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W/R/B
UNDERWRITING

W. R. Berkley Syndicate 1967 Annual Report and Financial Statements

For the year ended 31 December 2016

a W. R. Berkley Company

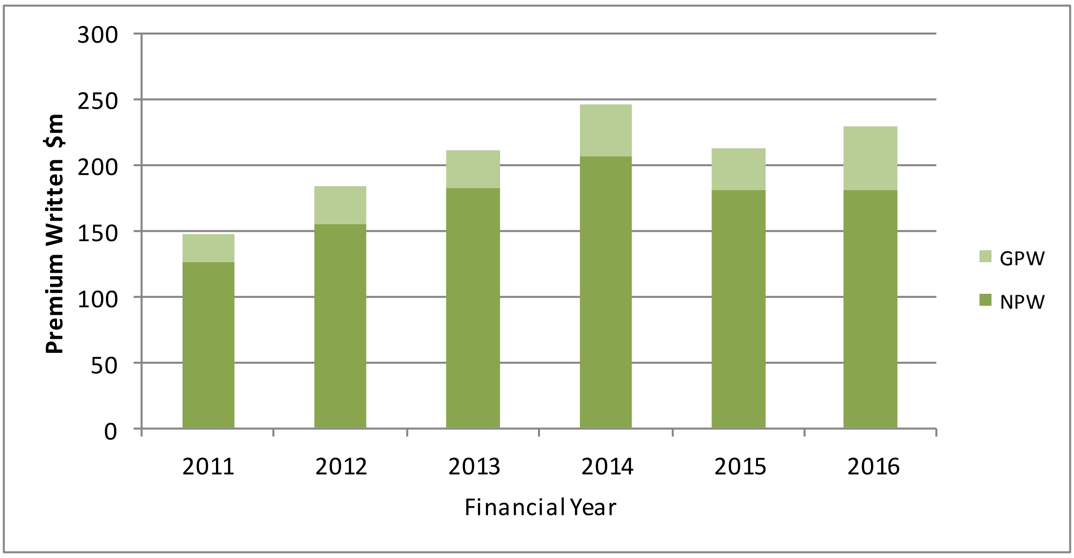
Contents

HIGHLIGHTS

Financial year	2016	2015	2014	2013	2012	2011
Gross premium written ($m)	229.4	213.2	246.7	211.8	183.9	148.0
Net premium written ($m)	180.9	181.4	207.9	182.4	155.8	125.9
Net premium earned ($m)	175.5	192.1	188.8	171.9	141.5	102.0
Net claims ratio (%)	71.9	56.0	53.4	54.8	60.6	52.8
Acquisition expense ratio (%)	28.2	25.6	27.1	24.5	28.0	29.0
Net expense ratio (%)	17.5	14.2	13.3	14.1	14.8	16.2
Net combined ratio (%)	**117.6**	**95.8**	**93.8**	**93.4**	**103.4**	**98.0**
Cash and investments ($m)	132.1	141.6	144.1	105.9	90.0	46.2
Profit / (loss) for financial year ($m)	**(26.6)**	**8.9**	**10.9**	**10.6**	**(2.8)**	**1.9**

Net expense ratio and net combined ratio excludes profit / (loss) on foreign exchange.

Pure underwriting year	2016 F'cast	2015 F'cast	2014 Actual	2013 Actual	2012 Actual	2011 Actual
Lloyd's stamp capacity ($m)	278.0	277.0	304.6	234.5	190.2	160.4
Stamp gross premium written ($m)	240.3	171.0	211.4	163.5	173.5	116.3
Profit/(loss) for underwriting year ($m)	(7.3)	14.6	(2.6)	2.2	17.0	(14.0)
Return on capacity (%)	**(2.6)**	**5.3**	**(0.9)**	**0.9**	**8.9**	**(8.7)**



ACTIVE UNDERWRITERS REPORT

During 2016 W. R. Berkley Syndicate 1967 ("the syndicate") diversified its portfolio of underwriting risks following the transfer of renewal rights of certain business previously written by W. R. Berkley Insurance (Europe), Limited ("WRBIEL") and through further expansion of underwriting by our affiliated businesses in the US and China.

The strategic re-alignment and simplification of our UK and European business resulted in the establishment of the W/R/B Underwriting brand, in late 2015, covering our business at Lloyd's already written through the syndicate and now also our UK retail business written through the use of our Lloyd's service company.

The Lloyd's stamp capacity for 2016 was US$278m (£225m), 2015 US$277m (£185m). A capacity of US$278m (£225m) has been approved for the 2017 underwriting year.

UNDERWRITING RESULTS

The 2016 calendar year has delivered a disappointing result, being a loss of US$26.6m and a combined ratio of 117.6% (2015: US$8.9m profit and COR 95.8%).

2016 has continued to exhibit a further softening of both premium rates and market terms and conditions across almost all classes of business. This softening combined with an increase in discrete and non-correlated large risk losses in the second half of 2016, resulted in a higher than expected loss ratio. The expense ratio is impacted by the underwriting costs associated with new business and expansion of affiliated business, which is yet to earn through.

The syndicate's written and earned premium was below plan, by around 25%, where the syndicate continued its prudent practice of discontinuing certain sub-classes and lines of business that did not meet our profitability expectations. The syndicate continues to focus on absolute return to its shareholders rather than top line gross premium written.

OUTLOOK

In early 2017 the syndicate exited the underwriting of London Market Marine business, as this class has failed to deliver sufficient shareholder return over the past five years.

The syndicate is starting to see early signs of a deceleration of rate changes and conditions in certain classes in line with our plan expectations.

2017 will see the syndicate continue to strengthen its position in its core markets with a number of key strategic hires, including a new leader of the Specialty Casualty business as well as market leading underwriters in the Property Binder and Political Risk markets. These hires will ensure that the syndicate continues to build its core strengths and to successfully position itself to navigate the challenges of the current market environment.

S. CAMPBELL

DIRECTOR OF UNDERWRITING / STATIC RISKS

21 MARCH 2017

REPORT OF THE DIRECTORS OF THE MANAGING AGENT

The directors of the managing agent W. R. Berkley Syndicate Management Limited ("WRBSML" or "the managing agent") present their report in respect of W. R. Berkley Syndicate 1967 ("the syndicate") for the year ended 31 December 2016.

RESULTS

The result for the year ended 31 December 2016 is a Loss of $26,649,000 (2015: Profit $8,948,000).

PRINCIPAL ACTIVITIES

The principal activity of the syndicate is the transaction of general insurance and reinsurance business in the Lloyd's market, in accordance with the risk appetite agreed by the Board of Directors of the managing agent (the "Board").

The syndicate specialises in its chosen classes of Property, Crisis Management (including Political Violence, Political Risks and Contingency), Marine, Accident & Health, Aviation and Asset Protection. The syndicate also provides an international underwriting platform for member companies of WRBC. In 2016 the syndicate also includes Casualty and Engineering & Construction business previously written in WRBIEL and a limited level of Treaty Reinsurance through Lloyd's China.

REPORT OF THE DIRECTORS OF THE MANAGING AGENT (CONT.)

BUSINESS REVIEW AND KEY PERFORMANCE INDICATORS

The table below sets out our key performance indicators. Gross premium written increased by 8% driven by increases in Berkley affiliated businesses including the introduction of Lloyd's China business and Engineering and Casualty business transferred from WRBIEL. This was offset where we retracted our appetite in certain sub-classes which did not provide acceptable returns. This was most notable in Property, Marine and Aviation where we have reduced scale in response to market conditions. The claims ratio was hit by a number of discrete losses and an increase in attritional claims in the year. The expense ratio has been impacted by the additional costs associated with the new Berkley affiliated business, Lloyd's China, Engineering and Casualty business which has yet to start earning fully.

	2016 $'000	**2015 $'000**	**2014 $'000**
Gross premium written	229,447	213,209	246,711
Profit/(Loss) for the financial year	(26,649)	8,948	10,933
Claims ratio	71.9%	56.0%	53.4%
Expense ratio	45.7%	39.8%	40.4%
Combined ratio	**117.6%**	**95.8%**	**93.8%**

The following table further details the gross premium written by class of business and highlights the growing diversification of the syndicate as it matures.

Gross premium written	**2016 $'000**	**2015 $'000**	**2014 $'000**
Property	56,634	73,380	95,871
Crisis management	23,345	26,254	25,885
Consortia	1,050	5,420	6,501
Engineering	17,161	-	-
Static Risks	**98,190**	**105,054**	**128,257**
Marine	35,033	43,434	48,975
Accident & Health	16,778	19,797	33,329
Aviation	15,023	21,919	19,423
Asset Protection	15,262	12,697	-
Reinsurance	4,394	-	-
W. R. Berkley Business	18,728	10,308	16,727
Non-Static Risks	**105,218**	**108,155**	**118,454**
Casualty	**26,039**	**-**	**-**
	229,447	**213,209**	**246,711**

The Active Underwriter's report, on page 5 also provides a review of business for the year.

Total investment return after expenses and unrealised gains / losses was $1,264,000 (2015: $1,002,000).

Return is also monitored against industry 1 – 3 year benchmarks and the portfolios have performed in line with these benchmarks.

REPORT OF THE DIRECTORS OF THE MANAGING AGENT (CONT.)

PRINCIPAL RISKS AND UNCERTAINTIES

The Board sets risk appetite annually as part of the syndicate's business planning and capital planning processes. The Board has established a Risk & Capital Committee (RCC) and a Risk Management function to oversee the continuous monitoring against risk appetite using a variety of measures, models and risk indicators. Note 4 to the Financial Statements – Risk and Capital Management provides a further explanation of how these risks are addressed.

The principal risks and uncertainties facing the syndicate are as follows:

Insurance risk

Insurance risk includes the risk that policies underwritten by the syndicate are systemically written for too little premium or provide inappropriate cover (premium risk), that the frequency or severity of insured events will be higher than modelled and anticipated (catastrophe & claims risk) or that estimates of claims subsequently prove to be insufficient (reserving risk); and/or that reinsurance purchased to provide protection against unexpected and severe losses fails to operate in the manner assumed. The Board manages insurance risk by agreeing its risk appetite annually through the business planning exercise which involves setting out target volumes of premium income, pricing, line sizes, aggregate exposures and retentions by class of business. The Board is provided with data from the syndicate's internal model to anticipate potential results at different return periods and uses a catastrophe modelling system to separately model potential losses from catastrophe-exposed business. Performance against business plan is measured and monitored monthly through the year using established metrics and management information. Reserve adequacy is monitored through quarterly review by the Actuarial Reserve Committee. Reserves are also reviewed by an external actuary, who is responsible for provision of the Statement of Actuarial opinion.

Credit risk

The syndicate is exposed to a variety of types of credit risk, the most material of which is the risk of default by one or more of the syndicate's reinsurers. The Board's policy is in line with WRBC corporate policy; to purchase reinsurance only from highly rated counterparties and this is overseen directly by the Board. The syndicate uses its capital model to estimate the likely impact of any default by its reinsurers and overall exposures to individual reinsurers are monitored quarterly through the year.

The Board monitors adherence to the Investment Policy and any credit risk associated with it. In line with the investment philosophy of WRBC, the syndicate has a relatively low appetite for investment risk and invests mostly in high quality investment instruments with sound credit ratings.

The syndicate is also exposed to intermediary counterparty risk, whereby such counterparties fail to pass on premiums or claims collected or paid on behalf of the syndicate. An approval system for the acceptance of new counterparties includes a credit reference and compliance check, with final approval, where required, at the Executive Management Committee (EMC). The EMC and Underwriting Committee (UC) also review aged debtor reports on a monthly basis.

Market risk

The syndicate is exposed to market risk within its investment portfolio. The syndicate is also exposed to foreign exchange movements which affect the matching of its assets and liabilities. To mitigate this risk the main assets are maintained in the core currencies in which the syndicate transacts and settles business.

REPORT OF THE DIRECTORS OF THE MANAGING AGENT (CONT.)

Liquidity risk

This is the risk that the syndicate fails to have sufficient liquid financial resources to meet its liabilities as they fall due. To mitigate this risk the EMC monitors cashflow regularly. Furthermore investments are of a relatively short duration and the syndicate has a liquidity facility in place with WRBC in the event of a shock loss. As such the syndicate does not consider there to be a material liquidity risk.

Operational risk

This is the risk that errors caused by people, processes, systems, data and outsourcing and the risk that regulatory and compliance matters, result in loss to the syndicate. The syndicate records all operational risks and their associated controls within a risk register and these risks are assessed regularly by the Risk Management function. In addition the syndicate maintains documented processes and controls within business functions which ensure risks are appropriately managed. The syndicate has established and tested disaster recovery procedures and an overall Business Continuity Plan for all its operations. Operational risk does not have a direct impact on the financial statement risk.

Group Risk

This is the risk derived from being part of the wider WRBC Group in addition to being part of the Lloyd's market. WRBC Group provides asset management, systems support and maintenance and capital support amongst other items.

The syndicate derives significant benefits from being part of the WRBC Group and the Lloyd's Market. Group risk is managed at the executive level through building strong relationships, reputation and mutually aligned strategic, social, ethical and regulatory objectives.

Regulatory risk

This is the risk associated with the failure to comply with current and future requirements of the Financial Conduct Authority, the Prudential Regulation Authority, the Council of Lloyd's and various overseas authorities. The Assurance function of the managing agent ensures policies, controls and objectives are kept consistent with current and developing requirements.

FUTURE DEVELOPMENTS

The syndicate will cease to write Marine business during 2017 but will transact all other current classes of general (re)insurance business. As a result the capacity for the 2017 year of account has been maintained at $278m (£225m), compared with the 2016 year of account of $278m (£225m).

REPORT OF THE DIRECTORS OF THE MANAGING AGENT (CONT.)

DIRECTORS SERVING IN THE YEAR

The directors of the managing agent, who served during the year, were as follows:

Directors	Directors
Eugene Ballard	Jacqui Hedges
William Robert Berkley – Chairman [1]	Robert Hewitt [4]
William Robert Berkley Jr [1]	Ira Lederman
Alastair Blades	Andrew Mitchell
James Bronner [3]	Michael Smith [2]
Robert Chase [2]	Steven Taylor
Edward Creasy [2]	Robert Vetch

[1] Director of ultimate parent company, W. R. Berkley Corporation

[2] Independent non-executive director

[3] Appointed 2 March 2017

[4] Resigned 2 March 2017

DISCLOSURE OF INFORMATION TO THE AUDITOR

The directors of the managing agent who held office at the date of approval of this managing agent's report confirm that, so far as they are each aware, there is no relevant audit information of which the syndicate's auditors are unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the syndicate's auditors are aware of that information.

AUDITOR

Pursuant to Section 14 (2) of Schedule 1 of the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

On behalf of the Board

A. BLADES
DIRECTOR

21 MARCH 2017

STATEMENT OF MANAGING AGENT'S RESPONSIBILITIES

The managing agent is responsible for preparing the syndicate financial statements in accordance with applicable law and regulations.

Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 requires the Managing Agent to prepare their syndicates financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 the managing agent must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the syndicate and of the profit or loss of the syndicate for that period. In preparing these financial statements, the managing agent are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements assuming there are no uncertainties surrounding the syndicate's ability to continue to write business in the future as required to provide a true and fair view.

The managing agent is responsible for the maintenance and integrity of the syndicate and financial information included on the syndicate's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The managing agent is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the syndicate and enable it to ensure that the syndicate financial statements comply with the 2008 Regulations. It is also responsible for safeguarding the assets of the syndicate and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The managing agent is responsible for the maintenance and integrity of the corporate and financial information included on the business website. Legislation in the UK governing the preparation and dissemination of syndicate financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBER OF W. R. BERKLEY SYNDICATE 1967

To the member of Syndicate 1967

We have audited the financial statements of Syndicate 1967 (“the syndicate”) for the year ended 31 December 2016, as set out on pages 18 to 49. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the members of the syndicate, as a body, in accordance with the Insurance Accounts Directive (Lloyd’s syndicate and Aggregate Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the syndicate’s members those matters we are required to state in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the syndicate and the syndicate’s member, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the managing agent and auditors

As explained more fully in the Statement of Managing Agent’s Responsibilities set out on page 13, the Managing Agent is responsible for the preparation of the syndicate’s financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the syndicate’s financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council’s website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the syndicate’s affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Insurance Accounts Directive (Lloyd’s Syndicate and Aggregate Accounts) Regulations 2008.

Opinion on other matters prescribed by the Insurance Accounts Directive (Lloyd’s Syndicate and Aggregate Accounts) Regulations 2008

In our opinion the information given in the Report of the Directors of the Managing Agent is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Karen Orr (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square London,
E14 5GL

21 March 2017

PROFIT AND LOSS ACCOUNT - GENERAL BUSINESS FOR THE YEAR ENDED 31 DECEMBER 2016

		2016		2015	
	Notes	$'000	$'000	$'000	$'000
Earned premiums, net of reinsurance					
Gross premiums written	5	229,447		213,209	
Outwards reinsurance premium		(48,590)		(31,787)	
Net premiums written			180,857		181,422
Change in the provision for unearned premiums					
Gross amount	17	(14,222)		9,493	
Reinsurers' share	17	8,853		1,198	
Change in the net provision for unearned premiums			(5,369)		10,691
Earned premiums, net of reinsurance			175,489		192,113
Allocated investment return transferred from the non-technical account			1,264		1,002
Claims incurred, net of reinsurance					
Claims paid					
Gross amount		(107,234)		(98,599)	
Reinsurers' share		5,217		6,302	
Net claims paid			(102,017)		(92,297)
Change in the provision for claims					
Gross amount	17	(35,657)		(14,346)	
Reinsurers' share	17	11,485		(890)	
Change in the net provision for claims			(24,172)		(15,236)
Claims incurred, net of reinsurance	6		(126,189)		(107,533)
Net operating expenses	7		(80,160)		(73,506)
Total technical charges			(206,349)		(181,039)
Balance on the technical account – general business			**(29,596)**		**12,076**

All the amounts above are in respect of continuing operations.

The notes on pages 24 to 49 form part of these financial statements.

PROFIT AND LOSS ACCOUNT- NON TECHNICAL ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	**2016** **$'000**	**2015** **$'000**
Balance on the technical account – general business		(29,596)	12,076
Investment income	*10,11*	2,377	2,225
Realised gains and losses on investments	*10*	(770)	(126)
Unrealised gains and losses on investments	*10*	(213)	(934)
Investment expenses and charges	*10*	(130)	(163)
Allocated investment return transferred to technical account - general business		(1,264)	(1,002)
Gain/(loss) on foreign exchange		2,947	(3,128)
(Loss)/Profit for the financial year		**(26,649)**	**8,948**

All the amounts above are in respect of continuing operations.

There are no recognised gains and losses for the current period other than those included in the profit and loss account above and therefore no statement of other comprehensive income has been presented.

The notes on pages 24 to 49 form part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2016

		2016		2015	
Assets	***Notes***	**$'000**	**$'000**	**$'000**	**$'000**
Investments					
Financial investments	*12,13*		114,028		123,475
Reinsurers' share of technical provisions					
Provision for unearned premiums	*17*	21,043		12,705	
Claims outstanding	*17*	18,763		7,749	
			39,806		20,454
Debtors					
Debtors arising out of direct insurance operations	*14*	82,296		71,383	
Debtors arising out of reinsurance operations	*15*	7,857		2,966	
Other debtors		11,750		4,968	
			101,903		79,317
Other assets					
Cash at bank and in hand		7,188		6,790	
Overseas deposits	*13*	10,890		11,370	
			18,078		18,160
Prepayments and accrued income					
Deferred acquisition costs		24,326		21,155	
Other prepayments and accrued income		1,325		2,668	
			25,651		23,823
Total assets			**299,466**		**265,229**

The notes on pages 24 to 49 form part of these financial statements.

BALANCE SHEET AS AT 31 DECEMBER 2016 (CONT.)

		2016		2015	
Liabilities	*Notes*	$'000	$'000	$'000	$'000
Capital and reserves					
Member's balances			(13,691)		15,147
Technical provisions					
Provision for unearned premiums	17	112,297		102,444	
Claims outstanding	17	165,248		133,625	
			277,545		236,069
Creditors					
Creditors arising out of direct insurance operations	20	1,291		552	
Creditors arising out of reinsurance operations – due within one year		27,272		6,527	
Other creditors		6,285		6,630	
			34,848		13,709
Accruals and deferred income			764		304
Total liabilities			**299,466**		**265,229**

The syndicate annual accounts on pages 18 to 49 were approved on 21 March 2017 and were signed on behalf of the Board of W. R. Berkley Syndicate Management Limited by:

A. BLADES
DIRECTOR

R. S. VETCH
DIRECTOR

The notes on pages 24 to 49 form part of these financial statements.

STATEMENT OF CHANGES IN MEMBER'S BALANCES FOR YEAR ENDED 31 DECEMBER 2016

	2016 $'000	2015 $'000
Member's balances brought forward	15,147	23,170
(Loss)/Profit for the financial year	(26,649)	8,948
(Distribution) /cash call	(2,189)	(16,971)
Member's balances carried forward at 31 December	**(13,691)**	**15,147**

Members participate in the syndicate by reference to years of account and their ultimate results. Assets and liabilities are assessed with reference to policies incepting in that year of account in respect of their membership of a particular year.

The notes on pages 24 to 49 form part of these financial statements.

CASH FLOW STATEMENT FOR THE YEAR ENDING 31 DECEMBER 2016

	2016		2015	
	$'000	$'000	$'000	$'000
(Loss)/Profit for the financial year	(26,649)		8,948	
Increase in technical provisions	41,477		13,587	
Increase in reinsurers' share of technical provisions	(19,352)		(1,307)	
Increase in debtors	(24,414)		(510)	
Increase in creditors	21,599		572	
Investment return	(1,264)		(1,002)	
Realised / unrealised foreign exchange losses	5,523		7,160	
Net cash flow from operating activities		**(3,080)**		**27,448**
Cash flows from investing activities				
Purchase of equity and debt instruments	(84,532)		(88,082)	
Sale of equity and debt instruments	94,316		87,976	
Purchase of shares and other variable yield securities	-		(5,074)	
Investment income received	1,477		-	
Realised / unrealised foreign exchange gains	(5,281)		-	
Unrealised gains	(313)		-	
Cash flows from financing activities		**5,667**		**(5,180)**
Distribution profit		(2,189)		(16,971)
Net increase in cash and cash equivalents		**398**		**5,297**
Cash and cash equivalents at the beginning of the year		6,790		1,493
Cash at bank and in hand	7,188		6,790	
Cash and cash equivalents at 31 December		**7,188**		**6,790**

The notes on pages 24 to 49 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008, and applicable Accounting Standards in the United Kingdom.

These financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and Financial Reporting Standard 103 Insurance Contracts, Consolidated accounting and reporting requirements for entities in the UK and Republic of Ireland issuing insurance contracts, (together "FRS 102 and FRS 103") as issued in August 2014.

2. USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, the directors of the managing agent have made judgements, estimates and assumptions that affect the application of the syndicate's accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The measurement of the provision for claims outstanding involves judgements and assumptions about the future that have the most significant effect on the amounts recognised in the financial statements.

The provision for claims outstanding comprises the estimated cost of settling all claims incurred but unpaid at the balance sheet date, whether reported or not. This is a judgemental and complex area due to the subjectivity inherent in estimating the impact of claims events that have occurred but for which the eventual outcome remains uncertain. In particular, judgement is applied when estimating the value of amounts that should be provided for claims that have been incurred at the reporting date but have not yet been reported (IBNR) to the syndicate.

The amount included in respect of IBNR is based on statistical techniques of estimation applied by the managing agent's in house actuaries and reviewed by external consulting actuaries. These techniques generally involve projecting from past experience the development of claims over time in view of the likely ultimate claims to be experienced and for more recent underwriting, having regard to variations in business accepted and the underlying terms and conditions. The provision for claims also includes amounts in respect of internal and external claims handling costs. For the most recent years, where a high degree of volatility arises from projections, estimates may be based in part on output from rating and other models of business accepted and assessments of underwriting conditions.

Further information about the risk that the provision for claims outstanding could be materially different from the ultimate cost of claims settlement is included in the sensitivity analysis note 4.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

3. SIGNIFICANT ACCOUNTING POLICIES

The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the syndicate's annual accounts.

Premium written

Gross premium written comprises premiums on contracts incepted during the year. Premiums are shown gross of brokerage payable and exclude taxes and duties levied on them. Premiums include estimates for pipeline premiums, representing amounts due to the syndicate but not yet received or notified.

Outwards reinsurance premiums are accounted for in the period in which they incept.

Unearned Premium

The earned portion of premiums is recognised as income. Premiums are earned from the date of attachment of risk and over the indemnity period on a pattern of the risk underwritten that reflects the underlying exposure.

The provision for unearned premiums comprises the proportion of premiums written which is estimated to be earned in the following or subsequent financial period. It is computed separately for each insurance contract using a daily pro rata method or an adjusted pattern to reflect the incidence of the risk during the period covered by the contract.

Acquisition costs

Acquisition costs include direct costs such as brokerage and commission and indirect costs such as administrative expenses connected with the processing of proposals and the issuing of policies. Costs incurred in acquiring general insurance contracts are deferred, whereby the deferred acquisition cost asset represents the proportion of acquisition cost which corresponds to the proportion of gross premiums written that is unearned at the balance sheet date.

Claims provisions and related recoveries

Claims incurred comprise the estimated cost of all claims occurring during the year, whether reported or not, including related direct and indirect claims handling costs and adjustments to claims outstanding from previous periods.

The provision for claims outstanding is an aggregate of estimates made on an individual case basis and the estimated ultimate cost of these case reserves not settled as at the balance sheet date, together with a provision for related claims handling costs. The provision also includes the estimated cost of claims incurred but not reported (IBNR) at the balance sheet date. This is calculated through statistical methods. These methods generally involve projecting from past experience the development of claims over time to form a view of the likely ultimate claims to be experienced.

For the most recent periods, where a high degree of volatility arises from projections, estimates may be based in part on output from rating models and assessments of underwriting conditions.

The reinsurers' share of provisions for claims is based on the amounts of outstanding claims and projections for IBNR, net of estimated irrecoverable amounts, having regard to the reinsurance programme in place for the class of business, the claims experience for the period and the current security rating of the reinsurance companies involved. A number of statistical methods are used to assist in making these estimates.

The two most critical assumptions as regards claims provisions are that the past is a reasonable predictor of the likely level of claims development and that the rating and other models used for current business are fair reflections of the likely level of ultimate claims to be incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT.)

The directors consider that the provisions for gross claims and related reinsurance recoveries are fairly stated on the basis of the information currently available to them. However, the ultimate liability will vary as a result of subsequent information and events and this may result in significant adjustments to the amounts provided. Adjustments to the amounts of claims provisions established in prior years are reflected in the annual accounts for the period in which the adjustments are made. The methods used and the estimates made, are reviewed regularly.

Unexpired risks provision

A provision for unexpired risks is made where claims and related expenses arising after the end of the financial period in respect of contracts concluded before that date, are expected to exceed the unearned premiums and premiums receivable under these contracts, after the deduction of any acquisition costs deferred.

The provision for unexpired risks is calculated by reference to classes of business which are managed together, after taking into account relevant investment return.

Foreign currencies

The functional and presentational currency of the syndicate is US Dollars. Income and expenditure in foreign currencies are translated at the average rates of exchange for the period. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the balance sheet date or if appropriate at the forward contract rate. Non-monetary assets and liabilities are translated at the rate of exchange ruling at the date of transaction. All differences arising on translation of foreign currency amounts are included in the profit and loss account.

Financial assets and liabilities

In applying FRS 102, the syndicate has chosen to apply the recognition and measurement provisions of IAS 39 Financial Instruments: Recognition and Measurement (as adopted for use in the EU).

Financial assets and liabilities are recognised when the syndicate becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. The syndicate considers financial assets and liabilities to include debtors and creditors and are stated at cost which is deemed to be fair value.

Classification

The accounting classification of financial assets and liabilities determines the way in which they are measured and changes in those values are presented in the statement of profit or loss account and other comprehensive income. Financial assets and liabilities are classified on their initial recognition. Subsequent reclassifications are permitted only in restricted circumstances.

Financial assets and financial liabilities at fair value through profit and loss comprise financial assets and financial liabilities held for trading and those designated as such on initial recognition. Investments in shares and other variable yield securities, units in collective investment schemes, and debt and other fixed income securities are designated as at fair value through profit or loss on initial recognition, as they are managed on a fair value basis in accordance with the syndicate's investment strategy.

Deposits with credit institutions are classified as financial investments and debtors and accrued interest are classified as receivables, and are held at amortised cost. For this purpose investments are stated at market value (bid value) and deposits with credit institutions are stated at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Recognition

Financial instruments are recognised when the syndicate becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the syndicate's contractual rights to the cash flows from the financial assets expire or if the syndicate transfers the financial asset to another party without retaining control of substantially all risks and rewards of the asset. A financial liability is derecognised when its contractual obligations are discharged, cancelled, or expire.

Regular way purchases and sales of financial assets are recognised and derecognised, as applicable, on the trade date, i.e. the date that the syndicate commits itself to purchase or sell the asset.

Measurement

A financial asset or financial liability is measured initially at fair value plus, for a financial asset or financial liability not at fair value through profit and loss, transaction costs that are directly attributable to its acquisition or issue.

Financial assets at fair value through profit or loss are measured at fair value with fair value changes recognised immediately in profit or loss. Net gains or net losses on financial assets measured at fair value through profit or loss includes foreign exchange gains/losses arising on their translation to the functional currency, but excludes interest income. The investment return is initially recorded in the non-technical account. A transfer is made from the non-technical account to the general business account to reflect the investment return on funds supporting underwriting business.

Debtors, cash and cash equivalents and non-derivative financial liabilities are measured at amortised cost using the effective interest method.

Identification and measurement of impairment

At each reporting date the syndicate assesses whether there is objective evidence that financial assets not at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of an asset, and that the loss event has an impact on the future cash flows on the asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes observable data that comes to the attention of the syndicate about any significant financial difficulty of the issuer, or significant changes in the technological, market, economic or legal environment in which the issuer operates.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

An impairment loss recognised reduces directly the carrying amount of the impaired asset. All impairment losses are recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost the reversal is recognised in profit or loss.

Off-setting

Financial assets and financial liabilities are set off and the net amount presented in the balance sheet when, and only when, the syndicate currently has a legal right to set off the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

3. SIGNIFICANT ACCOUNTING POLICIES (CONT.)

Fair Value Hierarchy

The syndicate utilises a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for similar assets in active markets. Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs may only be used to measure fair value to the extent that observable inputs are not available. The fair value of the majority of the syndicate's portfolio is based on observable data (other than quoted prices) and, accordingly, is classified as Level 2.

In classifying particular financial securities in the fair value hierarchy, the syndicate uses its judgement to determine whether the market for a security is active and whether significant pricing inputs are observable. The syndicate determines the existence of an active market by assessing whether transactions occur with sufficient frequency and volume to provide reliable pricing information. The syndicate determines whether inputs are observable based on the use of such information by pricing services and external investment managers, the uninterrupted availability of such inputs, the need to make significant adjustments to such inputs and the volatility of such inputs over time. If the market for a security is determined to be inactive or if significant inputs used to price a security are determined to be unobservable, the security is categorised in Level 3 of the fair value hierarchy.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in fair value, and are used by the syndicate in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the balance sheet.

Taxation

Under Schedule 19 of the Finance Act 1993 managing agents are not required to deduct basic-rate income tax from trading income. In addition, all UK basic-rate income tax deducted from syndicate investment income is recoverable by managing agents and consequently the distribution made to members or their members' agents is gross of tax. Capital appreciation falls within trading income and is also distributed gross of tax.

No provision has been made for any United States Federal Income Tax payable on underwriting results or investment earnings.

No provision has been made for any overseas tax payable by members on underwriting results.

Pension costs

W. R. Berkley Syndicate Limited ("WRBSL") and W. R. Berkley London Staff, Limited ("WRBLSL") operate defined contribution schemes. No pension contributions, relating to staff employed by WRBSL or WRBLSL, were paid directly by the syndicate.

Profit commission

A profit commission is not charged by the managing agent.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT

Introduction and overview

This note presents information about the nature and extent of insurance and financial risks to which the syndicate is exposed, the managing agent's objectives, policies and processes for measuring and managing insurance and financial risks, and for managing the syndicate's capital.

Risk management framework

The W. R. Berkley Syndicate Management Limited ("WRBSML") Board is ultimately responsible for managing all risks and reviews and approves all risk policies. The WRBSML Board has established a Risk and Capital Committee who monitor and report on risk and escalate issues to the Board as required.

The risk management policies are established to identify and analyse the risks faced by the syndicate to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Insurance Risk

Insurance risk is defined as the risk of any deviation from anticipated risk adjusted returns due from underwriting, claims, reserving or reinsurance activities. WRBSML is focused on generating superior risk-adjusted returns over the insurance cycle based on a real understanding of the amount of risk being assumed and the proactive management of risk exposures

WRBSML manages Insurance risks on an ongoing basis in keeping with WRBSML's Risk Appetite and its system of internal controls. For any circumstances where the risk exposure is identified to be outside of approved risk appetite limits and tolerances, action is to be taken to bring the risk exposure back within appetite.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Oversight and Assurance

The Risk and Capital Committee:

- monitors, measures and reports on Insurance risk against stated Risk Appetite including agreed measures; and provide a forum for challenge and to escalate as required to the WRBSML Board.

The Underwriting Committee:

- oversees the management and day-to-day control and activity of the underwriting function with the objective that underwriting business plans are delivering in terms of risk selection, pricing approaches, loss ratios and to demonstrate effective systems and controls in the management of underwriting;
- is responsible for reviewing the performance of the UK's underwriting activities against respective plans, Risk Appetite, ensuring adherence with guidelines, pricing methodologies, agreed authority limits and Lloyd's/regulatory minimum standards;
- ensures business is written within guidelines, authorities, limits and agreed plans;
- ensures business is priced transparently and consistently in accordance with agreed methodologies;
- demonstrates control and performance of delegated underwriting in line with the agreed policy;
- ensures compliance with regulatory underwriting minimum standards and report any performance gaps to the Compliance Officer and Executive Management Committee; and
- reviews exception reporting of risks written against guidelines, limits and standards and escalate any issues to the Executive Management Committee and Risk Management function.

The Delegated Working Group:

- ensures proactive management of delegated underwriting contracts once incepted to ensure compliance with contract conditions; and
- reviews and analyse reports issued to it by the Claims Committee, drawing attention to any notable claims, systemic issues or claims trends under delegated authorities.

The Exposure Management Group:

- agrees the methodologies utilised for each line of business in the monitoring of aggregate exposures and for the analysis of Realistic Disaster Scenarios; and
- agrees the levels of exposed limit guides as defined in the Exposure Management Principles document, and other gross aggregate caps as deemed necessary.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

The Claims Committee:

- oversees the management and day-to-day control of the claims function with the objective that the claims business plan is delivered and demonstrates effective systems and controls in the claims function;
- is responsible for reviewing the performance of the claims management activity against plan and market performance benchmarks, ensuring adherence with guidelines, agreed authority limits and setting minimum Lloyd's/regulatory minimum standards for good practice and governance;
- ensures compliance with claims minimum standards and report any gaps to the Executive Management Committee; and
- reviews exception reporting on claims against guidelines, limits and standards and escalate any issues to the Executive Management Committee and Risk Management function.

The Actuarial Reserving Committee:

- oversees the process for the determination of the syndicate's reserves, ensuring appropriateness of methodologies, reserving models, expert judgement, assumptions and to approve the appropriate levels of ultimate and earned reserves to be held by the syndicate in conjunction with external actuarial and audit sign-off where appropriate; and
- is responsible for recommending appropriate reserving policies, procedures, methodologies and assumptions to the WRBSML Board for determining the level of reserves that should be set for the purposes of calculating the syndicate's ultimate and earned underwriting results.

The Product Oversight Group:

- ensures regulatory/supervisory minimum standards are adhered to in relation to Conduct risk;
- on behalf of the Executive Management Committee makes decisions as to whether or not specific products with high product risk should be sold and, if so, what product controls should be in place throughout the products lifecycle;
- liaises with the Delegated Authority Committee, Underwriting Committee and Claims Committee where necessary to ensure consistency in the approach to high product risk products and to Conduct risk general; and
- for delegated underwriting authority business, in conjunction with the Delegated Authority Committee, ensures upcoming lead renewals are considered in good time and that any outstanding Conduct risk related audit actions have been adequately addressed prior to renewal.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Concentration of insurance risk

The following table provides an analysis of the geographical breakdown of gross written premiums by class of business.

Year 2016	Property	Crisis Management	Consortia	Engineering	Marine	Accident	Aviation	Asset Protection	Reinsurance China	W.R. Berkley Business	Casualty	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
UK	97	5,509	941	3,368	8,674	6,160	4,037	6,599	-	3,368	18,799	57,552
Europe	1,043	4,276	-	306	9,986	2,526	2,127	2,015	-	2,502	5,192	29,973
North America	47,006	10,016	10	542	12,014	6,814	2,052	5,273	-	11,185	49	94,961
Central America	1,999	793	-	370	616	14	151	104	-	426	4	4,477
South America	2,653	279	-	2,541	330	201	1,490	73	-	22	-	7,589
Australasia	1,269	578	-	5,649	725	222	2,170	432	-	477	1,828	13,350
Asia	1,943	982	-	2,088	1,787	529	718	236	4,394	251	152	13,080
Middle East	624	452	99	2,162	579	273	1,895	446	-	397	-	6,927
Africa	-	460	-	135	322	39	383	84	-	100	15	1,538
Total	**56,634**	**23,345**	**1,050**	**17,161**	**35,033**	**16,778**	**15,023**	**15,262**	**4,394**	**18,728**	**26,039**	**229,447**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Sensitivity to insurance risk

The liabilities established could be significantly lower or higher than the ultimate cost of settling the claims arising. This level of uncertainty varies between the classes of business and the nature of the risk being underwritten and can arise from developments in case reserving for large losses and catastrophes, or from changes in estimates in claims incurred but not reported (IBNR). A five per cent increase or decrease in ultimate cost of settling claims arising is considered to be reasonably possible at the reporting date.

A five percent increase or decrease in total claims liabilities would have the following effect on profit or loss and equity:

	2016		2015	
	5 per cent increase	5 per cent decrease	5 per cent increase	5 per cent decrease
	$'000	$'000	$'000	$'000
Property	(2,219)	2,219	(1,874)	1,874
Crisis Management	(489)	489	(380)	380
Consortia	(200)	200	(95)	95
Engineering	(252)	252	-	-
Marine	(2,449)	2,449	(2,317)	2,317
Accident	(877)	877	(864)	864
Aviation	(512)	512	(444)	444
Reinsurance	(65)	65	-	-
Asset Protection	(218)	218	(230)	230
W.R.Berkley Business	(646)	646	(384)	384
Casualty	(334)	334	-	-
Total	(8,261)	8,261	(6,588)	6,588

Credit Risk

Credit risk is the risk of loss to the syndicate as a result of the failure by another party to meet its contractual obligations to WRBSML or its failure to perform them in a timely manner.

The syndicate is exposed to credit risk in respect of the following:

- debt securities
- amounts due from reinsurers
- amounts due from intermediaries including brokers, coverholders and third party administrators.
- cash and cash equivalents

Management of credit risk

Credit risk in respect of the investment portfolio is managed by placing limits on exposures to single counterparties, asset types and ratings of securities. This is monitored quarterly by the board.

The syndicate manages reinsurance credit risk by having a panel of reinsurers and reviewing their credit ratings.

All intermediaries including brokers, coverholders and third party administrators are reviewed and approved to ensure they meet minimum standards and are regularly reviewed. Aged debt is monitored on a regular basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Exposure to credit risk

The table below analyses the credit rating of the assets held at the reporting date:

2016	AAA	AA	A	BBB	Not Rated	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Shares and other variable yield securities	-	-	12,543	-	-	12,543
Debt securities	53,026	48,460	-	-	-	101,486
Overseas deposits as investments	5,665	1,489	1,202	356	2,178	10,890
Reinsurer's share of claims outstanding	-	1,298	17,241	-	224	18,763
Reinsurers' debtors	-	5	3,008	-	104	3,117
Cash at bank and in hand	-	-	7,188	-	-	7,188
Total credit risk	**58,691**	**51,252**	**41,182**	**356**	**2,506**	**153,987**

2015	AAA	AA	A	BBB	Not Rated	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Shares and other variable yield securities	-	-	11,393	-	-	11,393
Debt securities	43,960	68,122	-	-	-	112,082
Overseas deposits as investments	6,626	1,757	1,207	1,766	14	11,370
Reinsurer's share of claims outstanding	-	21	7,567	-	161	7,749
Reinsurance debtors	-	4	93	-	35	132
Cash at bank and in hand	-	-	6,790	-	-	6,790
Total credit risk	**50,586**	**69,904**	**27,050**	**1,766**	**210**	**149,516**

Certain comparatives have been reclassified to be consistent with current year presentation

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Financial assets

An analysis of the carrying amounts of debtors and cash in bank is presented in the table below:

		Financial assets that are past due but not impaired					
2016	**Neither past due nor impaired $'000**	**up to 3 months $'000**	**3 to 6 months $'000**	**6 to 12 months $'000**	**greater than 1 year $'000**	**Financial assets that have been impaired $'000**	**Total $'000**
Shares and other variable yield securities and unit trusts	12,543	-	-	-	-	-	12,543
Debt securities	101,486	-	-	-	-	-	101,486
Overseas deposits as investments	10,890	-	-	-	-	-	10,890
Reinsurers' share of claims outstanding	18,763	-	-	-	-	-	18,763
Reinsurance debtors	110	-	-	-	-	-	110
Insurance debtors	69,594	8,557	1,687	1,090	1,368	-	82,296
Other debtors	63,190	-	-	-	-	-	63,190
Cash at bank and in hand	7,188	-	-	-	-	-	7,188
Total credit risk	**283,764**	**8,557**	**1,687**	**1,090**	**1,368**	**-**	**296,466**

There have been no impairments or write off of financial assets in the year (2015: Nil).

		Financial assets that are past due but not impaired					
2015	**Neither past due nor impaired $'000**	**up to 3 months $'000**	**3 to 6 months $'000**	**6 to 12 months $'000**	**greater than 1 year $'000**	**Financial assets that have been impaired $'000**	**Total $'000**
Shares and other variable yield securities and unit trusts	11,393	-	-	-	-	-	11,393
Debt securities	112,082	-	-	-	-	-	112,082
Overseas deposits as investments	11,370	-	-	-	-	-	11,370
Reinsurers' share of claims outstanding	7,749	-	-	-	-	-	7,749
Reinsurance debtors	132	-	-	-	-	-	132
Insurance and reinsurance debtors	61,989	5,272	1,549	1,366	1,207	-	71,383
Other debtors	4,968	-	-	-	-	-	4,968
Cash at bank and in hand	6,790	-	-	-	-	-	6,790
Total credit risk	**216,473**	**5,272**	**1,549**	**1,366**	**1,207**	**-**	**225,867**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Liquidity risk

Liquidity risk is the risk that the syndicate, although solvent, does not have sufficient readily realisable financial resources available (including liquid assets in the correct currency) to enable it to meet its obligations as they fall due, or can only secure them at excessive cost.

Management of liquidity risk

The following sets out the key controls in place for Liquidity risks:

- credit control monitoring and reporting to help identify potential future liquidity risks;
- regular cash flow reporting and monitoring reducing the risk of short term liquidity issues;
- relatively conservative investment strategy and guidelines provided to the investment manager containing an agreed spread and maturity;
- the investment manager provides regular reports on investments held including value, currency and maturity which are overseen by the Board; and
- maintaining a level of "free fund" investment in near liquid and/or cash equivalents (generally this is two or three months of average gross claims payments).

The maturity of liabilities held at the reporting date is shown in the table below:

2016	Not stated maturity $'000	0-1 year $'000	1-3 years $'000	3-5 years $'000	Greater than 5 years $'000	Total $'000
Claims Outstanding	-	89,401	59,091	13,166	3,590	165,248
Creditors	-	34,848	-	-	-	34,848
Total	**-**	**124,249**	**59,091**	**13,166**	**3,590**	**200,096**

2015	Not stated maturity $'000	0-1 year $'000	1-3 years $'000	3-5 years $'000	Greater than 5 years $'000	Total $'000
Claims Outstanding	-	73,051	47,344	10,470	2,760	133,625
Creditors	-	13,705	4	-	-	13,709
Total	**-**	**86,756**	**47,348**	**10,470**	**2,760**	**147,334**

The maturity of the assets held by the syndicate match the liabilities held as they fall due.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Market risk

Market risk is the risk of fluctuations in the value of the syndicate's assets, the amount of its liabilities, or the income from its assets, as a result of market movements.

Management of market risks

Interest rate risk is managed by the Board. This risk arises from the syndicate's financial investments, cash and overseas deposits.

Currency risk arises from business being transacted and settled in other currencies to the functional currency of US Dollars. The syndicate primarily writes business in US Dollars, Sterling, Euro, Australian Dollars, and Canadian Dollars.

Insurance receivables in certain currencies are shown as negatives where funds received for a given settlement currency differ from settlement currency of premiums written.

The table below summarises the assets and liabilities at the reporting date split by currency:

2016	USD $'000	GBP $'000	EUR $'000	CAD $'000	AUD $'000	Total $'000
Financial investments	97,822	-	4,144	6,131	5,931	114,028
Overseas deposits	2,552	2,170	-	1,152	5,016	10,890
Reinsurer's share of technical provisions	27,838	8,095	2,431	318	1,124	39,806
Insurance and reinsurance receivables	59,338	34,613	(3,253)	(1,358)	813	90,153
Cash and cash equivalents	456	4,387	1,001	292	1,052	7,188
Other assets	17,541	12,886	3,921	918	2,135	37,401
Total assets	**205,547**	**62,151**	**8,244**	**7,453**	**16,071**	**299,466**
Technical provisions	(193,816)	(49,066)	(16,228)	(5,016)	(13,419)	(277,545)
Insurance and reinsurance payables	(14,169)	(12,011)	(1,208)	(325)	(850)	(28,563)
Other creditors	(669)	(6,380)	-	-	-	(7,049)
Total liabilities	**(208,654)**	**(67,457)**	**(17,436)**	**(5,341)**	**(14,269)**	**(313,157)**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

4. RISK AND CAPITAL MANAGEMENT (CONT.)

2015	USD $'000	GBP $'000	EUR $'000	CAD $'000	AUD $'000	Total $'000
Financial investments	110,622	-	3,249	6,220	3,384	123,475
Reinsurer's share of technical provisions	17,872	1,208	1,151	6	217	20,454
Insurance and reinsurance receivables	51,446	24,599	(1,329)	(1,139)	772	74,349
Cash and cash equivalents	2,427	5,150	3,315	943	6,325	18,160
Other assets	20,870	5,101	1,200	542	1,078	28,791
Total assets	**203,237**	**36,058**	**7,586**	**6,572**	**11,776**	**265,229**
Technical provisions	(179,411)	(29,943)	(13,474)	(3,575)	(9,666)	(236,069)
Insurance and reinsurance payables	(6,548)	(293)	(150)	(34)	(54)	(7,079)
Other creditors	502	(7,436)	-	-	-	(6,934)
Total liabilities	**(185,457)**	**(37,672)**	**(13,624)**	**(3,609)**	**(9,720)**	**(250,082)**

Sensitivity analysis to market risks for financial instruments

An analysis of the syndicate's sensitivity to interest rate is presented in the table below:

Interest rate risk	**2016 $'000**	**2015 $'000**
Impact of 100 basis point increase on the net assets	(1,820)	(3,150)
Impact of 50 basis point increase on the net assets	(917)	(1,590)
Impact of 100 basis point decrease on the net assets	1,877	3,274
Impact of 50 basis point decrease on the net assets	931	1,621

4. RISK AND CAPITAL MANAGEMENT (CONT.)

Capital management

Capital framework at Lloyd's

The Society of Lloyd's (Lloyd's) is a regulated undertaking and subject to supervision by the Prudential Regulatory Authority (PRA) under the Financial Services and Markets Act 2000, and in accordance with the Solvency II Framework.

Within this supervisory framework, Lloyd's applies capital requirements at member level and centrally to ensure that Lloyd's would comply with the Solvency II requirements, and beyond that to meet its own financial strength, licence and ratings objectives.

Although, as described below, Lloyd's capital setting processes use a capital requirement set at syndicate level as a starting point, the requirement to meet Solvency II and Lloyd's capital requirements apply at overall and member level only respectively, not at syndicate level. Accordingly, the capital requirement in respect of the syndicate is not disclosed in these financial statements.

Lloyd's capital setting process

In order to meet Lloyd's requirements, each syndicate is required to calculate its Solvency Capital Requirement (SCR) for the prospective underwriting year. This amount must be sufficient to cover a 1 in 200 year loss, reflecting uncertainty in the ultimate run-off of underwriting liabilities (SCR 'to ultimate'). The syndicate must also calculate its SCR at the same confidence level but reflecting uncertainty over a one year time horizon (one year SCR) for Lloyd's to use in meeting Solvency II requirements. The SCRs of each syndicate are subject to review by Lloyd's and approval by the Lloyd's Capital and Planning Group (CPG).

A syndicate may be supported by one or more underwriting members of Lloyd's. Each member is liable only for its own share of underwriting liabilities on the syndicates on which it is participates. Accordingly, the capital requirements that Lloyd's sets for each member operates on a similar basis. Each member's SCR shall thus be determined by the sum of the member's share of the syndicate SCR 'to ultimate'. Where a member participates on more than one syndicate, a credit for diversification is provided to reflect the spread of risk, but consistent with determining an SCR which reflects the capital requirement to cover a 1 in 200 loss 'to ultimate' for that member. Over and above this, Lloyd's applies a capital uplift to the member's capital requirement, known as the Economic Capital Assessment (ECA). The purpose of this uplift, which is a Lloyd's not a Solvency II requirement, is to meet Lloyd's financial strength, licence and ratings objectives. The capital uplift applied for 2016 and 2017 was 35% of the member's SCR 'to ultimate'.

Provision of capital by members

Each member may provide capital to meet its ECA by assets held in trust by Lloyd's specifically for that member (Funds at Lloyd's), assets held and managed within a syndicate (Funds in Syndicate), and the member's share of the members' balances on a solvency II basis on each syndicate on which it participates.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

5. SEGMENTAL ANALYSIS

An analysis of the underwriting result before investment return is set out below:

2016	Gross Premiums written $'000	Gross premiums earned $'000	Gross claims incurred $'000	Gross operating expenses $'000	Reinsurance Balance $'000	Total $'000
Direct insurance						
Accident & Health	10,324	11,470	(7,521)	(7,284)	(1,207)	(4,542)
Fire and other damage to property	58,529	57,321	(36,169)	(19,646)	(12,353)	(10,847)
Energy – Marine	255	382	(175)	(136)	(121)	(50)
Energy – Non Marine	1,371	2,076	(913)	(201)	(545)	417
Third Party Liability	42,353	25,908	(2,456)	(6,119)	(8,973)	8,360
Pecuniary loss	18,180	14,387	(6,384)	(5,865)	(2,482)	(344)
Transport	6,654	6,219	(22,971)	(3,339)	9,166	(10,925)
Marine	17,300	19,225	(18,231)	(8,526)	2,571	(4,961)
Aviation	10,950	13,721	(9,636)	(5,453)	(1,897)	(3,265)
Motor	3	4	(240)	(3)	(1)	(240)
	165,919	**150,713**	**(104,696)**	**(56,572)**	**(15,842)**	**(26,397)**
Reinsurance Business	63,528	64,512	(38,195)	(23,588)	(7,192)	(4,463)
Total	**229,447**	**215,225**	**(142,891)**	**(80,160)**	**(23,034)**	**(30,860)**

2015	Gross Premiums written $'000	Gross premiums earned $'000	Gross claims incurred $'000	Gross operating expenses $'000	Reinsurance Balance $'000	Total $'000
Direct insurance						
Accident and Health	13,325	16,605	(10,383)	(10,116)	164	(3,730)
Fire and other damage to property	61,302	62,613	(26,049)	(17,976)	(9,612)	8,976
Energy – Marine	480	575	(20)	(262)	(61)	232
Energy – Non Marine	3,709	4,603	(2,211)	(556)	(861)	975
Third Party Liability	11,940	9,546	(865)	(2,860)	(5,619)	202
Pecuniary loss	15,417	13,985	(10,125)	(5,577)	(1,064)	(2,781)
Transport	7,215	6,733	(8,045)	(2,988)	(427)	(4,727)
Marine	20,043	20,048	(17,552)	(7,354)	3,564	(1,294)
Aviation	13,282	13,597	(9,822)	(4,155)	(172)	(552)
	146,713	**148,305**	**(85,072)**	**(51,844)**	**(14,088)**	**(2,699)**
Reinsurance Business	66,496	74,397	(27,873)	(21,663)	(11,088)	13,773
Total	**213,209**	**222,702**	**(112,945)**	**(73,507)**	**(25,176)**	**11,074**

The segmental note above is presented by regulatory class of business. The table in the Report of the Directors' of the Managing Agent, on page 8, uses the managed class of business analysis.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

5. SEGMENTAL ANALYSIS (CONT.)

Commissions on direct insurance gross premiums earned during 2016 were $34,717,880 (2015: $31,076,000). Reinsurance balances includes reinsurance commissions receivable.

Gross operating expenses are the same as net operating expenses shown in the profit and loss account, as no commissions in respect of outward reinsurance were received and set off in arriving at the net operating expenses for the year. All premiums were concluded in the UK.

6. CLAIMS

	2016 $'000	2015 $'000
Claims incurred – current accident year	115,639	108,697
Claims incurred – development of prior accident years	10,550	(1,164)
Claims incurred, net of reinsurance	**126,189**	**107,533**

The syndicate has loss reserves for various events and for losses that are incurred but not reported (IBNR). Losses continue to develop both positively and negatively on these open balances. Whilst the syndicate has a reasonable degree of confidence as to the ultimate adequacy of its recourse for all events, volatility exists around the final settlement value.

7. NET OPERATING EXPENSES

	2016 $'000	2015 $'000
Brokerage & Commissions	49,678	43,166
Other acquisition costs	4,513	3,919
Change in deferred acquisition costs	(4,790)	2,180
Acquisition costs	**49,401**	**49,265**
Administrative expenses	30,759	24,241
Net operating expenses	**80,160**	**73,506**

Administrative expenses include:

	2016 $'000	2015 $'000
Auditor's remuneration		
Fees payable to the syndicate's auditor for the audit of these financial statements	212	234
Fees payable to the syndicate's auditor for other services pursuant to legislation	102	59
	314	**293**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

8. REMUNERATION OF KEY MANAGEMENT PERSONNEL OF W. R. BERKLEY SYNDICATE MANAGEMENT LIMITED

The executive directors of WRBSML receive remuneration from an affiliated service company, WRBSL. An allocation of the total remuneration is chargeable to the syndicate under the Managing Agents' Agreement.

The independent non-executive directors are remunerated by way of fees paid by WRBSML. No fees are levied to the syndicate for the services of the shareholder non-executive directors, where the majority of their time and effort is in respect of corporate matters for WRBC.

	2016 $'000	2015 $'000
Executive directors total remuneration	1,330	1,902
Independent non-executive directors fees	183	203
	1,513	**2,105**

The highest paid director received a total remuneration of $608,516 (2015: $ 635,000).

The Active Underwriters received the following aggregate remuneration from WRBSL and charged to the syndicate by way of the Secondment and Services Agreement.

	2016 $'000	2015 $'000
Total remuneration	**1,035**	**1,303**

The value above represents the combined total remuneration of the Active Underwriters.

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

9. STAFF NUMBERS AND COSTS

All staff are employed by affiliated service companies, WRBSL and WRBLSL and are recharged to the syndicate by way of the Secondment and Services Agreements and Managing Agent's Agreement. WRBSL and WRBLSL made total charges (including staff costs amongst other expenses) to WRBSML of $27,317,000 (2015: $25,487,000) in accordance with the Secondment and Services Agreements. WRBSML made a total charge to the syndicate of $27,462,000 (2015: $25,769,000) in accordance with the Managing Agent's Agreement.

The average number of persons employed by WRBSL and WRBLSL and working for the syndicate during the year is as follows:

	2016	**2015**
Underwriting	27	29
Claims	8	5
Administration and finance	55	55
	90	**89**

10. INVESTMENT RETURN

	2016 $'000	**2015 $'000**
Interest income	2,377	2,225
Realised gains and losses on investments	(770)	(126)
Unrealised gains and losses on investments	(213)	(934)
Investment management expenses and charges	(130)	(163)
Investment return	**1,264**	**1,002**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

11. CALENDAR YEAR INVESTMENT YIELD

The average amount of syndicate funds available for investment during 2016 and the investment return and yield for that calendar year were as follows:

	2016 $'000	2015 $'000
Average fund	141,443	141,299
Investment return	1,264	1,002
Calendar year investment yield	0.89%	0.71%
Average funds available for investment by fund		
Sterling	4,622	4,578
Euro	7,887	8,441
United States Dollars	110,660	111,966
Canadian Dollars	7,547	5,168
Australian Dollars	10,727	11,146
Analysis of calendar year investment yield by fund		
Sterling	0.57%	0.33%
Euro	0.51%	0.22%
United States Dollars	0.77%	0.41%
Canadian Dollars	0.74%	2.20%
Australian Dollars	2.70%	3.06%

"Average fund" is the average of bank balances, overseas deposits and investments held at the end of each month during the calendar year. For this purpose, investments are revalued at month-end market prices. The investment yield is the total investment return, including investment management expenses and charges and unrealised gains and losses, divided by the average investment funds.

12. FINANCIAL INVESTMENTS

	2016		2015	
	Market value $'000	Cost $'000	Market value $'000	Cost $'000
Shares and other variable yield securities	12,543	12,543	11,393	11,393
Debt securities and other fixed income securities	101,485	102,557	112,082	113,004
Total	**114,028**	**115,100**	**123,475**	**124,397**

All "Shares and other variable yield securities" are listed, except for the Lloyd's Canadian Trust Funds short term blended investment accounts of $2,321,000 (2015: $874,000).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

13. FAIR VALUE HIERARCHY

2016	Level 1	Level 2	Level 3	Fair value	Balance sheet position
	$'000	$'000	$'000	$'000	$'000
Shares and other variable yield securities and unit trusts	-	12,543	-	12,543	12,543
Debt securities and other fixed income investments	-	101,485	-	101,485	101,485
Overseas deposits	3,745	7,145	-	10,890	10,890
Total	**3,745**	**121,173**	**-**	**124,918**	**124,918**

2015	Level 1	Level 2	Level 3	Fair value	Balance sheet position
	$'000	$'000	$'000	$'000	$'000
Shares and other variable yield securities and unit trusts	-	11,393	-	11,393	11,393
Debt securities and other fixed income investments	-	112,082	-	112,082	112,082
Overseas deposits	-	11,370	-	11,370	11,370
Total	**-**	**134,845**	**-**	**134,845**	**134,845**

Overseas deposits comprise funds which are lodged as a condition of conducting underwriting business in certain countries or states within countries.

14. DEBTORS ARISING OUT OF DIRECT INSURANCE OPERATIONS

	2016	2015
	$'000	$'000
Due within one year	82,242	71,298
Due after one year	54	85
	82,296	**71,383**

15. DEBTORS ARISING OUT OF REINSURANCE OPERATIONS

	2016	2015
	$'000	$'000
Due within one year	7,857	2,966
Due after one year	-	-
	7,857	**2,966**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

16. YEAR OF ACCOUNT DEVELOPMENT

Year of account	2012 $'000	2013 $'000	2014 $'000	2015 $'000	2016 $'000	Three year funded adjs. $'000	Profit to member at 36 months $000
2012	(4,699)	21,163	1,907	-	-	(1,400)	**16,971**
2013	-	(2,802)	11,876	(6,489)	-	(396)	**2,189**
2014	-	-	(2,850)	13,570	(12,034)	(1,241)	**(2,555)**
2015	-	-	-	1,867	4,623	-	-
2016	-	-	-	-	(19,238)	-	
Calendar year result	**(2,795)**	**10,612**	**10,933**	**8,948**	**(26,649)**	-	**-**

The three year funded adjustments arise from foreign exchange differences.

17. TECHNICAL PROVISIONS SEGMENT

	2016			2015		
	Gross provisions $'000	Reinsurance assets $'000	Net $'000	Gross provisions $'000	Reinsurance assets $'000	Net $'000
Claims outstanding						
As at 1 January	133,625	(7,749)	125,876	121,265	(8,686)	112,579
Change in claims outstanding	35,657	(11,485)	24,172	14,346	890	15,236
Effect of movements in exchange rates	(4,034)	471	(3,563)	(1,986)	47	(1,939)
As at 31 December	**165,248**	**(18,763)**	**146,485**	**133,625**	**(7,749)**	**125,876**
Claims notified	92,726	(6,938)	85,788	81,216	(2,074)	79,142
Claims incurred but not reported	70,255	(11,825)	58,430	50,520	(5,675)	44,845
Unallocated Loss Adjustment Expenses	2,267	-	2,267	1,889	-	1,889
As at 31 December	**165,248**	**(18,763)**	**146,485**	**133,625**	**(7,749)**	**125,876**
Unearned premiums						
As at 1 January	102,444	(12,705)	89,739	114,326	(11,591)	102,735
Change in unearned premiums	14,222	(8,853)	5,369	(9,493)	(1,198)	(10,691)
Effect of movements in exchange rates	(4,369)	515	(3,854)	(2,389)	84	(2,305)
As at 31 December	**112,297**	**(21,043)**	**91,254**	**102,444**	**(12,705)**	**89,739**

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

18. GROSS CLAIMS DEVELOPMENT TRIANGLES

Estimate of cumulative claims	**2011 $'000**	**2012 $'000**	**2013 $'000**	**2014 $'000**	**2015 $'000**	**2016 $'000**
At end of underwriting year	39,782	38,277	75,244	67,196	49,971	62,721
One year later	76,949	53,322	94,063	97,839	98,158	-
Two years later	69,656	58,969	98,345	116,487	-	-
Three years later	74,663	66,436	98,378	-	-	-
Four years later	76,358	68,853	-	-	-	-
Five years later	76,440	-	-	-	-	-
Cumulative payments	73,793	62,680	81,723	81,983	43,929	12,434
Estimated balance to pay	2,647	6,173	16,655	34,504	54,229	50,287

Gross estimated balance to pay	
2010 and prior	753
Grand total	**165,248**

19. NET CLAIMS DEVELOPMENT TRIANGLES

Estimate of cumulative claims	**2011 $'000**	**2012 $'000**	**2013 $'000**	**2014 $'000**	**2015 $'000**	**2016 $'000**
At end of underwriting year	39,687	38,215	74,688	66,342	47,900	56,887
One year later	73,779	50,738	86,098	95,107	92,767	-
Two years later	66,750	57,093	89,892	107,100	-	-
Three years later	69,720	66,095	90,112	-	-	-
Four years later	70,093	68,506	-	-	-	-
Five years later	69,940	-	-	-	-	-
Cumulative payments	68,303	62,634	75,079	78,573	42,716	12,275
Estimated balance to pay	1,637	5,872	15,033	28,527	50,051	44,612

Net estimated balance to pay	
2010 and prior	753
Grand total	**146,485**

In the calendar year there was a prior accident year adverse development of claims incurred of $10.5m, (2015: $1.1m favourable).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

20. CREDITORS ARISING OUT OF DIRECT INSURANCE OPERATIONS

	2016 $'000	2015 $'000
Due within one year	1,291	548
Due after one year	-	4
	1,291	**552**

21. RELATED PARTIES

The syndicate is managed by the managing agent under the terms of a Lloyd's Managing Agent's Agreement. A managing agent's fee equal to 0.1% of the stamp capacity of the current underwriting year (2015: 0.1%) plus costs under the terms of the Secondment and Services Agreements (see below) is charged in the current calendar year and payable by the syndicate to WRBSML.

Under the terms of the Secondment and Services Agreements the affiliated companies, WRBSL and WRBLSL, provides staff and facilities for the operation of the syndicate and WRBSML. A fee, which equates to costs plus a margin of 6% is charged in the current calendar year and payable by WRBSML to WRBSL and WRBLSL. In 2015 the fee was equivalent to 6% of the 2015 underwriting year stamp capacity. The fees charged were $27,317,000 (2015: $25,487,000).

Investments are managed by an affiliated company, Berkley Dean & Company, Inc., under the Investment Management Agreement. Fees are charged based on the basis of a percentage of assets under management and are settled by WRBSL on behalf of the syndicate.

The provision of computer and data processing services are provided to the syndicate and WRBSML by an affiliated company, Berkley Technology Services LLC, under the provision of an outsourcing contract and Master Services Agreement. Fees are charged on a time and materials basis and settled by WRBSL and recharged to the syndicate.

Certain centralised services are provided by an affiliated company, WRBC Services, Limited, under the Services Agreement. Fees are chargeable on a time and materials basis and settled by WRBSL on behalf of the syndicate.

All the above charges are considered to have been made on an "arm's length" basis as set out in the contractual terms and are in the course of normal market conditions.

The syndicate writes certain international business, classified as "Berkley" business, written on a coverholder basis or on a referral basis with certain affiliated companies within WRBC. The total amount of gross premium written in the year was $18,728,000 (2015: $10,308,000).

NOTES TO THE FINANCIAL STATEMENTS (CONT.)

22. FUNDS AT LLOYD'S

Every member is required to hold capital at Lloyd's which is held in trust and known as Funds at Lloyd's (FAL). These funds are intended primarily to cover circumstances where syndicate assets prove insufficient to meet participating members' underwriting liabilities. FAL is 100% provided by WRBC Corporate Member Limited, an indirect wholly owned subsidiary of the WRBC.

The level of FAL that Lloyd's requires a member to maintain is determined by Lloyd's and based on PRA requirements and resource criteria. FAL has regard to a number of factors including the nature and amount of risk to be underwritten by the member and the assessment of the reserving risk in respect of business that has been underwritten. Since FAL is not under the management of the managing agent, no amount has been shown in these annual accounts by way of such capital resources. However, the managing agent is able to make a call on the members' FAL to meet liquidity requirements or to settle losses.

23. OFF BALANCE SHEET EVENTS

The syndicate has not been party to any arrangement, which is not reflected in its balance sheet, where material risks and benefits arise for the syndicate.

24. POST BALANCE SHEET EVENTS

In early 2017 the decision was made to exit the underwriting of London Market Marine Business, as this class has failed to deliver sufficient shareholder return over the past five years.

The 2014 year of account has closed in a loss making position, therefore the cash call in quarter two of 2017 will be $2,555,000.

25. FOREIGN EXCHANGE RATES

The following currency exchange rates have been used for principal foreign currency transactions.

	2016 Year end rate	2016 Average rate	2015 Year end rate	2015 Average rate
Euro	1.01	1.11	1.09	1.09
Sterling	1.24	1.36	1.47	1.50
Canadian Dollar	0.75	0.76	0.72	0.73
Australian Dollar	0.72	0.74	0.73	0.72

MANAGING AGENT'S CORPORATE INFORMATION

DIRECTORS AND ADMINISTRATION

Managing Agent

W. R. Berkley Syndicate Management Limited

DIRECTORS

Directors	Directors
Eugene Ballard	Jacqui Hedges
William Robert Berkley – Chairman [1]	Robert Hewitt [4]
William Robert Berkley Jr [1]	Ira Lederman
Alastair Blades	Andrew Mitchell
James Bronner [3]	Michael Smith [2]
Robert Chase [2]	Steven Taylor
Edward Creasy [2]	Robert Vetch

[1] *Directors of ultimate parent company W. R. Berkley Corporation*

[2] *Independent non-Executive Director*

[3] *Appointed 2 March 2017*

[4] *Resigned 2 March 2017*

Company Secretary
Clyde & Co Secretaries Limited

Managing Agent's registered office
4th floor, 34 Lime Street
London, EC3M 7AT

Managing Agent's registered number
07712472

Active underwriters
Louise Nevill (*resigned 24 February 2017)*
Scott Campbell

Bankers
Citibank NA
RBC Dexia

Investment manager
Berkley Dean & Company, Inc.

Registered auditor
KPMG LLP

Reporting actuary
Ernst & Young LLP