 4
	Clai	ms management costs			13					22 . 18 . 4
This year's underwriting	Adju	ustment for discounting			14					22 . 52 . 4
(accident year	Incr	ease in provision for unexp	oired risk	s	15					22 . 19 . 4
accounting)		er technical income or cha cified by way of supplemen			16					
·	Net	operating expenses			17					22 . 42 . 4
	Bala	ance of year's underwriting	(11-12-1	(3+14-15+16-17)	19					
	Earı	ned premium		·	21					21 . 11 . 5
	Clai	ms incurred			22					22 . 13 . 4
Adjustment for	Clai	ms management costs			23					22 . 14 . 4
prior years' underwriting	Adju	ustment for discounting			24					22 . 51 . 4
(accident year accounting)		er technical income or cha cified by way of supplemen			25					
	Net	operating expenses			26					22 . 41 . 4
	Bala	ance (21-22-23+24+25-26)			29					
		Per Form 24			31	27	l			24. 69. 99-99
Balance from underwriting yea accounting	ar	Other technical income a be specified by way of su			32					
		Total			39	27	I			
Balance of all y	ears'	underwriting (19+29+39)			49	271				
Allocated invest	ment	return			51					
Transfer to non-	techi	nical account (49+51)			59	271				

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Property

				Company registration number	GL/UI	K/CM	day	eriod end month	ded year	Units	Accounting class/ summary
			R20	1432586	GL		31	12	1999	£000	6
Items to be sho	own I	net of reinsurance					This fina yea		Previou 2		Source Line Column
	Earı	ned premium			1	1					21 . 19 . 5
	Clai	ms incurred			1	2					22 . 17 . 4
	Clai	ms management costs	·		1	3					22 . 18 . 4
This year's underwriting	Adju	stment for discounting			1	4					22 . 52 . 4
(accident year	Incr	ease in provision for unex	pired risk	ş	1	5					22 . 19 . 4
accounting)		er technical income or cha cified by way of suppleme			1	6					
•	Net	operating expenses			1	7					22 . 42 . 4
	Bala	ance of year's underwriting	) (11-12-1	(3+14-15+16-17)	1	9					
·	Earı	ned premium			2	1					21 . 11 . 5
	Clai	ms incurred			2	2	(29)		(12	2)	22 . 13 . 4
Adjustment for	Clai	ms management costs			2	3					22 . 14 . 4
prior years' underwriting	Adju	stment for discounting			2	4					22 . 51 . 4
(accident year accounting)		er technical income or cha cified by way of suppleme			2	5					
	Net	operating expenses			2	6					22 . 41 . 4
	Bala	ance (21-22-23+24+25-26	)		2	9	29		12	2	
		Per Form 24			3	1	73				24. 69. 99-9
Balance from underwriting yea accounting	ar :	Other technical income a be specified by way of su			3	2				:	
_		Total			3	9	73				
Balance of all y	ears'	underwriting (19+29+39)			4	9	102	?	12	2	
Allocated invest	ment	return			5	1					
Transfer to non-	-techi	nical account (49+51)			5	9	102	:	1	2	

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Third party liability

				Company registration number	GL/UK/C	M day	Period end month	ded year	- Units	Accounting class/ summary
			R20	1432586	GL	31	12	1999	£000	7
Items to be sho	own I	net of reinsurance				This fin yea		Previou 2		Source Line Column
	Earı	ned premium		<del></del>	11					21 . 19 . 5
	Clai	ms incurred			12					22 . 17 . 4
	Clai	ms management costs			13					22 . 18 . 4
This year's	Adju	stment for discounting			14					22 . 52 . 4
underwriting (accident year	Incr	ease in provision for unex	pired risk	s	15					22 . 19 . 4
accounting)		er technical income or cha cified by way of supplement			16					
	Net	operating expenses			17					22 . 42 . 4
	Bala	ance of year's underwriting	(11-12-	13+14-15+16-17)	19					
	Ear	ned premium			21					21 . 11 . 5
	Clai	ms incurred			22	25			2	22 . 13 . 4
Adjustment for	Clai	ms management costs	-	-	23					22 . 14 . 4
prior years' underwriting	Adju	stment for discounting			24					22 . 51 . 4
(accident year accounting)		er technical income or cha cified by way of supplement			25					
	Net	operating expenses			26					22 . 41 . 4
	Bala	ance (21-22-23+24+25-26)	)		29	(25)	)		(2)	
		Per Form 24			31					24. 69. 99-99
Balance from underwriting yea accounting	ar	Other technical income a be specified by way of su			32					
		Total			39					
Balance of all y	ears'	underwriting (19+29+39)			49	(25	)		(2)	
Allocated invest	ment	return			51					
Transfer to non	-tech	nical account (49+51)			59	(25	)		(2)	

General business: Technical account (excluding equalisation provisions)

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

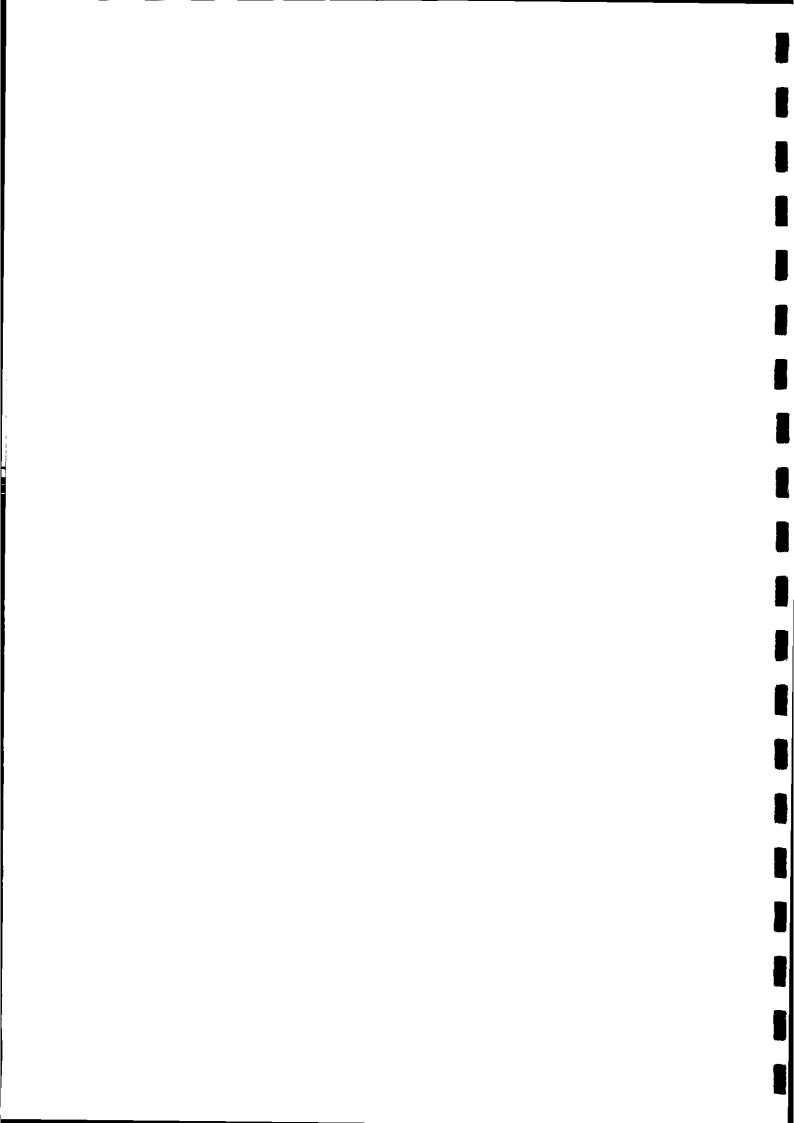
Financial year ended

31st December 1999

Accounting class

Non-proportional treaty

				Company registration number	GL/UK/	СМ	E day	eriod end month	led year	– Units		class	ounting s/ mary
			R20	1432586	GL	•	31	12	1999	£000		9	
						Ť	his fina yea		Previou	us year		Sourc	:e
Items to be sho	own I	net of reinsurance					1		:	2	Form	Line	Column
	Earı	ned premium			11						21	. 19 .	۰
	Clai	ms incurred		·····	12						22	. 17 .	. 4
	Clai	ims management costs			13					·	22	. 18 .	. 4
This year's underwriting	Adju	ustment for discounting			14						22	. 52 .	4
(accident year	Incr	ease in provision for unex	pired risk	s	15						22	. 19 .	4
accounting)		er technical income or cha cified by way of suppleme			16								
	Net	operating expenses			17		·				22	. 42 .	4
	Bala	ance of year's underwriting	j (11-12-	13+14-15+16-17)	19								
	Еап	ned premium			21						21	. 11 .	. 5
	Clai	ms incurred			22						22	. 13 .	. 4
Adjustment for	Clai	ims management costs			23						22	. 14 .	4
prior years' underwriting	Adju	ustment for discounting			24						22	. 51 .	. 4
(accident year accounting)		er technical income or cha cified by way of suppleme			25								
	Net	operating expenses			26						22	. 41 .	4
	Bala	ance (21-22-23+24+25-26	)		29								
	:	Per Form 24			31		(59	0)	(1:	38)			
Balance from underwriting year accounting	ar	Other technical income a be specified by way of su			32							·	
3		Total			39		(59	D)	(1	138)	24.	69.	99-99
Balance of all y	ears'	underwriting (19+29+39)			49		(590	D)	(1	38)			
Allocated invest	ment	return			51								
Transfer to non-	-techi	nical account (49+51)			59		(590	<b>)</b> )	(1	38)			



General business (accident year accounting) : Analysis of premiums

Name of company

any AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 1999

Accounting class	Accident and health				Company registration number	GL/UK/CM -	Pe	Period ended month year	Units		Accounting class
				R21	1 1432586	B	31	12 1999	0003 6	0	
			Gross premiums written	ten	Reinsurers' share			Net of reinsurance	rance		
Premiums receivat	Premiums receivable during the financial year		Eamed in previous financial years		Earned in previous financial years			Earned in previous financial years	evious ears		
In respect of risks incepted in previous financial years	cepted in previous	11		i i i i i i i i i i i i i i i i i i i							
			Eamed in this financial year	Uneamed at end of this financial year	Eamed in this financial year	Uneamed at end of this financial year	id of ear	Eamed in this financial year		Uneamed at end of this financial year	nd of year
			1	2	m	4		ĸ		9	
In respect of risks incepted in previous financial years	cepted in previous	12									
	For periods of less than 12 months	13									
In respect of risks incepted in this financial year	For periods of 12 months	14									
•	For periods of more than 12 months	15									
Premiums receivable (less rebates a previous financial years not earned i brought forward to the financial year	Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16						<u> </u>			
Total (12 to 16)		19									

General business (accident year accounting) : Analysis of premiums

Name of company

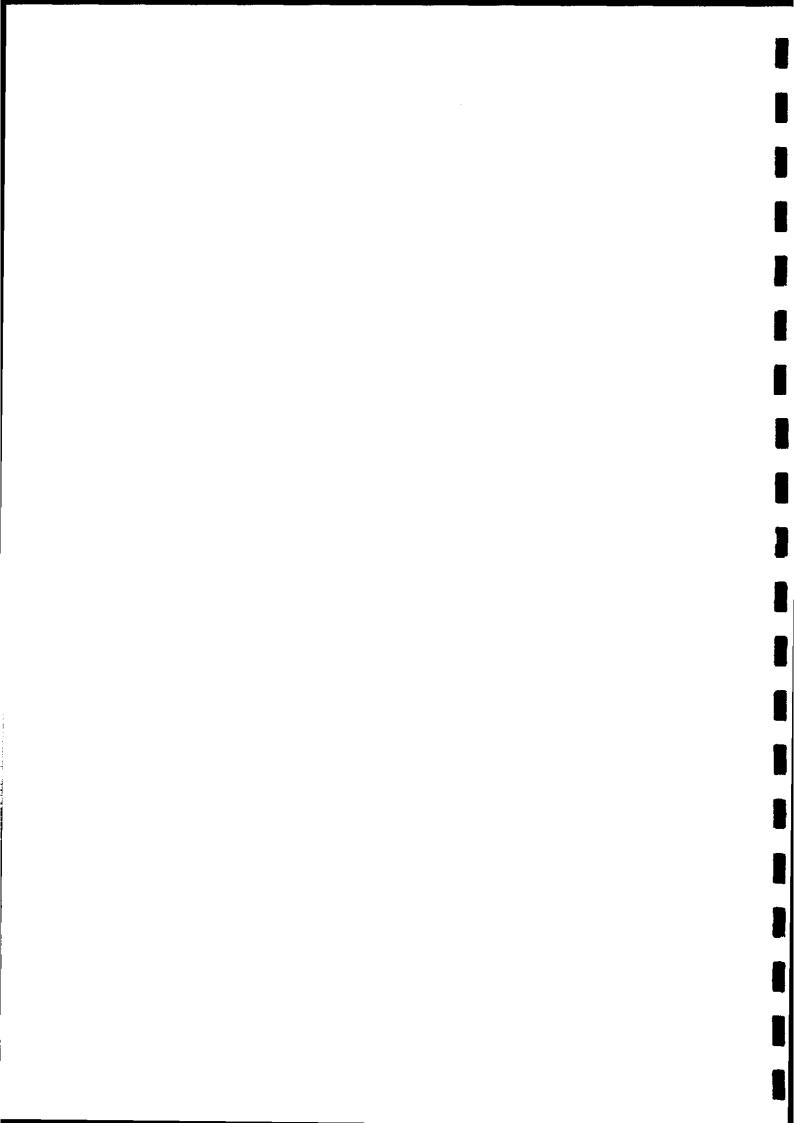
AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

31st December 1999 Financial year ended

Accounting class

Accounting class	Motor				Company	any		(	•		•	
					registration number	ation	GL/UK/CM	day r	Period ended month year		Units	Accounting class
				R21	1432586	586	19	31	12 19	1999	0003	2
			Gross premiums written	ten	Reinsurers' share	share		<u>-</u>	Net of reinsurance	urance		Γ
Premiums receival	Premiums receivable during the financial year		Earned in previous financial years		Earned in previous financial years	revious years			Earned in previous financial years	revious		
In respect of risks incepted in previous financial years		7										
			Eamed in this financial year	Uneamed at end of this financial year	Earned in this financial year		Unearned at end of this financial year	nd of rear	Earned in this financial year	this year	Uneamed at end of this financial year	at end of sial year
			_	8	e		43		τO		g	
In respect of risks incepted in previous financial years		12						<del> </del>				
	For periods of less than 12 months	13										
In respect of risks incepted in this financial year	For periods of 12 months	4						_				
,	For periods of more than 12 months	15										
Premiums receivable (less rebates a previous financial years not earned is brought forward to the financial year	and refunds) in n those years and	91										
Total (12 to 16)		19					-	<del>                                      </del>				



General business (accident year accounting) : Analysis of premiums

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Name of company

31st December 1999 Global business

Financial year ended

Accounting class Unearned at end of this financial year 0003 Net of reinsurance Earned in previous financial years Eamed in this financial year 1999 Period ended month year 12 GL/UK/CM day Unearned at end of this financial year က် <u>ნ</u> Earned in previous financial years Reinsurers' share Company registration number Earned in this financial year 1432586 **R21** Unearned at end of this financial year Gross premiums written Eamed in previous financial years Earned in this financial year 15 12 5 4 16 19 7 For periods of more than 12 months For periods of less than 12 months previous financial years not earned in those years and Premiums receivable (less rebates and refunds) in Premiums receivable during the financial year For periods of 12 months In respect of risks incepted in previous financial years In respect of risks incepted in previous financial years brought forward to the financial year Property In respect of risks Accounting class incepted in this Total (12 to 16) financial year

General business (accident year accounting) : Analysis of premiums

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Name of company

Global business

31st December 1999 Financial year ended

Accounting class Unearned at end of this financial year ဖ Units £000 Net of reinsurance Eamed in previous financial years Eamed in this financial year 1999 Period ended S 42 Unearmed at end of this financial year 31 **GL/UK/CM** 14 ᅜ Eamed in previous financial years Reinsurers' share Eamed in this financial year Company registration number 1432586 m **R**21 Unearned at end of this financial year Gross premiums written Eamed in previous financial years Earned in this financial year 4 <del>1</del>5 16 6 42 5 Ξ For periods of more than 12 months For periods of less than 12 months previous financial years not earned in those years and Premiums receivable (less rebates and refunds) in Premiums receivable during the financial year For periods of 12 months Third party liability In respect of risks incepted in previous financial years In respect of risks incepted in previous financial years brought forward to the financial year In respect of risks Accounting class incepted in this Total (12 to 16) financial year

## General business (accident year accounting): Analysis of claims, expenses and technical provisions

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended 31st December 1999

Accounting class

Accident and Health

Accounting class	Accident and Health		npany stration tber	GL/U	K/CM	F day_	eriod e monti		– Un	ilts	Accounting class
	R2	2 14	32586		GL	31	12	1999	£00	00	1
			Amount I forward previous f yea	from inancial	R	Amount payable, eceivabl his finan year	e	Amount of forward to financial	next	attrib	Amount utable to this ancial year
	Gross amount	11	;	51		42		14	4		135
Claims incurred in respect of incidents	Reinsurers' share	12	:	25				12	:3		98
occurring prior to this financial year	Net (11-12)	13		26		42		2	1		37
	Claims management costs	14		39				39	9		
	Gross amount	15									
Claims incurred in respect of incidents	Reinsurers' share	16								•	
occurring in this financial year	Net (15-16)	17									
····andia yaa	Claims management costs	18									
Provision for unexpir	ed risks	19			er Ari						· · · · · · · · · · · · · · · · · · ·
	Commissions	21									
	Other acquisition expenses	22									
Net operating	Administrative expenses	23									
expenses	Reinsurance commissions and profit participations	24									
	Total (21+22+23-24)	29						-		·	
Adjustments for	Gross amount	31									
discounting in	Reinsurers' share	32			8 8						
respect of the items shown at lines 11 to	Claims management costs	33		·							
18 above	Total (31-32+33)	39									
Outh of the OO	Prior financial years	41									
Split of line 29	This financial year	42						<u> </u>			
Solit of line 20	Incidents occurring prior to this financial year	51							,		
Split of line 39	Incidents occurring in this financial year	52									

General business (accident year accounting): Analysis of claims, expenses and technical provisions

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Motor

Accounting dass			Com regis numi	tration	GL/UI	K/CM	Pe day	riod er month		Un	its	Accounting class
		R22	143	2586	(	3L	31	12	1999	£00	00	2
	<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>			Amount bro forward fro previous fina year	om	re	Amount bayable/ eceivable nis financ year		Amount ca forward to financial y	next	attribu	Amount table to this ncial year
	Gross amount	<u></u>	11				2					2
Claims incurred in respect of incidents	Reinsurers' share	<u></u>	12									
occurring prior to	Net (11-12)		13				2					2
triis illianciai year	Claims management cost	s	14	<u> </u>								
	Gross amount		15	1 (1950) A								
Claims incurred in respect of incidents	Reinsurers' share		16									
occurring in this financial year	Net (15-16)		17									
Interior your	Claims management cost	s	18									
Provision for unexpir	ed risks		19				14. 2.		•			
	Commissions		21									
	Other acquisition expense	es	22									
Net operating	Administrative expenses		23		j falli			,				
expenses	Reinsurance commissions profit participations	s and	24									
	Total (21+22+23-24)		29			·						
Adjustments for	Gross amount		31									
discounting in respect of the items	Reinsurers' share		32									
shown at lines 11 to	Claims management cost	s	33									
18 above	Total (31-32+33)		39									
Split of line 29	Prior financial years		41									
Opin of line 29	This financial year		42									
Split of line 39	Incidents occurring prior to financial year	o this	51									
Opin of time 35	Incidents occurring in this financial year		52									

General business (accident year accounting) : Analysis of claims, expenses and technical provisions

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

**Property** 

			Com regis numi	tration	GL/UI	KICM	Pe day	riod er month		Uni	ts	Accounting class
		R22	143	2586	C	SL.	31	12	1999	£00	0	6
				Amount broad forward from previous final year	om	re	Amount payable/ ceivable is financ year		Amount carr forward to n financial ye	ext	attribu	mount table to this ncial year
	Gross amount		11	50			້3		36			(11)
Claims incurred in respect of incidents	Reinsurers' share		12	5			6		17			18
occurring prior to this financial year	Net (11-12)		13	45			(3)		19			(29)
tino imanolal year	Claims management cost	ts	14	26					26			
	Gross amount		15						•			
Claims incurred in respect of incidents	Reinsurers' share		16									
occurring in this financial year	Net (15-16)		17									
T.	Claims management cost	s	18									
Provision for unexpire	ed risks		19									
	Commissions		21	<u>.</u>								
	Other acquisition expense	es	22									
Net operating	Administrative expenses		23			·						
expenses	Reinsurance commissions profit participations	s and	24									
	Total (21+22+23-24)		29									
Adjustments for	Gross amount		31									
discounting in respect of the items	Reinsurers' share		32								ü	
shown at lines 11 to	Claims management cost	s	33						1 2 1 2 11 2			
18 above	Total (31-32+33)		39				*					
Split of line 20	Prior financial years		41									
Split of line 29	This financial year		42									
Calif of line 20	Incidents occurring prior to	o this	51									
Split of line 39	Incidents occurring in this financial year	; 	52									

General business (accident year accounting): Analysis of claims, expenses and technical provisions

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Financial year ended

31st December 1999

Accounting class

Third party liability

Accounting class	Timu party liability		Compregis	tration	GL/U	K/CM	Po day	eriod ei month		Units	Accounting class
		R22	143	2586	(	GL	31	12	1999	£000	7
				Amount bro forward fro previous fina year	om	te t	Amount payable/ eceivable is financ year		Amount can forward to n financial ye	ext att	Amount ributable to this financial year
	I			1			-2		3		4
Claims incurred in	Gross amount		11	27			5		44		22
respect of incidents	Reinsurers' share		12	32			10		19		(3)
occurring prior to this financial year	Net (11-12)		13	(5)			(5)		25		25
	Claims management cos	ts	14	60					60		
	Gross amount		15								
Claims incurred in respect of incidents	Reinsurers' share		16		,						
occurring in this financial year	Net (15-16)		17								
manda year	Claims management cos	ts	18	Ki george s			·				
Provision for unexpir	ed risks		19					1025			
	Commissions	<u>-</u>	21								
	Other acquisition expense	es	22								
Net operating	Administrative expenses		23		11.74					4 - 1	
expenses	Reinsurance commission profit participations	s and	24		•						
	Total (21+22+23-24)		29								
Adjustments for	Gross amount		31						· · · · · · · · · · · · · · · · · · ·		
discounting in	Reinsurers' share		32								
respect of the items shown at lines 11 to	Claims management cos	ts	33				· · · · · · · · · · · · · · · · · · ·				
18 above	Total (31-32+33)		39								
	Prior financial years		41					2000 200	<del> </del>		
Split of line 29	This financial year		42								
Out the file of the	Incidents occurring prior t	to this	51								
Split of line 39	Incidents occurring in this financial year	5	52								

General business (accident year accounting) : Analysis of net claims and premiums

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Financial year ended	papua	315	31st December 1999	т 1999						Company					
Accounting class	S	Acc	Accident and health	ieatth						registration number	GL/UK/CM	day	Period ended month year	— Units	Accounting class
									R23	1432586	GL	31 1	12   1999	0003	
Accident year ended	ended		aid ing ent	Claims outstanding (net) as at end	Total claims paid (net) since the end	Claims paid (net) during this financial	Claims outstanding carried forward	nding carried	Claims outstandin	Claims outstanding brought forward	Balance on each accident	Deduction for discounting from claims	Eamed premiums	Deterioration/ (surplus) of	Claims ratio %
				of the accident year		year	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	(4+5+6-7-8)	outstanding carried forward		reserve %	
Month	Year														
			1	2	ဧ	4	ç	ဖ	7	80	တ	10	+	12	13
12	1999	11												1	
12	1998	12													
12	1997	5													
12	1996	4													
12	1995	15													
12	1994	16													
12	1993	4													
12	1992	18													
12	1991	19													
12	1990	20													
Prior accident years		21				42	16	ro	21	5	37				
Reconciliation		22													
Total (11 to 22)						42	16	r2	21	5	37				90 2

General business (accident year accounting) : Analysis of net claims and premiums

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of company

Financial year ended		31st	31st December 1999	1999						Company			Dept.		Acronating
Accounting class		Motor	<b>L</b>							registration number	GL/UK/CM	day	month year	Units	class
									R23	1432586	GL	31 1	12 1999	0003	. 2
Accident year ended	ended		Claims paid (net) during the accident	Claims outstanding (net) as at end	Total claims paid (net)	Claims paid (net) during this financial	Claims outstandin forward	ns outstanding carried forward	Claims outstanding brought forward	nding brought ard	Balance on each accident year	Deduction for discounting from claims	Eamed premiums (net)	Deterioration/ (surplus) of original	Claims ratio %
			уеаг	of the accident year	of the accident year, but prior to this financial year	year	Reported (net)	Incurred but not reported (net)	Reported (net)	incurred but not reported (net)	(4+5+6-7-8)	outstanding carried forward (net)	,	reserve %	
Month	Year		-	2	т	4	ဟ	9	7	8	6	10	Ę	12	13
12	1999	Ε													
12	1998	12					:								
12	1997	13													
12	1996	4													
12	1995	15													
12	1994	16													
12	1993	47													
12	1992	18													
12	1991	19													
12	1990	20													
Prior accident years		21		8		2					2				10 miles
Reconciliation		22													
Total (11 to 22)		29				2					2				

General business (accident year accounting): Analysis of net claims and premiums

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of company

Global business

31st December 1999 Financial year ended

Accounting class Claims ratio % 5 9 Deterioration/ (surplus) of original reserve % £000 Units 2 1999 year Earned premiums (net) Ę Period ended 42 Deduction for discounting from claims outstanding carried forward (net) 뚠 day 9 **GL/UK/CM** Balance on each accident year (4+5+6-7-8) (53) (29)뎡 0 Incurred but not reported (net) Company registration number 1432586 Claims outstanding brought forward œ S S Reported (net) 8 **\$ R23 ~** Incurred but not reported (net) Claims outstanding carried forward 9 10 ĸ Reported (net) 7 4 ĸ Claims paid (net) during this financial year 4 <u>@</u> <u>ල</u> Total claims
paid (net)
since the end
of the accident
year, but prior
to this
financial year ო Claims
outstanding
(net) as at end
of the accident N Claims paid (net) during the accident Property 29 5 22 2 <del>٢</del> **8** £ 4 2 21 1999 1998 1995 1993 Accident year ended 1996 1994 1992 1991 1990 1997 Year Prior accident years Accounting class Total (11 to 22) Reconciliation 42 72 72 72 4 4 7 4 42 12 Month

Returns under Insurance Companies Legislation

General business (accident year accounting): Analysis of net claims and premiums

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Financial year ended Accounting class		31st December 1999 Third party liability	ır 1999 bility						Company registration number	GL/UK/CM	day	Period ended month year	Units	Accounting class
								R23	1432586	GL	31	12   1999	0003	7
Accident year ended	ded	Claims paid (net) during the accident		Total claims paid (net) since the end	Claims paid (net) during this financial	Claims outstanding carried forward	nding carried ard	Claims outstanding brought forward	nding brought ard	Balance on each accident year	Deduction for discounting from claims	Eamed premiums (net)	Deterioration/ (surplus) of original	Claims ratio %
		year	of the accident	of the accident	year	Reported (net)	Incurred but	Reported (net)	Incurred but	(4+5+6-7-8)	outstanding carried	,	reserve %	
				to this			not reported (net)		not reported (net)		forward (net)		?	
Month	Year					·								
		1	2	3	4	5	9	7	8	6	10	11	12	13
12 1	1999   1													
12 1	1998 1	12												
12 1	1997 1	13												
12 1	1996 1	14												
12 1	1995 1	15												
12 1	1994 1	16												
12 1	1993 1	17												
12   1	1992   1	18												
12 1	1991	19												
12 1	1990 2	20												
Prior accident years		21	(2) (2) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4		(9)	10	15	(20)	15	25				
Reconciliation	4	22		ing system on the										
Total (11 to 22)		29			(9)	10	15	(20)	15	25			- NI	

General business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Accounting Total all previous 65 4 ∞ 33 8 columns ≿ 0003 Cnits 66 Σ 12 ≿ 1999 Period ended month year 86 Σ 12 42 ≿ 97 day 뜐 Σ 7 GL/UK/CM ≿ 덩 96 Σ 12 ≿ Company registration number 1432586 9 Σ 7 ≿ 94 **R24** Σ 12 ≿ 93 Σ 7 ≿ 92 Σ 12 ≿ 6 Σ 7 ≿ 8 Σ 12 Prior underwriting 59 years 33 œ 33 7 59 31st December 1999 Accident and health 42 49 7 7 6 21 22 29 39 4 43 4 5 52 53 5 29 69 Underwriting year ended Reinsurers' commissions and financial vear (53-54-51+52) Payable net (41+42+43-44) Other acquisition expenses Adjustment for discounting discounting Increase (decrease) in the Adjustment for Undiscounted Administrative expenses Undiscounted Balance on each underwriting year profit participations Reinsurers' share Reinsurers' share Gross amount Claims management costs Gross amount Commissions Financial year ended Net (11-12) Net (21-22) Brought forward Carried forward Accounting class (19-29-39-49-59)Technical provisions Premiums written Net operating expenses Claims paid

General business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of company AA MU

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Global business

Accounting Total alt previous 66 474 263 (21)(83)38 ≿ Units £000 66 MM 72 1999 ≿ Period ended month year 86 Σ 12 4 ≿ 97 day ည် MM 7 **GL/UK/CM** ≿ 占 96 ∑ ≥ 12 ≿ Company registration number 95 1432586 Σ 42 ≿ 8 **R24** Σ 72 ≿ 8 Σ 12 ≿ 92 Σ 2 ≿ 9 Σ 7 ≿ 90 Σ 42 Prior underwriting 23 474 (21) 263 (23) 38 53 31st December 1999 49 7 49 23 5 4 23 Ţ 7 22 39 4 42 5 52 54 Underwriting year ended Reinsurers' commissions and profit participations Payable net (41+42+43-44) Other acquisition expenses Aviation Adjustment for Adjustment for Undiscounted Undiscounted Administrative expenses discounting discounting Reinsurers' share Reinsurers' share **Gross amount Gross amount** Claims management costs Commissions Financial year ended Net (11-12) Net (21-22) Brought forward forward Carried Accounting class Premiums written Technical provisions Net operating expenses Claims paid

(211)

(211)

financial year (53-54-51+52)

Balance on each underwriting year

(19-29-39-49-59)

Increase (decrease) in the

59

271

69

271

General business (underwriting year accounting) : Analysis of premiums, claims and expenses

Name of company

y AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GIODAI DUSIIIESS	20110													Ċ										
Financial	Financial year ended	d 31st December 1999	ser 1	666										5 2 2	company registration number	=	GL/UK/CM		day r	Period ended month	year	э I	Units	Accounting class
Accounting class	ng class	Property											R24		1432586	မှ	GL		31	12	1999	€0	5000	. 6
	Unde	Underwriting year ended	led	Prior underwriting years	MM	⊁	M	λλ	MM	╁	MM	<u>-</u>	MM	\ \	MM	YY MM	W YY	MM	٨٨	MM	夶	MM	Х	Total all previous columns
				29 29	12	06	12	91	12	82	12 9	93 1	12 94	4 12	2 95	12	96	12	46	12	86	12	66	66 66
	Gross amount	ount	11																					
Premiums written	Reinsurers' share	share	12																					
	Net (11-12)	(	19																					
	Gross amount	ount	21																					
Claims	Reinsurers' share	share	22																					
	Net (21-22)	.)	59																					
Claims ma	Claims management costs	osts	39																					
	Commissions	suc	41																					
ţo N	Other acqu	Other acquisition expenses	42																					
operating	Administrat	Administrative expenses	43																					
expenses	Reinsurers' commis profit participations	Reinsurers' commissions and profit participations	44													-								
	Payable ne	Payable net (41+42+43-44)	49																					
	Brought	Undiscounted	51	78																				78
	-	Adjustment for discounting	52																					
Technical   provisions		Undiscounted	53	22																	l			5
	forward	forward Adjustment for discounting	54																					
	Increase (c Inancial ye	Increase (decrease) in the financial year (53-54-51+52)	59	(73)																				(73)
Balance on each (19-29-39-49-59)	Balance on each underwriting year (19-29-39-49-59)	writing year	69	73						·														73
																							ı	

General business (underwriting year accounting): Analysis of premiums, claims and expenses

Name of company AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

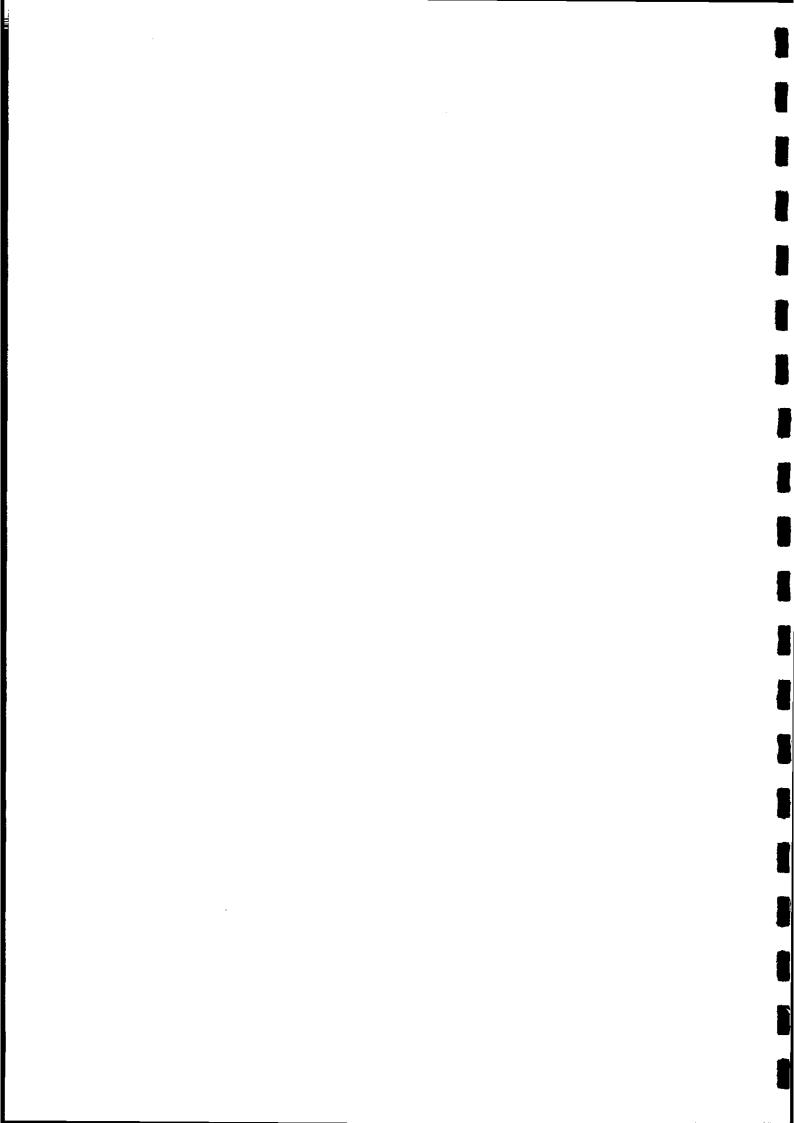
Global business

Accounting class Total all previous columns 66 472 ß 6 284 3 188 433 1567 1532 433 (35)(590) 6 ≿ £000 Gnits (773) 66 773 773 <u>≥</u> Σ 1999 ≿ Period ended month year 86 Σ 7 7 ≿ 97 day ۳ Σ 42 **GL/UK/CM** 딩 ≿ 96 Σ 7 ≿ Company registration number 1432586 95 Σ 7 ≿ 9 **R24** MM 42 ≿ 93 Σ 4 ≿ 92 Σ 7 ≿ 2 Σ 7 ≿ 90 Σ 7 underwriting 29 years 472 (340)(340) 1532 (35)1567 284 188 183 4 Ø Non-proportional treaty ĸ 29 31st December 1999 29 39 43 49 51 53 54 29 6 22 4 42 4 52 69 7 Underwriting year ended Reinsurers' commissions and financial year (53-54-51+52) Other acquisition expenses Payable net (41+42+43-44) Adjustment for discounting discounting Increase (decrease) in the Adjustment for Undiscounted Undiscounted Balance on each underwriting year Administrative expenses profit participations Reinsurers' share Reinsurers' share Gross amount Gross amount Claims management costs Commissions Financial year ended Net (21-22) Net (11-12) Brought forward forward Carried Accounting class (19-29-39-49-59) Premiums operating expenses provisions Technical written Claims paid Šet

General business (underwriting year accounting) : Analysis of technical provisions

Name of company AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

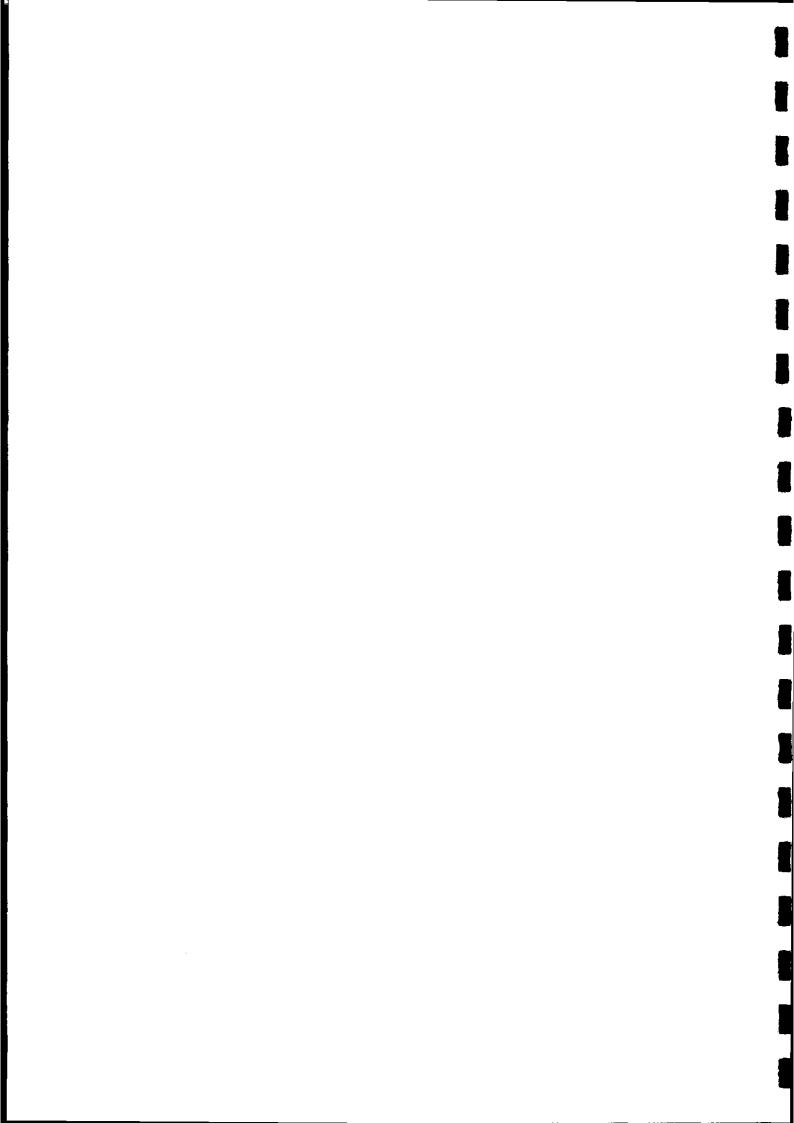
Global business	v													•											
Financial year ended	ended 31st December 1999	mbei	r 1999											S € E	Company registration number	ا ۔	GL/UK/CM		Per	Period ended month	year	1	Units	Accounting class	nting
Accounting class	ss Accident and health	and h	realth										R25	-	1432586	ی	เอ		31	12	1999		£000	-	
5	Underwriting year ended	papu		Prior underwriting years	MM	٨٨	MM	҂	MM	٨٨	MM	<u>}</u>	MM	. ¥	WW X	YY MM	X. W	MM	\ <u>\</u>	MM	<u>۸</u>	MM	γγ	Total all previous columns	al vious nns
			29	29	12	06	12	91	12	95	12	93	12	94	12	95 1	12 96	12	2 97	7 12	86	12	66	66	66
Reported claims	Gross amount	£		4															-					`	4
outstanding	Reinsurers' share	12																							
Claims incurred	Gross amount	13												_											<u> </u>
but not reported	Reinsurers' share	14												<u> </u>				<u> </u>							
Claims management costs	nent costs	15		4														_						4	
	Gross amount	16									L.														
Adjustment for discounting	Reinsurers' share	17										ļ <u>-</u>													
	Claims management costs	18 18											   					<u> </u>							
Allocation to/(from) another accounting class of anticipa	Allocation to/(from) another accounting class of anticipated surplus	19																	<u> </u>						
Balance of the fund	pui	20																							
Claims outstanding (11-12+13-14+15-1	Claims outstanding (11-12+13-14+15-16+17-18+19+20)	21		80																				8	
Provision for une	Provision for uneamed premiums	22																							
Provision for unexpired risks	expired risks	23	<b></b>									<u></u>								<u> </u>					
Deferred acquisition costs	tion costs	24										.=.													
Other technical provisions to be specified by way of supplementary note)	Other technical provisions (particulars to be specified by way of supplementary note)	25		-																					
Total (21+22+23-24+25)	-24+25)	29		<b>&amp;</b>															!					8	



General business (underwriting year accounting) : Analysis of technical provisions

Name of company AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Financial year ended	inded 31st December 1999	embe	ır 1999											ŏ º ₽ ₽	Company registration number	_	GL/L	GL/UK/CM	day	Period ended month	nded	إ	Units	Accounting class	nting
Accounting class	ss Aviation	_				•		,					R25		1432586	ا ا	9	GL	31	12		1999	£000	3	
5/	Underwriting year ended	endec		Prior underwriting years	MM	<b>&gt;</b>	MM	<u>_</u>	MM	<u></u>	MM	<b>∠</b>	MM	ΥΥ	MM	, XY M	WM Y	ΥΥ	WM Y	YY M	MM Y	YY MM	N YY	Total all previous columns	al vious nns
			29	29	12	96	12	91	12   §	92	12	93	12 8	94	12	95 1	12 9	96	12 8	1   1	12 9	98 1	12 99	66 €	66
Reported claims	Gross amount	-	11	258																				258	89
outstanding	Reinsurers' share		12	173					1															173	က
Claims incurred	Gross amount	-	13																						
but not reported	Reinsurers' share		14																						
Claims management costs	nent costs	-	15	178																				17	178
	Gross amount	7-	16																						
Adjustment for discounting	Reinsurers' share		17																					ļ	
Claims nr costs	Claims management costs		18																						
Allocation to/(fror accounting class	Altocation to/(from) another accounting class of anticipated surplus		19																						
Balance of the fund	pu	2	20																						
Claims outstanding (11-12+13-14+15-10	Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	263																				26	263
Provision for unearned premiums	arned premiums	2	22								ļ														
Provision for unexpired risks	xpired risks	2	23																						
Deferred acquisition costs	ion costs		24																						
Other technical provision to be specified by way of supplementary note)	Other technical provisions (particulars to be specified by way of supplementary note)		25				:				[														
Total (21+22+23-24+25)	-24+25)	2	29	263																				56	263



1

General business (underwriting year accounting) : Analysis of technical provisions

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of company

Global business

Accounting class all previous columns 8 S S 9 ≿ £000 Units 66 Σ 12 1999 98 ≿ Period ended Σ 7 42 ≿ 97 3 Σ 12 **GL/UK/CM** 딩 ≿ 96 Σ 4 ≿ Company registration number 95 1432586 MΜ 7 ≿ 94 **R25** Σ 7 ≿ 93 Σ 42 92 ≿ Σ 12 ≿ 9 Σ 7 ≿ 90 Z 12 Prior underwriting years 29 40 ro 31st December 1999 59 13 45 7 12 4 16 4 <del>2</del> 6 24 20 7 22 23 29 25 Underwriting year ended Claims management accounting class of anticipated surplus Other technical provisions (particulars to be specified by way of **Property** Reinsurers' share Reinsurers' share Reinsurers' share (11-12+13-14+15-16+17-18+19+20) Provision for unearned premiums Gross amount Gross amount **Gross amount** Provision for unexpired risks Allocation to/(from) another Claims management costs Deferred acquisition costs costs Total (21+22+23-24+25) Financial year ended supplementary note) Balance of the fund Claims outstanding Accounting class Reported claims Claims incurred but not reported Adjustment for discounting outstanding

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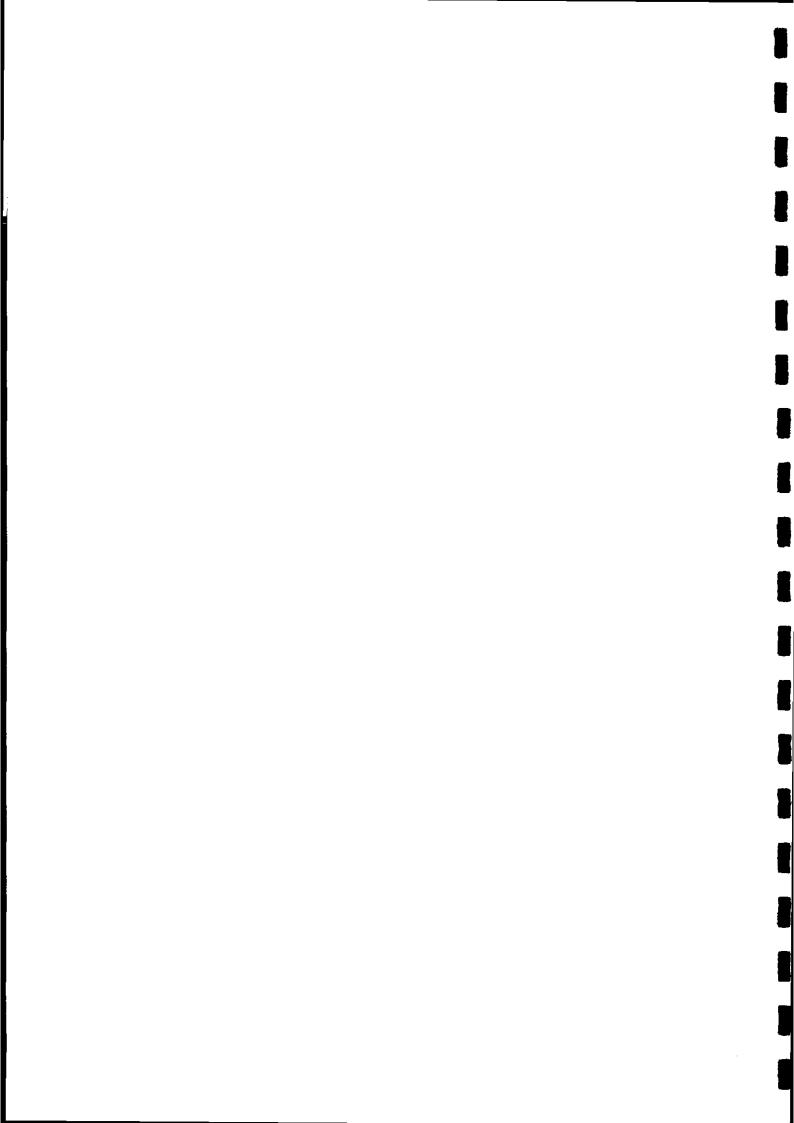
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General business (underwriting year accounting) : Analysis of technical provisions

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Financial year ended	ended 31st December 1999	nber	1999											Company registration number	, u	ย	GL/UK/CM	day	Period ended month	nded 1 year	ar	Units		Accounting
Accounting class	ss Non-proportional treaty	ortion	al treaty									R25		1432586	86		GL.	31	12		1999	£000		6
5	Underwriting year ended	ded	Prior underwriting years	MM	ΥΥ	MM	<b>}</b>	MM	<b>&gt;</b>	MM	⋩	MM	٨٨	MM	<u>-</u>	Σ		MM	٠ ۲	MM	۲۷ ا	MM	ΥΥ	Total all previous columns
		L_,	29 29	12	06	12	91	12	92	12	93	12	94	12	95	12	96	12	26	12 8	86	12 9	66	66 66
Reported claims	Gross amount	=	1362																					1362
outstanding	Reinsurers' share	12	368																		ļ			368
Claims incurred	Gross amount	13									-												_	
but not reported	Reinsurers' share	4																						
Claims management costs	nent costs	15	538																					538
	Gross amount	16																						
Adjustment for discounting	Reinsurers' share	17															·							
	Claims management costs	18 18																			i			
Allocation to/(from) another accounting class of anticipa	Allocation to/(from) another accounting class of anticipated surplus	19																						
Balance of the fund	pui	20								i														
Claims outstanding (11-12+13-14+15-10	Claims outstanding (11-12+13-14+15-16+17-18+19+20)	21	1532																					1532
Provision for une	Provision for unearned premiums	22																						
Provision for unexpired risks	expired risks	23																						
Deferred acquisition costs	tion costs	24								:			i					İ						
Other technical provision to be specified by way of supplementary note)	Other technical provisions (particulars to be specified by way of supplementary note)	25																						
Total (21+22+23-24+25)	-24+25)	29	1532																					1532



General business (underwriting year accounting) : Analysis of premiums, claims and expenses by category for treaty reinsurance

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class Non-proportional treaty

Sterling

Currency

all previous 66 columns 40 6 3 (35)Total 472 188 433 433 1532 Currency 284 1567 ₹ 66 ≿ Accounting class 66 733 773 Σ 42 ≿ Business category 8 Σ \_ 2 ≿ Monetary units £000 Σ 2 ≿ 1999 year Σ Period ended 42 month 7 ≿ 95 day 5 Σ Σ 12 GL/UK/CM ≿ 94 乌 Σ Σ 12 ≿ 6 Company registration number 1432586 Σ 2 ≿ 92 Σ 7 ≿ 9 Σ 7 ≿ 96 Miscellaneous and pecuniary loss Σ 7 Prior underwriting years 29 (340)(340)1532 (35)3 472 188 1567 284 **O** S 59 31st Decmber 1999 43 49 53 59 7 2 7 22 39 4 42 4 5 52 5 6 29 Underwriting year ended Reinsurers' commissions and financial year (53-54-51+52) Payable net (41+42+43-44) Other acquisition expenses discounting hicrease (decrease) in the Adjustment for Adjustment for Undiscounted Undiscounted Administrative expenses profit participations Reinsurers' share Reinsurers' share Claims management costs Financial year ended Gross amount Gross amount Commissions Net (11-12) Net (21-22) Brought forward Global business Carried forward Category Net operating Technical provisions expenses Premium s written Claims paid

(280)

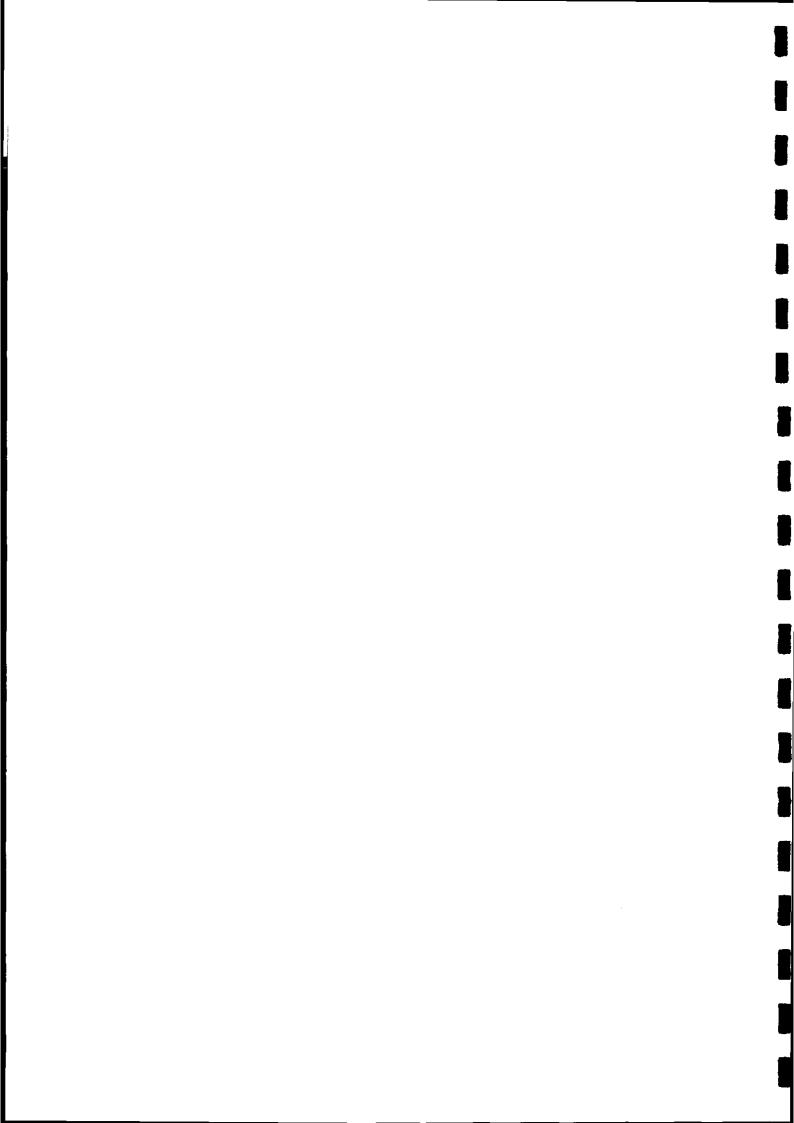
(773)

183

69

Balance on each financial year

(19-29-39-49-59)



General business (underwriting year accounting) : Analysis of premiums, claims and expenses by category for treaty reinsurance

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Non-proportional treaty Accounting class

Sterling Currency

≿ 8 Currency ¥ MΜ 12 ≿ Accounting class 88 Σ 7 ≿ 87 Business category Σ ᅩ 42 ≿ 98 Monetary units (25) 25 £000 28 က Σ 42 ≿ (21) (34) (34) 1999 85 177 24 9 2 201 26 9 year Σ 7 Period ended 12 month ≿ (133)8 (37)(37)96 72 163 259 ~ 134 59 5 day Σ 4 GL/UK/CM ≿ 8 (217)(23 3 (3)395 304 덩 35 <del>\$</del> 2 Σ 7 ≿ 82 Company registration number (196) (434) (196)1108 303 155 148 674 482 1432586 Σ 4 ≿ **R28** Σ ≿ <u>≥</u> ≿ Miscellaneous and pecuniary Loss Σ ≿ MM 31st December 1999 42 49 7 49 74 22 29 39 4 43 4 22 53 54 29 69 Ŧ 51 Underwriting year ended Reinsurers' commissions and financial year (53-54-51+52) Payable net (41+42+43-44) Other acquisition expenses discounting Increase (decrease) in the Adjustment for Adjustment for Undiscounted Administrative expenses Undiscounted discounting profit participations Balance on each financial year Reinsurers share Reinsurers' share Gross amount Claims management costs Gross amount Commissions Net (11-12) Net (21-22) Financial year ended Brought forward Carried forward (19-29-39-49-59) Global business Technical provisions operating expenses Premium Category s written Claims paid ¥

General business (underwriting year accounting) : Analysis of technical provisions by category for treaty reinsurance

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class Non-proportional treaty

Total all previous 1532 1532 columns 1362 368 538 Currency \$ 8 ≿ Accounting class 66 6 Σ Sterling 7 ≿ Business category 88 Σ 드 2 Currency ≿ Monetary 97 £000 units Σ 2 ≿ 1999 96 year MM Period ended 72 month 7 ≿ 95 day Σ 3 7 GLUKKCM ≿ 8 딩 Σ 12 ≿ 8 Company registration number 1432586 Σ 12 ≿ 92 MΕ 2 ≿ 9 Σ 12 ≿ 9 Miscellaneous and pecuniary loss MΜ 7 Prior underwriting years 59 1532 1532 538 1362 368 29 31st December 1999 12 13 4 15 4 19 7 22 23 24 25 23 £ 9 20 Underwriting year ended Claims management Allocation to/(from) another category or accounting class of anticipated surplus Reinsurers' share Reinsurers' share Other technical provisions (particulars Reinsurers' share (11-12+13-14+15-16+17-18+19+20) Gross amount Gross amount Gross amount Provision for unearned premiums Provision for unexpired risks Claims management costs Deferred acquisition costs to be specified by way of Total (21+22+23-24+25) Financial year ended supplementary note) Balance of the fund Claims outstanding Global business Reported claims but not reported Adjustment for discounting Claims incurred outstanding Category

General business (underwriting year accounting) : Analysis of technical provisions by category for treaty reinsurance

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Name of company

Accounting class Non-porportional treaty

Sterling

Currency

≿ 83 Ситепсу ð Σ 42 ≿ Accounting class 88 Σ 2 Ç, ≿ 84 Business category MΜ ᆂ 42 ≿ Monetary units 86 က £000 က ~ • Σ 12 ≿ 85 year 1999 201 201 217 108 92 MM 7 Period ended month 2 ≿ 84 182 66 259 22 259 day Σ 3 7 GL/UK/CM ≿ 83 347 121 5 395 169 395 Σ 12 ≿ 82 Company registration number 614 117 177 674 674 1432586 Σ Σ 7 ≿ R29 Σ ≿ Σ ≿ Miscellaneous and pecuniary loss Σ ≿ MM 31st December 1999 13 14 15 16 24 29 7 4 6 20 7 22 23 25 Ţ 8 Underwriting year ended Claims management Allocation to/(from) another category or accounting class of anticipated surplus Other technical provisions (particulars Reinsurers' share Reinsurers' share Reinsurers' share (11-12+13-14+15-16+17-18+19+20) **Gross amount** Gross amount Gross amount Provision for unearned premiums Provision for unexpired risks Claims management costs costs Deferred acquisition costs to be specified by way of Total (21+22+23-24+25) Financial year ended supplementary note) Balance of the fund Claims outstanding Global business Reported claims but not reported Adjustment for discounting Claims incurred outstanding Category

General business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of company AA M

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class Accident and Health Currency Sterling

Claims ratio % Accounting class 7 Gross earned Country premiums ₹ 9 Monetary units £000 Balance for each accident (4+5+6-7-8) 135 135 135 0 1999 year Period ended month Incurred but not reported 12 Gross claims outstanding 00 ŁO LO. ŁO brought forward day 3 **GL/UK/CM** Reported 46 46 46 g Gross claims outstanding carried Incurred but not reported Company registration number 1432586 ø S S S forward Reported **R31** 139 139 139 ß In this financial 4 42 42 Gross claims paid In previous financial years Reported claims outstanding 2 ø 9 Number of claims 31st December 1999 Closed at some cost during this or financial years previous 5 5 9 7 4 8 6 20 29 8 £ 4 7 Accident 1999 Financial year ended Accident year ended 1998 1997 1996 1995 1994 1993 1992 1990 Year 1991 Line 29 expressed in Prior accident years Global business Total (11 to 21) Risk group Month sterling 7 2 7 7 7 42 72 42 7

General business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class Property

Accounting class Country Monetary units 5000 Sterling year 12 1999 Period ended Currency 7 GL/UK/CM ď Company registration number 143258G 31st December 1999 **Property Other** Financial year ended Global business Risk group

risk group		5	Property Omer				R31	1432586	GL GL	31	12	1999 E	£000	AA	9
Accident year ended	ended		Number of claims	of claims	Gross claims paid	ims paid	Gross claims ou fon	Gross claims outstanding carried forward	Gross claims outstanding brought forward	is claims outstar brought forward	anding d	Balance for each accident	<b>!</b>	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	not not	Incurred but not reported	year (4+5+6-7-8)	7-8)		
			1	2	3	4	5	ę	7		8	6		10	11
12	1999	11								i i i					
12	1998	12													
12	1997	13													
12	1996	14													
12	1995	15													
12	1994	16													
12	1993	17									_				
12	1992	18													
12	1991	19													
12	1990	20													
Prior accident years	ars	21		12		3	31	5	45		5	(11)			
Total (11 to 21)		29		12		3	31	5	45		5	(11)			
Line 29 expressed in sterling	sed in	30	and you have the second	and the second s	e moderné se	3	31	S	45		5	(11)		100 mg	

General business (accident year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative

reinsurance

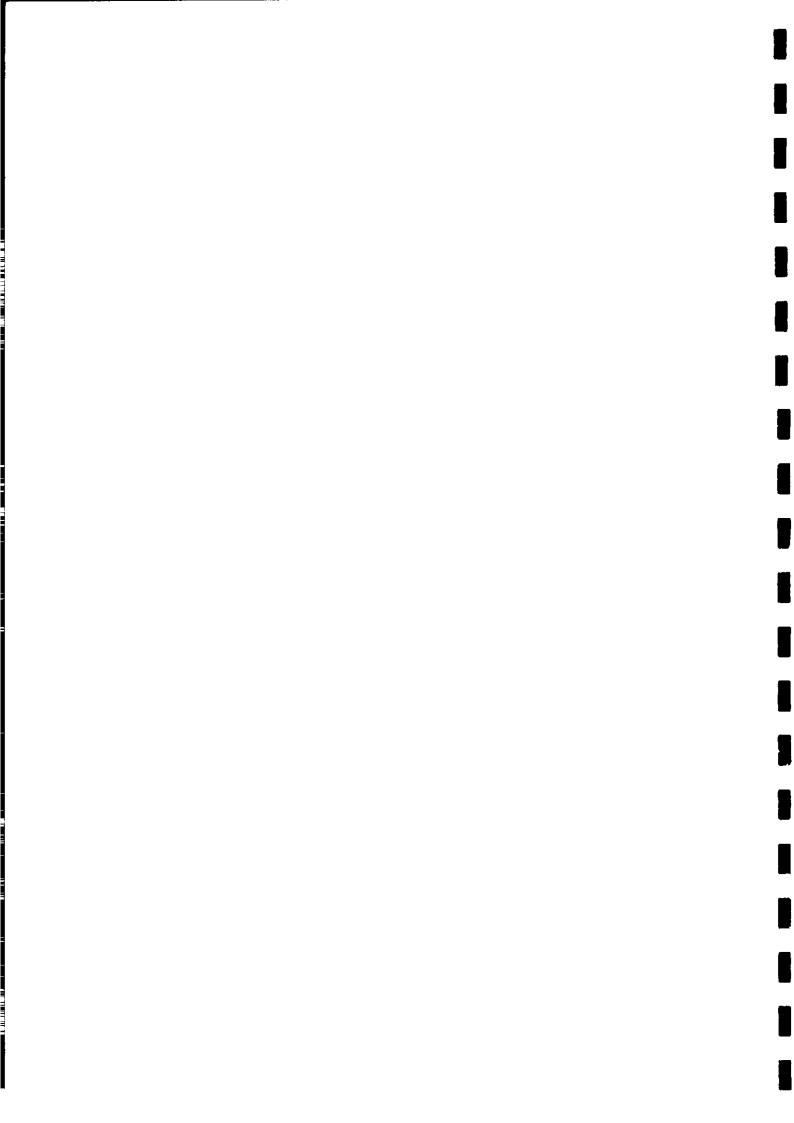
Name of company

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class Third party liability

Accounting class Country Monetary units 31 12 1999 | £000 Sterling Period ended day month year Currency **GL/UK/CM** G Company registration number 1432586 R31 31st December 1999 **General Third Party** Financial year ended Global business Risk group

do a very		5		ń.			<b>K37</b>	1432586	д -	ب ا	12	1999	5000	¥	•
Accident year ended	papua		Number	Number of claims	Gross claims paid	iims paid	Gross claims ou forw	Gross claims outstanding carried forward	Gross claims outstanding brought forward	ns outs It forwa	tanding rd	Balance for each accident		Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	<u>چ</u> ۶	Incurred but not reported	year (4+5+6-7-8)	(8-,		
			1	2	3	4	5	9	7		8	6		10	11
12	1999	11													
12	1998	12													
12	1997	13													
12	1996	14													
12	1995	15													
12	1994	16													
12	1993	17													
12	1992	18													
12	1991	19													
12	1990	20													
Prior accident years		21	14 (503)	30		5	29	15	12		15	22			
Total (11 to 21)		53	e e e	30		ro	29	15	12		15	22			
Line 29 expressed in sterling		30		in the second se	Market March 18 and Color &	ĸ	29	15	12		15	22			



(continuation sheet) Form 31

General business (accident year accounting): Analysis of gross claims and premiums by risk group for direct insurance and

facultative reinsurance

Name of company

Global business

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Accounting class: Third-party liability

Currency

Sterling

Claims ratio Accounting class Ξ Gross earned premiums Country Ş 2 Monetary units 0003 Balance for each accident (4+5+6-7-8) € 7 6 1999 year Period ended month y Incurred but not reported 42 Gross claims outstanding brought forward 15 ø 3 day G Reported GLIUKICM က 9 1432586 Gross claims outstanding carried Incerred but not reported Company registration number 5 9 forward Reported **R3**4 ~ 28 S In this financial year Gross claims paid 4 In previous financial years ო Reported claims outstanding 27 ~ Number of claims 31st December 1999 **General Third Party** Closed at some cost during this or previous financial years Accident year ended 1985 1989 1988 1987 1986 Financial year ended Year Risk group Month

8

က

1983

1982

42

1984

42 7

42 42 42

42 42 General business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct

insurance and facultative reinsurance

Name of company AA N

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

Currency Sterling

Claims frequency % Country 5 Ą Monetary units £000 Vehicle years (000's) 12 1999 Claims ratio % Period ended month year Ξ 12 Gross earned premiums qa 쓴 9 GL/UK/CM Balance on each accident 占 year (4+5+6-7-8) 2 ~ N 6 Incurred but not reported Company registration number Gross claims outstanding brought forward 1432586 Reported ^ R32 incurred but not reported Gross claims outstanding carried forward 9 Reported 2 in this financial year Gross claims paid 8 ~ 2 In ptavious financial years က Reported claims outstanding Number of claims 2 31st December 1999 Closed at some cost during this or previous Black cabs years 30 15 9 7 12 4 8 <del>1</del>9 20 7 29 5 4 1999 1995 1994 1993 1990 Financial year ended Accident year ended 1998 1997 1996 1992 1991 Line 29 expressed in Year Prior accident years Global business Total (11 to 21) Risk group Month sterling 42 7 7 7 7 4 7 7 42 7

General business (underwriting year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of company

Accounting class

Accident and health

Sterling

Currency

Global business

Accounting class Country ₹ 31 | 12 | 1999 | £000 Monetary units Period ended day month year **GL/UK/CM** O Company registration number 1432586 R34 31st December 1999 Accident Financial year ended Risk group

						K34	1432586	 פ	ر ا	7	8881	2000	₩	
Underwriting year	g year		Gross claims paid	aims paid	Gross claims outstanding carried forward	standing carried ard	Gross claims outstanding brought forward	s outstanding brou forward		Balance underwr	Balance on each underwriting year	Gross premiums written		Claims ratio %
			In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported		3	<u> </u>			
Month	Year						<u> </u>							
			~	2	က	4	5	9			7	8		6
12	1999	11							- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1					
12	1998	12												
12	1997	13												
12	1996	14												
12	1995	15												
12	1994	16										:		
12	1993	17												
12	1992	18												
12	1991	19												
12	1990	20												
Prior underwriting years	ing years	21			4		11				(7)			
Total (11 to 21)	£	29			4		11				3		- :	
Line 29 expressed in sterling	ssed in	99			4		7		_ <del></del>		(7)			A STATE OF THE STA

General business (underwriting year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and facultative reinsurance

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED Name of company

Accounting class

Aviation

Sterling

Currency

Financial year ended	ended	318	31st December 1999				Company registration number	GL/UK/CM	Perk day m	Period ended month ye	year	Monetary Co units	Country	Accounting class
Risk group		Avi	Aviation			R34	1432586	GL	31	12   19	1999	£000 AA	٨	. 3
Underwriting year	g year		Gross claims paid	ms paid	Gross claims outstanding carried forward	tstanding carried ard	Gross claims outstanding brought forward	outstanding broi	ught	Balance on each underwriting year	n each ig year	Gross premiums written		Claims ratio %
		,	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported	rut not ed	(2+3+4-3-0)	 ô ?			
Month	Year													
			_	2	င	4	5	9		7		8		9
12	1999	7												
12	1998	12												
12	1997	13												
12	1996	14												
12	1995	15												
12	1994	16												
12	1993	17												
12	1992	18												
12	1991	19												
12	1990	20												
Prior underwriting years	ing years	21		(21)	258		290				(53)			
Total (11 to 21)	1)	29		(21)	258		290				(53)			
Line 29 expressed in sterling	ssed in	30		(21)	258		290			_	(53)			

General business (underwriting year accounting) : Analysis of gross claims and premiums by risk group for direct insurance and

Accounting class Claims ratio % 9 ø Country ₹ Gross premiums written Property Sterling ۵ Monetary units 0003 Balance on each underwriting year (2+3+4-5-6) 1999 year Accounting class **~** 9 Period ended month y (10) (10) 12 Currency Incurred but not reported day 3 Gross claims outstanding brought forward ဖ **GL/UK/CM** Ы Reported S Company registration number 1432586 9 9 9 Incurred but not reported Gross claims outstanding carried forward AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED R34 Reported ന In this financial year N Gross claims paid 31st December 1999 In previous financial years **Property Other** 15 23 12 13 4 16 **œ** 6 8 8 Ę 17 7 facultative reinsurance Prior underwriting years 1999 1998 1996 1995 1994 1993 1992 1991 1990 1997 Year Line 29 expressed in Financial year ended Underwriting year ended Name of company Total (11 to 21) Global business Month Risk group sterling 7 12 42 7 4 4 72 7

## A.A. MUTUAL INTERNATIONAL INSURANCE CO. LIMITED

Returns under Insurance Companies Legislation Insurance Companies (Accounts and Statements) Regulations 1996 - Regulation 19 Financial Year Ended 11.12.1999

### MAJOR REINSURERS REPORT

Amount of Debt Deposit Anticipated at 31.12.99 Recovery	0.00	0.00 0.00 1.00
Premium Ceded In Pinancial Year £	0.00	-299.20
Company	ON.	ů,
	1. Polygon Insurance Co. Ltd Le Riche House 50 High Street St Peter Port GUERNSEY	2. Dai Tokyo Fire & Marine Insurance Company 1-6 Nihonbashi 3-Chome Chou-ku, Tokyo 103 JAPAN
	In respect of coportional colmonance coded	

٠:

187,724.00

0.00

0.00

Š

Lloyd's Lime Street London EC3 ENGLAND

In respect of Mun-Proportional Meinsurance Ceded

;:\smartii\users\har\sprd\aami\dti\reg1999.ws

# A. A. MUTUAL INTERNATIONAL INSURANCE CO. LIMITED

Returns under Insurance Companies Legislation Insurance Companies (Accounts and Statements) Regulation 1996 - Regulation 20 Financial Year Ended 31.12.1999

### MAJOR FACULTATIVE REINSURER REPORT

;	
Deposit Anticipated Recovery E	45,728.53
Deposit	
Amount of Debt at 31.12.98 E	38,135.09
Connected Premium Ceded Company in Financial Year E	0.00
Company	C Z
	Home & Overseas The Grange Bishops Cleeve Cheltenham Glos GL52 4xx
	in respect of southerive neinsurance redod

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### A.A. MUTUAL INTERNATIONAL INSURANCE CO. LIMITED

Returns under Insurance Companies Legislation
Insurance Companies (Accounts and Statements) Regulations 1996 - Regulation Z1
Financial Year Ended 31.12.1999

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### MAJOR CEDANT REPORT

Name & Address Connected Company Amount of Cedant £

Lloyd's
Lime Street, EC3 No

1,678.99

Returns under Insurance Companies Legislation
Statement required by regulation 23 of the Insurance Companies (Accounts and Statements) Regulations 1996
AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED
GLOBAL BUSINESS
Financial year ended 31 December 1999

### Additional information on derivative contracts

The investments guidelines operated by the company prohibit the use of derivative contracts, and accordingly the company has not entered into any such contracts in the year ended 31 December 1999.

Returns under Insurance Companies Legislation
Statement of Shareholder Controllers required by regulation 24 of the Insurance Companies (Accounts and Statements) Regulations 1996
AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED
GLOBAL BUSINESS
Financial year ended 31 December 1999

### Statement of Shareholder Controllers

During the whole of the financial year ended 31 December 1999 100% of the share capital of the company was controlled by AAM Holdings Limited.

Returns under Insurance Companies Legislation
Notes to the Return
AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED
GLOBAL BUSINESS

Financial year ended 31 December 1999

# Supplementary note to Form 10

1001 Reconciliation of net assets

1001 Reconciliation of her assets	£,000	£,000
Total assets per Form 13.99.1	5,425	6,403
Total liabilities per line 15.69.1	(4,945)	(5,945)
	480	458
Other movements	-	-
Capital and reserves per shareholders accounts	480	458
·	<del></del>	

#### Supplementary notes to Form 13

1304 Debtors arising out of reinsurance operations

The company has made its best endeavours to present debtors arising out of reinsurance operations shown in Form 13.74.1 in compliance with FRS5.

### 1305 Maximum Permitted Counterparty Limit

The Company's assets are held in trust and the trustees' investment policy is to place funds on deposit with credit institutions that have a high quality credit rating. In carrying out this policy no limit is set as how much can be deposited with each institution.

## 1306 Exposure at Year End to Large Counterparties

The company had the following exposures at 31 December 1999 in excess of 5% of GBA:

i) AA Mutual Insurance Association Limited ('AAMA')

AAMA was the company's former parent undertaking and major reinsurer. The short-term insurance business of AAMA was placed in liquidation on 24 June 1986 and the company's claims have been settled in full subject to exchange movements.

The liquidators have confirmed that they hold residual funds, a proportion of which is attributable to the company. Form 13.78.1 includes £6,000 and Form 13.92.1 includes a further £243,000 as being the company's attributable share of such funds. The directors are unable to estimate when these funds might be received as the liquidators have not confirmed their distribution proposals.

ii) At 31 December 1999 the US dollar equivalent of £4,242,236 was placed on deposit with a number of approved credit institutions in the UK for a period not exceeding one month. Form 13.54.1 includes £3,424,000 and Form 13.92.1 includes a further £818,000 in respect of these deposits.

### 1307 Reinsurers' share of technical provisions - claims outstanding

The company has completed its twelfth year of run off and the directors believe incurred claims to be effectively fully developed. Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £1,848,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £700,000. The directors believe these amounts to be fairly stated on the basis of information currently available to them. Nevertheless, they acknowledge that unexpected future experience may show adjustments are required to these amounts, particularly in respect of:

- a) assumptions made in estimating claims provisions and in the potential for new sources or types of claim to emerge; and
- b) assumptions made in estimating the reinsurers' share of claims outstanding and the appropriate provision in respect of them.

In the event of adjustments being required to these amounts, they will be reflected in the returns for the period in which they arise.

#### Supplementary notes to Form 15

1501 Provision for Adverse Changes

As explained in note 1701, the company has not entered into any derivative contracts. Accordingly no provision for adverse changes is required.

1504 Creditors arising out of insurance operations

The company has made its best endeavours to present creditors arising out of reinsurance operations shown in Form 15.42.1 in compliance with FRS5.

1505 Gross technical provisions - claims outstanding

The company has completed its twelfth year of run off and the directors believe incurred claims to be effectively fully developed. Form 15.12.1 includes gross technical provisions for claims outstanding amounting to £1,848,000 and Form 13.61.1 includes the related reinsurers' share of such provisions amounting to £700,000. The directors believe these amounts to be fairly stated on the basis of information currently available to them. Nevertheless, they acknowledge that unexpected future experience may show adjustments are required to these amounts, particularly in respect of:

- a) assumptions made in estimating claims provisions and in the potential for new sources or types of claim to emerge; and
- b) assumptions made in estimating the reinsurers' share of claims outstanding and the appropriate provision in respect of them.

In the event of adjustments being required to these amounts, they will be reflected in the returns for the period in which they arise.

### Supplementary notes to Form 16

1601 Basis of foreign currency conversion

The general business technical accounts are maintained in three currencies, Sterling, US Dollars and Canadian Dollars.

The opening balances on the United States Dollar and Canadian Dollar general business technical accounts are translated into Sterling at the rates ruling at 31st December 1999. The resulting revaluation adjustment is shown in the general business technical account, as part of the change in the provision for claims figure for the year. Revenue transactions are translated at the rates ruling at the date of settlement. Unsettled revenue transactions and the related asset and liability balances at 31st December 1999 in currencies other than Sterling, are translated at the appropriate year end rates.

1603 Other income and charges

Amounts shown in Form 16.21.1 relate to foreign exchange movements.

## Supplementary note to Form 17

1701 Derivative Contracts

The company has not entered into any derivative transactions during the year under review. As permitted by Prudential Guidance Note 1998/1 "The preparation of annual returns to the Insurance Directorate of HM Treasury" no Form 17 has been included in this return, because the company has no transactions which qualify to be reported for the year ended 31st December 1999 or for the previous year.

# Supplementary notes to Form 20

2002 Analysis between UK and Overseas business
For all accounting classes there are no gross premiums written.

### 2003 Date of last new contract

On 4 December 1987, at the request of the company, the Department of Trade and Industry withdrew the authorisation of the company to effect contracts of insurance. Accordingly no new contracts of insurance have been effected since that date.

### 2007 Concession

On 9 October 1980, the company was given a concession by the Department of Trade and Industry to account for certain classes of business on a three-year basis.

Under the new regulations, this business is now accounted for on an underwriting year basis. Accordingly, the Company considers the classes of business as being managed together.

Returns under Insurance Companies Legislation

Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

**GLOBAL BUSINESS** 

Financial year ended 31 December 1999

### Supplementary notes to Form 22

2202 Provision for future claims handling costs

A provision of £850,000 (1998: £900,000) has been made for future claims handling costs, net of anticipated investment income. This provision has been allocated between accident years and underwriting years by reference to the value of outstanding claims. The provision has been included in this return as follows:

	Form 22			Form 25				Total Per	
	1 £'000	1	6	7	1	3	6	9	Return
		£,000	£'000	£'000	£'000	£'000	£'000	£'000	
Provision for future claims									
handling costs	39	26	60	4	178	5	538	850	

2209 Reconciliation of administration and other costs in the return to those in the financial statements

The following expenses and other costs included in the financial statements as

Administrative expenses	542
Items arising from the run off of the WF Portfolio of business	(12)
Decrease in provision for doubtful debts	243
	773

have been included in the return as administrative expense on Form 24.43.98 (accounting class 9).

Returns under Insurance Companies Legislation
Notes to the Return
AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED
GLOBAL BUSINESS

Financial year ended 31 December 1999

# Supplementary note to Form 23

2303 Analysis of net claims

As reinsurance recoveries are in excess of the claims outstanding for accounting classes 6 and 7, net claims are shown as negative.

Returns under Insurance Companies Legislation

Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

GLOBAL BUSINESS

Financial year ended 31 December 1999

### Supplementary notes to Form 24

2401 Amounts brought forward

Amounts brought forward differ from the amounts carried forward due to exchange movements.

2402 Reporting Basis/Basis of Profit Recognition

Certain classes of business are accounted for on an underwriting year basis because the nature of the business accepted was such that underwriting results could not be established with sufficient accuracy under the annual basis. These classes of business are: accident, aviation, property and excess loss/general treaty.

Under the non annual underwriting basis of accounting, premiums, claims and expenses were carried forward as a provision and profit recognition was deferred until the end of the third year from the start of any underwriting year. Any anticipated underwriting losses were recognised as soon as they were foreseen.

#### 2404 Claims Management Costs

The directors are preparing an updated run-off plan for the company and have made provision for future claims handling costs, net of anticipated investment income. Refer to note 2202 for further details.

### 2407 Reconciliation of Form 24 to Form 34

Form 34 relates to direct and facultative reinsurance whereas Form 24 includes, direct, facultative and treaty reinsurance. Thus Form 24 does not agree directly with Form 34.

#### 2408 Reinsurance creditors

Reinsurance creditors identified as time-barred amounting to £340,000 have been written back to the technical account as follows:

		Total per			
Class	1	3	6	9	HMT return £'000
	£'000	£'000	£'000	£'000	
Form:					
Form 24.43.29	-	•	-	(340)	(340)

Time bar analysis on remaining liabilities will continue on an ongoing basis.

2409 Reconciliation of administration and other costs in the return to those in the financial statements

The following expenses and other costs included in the financial statements as

Administrative expenses	542
Items arising from the run off of the WF Portfolio of business	(12)
Decrease in provision for doubtful debts	243
	773

have been included in the return as administrative expense on Form 24.43.98 (accounting class 9).

Returns under Insurance Companies Legislation

Notes to the Return

AA MUTUAL INTERNATIONAL INSURANCE COMPANY LIMITED

**GLOBAL BUSINESS** 

Financial year ended 31 December 1999

### Supplementary notes to Form 25

2504 Surplus for offset

On 9 October 1980, the company was given a concession by the Department of Trade and Industry to account for certain classes of business on a three year basis.

Under the new regulations, this business is now accounted for on an underwriting year basis. Accordingly, the company considers the classes of business as being managed together.

### 2507 Reconciliation of Form 25 to Form 34

Form 34 relates to direct and facultative reinsurance whereas Form 25 includes direct, facultative and reinsurance. Thus Form 25 does not directly agree with Form 34.

## 2508 Provision for future claims handling costs

As explained in note 2404, a provision of £850,000 has been made for future claims handling costs, net of anticipated investment income. This provision has been allocated between underwriting years and accident years by reference to the value of outstanding claims. The provision has been included in this return as follows:

		Form 25				Form 22		
Class	1	3	6	9	1	6	7	return
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Provision for future claims								
handling costs	4	178	5	538	39	26	60	850

# Supplementary note to Form 28

2801 Amounts Brought Forward

Amounts brought forward differ from the amounts carried forward due to exchange movements.

## Supplementary note to Form 29

2901 Surplus for offset

On 9 October 1980, the company was given a concession by the Department of Trade and Industry to account for certain classes of business on a three year basis.

Under the new regulations this business is now accounted for on an underwriting year basis. Accordingly, the Company considers the classes of business as being managed together.