Chubb Custom Insurance Company

UK BRANCH BUSINESS

AC1748



Annual Returns to Insurance Directorate HM Treasury for the year ended 31st December 1997



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

(Schedules 1, 2, 3, 5, 6)

Statement of solvency

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended	31st December 1997		Company							
			registration		Pe	eriod en	ided			
	<u></u>		number	GL/UK/CM	day mont		h year		Units	
		R9	FC19045	UK	31	12	199	97	£000	
			As at the end of	.	the end			Sourc	ırce	
		this financia year		1 .	reviou year	ıs	Form	Line	Column	
GENERAL BUSINESS Available assets				1	2			<u> </u>	1 0	
Other than long term business ass general business required minimu		11	394	1	45	49	See ins 1 and 2	tructions	 -	
Required minimum marg	gin			·		· · ·	*			
Required minimum margin for gen	eral business	12	30	1	1	56	12	. 49		

13

3640

4393

Excess (deficiency) of available assets over the required minimum margin (11-12) LONG TERM BUSINESS

Available assets

Long term business admissible assets	21	10 11
Other than long term business assets allocated towards long term business required minimum margin	22	See instructions
Total mathematical reserves (after distribution of surplus)	23	See instruction 4
Other insurance and non-insurance liabilities	24	See instruction 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		
	<u> </u>	1	i

Required minimum margin

Required minimum margin for long term business	41	60 . 69
Explicit required minimum margin (1/6 x 41, or minimum guarantee fund if greater)	42	70
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

ı	Quantifiable contingent liabilities in respect of other than long term business as shown in a supplementary note to Form 15	J :	1	See instruction 6	
	Quantifiable contingent liabilities in respect of long term business as shown in a supplementary note to Form 14	52		See instruction 6	

W.E. Namacher Authorised Representative

D. Stevens Accounting Manager

Statement of net assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

			Company registration number	GL	UK/CM	day	eriod end	ied year		Unit	s
		R10	FC19045		UK	31	12	1997		£00	0
			As at the end this financia year 1				end of us year		Sour	се	Column
Long term business - ac	missible assets	11					•	13	. 89		1
Long term business - lia	bilities and margins	12						14	. 59		1
Other than Long term bu	usiness - admissible assets	21	60	45			5374	13	. 89		1
Other than Long term bu	ısiness - liabilities	22	21	04			825	15	. 69		1
Net admissible assets (2	21-22)	23	39-	41			4549				
Other assets allowed to be taken into account in	, <i></i>	24	<u> </u>								
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		1					•		
Available assets (23 to 2	7)	29	394	11			4549				
Represented by:									•		
Paid up share capital (ot preference share capital)	her than cumulative	51									
Amounts included in line	s 24 to 27 above	52		Ì							
Amounts representing th	e balance of net assets	56	429	91			4549				
Total (51 to 56) and equa	al to line 29 above	59	429)1			4549				
Movement of balance of purposes - as per line 5	f net assets for solvency 6										
Balance brought forward financial year	at the beginning of the	61	454	9				10 .	56	. :	2
Retained profit/(loss) for	the financial year	62	(95	7)			77	16 .	59		1
Movement in asset valua	tion differences	63	(1	7)			(21)	See ir	ıstruc	tior	12
Decrease/(increase) in th changes	e provision for adverse	64				•		See ir	struc	tion	1 3
Other movements (partic way of supplementary no		65	71	6			4493				
Balance carried forward a (61 to 65)	it the end of the financial year	69	429	1			4549				

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

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

				Company registration number	GL/UK/CM		eriod ei month	nded year	Units
			R11	FC19045	UK	31	12	1997	£000
					This financi year	ai		Previo yea	
					1			2	
Gross premiun	ns receivable			11		1802			654
Premium taxes	and levies (i	ncluded in line 11)		12			1	. =	
Sub-total A (*	11-12)		<u> </u>	13		1802			654
Adjusted Sub-to period to produ		cial year is not a 12 mont figure	th	14					
	Other than	Up to and including ster equivalent of 10M ECU	ting × 18/100	15	-,	324			118
Division of Sub-total A (or adjusted	health insurance	Excess (if any) over 10M ECU x 16/100		16	-u				 -
Sub-total A if appropriate)	Health	Up to and including ster equivalent of 10M ECU		17					
	insurance	Excess (if any) over 10M ECU x 16/300	.	18					
Sub-total B (1	15+16+17+18)		19		324			118
Claims paid			<u> </u>	21		1091	 		15
Claims outstand	at the	For business accounted an underwriting year bas		22	.,				
end of the finan year.	cial	For business accounted accident year basis	for on an	23		718			214
Claims outstand brought forward	at the	For business accounted an underwriting year bas		24					
beginning of the financial year		For business accounted accident year basis	for on an	25		214			
Sub-total C (2	1+22+23-(24	+25))		29		1595			229
Amounts recove of claims include	erable from re ed in Sub-tota	insurers in respect al C		30		114			28
Sub-total D (29	9-30)			39		1481			201
	Sub-total D (o Sub-total C	or, if ½ is a greater fractio	on. x ½)	41		301		•	104

Required minimum margin (the higher of lines 43 and 44)

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

Name of	company	Chubb Custom Insu	rance C	отрапу			**			
United Ki	ngdom bra	nch								
Financial	year ended	31st December 1997		Company registration number	GL/UK/CM	day	eriod end	led year	Uni	its
			R12	FC19045	UK	31	12	1997	£0	00
				This fina		Prev	rious ear		Source	
				1			2	Form	Line	1
Reference pe no reference	eriod (No. of fil period atherw	nancial years) Insert "0" if there is ise insert "3" or "7") 11					00.48	nstructi	ion
Claims paid	in reference pe	boile	21	1						
Claims outsta	anding carried	For business accounted for on an underwriting year basis	22	2			· .	_		
reference per	riod	For business accounted for on an accident year basis	23					1		
Claims outsta forward at the	nding brought	For business accounted for on an underwriting year basis	24							
the reference	period	For business accounted for on an accident year basis	25			·	ì,			
Sub-total E (21+22+23-(24	+25))	29					_		
Sub-total F - and divide by	Conversion of number of mo	Sub-total E to annual figure (Multiply cy nths in reference period)	12 31				-			
	Other than	Up to and including sterling equivalent 7M ECU x 26/100	of 32							
Division of	insurance	Excess (if any) over 7M ECU x 23/100	33	:						
Sub-total F	Health	Up to and including sterling equivalent 7M ECU x 26/300	of 34					1		
	insurance	Excess (if any) over 7M ECU x 23/300	35				****			
Sub-total G (32 to 35)		39							
Second resul	t Sub-total	G x Sub-total O (or, if ½ is a greater Sub-total C fraction, x ½)	41				.,			-
				·	<u></u> <u>-</u> -			<u> </u>	<u>-</u>	
irst result			42		301		104	11 .	41	
Required marg	in of solvency	(the higher of lines 41 and 42)	43		301		104			
		7			······································		· ·			_
linimum guara	antee fund		44	i -	136		156			

301

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Form 13 (Sheet 1)

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Total other than long term business assets

			Company registration number	GL/UK/CM	F day	eriod en	year	Units	Category of assets
		R13	3 FC19045	UK	31	12	1997	£000	1
Investments							t the end o financial year 1	the	the end of previous year 2
Land and buildings	,	<u>,</u>			11	;			
	UK insurance	Shares			21		1		
	dependants	Debt securities issu	ed by, and loans to, dep	endants	22		·		
	Other insurance	Shares		·	23	-	7		~
	dependants	Debt securities issu	24			 			
Investments in group undertakings	Non-insurance	Shares			25				
and participating interests	dependants	Debt securities issue	ed by, and loans to, dep	endants	26			 - -	
		Shares			27		··		
	Other group undertakings and	Debt securities issue	ed by, and loans to, grou	p undertakings	28			 	
	participating interests	Participating interest	s		29		<u>-</u>	 	
		Debt securities issue which the company h	ed by, and loans to, under las a participating intere	ertakings in est	30		-		<u>-</u>
Total sheet 1 (11 to 30	D)			-	39				

Form 13 (Sheet 2)

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Total other than long term business assets

				Company registration number	GL/UK/CM	day	Period en month	ded year	Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	1
Deposits w	ts (continued) vith ceding undert d to cover linked	akings liabilities					this	the end of financial year 1	the	the end of previous year
	Equity shares				 .	41	<u> </u>	<u>.</u>	<u> </u>	<u> </u>
	Other shares and other	r variable yield s	ecurities			42			_	
	Holdings in collective i	nvestment scher	nes			43			 	
	Rights under derivative	contracts				44			<u> </u>	
			-	Approved securities		45		94		4681
	Debt securities and	Fixed interest		Cther		46	<u>د</u> ــــــــــــــــــــــــــــــــــــ	4698		
	other fixed income securities	Variable inter		Approved securities		47				
Other financial		Variable inter	35(Other		48			! !	
investments	Participation in investm	ent pools		<u> </u>		49				
	Loans secured by mort	gages				50			:	
		Loans to publi industries or u	c or local ndertaking	authorities and nation	alised	51	-			
,	Other loans	Loans secured company	by polici	es of insurance issued	by the	52		 _		
		Other	-			53		<u></u>		~
	Deposits with approved credit institutions and	Withdrawai su	bject to a	time restriction of one	month or less	54		141		
į	approved financial institutions	Withdrawal su month	bject to a	time restriction of mo	e than one	55	· · · · · · · · · · · · · · · · · · ·			
	Other			· ·		56	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	, <u> </u>		
Deposits with ce	ding undertakings			<u> </u>		57			<u> </u>	
Assets held to m	atch linked liabilities	Index linked			-	58				
	aton inned lightings	Property linked				59				
	-	Provision for ur	earned pr	remiums	···	60				
Reinsurers' share	of technical provisions	Claims outstan	ding			61		142		28
		Provision for un	expired ris	sks		62				
		Other				63				
Total sheet 2 (41	to 63)					69		5075		4709

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Total other than long term business assets

				Company registration number	GL/UK/CM	day	Period en	ded year	Units	Category of assets
			R13	FC19045	UΚ	31	12	1997	£000	1
Debtors Other assets					<u> </u>	<u>!</u>	this	the end o financial year 1	the	the end o previous year 2
Debtors arising out of direct insurance	Policyholders					71				
operations	Intermediaries					72		464		145
Salvage and subroga	ation recoveries					73				
Debtors arising out of reinsurance	Due from ceding accepted	insurers and inte	rmediaries	under reinsurance b	usiness	74				
operations	Due from reinsur	ers and intermed	iaries under	reinsurance contra	cts ceded	75			Ì	
	Due from	Due in 12 mo	nths or less	after the end of the	financial year	76		·4,		
	dependants	Due more tha	n 12 manth	after the end of the	financial year	77		<u> </u>		
Other debtors		Due in 12 mo	nths or less	after the end of the	financial year	78	•	. 79	1	2
	Other	Due more tha	n 12 months	after the end of the	financial year	79	 		<u> </u>	
Tangible assets			•		 	80				
Cash at bank and	Deposits not sub institutions and a	ject to time restric	tion on with	grawat, with approvi	ed credit s	81		63		252
in hand	Cash in hand	· ·			- -	82				****
Other assets (particu	ılars to be specifie	d by way of suppl	ementary n	ote)		83				
	Accrued interest	and rent	•			84	· · · · · · ·	153	1	149
Prepayments and accrued income	Deferred acquisit	ion costs				85		211		117
	Other prepaymen	ts and accrued in	come		.	86				
Deductions (under re 1994) from the aggre	gulations 57(2)(b)	and 57(3) of the	nsurance C	ompanies Regulation	ons	87				
Total sheet 3 (71 to 8	-					88		970		665
Grand total of admiss	sible assets (39+6	9+88)		··		89		6045		5374
Reconciliation to as shareholder accoun		nined in accorda	ince with ti	ne		·!!				
Total admissible ass		above)		***		91		6045		5374
Fotal assets in exces Regulations 1994, (as	s of the admissibil s valued in accord	ity limits of Scheo	lule 12 of th	e Insurance Compa	nies issibilty limits)	92			<u> </u>	
Solvency margin ded						93		, -		
Other differences in t	he valuation of ass	ets (other than fo	r assets not	valued above)		94		38	 	21
issets of a type not v	alued above, (as v	alued in accordar	ice with the	shareholder accour	nts rules)	95		····	 	
otal assets determin	ned in accordance	with the sharehol	der account	s rules (91 to 95)	_	99		6083		5395
	in 20 mm	to debte to d				1 7			1	
mounts included in I ontracts of insurance	e or reinsurance	to depts due fron	ı related ço	mpanies, other than	those under	100				

Form 13 (Sheet 1)

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets deposited with the Accountant General

		I		Company registration number	GL/UK/CM		eriod en month	ded year	Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	2
Investments								the end of financial year 1	the	the end of previous /ear 2
Land and buildings	·		 			11				
	UK insurance	Shares				21		`		
	dependants	Debt securit	ies (ssued)	y, and loans to, dep	endants	22	· 7 · ·			
	Other insurance	Shares				23		-,		
	dependants	Debt securit	ies issued t	y, and loans to, dep	endants	24			i	
Investments in group undertakings	Non-insurance	Shares			-	25				
and participating interests	dependants	Debt securit	ies issued b	y, and loans to, dep	endants	26		***		,
		Shares				27				
	Other group undertakings and	Debt securiti	ies issued b	y, and loans to, grou	p undertakings	28				
	participating interests	Participating	interests	·	"" ""	29				
		Debt securiti which the co	es issued b mpany has	y, and loans to, unde a participating intere	ertakings in st	30		-		
Total sheet 1 (11 to 30	0)					39			1	<u> </u>

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets deposited with the Accountant General

				Company registration number	GL/UK/CM	day	Period er month	ided year	Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	2
Deposits w	ts (continued) rith ceding underl d to cover linked	akings liabilities					this	the end o financial year 1	the	the end of previous year
	Equity shares					41		-		
	Other shares and other	variable yield s	ecurities			42				
	Holdings in collective in	vestment scher	nes			43				<u>.</u>
	Rights under derivative	contracts				44				
		Sheed interes		Approved securities		45		94		85
	Debt securities and	Fixed interes	·	Other	-	46		•	<u> </u>	- n-
	other fixed income securities	Variable inter	act	Approved securities	:	47				
-		, variable files	621	Other	·	48		,		
Other financial investments	Participation in investm	ent pools				49				<u> </u>
	Loans secured by morte	oans secured by mortgages								
		Loans to publi		authorities and nation	alised	51				*******
	Other loans	Loans secured by policies of insurance issued by the company							1	••
		Other								
	Deposits with approved credit	Withdrawal s	ubject to a	time restriction of one	month or less	54				
	institutions and approved financial institutions	Withdrawal so month	ubject to a	time restriction of mo	re than one	55				<u></u>
	Other		-			56				
Deposits with ce	ding undertakings					57				
Sonata halda	atch linked liabilities	Index linked	, , , , , , , , , , , , , , , , , , , ,			58				
Assets field to m	laten linked frablities	Property linke	ď			59		•		
		Provision for L	ineamed p	remiums	<u>=</u> (60				
Raincurare' chor	e of technical provisions	Claims outsta	nding			61				
TELLS CLAIMOND	o technical provisions	Provision for u	nexpired r	isks	7.0	62			1	
		Other				63				
Total sheet 2 (41	to 63)	•				69		94		85

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance

Category of assets

Category of as			eposited with the Accountant General Company registration number GL/UK/CM day month year			Units	Category of assets			
			R13	FC19045	UK	31	12	1997	£000	2
Debtors Other assets					1			the end of financial year 1	the	the end or previous year 2
Debtors arising out of direct insurance	Policyholders					71				
operations	Intermediaries					72				··
Salvage and subrog	gation recoveries		-			73		· 4		<u> </u>
Debtors arising out of reinsurance	Due from ceding accepted	insurers and in	ermediaries (under reinsurance b	usiness	74	'			
operations	Due from reinsu	rers and interme	dianes under	reinsurance contrac	ts ceded	75				
	Due from	Due in 12 m	onths or less	after the end of the t	inancial year	76		ببر		<u> </u>
Other debtors	dependants	Due more th	an 12 months	after the end of the	financial year	77				
	Other	Due in 12 m	onths or less	after the end of the f	inancial year	78		•		
	Ciller	Due more th	an 12 months	after the end of the	financial year	79	•			
Tangible assets						80				
Cash at bank and	Deposits not sub institutions and a	ject to time restr pproved financia	iction on with	crawal, with approve and local authorities	ed credit	81				
in hand	Cash in hand				-	82				
Other assets (partic	ulars to be specifie	d by way of supp	lementary no	ite:	<u> </u>	83				
	Accrued interest	and rent		 -		84				
Prepayments and accrued income	Deferred acquisit	ion costs	· · · · · · · · · · · · · · · · · · ·		•	85				
	Other prepaymer	its and accrued i	ncome			86	•			
Deductions (under ro 1994) from the aggre	egulations 57(2)(b) egate value of asse	and 57(3) of the	insurance Co	empanies Regulatio	ns	87				<u>"</u>
Fotal sheet 3 (71 to		.	···			88				<u></u>
Grand total of admis	sible assets (39+6	9+88)			· <u>···</u>	89		94		85
Reconciliation to as shareholder account	sset values deterr nts rules	nined in accord	ance with th	e	_	 :		<u></u>	·	
otal admissible ass						91		94		85
otal assets in exces legulations 1994, (a	s of the admissibil s valued in accord	ity limits of Sche ance with those I	dule 12 of the Regulations b	Insurance Compar efore applying admi	ies ssibilty limits)	92	-			
olvency margin ded						93				,
Other differences in t	the valuation of ass	ets (other than f	or assets not	valued above)		94			-	
ssets of a type not v	valued above, (as v	alued in accorda	nce with the :	shareholder accoun	s rules)	95				
otal assets determin	ned in accordance	with the shareho	lder accounts	rules (91 to 95)		99		94		85

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Form 13 (Sheet 1)

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets maintained in the United Kingdom

				Company registration number	GL/UK/CM	F	Period en month	ded	Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	3
Investments						•		the end of financial year 1	the	the end o previous year 2
Land and buildings					***	11	1	-		
	UK insurance	Shares			-	21	1 .	*		
	dependants	Debt securiti	ies issued	by, and loans to, dep	pendants	22	!			-
	Other insurance	Shares			23		*.			
	dependants	Debt securities issued by, and loans to, dependants					: :	·		
investments in group undertakings	Non-insurance	Shares				25	:			
and participating interests	dependants	Debt securiti	es issued	by, and loans to, dep	endants	26	!			<u> </u>
		Shares				27	:			,,,,
	Other group undertakings and	Debt securiti	es (ssued	by, and loans to, gro	up undertakings	28	!			.,
	participating interests	Participating	interests			29				
		Debt securiti which the co	es issued i mpany has	by, and loans to, und a participating inter	ertakings in est	30	<u>.</u> !			
Total sheet 1 (11 to 3	0)	·				39				

Analysis of admissible assets

Name of company Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets maintained in the United Kingdom

				Company registration number	GL/UK/CM	day	Period e month		Units	Category of assets
		į	R13	FC19045	uк	31	12	1997	£000	3
Deposits w	s (continued) ith ceding underta I to cover linked li				·			the end of financial year	the	the end of previous year 2
	Equity shares			· , <u>, </u>		41				
	Other shares and other	variable yield s	securities			42		•		
	Holdings in collective in	vestment sche	mes			43				
	Rights under derivative	contracts				44				
		!		Approved securities	·	45	`	94	4	4681
	Debt securities and	Fixed interes	ıı	Cther		46		·, 469	8	
	other fixed income securities	Mariable inte		Approved securities		47				
,		· Variable inter	resi	Other		48		† .		
Other financial investments	Participation in investm	ent pools				49				· · · · ·
	Loans secured by morts	gages								• • •
		Loans to public or local authorities and nationalised industries or undertakings								
-	Other loans	Loans secured by policies of insurance issued by the company								
		Other			<u></u>	53				
	Deposits with approved credit	Withdrawal s	subject to a	a time restriction of on	e month or less	54		141		
	institutions and approved financial institutions	Withdrawal s month	subject to a	a time restriction of mo	re than one	55				
	Other					56				
Deposits with ce	ding undertakings					57				
Assets held to m	atch linked liabilities	Index linked				58				
, codita riela (o III	aton mixed nabilities	· · · ·	59				, <u> </u>			
		Provision for	uneamed	premiums		60				<u>-</u> ·
Reinsurers' shar	e of technical provisions	Claims outsta	anding			61				
	o or recurrical provisions	Provision for	unexpired	risks		62				
		Other				63				
Total sheet 2 (41	to 63)		· · ·		69		4933	3	4681	

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets maintained in the United Kingdom

				Company registration number	GL/UK/CM	day	Period er month	ided year	Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	3
Debtors Other assets						:	this	the end of financial year 1	the	the end or previous year 2
Debtors arising out of direct insurance	Policyholders	N. T. T.	, <u></u>		7	71		.		· · · · · · · · · · · · · · · · · · ·
operations	Intermediaries					72		464		145
Salvage and subroga	ation recoveries	•				73				
Debtors arising out	Due from ceding accepted	insurers and inte	rmediaries :	unger reinsurance b	usiness	74				
operations	Due from reinsu	rers and intermed	iaries under	reinsurance contra	cts ceded	75				
	Due from	Due in 12 moi	nths or less	after the end of the	financial year	76	•	``		
015	dependants	Due more tha	n 12 months	after the end of the	financial year	77	,			·-
Other debtors		Oue in 12 mor	nths or less	after the end of the	înancial year	78		79	<u> </u>	2
	Other	Due more that	1 12 months	after the end of the	financial year	79				
Tangible assets	•					80				
Cash at bank and	Deposits not sub institutions and a	eject to time restrict approved financial	tion on with	drawai, with approv and local authoritie	ed credit s	81		63		252
in hand	Cash in hand			-		82				•
Other assets (particu	ılars to be specifie	ed by way of suppl	ementary no	nte)		83				-
	Accrued interest	and rent			, <u>,</u>	84		153		149
Prepayments and accrued income	Deferred acquisi	tion costs	<u></u>			85				
	Other prepayme	nts and accrued in	come			86				
Deductions (under re 1994) from the aggre	egulations 57(2)(b) gate value of asse	and 57(3) of the lets	nsurance C	ompanies Regulatio	ons	87				
Total sheet 3 (71 to 8	36 less 87)					88		759		548
Grand total of admiss	sible assets (39+6	9+88)				89		5692		5229
Reconciliation to as shareholder accour		mined in accorda	ince with th	1 e		•				
Total admissible ass	ets (as per line 89	above)				91	··•	5692		5229
Fotal assets in exces Regulations 1994, (as	s of the admissibi s valued in accord	lity limits of Scheo lance with those R	lule 12 of the egulations t	e insurance Compa cefore applying adm	nies issibilty limits)	92				
Solvency margin ded	uction for insurance	ce dependants				93				
Other differences in t	he valuation of as	sets (other than fo	r assets not	valued above)		94		38		21
Assets of a type not v	alued above, (as t	/alued in accordar	ice with the	shareholder accour	nts rules)	95				
Total assets determin	ned in accordance	with the sharehol	der account	s rules (91 to 95)		99		5730		5250

Amounts included in line 89 attributable to debts due from related companies, other than those under contracts of insurance or reinsurance	100		
		·	

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets maintained in the United Kingdom and the other EEA States

			Company registration		F	'eriod en	ded		Category of
		<u> </u>	number	GL/UK/CM	day	month	year	Units	assets
		R13	FC19045	UK	31	12	1997	£000	4
Investments							the end of financial year 1	the	the end of previous year 2
Land and buildings					11	1 -		1	
	UK insurance	Shares			21		*		
	dependants	Debt securities issued	i by, and loans to, de	endants	22				
	Other insurance	Shares	23		•	;			
	dependants	Debt securities issued	Debt securities issued by, and loans to, dependants						
Investments in group undertakings	Non-insurance	Shares			25				
and participating interests	dependants	Debt securities :ssued	by, and loans to, de	pendants	26			i	
		Shares			27				
	Other group undertakings and	Debt securities issued	t by, and loans to, gro	up undertakings	28			İ	
	participating interests	Participating interests	· 		29	i			
		Debt securities issued which the company ha			30				
Total sheet 1 (11 to 3	0)				39			İ	

Analysis of admissible assets

Name of company

Chubb Custom insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Category of assets

Assets maintained in the United Kingdom and the other EEA States

				Company registration number	GL/UK/CM	day	Period e month		Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	4
Deposits wi	s (continued) ith ceding underta I to cover linked li							the end of financial year	the	the end of previous year 2
	Equity shares					41				
	Other shares and other	variable yield s	securities			42		•		
	Holdings in collective in	vestment sche	mes			43				
	Rights under derivative	contracts				44				
		Fixed interes	Approved securities			45		94	-	4681
	Debt securities and	T IXEG RIVERES		Other		46		^ 4698	3	
	other fixed income securities	Variable inte	rest	Approved securities		47	·			
Othor Grannical	i			Other		48				
Other financial investments	Participation in investme	ent pools				49				
	Loans secured by mortg	gages							ļ	
		Loans to public or local authorities and nationalised industries or undertakings								-
	Other loans	Loans secured by policies of insurance issued by the company				52	_			
		Other						•		
ļ	Deposits with approved credit institutions and	Withdrawals	subject to a	a time restriction of on	e month or less	54		141		
 	approved financial institutions	Withdrawal s month	subject to a	time restriction of mo	re than one	55				
	Other		·			56				
Deposits with ce	ding undertakings		-			57				
Assats hald to m	atch linked liabilities	Index linked				58				
	aton imked habilities	Property links	ed .	*		59				
		Provision for	uneamed	premiums		60				
Reinsurers' shar	e of technical provisions	Claims outsta	anding			61				
च्याच्याचा ५ आश्वी	o or recumular provisions	Provision for	unexpired	risks	77,00	62		-		
		Other		<u></u>	- N. J. J. J. J.	63				
Total sheet 2 (41	to 63)	<u></u>			69		4933		4681	

Analysis of admissible assets

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Amounts included in line 89 attributable to debts due from related companies, other than those under

contracts of insurance or reinsurance

Category of assets

Assets maintained in the United Kingdom and the other EEA States

				Company registration number	GL/UK/CM	day	Period en month	ded year	Units	Category of assets
			R13	FC19045	UK	31	12	1997	£000	4
Debtors Other assets							this	the end financial year 1	,	t the end of previous year 2
Debtors arising out	Policyholders	***		_		71				
operations	Intermediaries	_				72		. 46	4	145
Salvage and subrog	ation recoveries					73				
Debtors arising out of reinsurance	Due from ceding accepted	insurers and inte	rmediaries	under reinsurance b	usiness	74				
operations	Due from reinsu	rers and intermed	iaries under	r reinsurance contra	cts ceded	75				
	Due from	Due in 12 mo	nths or less	after the end of the	financial year	76		`		
Other data	dependants	Due more tha	n 12 months	s after the end of the	financial year	77				
Other debtors		Due in 12 mo	nths or less	after the end of the	financial year	78		· 7	9	2
	: Other	Due more tha	n 12 months	s after the end of the	financial year	79			<u> </u>	1.018141
Tangible assets	•	-1	•			80				
Cash at bank and				crawal, with approv		81		6:	3	252
in hand	Cash in hand					82				
Other assets (partic	ulars to be specifie	ed by way of supp	ementary n	cte)		83				
	Accrued interest	and rent				84		15	3	149
Prepayments and accrued income	Deferred acquisi	tion costs				85				
	Other prepaymer	nts and accrued in	ncome	•		86				
Deductions (under r 1994) from the aggre			insurance C	Companies Regulation	ons	87				
Total sheet 3 (71 to	·					88		759	€	548
Grand total of admis	sible assets (39+6	9+88)				89		5692	2	5229
Reconciliation to a shareholder accou		mined in accord	ance with t	he						
Total admissible ass	***	above)			•	91		5692	2	5229
Total assets in exce Regulations 1994, (a						92				
Solvency margin dec						93	*, *.			*******
Other differences in	the valuation of as	sets (other than fo	or assets no	t valued above)		94		38	3	21
Assets of a type not	valued above, (as	valued in accorda	nce with the	shareholder accou	nts rules)	95				
Total assets determi	ned in accordance	with the shareho	lder accoun	its rules (91 to 95)	- •	99		5730	7	5250

100

Liabilities (other than long term business)

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

		_		Company registration number	GL/UK/CN		riod end month	ed year	Units
			R15	FC19045	UK	31	12	1997	£000
				·		s at the this fina yea 1	ancial	the	the end o previous year 2
	Provision for unearned premiums				11		839		415
	Claims outstanding				12		774		231
Technical	Provision for unexpired risks				13		350		<u>'</u>
provisions (gross amount)	Equalisation provisions		it busine		14				
•		Othe	r than c	redit business	15			1	
	Other				16	•			
	Total (11 to 16)				19		1963		646
Provisions for other risks	Taxation			<u></u>	21				
and charges	Other				22			į	
Deposits receiv	ved from reinsurers				31				
	i :	Cirec	t busine	ess	41			!	
	Arising out of insurance operations	Reins	surance	accepted	42				
	:	Reins	surance	ceded	43		33		48
	Debenture loans	Secu	red		44				
Creditors	Dependre loaris	Unse	cured		45				
:	Amounts owed to credit institutions			7,1	46				
		Taxat	tion		47		•		
	Other creditors	Reco	mmend	ed dividend	48				
		Other	•		49		90		131
Accruals and d	eferred income				51		18		
Total (19 to 51)					59		2104		825
Provision for ac nsurance Com	lverse changes (calculated in accordance panies Regulations 1994)	with regula	tion 61 d	of the	61				
Cumulative pre	ference share capital				62				
Subordinated Id	pan capital				63				
Total (59 to 63)					69		2104		825
	led in line 69 attributable to liabilities to rela ntracts of insurance or reinsurance	ated compa	nies, oth	er than	71				131

Profit and loss account (non-technical account)

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

				Company registration number	GLIUKICM		riod en		еаг	Un	its
			R16	FC19045	UK	31	12	1	997	£0	100
				This finance	ial	Prev		!	5	Source	
				year 1		ye 2			Form	Live	Column
Transfer (to)/from to		From Form 20	11	······································	1264)		(18	9)		_ . . 59	
account	Cillical	Equalisation provisions	12			•					
Transfer from the lo	ing term bu	siness revenue account	13						40	. 26	
	Income		14		312		27	2			
Investment income	Value re-a investmer					1					
	Gains on investmer	the realisation of ats	16								
	Investmer including	nt management charges. interest	17			•					
Investment charges	Value re-a investmer	djustments on its	18								
	Loss on th	e realisation of ts	19								-
Allocated investment business technical a	nt return tra	nsferred to the general	20	- 10-1		•			20	51	:
Other income and of by way of supplemental		rticulars to be specified	21		26		(6	3)			
Profit or loss on ord (11+12+13+14+15+			29	- ·	(926)	•	7	7			
Tax on profit or loss	on ordinar	y activities	31		31						:
Profit or loss on ord	inary activit	ies after tax (29-31)	39		(957)		7	7			;
Extraordinary profit by way of suppleme		ticulars to be specified	41				•••				
Tax on extraordinary	profit or lo	ess	42								
Other taxes not show	er taxes not shown under the preceding items		43								
Profit or loss for the	financial ye	ear (39+41-(42+43))	49		(957)		7	7			
Dividends (paid and	proposed)		51					7		•	:
Profit or loss retaine	ained for the financial year (49-51)				(957)		77	7			

Form 20

General business: Technical account (excluding equalisation provisions)

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Summary

				Company registration number	GĽUK/	CM day	eriod end month	ied year	Units	•	Accou class/ summ	
			R20	FC19045	UK	31	12	1997	£00	0	9	9
		, , , , ,				This fir		Previo	us year		Sourc	e
Items to be s	how	n net of reinsurance) ye			2	Form	Line	Coltumn
	Ea	rned premium			11		973		159	21	. 19	. 5
	Cla	ims incurred			12		1332		201	22	. 17	. 4
	Cla	ims management costs			13		82		46	22	. 18	. 4
This year's underwriting	Adj	ustment for discounting			14		. ,	[·	22	. 52	. 4
(accident year accounting)	Inc	rease in provision for une	xpired ris	KS	15		350	1		22	. 19	. 4
		ner technical income or checified by way of supplem			16							
	Net	operating expenses			17		343		101	22	. 42	. 4
	Bal	ance of year's underwritir	ig (11-12	-13+14-15+16-1	7) 19	(1134)		(189)	Ī		
	Ear	ned premium			21		12			21	. 11	. 5
	Cla	ims incurred			22		149			22	. 13	. 4
Adjustment for	Cla	ims management costs		-	23		(7)			22	. 14	. 4
prior years' underwriting	Ad	ustment for discounting			24					22	. 51	. 4
(accident year accounting)		er technical income or ch cified by way of supplem			25							
	Net	operating expenses		<u> </u>	26					22	. 41	. 4
	Bal	ance (21-22-23+24+25-28	3)		29		(130)			·		
		Per Form 24			31					24	. 69. 9	9-99
Balance from underwriting yea accounting	ar	Other technical income be specified by way of s			to 32							
		Total		····	39						•	
Balance of all ye	ears'	underwriting (19+29+39)	-		49	(1264)		(189)			
Allocated invest	men	t return			51	•			·····			
Transfer to non-	techi	nical account (49+51)		 -	59	(1264)		(189)			

Form 20

General business: Technical account (excluding equalisation provisions)

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Property

				Company registration number	GL/UK/C	м —	Period end		Unit	5	Accou class/ summ	
			R20	FC19045	uк	" day	1 1	year 1997	£00	1		3 3
Items to be s	how	n net of reinsurance					financial rear	Previou	-		Sourc	
· · · · · · · · · · · · · · · · · · ·	, .	··					1	2		Form	Line	Column
	Ea	rned premium			11		558	i	79	21	. 19	. 5
	Cla	ims incurred			12		1148		161	22	. 17	. 4
TL:	Cla	ims management costs			13		36		18	22	. 18	. 4
This year's underwriting	Adj	ustment for discounting	 		14					22	. 52	. 4
(accident year accounting)	inc	rease in provision for une	xpired ::s	ks	15		350	!		22	. 19	. 4
		ner technical income or checified by way of supplemental			16			i			<u>-</u>	
	Net	operating expenses	<u></u>		17		154	!	49	22	. 42	. 4
	Bal	ance of year's underwritin	g (11-12-	-13+14-15+16-17	7) 19		(1130)		(149)			
	Ear	ned premium	-	-	21		12			21	. 11	. 5
	Cla	ims incurred		<u> </u>	22		150			22	. 13	. 4
Adjustment for	Cla	ims management costs		<u> </u>	23		(10)			22	. 14	. 4
prior years' underwriting	Adj	ustment for discounting			24					22,	. 51	. 4
(accident year accounting)	Oth spe	er technical income or ch cified by way of suppleme	arges (pa entary no	articulars to be te)	25						•	
	Net	operating expenses		<u> </u>	26					22	. 41	. 4
	8al	ance (21-22-23+24+25-26	·)		29		(128)					
		Per Form 24			31					24 .	69. 9	9-99
Balance from underwriting yea accounting	ar i	Other technical income to be specified by way of s			° 32	_						
		Total		· · · · · · · · · · · · · · · · · · ·	39		i					
Balance of all ye	ears'	underwriting (19+29+39)	····	-	49		(1258)	1 1 1 1 1 1	(149)			
Allocated invest	ment	rêturn		,	51							
ransfer to non-	techr	nical account (49+51)		·	59		(1258)		(149)			

Form 20

General business: Technical account (excluding equalisation provisions)

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Third party liability

				Company registration number	GL/UK/		Pe	eriod end	led	Units		class	
		i			- GLON	CW	day	month	year	Units		sum	mary
			R20	FC19045	UK		31	12	1997	£00	0		7
						T	his fin ye:	ancial	Previou	ıs year	. ;	Sour	ce
items to be s	how	n net of reinsurance					1		2	2	Form	line	Column
	Ear	ned premium			11	:	•	418.		76	21	. 19	· 5
	Cla	ims incurred			12	;		184	1	38	22	. 17	, 4
	Cla	ims management costs			13			46	:	21	22	. 18	3 . 4
This year's underwriting	Adj	ustment for discounting		· · · · · · · · · · · · · · · · · · ·	14	:			. 		22	. 52	2 . 4
(accident year accounting)	Inci	rease in provision for unex	spired ris	sks	15	1					22	. 19	. 4
		er technical income or ch cified by way of suppleme			16	:		 					
	Net	operating expenses			17			181		51	22	. 42	. 4
	Bai	ance of year's underwritin	g (11-12	-13+14-15+16-1	7) 19			7		(34)			
<u></u>	Ear	ned premium			21						21	. 11	. 5
	Cla	ims incurred		<u> </u>	22			(1)			22	. 13	. 4
Adjustment for	Cla	ims management costs			23			2			22	. 14	. 4
prior years' underwriting	Adj	ustment for discounting			24					-	22	. 51	. 4
(accident year accounting)		er technical income or ch cified by way of suppleme			25	<u></u>							
	Net	operating expenses		, <u>, , , , , , , , , , , , , , , , , , </u>	26						22	. 41	. 4
	Bala	ance (21-22-23+24+25-26)	_	29			(1)			-		
	3	Per Form 24	-	· · · · · · · · · · · · · · · · · · ·	31	<u></u>					24 .	69.	99-99
Balance from underwriting yea accounting	ar	Other technical income a be specified by way of si			to 32								
		Total		-	39				·				
Balance of all ye	ears'	underwriting (19+29+39)			49			6		(34)			•
Allocated invest	ment	return			51								•
Transfer to non-	techr	nical account (49+51)			59	<u></u>		6		(34)	•		

Form 20

General business: Technical account (excluding equalisation provisions)

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Miscellaneous and pecuniary loss

			Company registration number	GL/UK/CM	day	eriod enc		Unit	s	Accou class/ sumn	, ,
		R20	FC19045	UK	31	12	year 1997	£00	0		3
			 	-		ancial	Previo	us year	<u>-</u>	Sourc	e
Items to be s	hown net of rein	surance		!	ye . 1			2	Form	Line	Column
	Earned premium	 -		11		(3)		4	21	. 19	 -
	Claims incurred		·	12		3		2	22	. 17	. 4
71.	Claims managem	ent costs		13			<u>. </u>	7	22	. 18	. 4
This year's underwriting	Adjustment for dis	counting	17.	14					22	. 52	. 4
(accident year accounting)	Increase in provis	on for unexpired ris	ks	15					22	. 19	. 4
	Other technical in specified by way o	come or charges : pa f supplementary no	articulars to be te)	16				 .			
	Net operating exp	enses		17		8		1	22	. 42	. 4
	Balance of year's	inderwriting (11-12-	-13+14-15+16-1	7) 19		(11)		(6)		-	
-	Earned premium	<u> </u>		21		, .,,	***		21	. 11	. 5
	Claims incurred			22					22	. 13	. 4
Adjustment for	Claims manageme	ent costs		23		1			22	. 14	. 4
prior years' underwriting	Adjustment for dis	counting		24					22	. 51	. 4
(accident year accounting)	Other technical inc specified by way o	ome or charges (pa f supplementary not	articulars to be te)	25							_
	Net operating expe	nses		26					22	. 41 .	. 4
	Balance (21-22-23	+24+25-26)		29		(1)					
	Per Form 24			31					24 .	69. 9	9-99
Balance from underwriting yea accounting	Other technic be specified b	al income and charg y way of supplemen	jes (particulars t ntary note)	32							•
	Total		····	39		- !					
Balance of all ye	ears' underwriting (1	9+29+39)	-	49		(12)		(6)			-
Allocated invest	ment return			51							
Transfer to non-	echnical account (4	9+51)	7.11	59		(12)		(6)			

General business (accident year accounting) : Analysis of premiums

United Kingdom branch

Financial year ended 31st December 1997

Accounting class Property

GLJUK/CM Period ended Company registration number

Accounting class

Units

				<u> </u>	R21	FC19045	ž	34	12 19	1997	£000	9
			Gross premiums written	<u> </u>	Reins	Reinsurers' share			Net of reinsurance	urance		
Premiums receiva	Premiums receivable during the financial year		Earned in provious Imarical years			Earnod in provious financial yoars 3	many described makes the second secon		Earned in previous financial years 6		Andread State of the State of t	Company to the property of the
In respect of risks incepted in previous financial years	ncepted in previous	=	12				-			12		*
	•		Earned in this financial year	Unearned at end of this financial year	2 E	Earned in this financial year	Unearned at end of this financial year	1 of	Earned in this financial year	this year	Unearned at end of this financial year	at end of cial year
			-	2		е	4	,,,	40		9	
In respect of risks in financial years	In respect of risks incepted in previous financial years	12	315		1	æ				307		
	For periods of less than 12 months	5	124	114		471				(347)		114
In respect of risks incepted in this financial year	For periods of 12 months	4	428	254		, i				428		254
	For periods of more than 12 months	15			34						*	
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	170			***				170		
Total (12 to 16)		19	1037	368		479				558		368

General business (accident year accounting) : Analysis of premiums

Name of company Ch

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended 31st December 1997

Accounting class

Third party liability

					Company registration number	5	GLUKKCM .	Peri	Period ended	d	Units	Accounting class
				L.	R21 FC19045	045	š		<u> </u>	1997	£000	7
			Gross premiums written	en · · ·	Reinsurers' share	٠		T	Net of re	Net of reinsurance		
Premiums receival	Premiums receivable during the financial year	•	Earned in provious financial years		Earned in provious ferureral years 3	SE 4			Earned	Earned in previous financial years 6		74,7462 14,664
In respect of risks incepted in previous financial years		7						نىز ئىدى. ئىز ئىدى			44.845	
			Earned in this financial year	Unearned at end of this financial year	Earned in this financial year		Unearned at end of this financial year	d of ar	Earne	Earned in Ihis financial year	Unearne this fina	Unearned at end of this financial year
•			-	64	m		₹			9		9
In respect of risks incepted in previous financial years	icepted in previous	12	27	32						27		32
	For periods of less than 12 months	13	286	94	2	290		<u> </u>		(\$		94
In respect of risks incepted in this	For periods of 12 months	4	154	206		1				154		206
	For periods of more than 12 months	15	16	126	**					16	*	126
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	225	13			-			225		13
Total (12 to 16)		19	708	471	. 7	290				418		471

General business (accident year accounting) : Analysis of premiums

Name of company Chubb Custom Insurance Company

United Kingdom branch

Financial year ended 31st December 1997

Accounting class Miscell

Miscellaneous and pecuniary loss

					022	Company registration number	GLUNCA	Period er	를	Vear	Units	Accounting class
;				<u>L</u>	R21	FC19045	ž	3	ļ	1997	6000	89
		·	Gross premiums written	je.	Reinsu	Reinsurers' share		-	Net of re	Net of reinsurance		
Premiums receival	Premiums receivable during the financial year		Earned in previous financial years		fina	Earned in previous financial years			Earned	Earned in previous financial years		
In respect of risks incepted in previous financial years	ncepted in previous	+										
			Earnad in this financial year	Uncarned at end of this financial year	Earr fina	Earned in this financial year	Unearned at end of this financial year	d of	Earne	Earned in this financial year	Unearned this final	Unearned at end of this financial year
			-	7		69	4			ض		
In respect of risks incepted in previous financial years	cepted in previous	12	(11)							(11)		
	For periods of less than 12 months	£										
In respect of risks incepted in this financial year	For periods of 12 months	4		:	:							
	For periods of more than 12 months	5			•		The second of th					
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	95	. ω				-			80		
Total (12 to 16)		19	(3)							(3)		

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

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Property

			npany stration iber	GĽUK	/CM day	eriod er month		Uni		Accounting
	R	22 F	C19045	U		12	1997	£00	00	6
		<u> </u>	Amount br forward f previous fin year	rom	Amous payable/rec in this fina year	eivable incial	Amount ca forward to financial y	next	attribut	mount able to this icial year
			1		2		3			4
	Gross amount	11		150		300				150
Claims incurred in respect of incidents	Reinsurers' share	12								
occurring prior to this financial year	Net (11-12)	13	1	150		300		;		150
tino intanolar your	Claims management costs	14		12		2				(10)
	Gross amount	15				791		357		1148
Claims incurred in respect of incidents	Reinsurers' share	16								
occurring in this financial year	Net (15-16)	17				791		357		1148
,	Claims management costs	18	:			7		29		36
Provision for unexpi	red risks	19						350		350
	Commissions	21	,	47		249		100		196
	Other acquisition expenses	22		·		-		j		
Net operating	Administrative expenses	23				50				50
expenses	Reinsurance commissions an profit participations	d 24	:			92				92
	Total (21+22+23-24)	29	1	47		207		100		154
Adjustments for	Gross amount	31	-							
discounting in respect of the	Reinsurers' share	32			1, 40 1, 4					
items shown at lines 11 to 18	Claims management costs	33	:							
above	Total (31-32+33)	39	;							
	Prior financial years	41	:							
Split of line 29	This financial year	42	:	47		207		100		154
C-1it -61i 20	Incidents occurring prior to th financial year	is 51)	14 ⁷ 1				
Split of line 39	Incidents occurring in this financial year	52			· 50 0					

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

Name of company

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Third party liability

			Compregist	tration	GL/UK	см		riod en month	ded year	Uni		Accounting class
	R	222	FC	C19045	U		31	12	1997	£0	00	7
				Amount bro forward fro previous fina year	om		Amount ble/receithis finan year	/able	Amount car forward to financial y	next	attribu	mount table to this ncial year
		_]	. 1			2		3			4
	Gross amount		11 .		62					57		(5)
Claims incurred in respect of incidents	Reinsurers' share		12		28					24		(4)
occurring prior to this financial year	Net (11-12)		13		34					33	•	(1)
tina iniariciai year	Claims management costs		14		5		•	4		3		2
	Gross amount		15					1	*(302		302
Claims incurred in respect of incidents	Reinsurers' share		16					i		118		118
occurring in this financial year	Net (15-16)		17						•	184		184
	Claims management costs		18					22		24		46
Provision for unexpir	ed risks		19									
	Commissions		21		68		1	66		106		128
	Other acquisition expenses		22			!					·	
Net operating	Administrative expenses		23				1	10				110
expenses	Reinsurance commissions an profit participations	ıd	24		,			57				57
	Total (21+22+23-24)		29		68	:	2	19		106		181
Adjustments for	Gross amount		31				: :	و الغرو				
discounting in respect of the	Reinsurers' share		32									
items shown at lines 11 to 18	Claims management costs		33									·
above	Total (31-32+33)		39			ļ		12.3				
	Prior financial years		41		-	İ						
Split of line 29	This financial year		42		68	:	2	19		106		181
0.14.61	Incidents occurring prior to th financial year	nis	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

Chubb Custom Insurance Company

United Kingdom branch

Financial year ended

31st December 1997

Accounting class

Miscellaneous and pecuniary loss

		reç	mpany Jistration mber	GLJUK	/CM		riod e nonti		 (Jnits	Accounting class
	R	222	FC19045	Uŧ	<	31	12	199	7 1	000	8
			Amount br forward f previous fir year	rem ancial	paya in i	Amount ble/receiv this financ year	able	forwar	t carried d to next ial year		Amount butable to this nancial year
			1			2			3		4
	Gross amount	11		2				*	2	1	
Claims incurred in respect of incidents	Reinsurers' share	12	 			•					
occurring prior to this financial year	Net (11-12)	13		2			į		2		
uno mianciai year	Claims management costs	14					1				1
	Gross amount	15						· .		!	
Claims incurred in respect of incidents	Reinsurers' share	16					:				
occurring in this financial year	Net (15-16)	17					:	i.			
mandar year	Claims management costs	18	1					_			
Provision for unexpir	red risks	19	<u> </u>			٠.	Ī				
	Commissions	21		2			(1)		5		(4)
	Other acquisition expenses	22				- -					
Net operating	Administrative expenses	23					12	-			12
expenses	Reinsurance commissions an profit participations	nd 24	} .								
	Total (21+22+23-24)	29	,	2			11		5		8
Adjustments for	Gross amount	31					1.3.00				
discounting in respect of the	Reinsurers' share	32	!								
items shown at lines 11 to 18	Claims management costs	33		•		23	37				
above	Total (31-32+33)	39)								
	Prior financial years	41									
Split of line 29	This financial year	42	!	2		•	11		. 5		8
0.1% 60	Incidents occurring prior to th financial year	nis 51			:						
Split of line 39	Incidents occurring in this financial year	52	i .			:					

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

United Kingdom branch

Financial year ended 31st December 1997

Accounting	Class	9	Claims ratio %			13	205.7	341.8				Andreas de la companya de la company							
<u>.</u>		€000	Detectoration/ (surplus) of	onginal reserve %		2		100.0											
유	1	2 1997	Earned premiums	(nel)		11	558	91											
	day j	31 12	Deduction for discounting	nom claims outstanding carried forward	(net)	10													
Gt #IK/CM		Ä		year (4+5+6-7-8)		G	1148	150											1298
Company registration	nampe.	FC19045		incurred but not reported (not)		82		27					·.						27
	\vdash	R23	Claims outstanding brought forward	Reported (net)		7		123						×					
			nding carried and			9	227								**				227
		;	Claims outstanding carried forward	Reported (net) Incurred but not reported (net)		9	130												130
		;	Ctaims paid (net) during			4	791	300											1091
			Total claims paid (net)	of the accident year, but prior to	Ihis financial year	3												1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
			Claims outstanding			2		150										jas jų malaų. Stavai Salikas	
Property	•		Claims paid (net) during			-		17		1	:								
. 4		Ĭ					11	12	13	4	. 2	9	11	85	19	70	21	22	29
g class			Accident year ended	· · ·	Year		1997	1996									tent years	ıtion	to 22)
Accounting class			Accident y		Month		12	12			:						Prior accident years	Reconciliation	Total (11 to 22)

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

United Kingdom branch

Financial year ended 31st December 1997

Accounting class		Third party liability	' liability						Company registration	NO WIE	-	풉	<u>:</u>	Accounting
								H		F	g B	month year		Cidas
								R23	FC19045	Z K	31	12 1997	0003	7
Accident year ended	ded	Claims paid (net) during the accident		Claims Total claims outstanding paid (net) (net) as at end since the end	Claims paid (net) during this financial	Claints outstandin forward	Claims outstanding carried forward	Claims outstanding brought forward	nding brought ard		Deduction for discounting from claims	or Earned premiums	<u> </u>	Claims ratio %
Month	<u> </u>	yoai	of the accident year	of the coldent year, but prior to this financial year.	үеаг	Reported (net) incurred but reported (net)		Reported (net) Incurred but not reported (net)	Incurred but not reported (net)	(4+5+6-7-8)	outslanding carried forward (net)		% 9A.19S.8D	
	 -		8	es	4	ده	ų	~	8	o,	10	=	12	\$
12 1997	11 76						184			184		418		44.0
12 1996	12	4	34				33		34	(1)		76		48.7
	£													
	41													
	15													
	16												Annual Control of the	
	17				man de la companya de									
	18													
	19							f .						
	20													
Prior accident years	ars 21													
Reconciliation	22													
Total (11 to 22)	29						217		34	183				

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

United Kingdom branch

Financial year ended 31st December 1997

Accounting class	class	2	Miscellaneous and pecuniary lo	and pue sno	cuniary lo	8				Company registration			Period ended	:	Accounting
•					•	3				number	GLUKUCIM	- 1	onth year	Units	class
	1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -								R23	FC19045	놀	3	12 1997	£000	œ
Accident year ended	ear ended		Claims paid (nut) during	Claims outstanding		Claims paid (not) during	Claims outstanding carried forward	nding carried and			lent Jent	Deduction for discounting	ä	٥٥	Claims ratio %
			the accident	(net) as al end of the accident year	of the accident year, put prior to	tlus financial year	Reported (net) tecurred but not reported (net)		Reported (not)	Incurred but not reported (nut)	year (4+5+6-7-8)	from claims outstanding carried forward	(uet)	original reserve %	
Month	Year				uns mancial year					,		(not)			
	•		-	7	က	4	φ.	و		3	g,	2	#	12	13
12	1997	=											(9)		
12	1996	12	*	2				2		2			4	_	50.0
		13						-	 , <u>-</u> -						
		14					:	:							
		15					:								
		16													
		17									-				
		18						:							
		19													
	•	20						:	1						
Prior accident years	ent years	21													
Reconciliation	lon	22	13 May 25 1	1. 173 W. 18			:								
Total (11 to 22)	, 22)	29	18 18 18 18 18 18 18 18 18 18 18 18 18 1					2		2					

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

Chubb Custom Insurance Company Name of company

Accounting class Property

Pounds Sterling Currency

United Kingdom branch

Financial year ended	ır ended	318	31st December 1997	1997			J	Company						
Risk group		ä	United States Of America)f America				_	GL/UK/CM	Perì day n	Period ended day month year	Monetary sr units	Country	Accounting class
							R31	FC19045	Ϋ́	31	12 1997	000 26	АВ	9
Accident y	Accident year ended		Number of claims	of claims	Gross claims paid	iims paid	Gross claims o	Gross claims outstanding earried Gross claims outstanding brought forward	Gross claims	outstand	ding brought	Be	Gross earned premiums	Claims ratio %
			Closed at some R	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	<u> </u>	Incurred but not reported	(4+5+6-7-8)		
Month	Year		or previous financial yours											
•			-	2	es.	4	9	9	7		89	63	10	11
12	1997	=	82	10		791	130	227				1148	1037	110.7
12	1996	7			11	300			123	3	27	150	115	270.4

Prior accident years

Line 29 expressed in

sterling

Total (11 to 21)

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

United Kingdom branch					-									
)	branch								Currency	ncy	Poun	Pounds Sterling	₽	
Financial year ended	nded	31st	31st December 1997	1997			O	Company						
Risk group		Unit	United States Of America	of America			zć	registration number	ег/ик/см	Period ended day month y	ded	Monetary units	Country	Accounting class
							R31	FC19045	UK	31 12	1997	000	АВ	7
Accident year ended	ended		Number of claims	of claims	Gross claims paid	ims paid	Gross claims or for	Gross claims outstanding carried forward		Gross claims outstanding brought forward	<u> </u>	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 topostod	Reported	Incurred but not reported		year (4+5+6·7-8)		
			1	2	m	₹.	u	ø	7~			ø	5	=
12	1997	7	-	1				302		(基) (2)	を必ずない	302	708	42.7
12	1996	12	-	-		:		29		i	62	(5)	132	43.2
		13			!									
	·	14												
		15										1		
		16												
		17												
		18												
		19												
		20						1						
Prior accident years		21			* .									
Total (11 to 21)		29		2				359			62	297		
Line 29 expressed in sterling	ed in	30						359			62	297		

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

Financial year ended 1st Docember 1997 Financial year ended 1st Docember 1997 Financial year ended 1st Docember 1997 Financial year ended 1st Docember 1997 Financial year ended 1st Docember 1997 Financial year ended Indied States Of America Indied States Indied States Of America Indied States Indi	Name of company	pany	5	ubb Custom	Chubb Custom Insurance Com	ompany				Accou	Accounting class		Miscellaneous and pecuniary loss	and pecun	iary loss
United States Of America	United Kingdo	om branch								Currel	λος	Pou	nds Sterlin	.	
The state of the	Financial year Risk group	r ended	31s Uni	it December ited States C	· 1997 Of America				Company registration number	•	Peric day m	器	Monetary — units		Accounting class
1997 11 1997 1997 11 1997									FC19045		34		-		8
1996 12 12 13 14 15 15 15 15 15 15 15	Accident ye	ear ended	Ĺ	Number	of claims	Gross clu	ims paid	Gross claims of	outstanding carried Iward	Gross claims	outstan	ding brought	Balance for each accident	Gross earned premiums	Claims ratio %
1997 11 2 3 4 6 6 7 8 9 10 10 10 10 10 10 10	Month	Year		Closed at some cost during this or previous financial years		In previous (mancial years	In this financial year	Reparted	Incurred but not reported	Reported	thou	rred but not	(4+5+6-7-8)		
1997 11 1966 12 2 2 4 4 1 1966 12 2 3 4 1 1966 12 3 3 3 3 3 3 3 3 3				-	2	69	4	9	9	7		8	cs.	5	=
1996 12 12 13 14 15 15 15 15 15 15 15	12	1997	7								1 5 9E			(3)	
13	12	1996	7						2			2		4	90.0
14 14 15 15 16 16 17 18 19 19 19 19 10 19 19 10 19 19			5								_				
15 16 17 17 18 19 19 19 10 19 19 19 19 19 19 19 19 19 19 19 19 19			4												
16 16			15												
17 18			16												
18			7												
ident years 21 29 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2			6					· : :	*						
ident years 20 cident years 21 1 to 21) 29 expressed in 30 2			5												
cident years 21 1 to 21) 29 expressed in 30 2	-	•	20												
1 to 21) 29 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Prior acciden	t years	21	~											18 18 J.
expressed in 30	Total (11 to 2	:1)	29						2			2			
	Line 29 expre sterling	essed in	30						2			2			

Statement of Major Reinsurers - Regulation 19 General business

Name of Company

UK Branch Business

Chubb Custom Insurance Company

Financial year ended

31st December 1997

AMOUNT OF ANY ANTICIPATED RECOVERIES £'000	142			
AMOUNT OF TOTAL GROSS PREMIUMS PAYBLE £'000	769			
TOTAL NON-PROPORTIONAL £'000	769			
CONNECTION WITH COMPANY & HOW	RELATED COMPANY, BEING IMMEDIATE PARENT			
ADDRESS OF REGISTERED OR PRINCIPAL OFFICE	CAPITOL CENTER, 251 NORTH ILLINOIS, SUITE 1100, INDIANAPOLIS, INDIANA, USA			
FULL NAME OF MAJOR REINSURER	FEDERAL INSURANCE COMPANY	•		

CHUBB CUSTOM INSURANCE COMPANY

Statement required by Regulation 20 of the Insurance Companies (Accounts & Statements) Regulations 1996

UK Branch Business

Financial Year Ended: 31 December 1997

There were no major facultative reinsurers in the period.

CHUBB CUSTOM INSURANCE COMPANY

Statement of Major Cedants (Regulation 21)

UK Branch Business

Financial Year Ended: 31 December 1997

There were no major cedants in the period.

CHUBB CUSTOM INSURANCE COMPANY

Statement required by Regulation 23 of the Insurance Companies (Accounts & Statements) Regulations 1996

UK Branch Business:

Financial Year Ended:

31 December 1997

The Company's investment guidelines do not involve the use of derivative contracts and no such contracts have been entered into during the financial year. There is consequently nothing to report under paragraphs (b) to (i) of Regulation 23.

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CHUBB CUSTOM INSURANCE COMPANY

UK Branch Business

Financial Year Ended:

31 December 1997

SUPPLEMENTARY NOTES TO THE RETURN

1002 Other Movements

The entry on Form 10 line 65 relates to exchange rate movements.

1304 Debtors and Creditors

Certain amounts shown on Form 13 and 15 have been calculated by netting amounts due to any one person against amounts due from that person to the extent permitted by generally accepted accounting principles.

1305 Counterparty Exposure

The Company's investment guidelines state that no more than 5% of the total portfolio may be invested in an issue and no more than 10% in any one name. However, where the total value of the portfolio is less than this threshold, then the guidelines state that the investments made must be rated at least AA- by Standard and Poor's and AA3 by Moody's. There has been no breach of these guidelines in the year.

1501 Provision for Adverse Changes

The Company has no involvement in stock lending or derivative contracts and as such no provision is required.

1502 Contingent Liabilities

No provision has been made for any actual or potential liability to tax on capital gains which might arise if the Company disposed of its assets. There are no charges over assets.

The Company has no contingent liabilities, nor does it have any guarantees, indemnity or other contractual commitments.

1601 Foreign Currency

Amounts of income and expenditure shown on Form 16 have been calculated at the rate ruling at the date of transaction and for US dollar amounts at the rate for that particular month.

CHUBB CUSTOM INSURANCE COMPANY

UK Branch Business

Financial Year Ended:

31 December 1997

SUPPLEMENTARY NOTES TO THE RETURN - continued

1603 Other Income and Charges

Line 21 represents exchange differences in the year.

1700 Derivative Contracts

The Company has no derivative contracts and as such Form 17 has been omitted from the return.

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2002 Analysis of Premiums Written

All premiums written (gross and the reinsurers share) are attributable to UK business.

2003 Authorised Classes

The Company did not write any new business during the year in the following authorised classes: 3, 7, 10, 15 and 17 and none were written last year.

2102 Unearned Premiums

Unearned premiums are calculated on the 24ths basis, suitably modified for non annual policies. This basis allows for an appropriate recognition of premium over the period of risk.

2202 Claims Management Expenses

Claims management expenses are calculated from a cost allocation system. This allocation is reviewed periodically to determine the claims growth in accounting classes. The carried forward expense is calculated based on claims reserves at the end of each year.

CHUBB CUSTOM INSURANCE COMPANY

UK Branch Business

Financial Year Ended:

31 December 1997

SUPPLEMENTARY NOTES TO THE RETURN - continued

2204 Basis for Determining Acquisition Expenses

Other than commission, there are no acquisition costs.

3102 Risk Group Information

Chubb Custom is an Excess and Surplus Lines carrier for the North American market. This is somewhat of a niche market and as such, detailed analysis by Risk group has been omitted.

3700/3800 Equalisation provisions

The net written premiums for the United Kingdom branch fall below the de minimus limits and as such the provisions of the Insurance Companies (Reserves) Regulations 1996 do not apply.

Certificate required by Regulation 28(a) of the Insurance Companies (Accounts and Statements) Regulations 1996

CHUBB CUSTOM INSURANCE COMPANY

U.K branch business

Financial year ended:

31 December 1997

We certify:

- (1) (a) in relation to the part of the return comprising Forms 9 to 13, 15 and 16, 20 to 23 and 31, the statements required by regulations 19 to 21, 23 and 26 of the Insurance Companies (Accounts and Statements) Regulations 1996 and the supplementary notes that:
 - 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;
 - (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 any body corporate are connected for the purposes of regulations 19,20 and 21;
 - (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 the margin of UK solvency required by section 32 of the Insurance Companies Act 1982 has been maintained throughout the year.
- (3) (a) that the company has kept throughout the financial year admissible assets representing the required United Kingdom minimum margin of an amount at least equal to the appropriate fund or minimum guarantee fund, whichever was the greater, within the United Kingdom and has kept throughout that year admissible assets representing the remainder of that minimum margin within the United Kingdom; and
 - (b) that the deposit made in accordance with section 9(1)(c) of the Insurance Companies Act 1982 has been maintained throughout the year at a level equal to at least the minimum as defined in regulation 7 of the Insurance Companies Regulations 1994.

Certificate required by Regulation 28(a) of the Insurance Companies (Accounts and Statements) Regulations 1996

CHUBB CUSTOM INSURANCE COMPANY

U.K branch business

Financial year ended:

31 December 1997

(continued)

- (4) (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 derivatives'; and
 - ii) Prudential Guidance Note 1996/1 'Controls 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

- (b) 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 (Part VIII of the Insurance Companies Regulations 1994)'; and
 - ii) Prudential Guidance Note 1998/1 'The preparation of annual returns to the Directorate of HM Treasury'
- (5) that proper accounting records have been maintained in the United Kingdom in respect of business carried on through any agency or branch of the Company in the United Kingdom.

W.E. Namacher

Authorised Representative

Accounting Manager

Date: 30th June 1998

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

CHUBB CUSTOM INSURANCE COMPANY

UK Branch Business

Financial year ended: 31 December 1997

We have examined the following documents prepared by the Company pursuant to section 17 of the Insurance Companies Act 1982 ("the Act") which are required to be audited by Regulation 29 of the Insurance Companies (Accounts & Statements) Regulations 1996 ("the Regulations").

- Forms 9 to 13, 15 to 16, 20 to 23 and 31 (including the supplementary notes thereto) ("the Forms")
- the statements furnished pursuant to regulations 19, 20 and 21 and 23 on pages 35 to 39 ("the statements"); and
- the certificate signed in accordance with Regulation 28 (a) on pages 43 and 44 ("the certificate")

In the case of the certificate, our audit did not extend to paragraph 1 in relation to the statements required by regulation 26.

Respective responsibilities of the Company and its auditors

The company is responsible for the preparation of an 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 persons giving the certificate to have made the statements therein, and to report our opinions to you.

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

CHUBB CUSTOM INSURANCE COMPANY

UK Branch Business

Financial year ended: 31 December 1997

(continued)

Bases of opinions

We conducted our work in accordance with Bulletin 1998/3, 'Auditors' reports on regulatory returns made under the Insurance Companies Act 1982' issued by the Auditing Practices Board. Our work included examination, on a test basis, of evidence relevant to the amounts and disclosures in the Forms and statements. It also included an assessment of the significant estimates and judgements made by the Company in the preparation of the Forms and statements.

We planned and performed our audit 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.

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 provision of those Regulation; 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.

Ernst & Young Chartered Accountants Registered Auditor London 30th June 1998