

# **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

**Annual FSA Insurance Returns for the year ended**

**31 December 2010**

**IPRU(INS) Appendices 9.1, 9.2, 9.5, 9.6**

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**Statement of solvency - general insurance business**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**

Solo solvency calculation

	Company registration number	GL/ UK/ CM	day month year			Units
R1	42133	GL	31	12	2010	£000
			As at end of this financial year			As at end of the previous year
			1			2

**Capital resources**

Capital resources arising outside the long-term insurance fund	11	668220	653002
Capital resources allocated towards long-term insurance business arising outside the long-term insurance fund	12		
Capital resources available to cover general insurance business capital resources requirement (11-12)	13	668220	653002

**Guarantee fund**

Guarantee fund requirement	21	53792	53792
Excess (deficiency) of available capital resources to cover guarantee fund requirement	22	614428	599210

**Minimum capital requirement (MCR)**

General insurance capital requirement	31	161376	161376
Base capital resources requirement	33	3040	3128
Individual minimum capital requirement	34	161376	161376
Capital requirements of regulated related undertakings	35		
Minimum capital requirement (34+35)	36	161376	161376
Excess (deficiency) of available capital resources to cover 50% of MCR	37	371504	346479
Excess (deficiency) of available capital resources to cover 75% of MCR	38	431160	406135

**Capital resources requirement (CRR)**

Capital resources requirement	41	161376	161376
Excess (deficiency) of available capital resources to cover general insurance business CRR (13-41)	42	506844	491626

**Contingent liabilities**

Quantifiable contingent liabilities in respect of other than long-term insurance business as shown in a supplementary note to Form 15	51		
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**Covering Sheet to Form 1**


Name of insurer


**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**


Global business

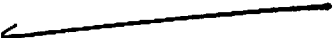
Financial year ended

**31 December 2010**

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director



Date 22 MARCH 2011

**Components of capital resources**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010**

R3	Company registration number	GL/UK/CM	day month year			Units
	42133	GL	31	12	2010	£000
		General insurance business 1	Long-term insurance business 2	Total as at the end of this financial year 3	Total as at the end of the previous year 4	

**Core tier one capital**

Permanent share capital	11	265000		265000	265000
Profit and loss account and other reserves	12	235300		235300	209500
Share premium account	13				
Positive valuation differences	14				
Fund for future appropriations	15				
Core tier one capital in related undertakings	16				
Core tier one capital (sum of 11 to 16)	19	500300		500300	474500

**Tier one waivers**

Unpaid share capital / unpaid initial funds and calls for supplementary contributions	21				
Implicit Items	22				
Tier one waivers in related undertakings	23				
Total tier one waivers as restricted (21+22+23)	24				

**Other tier one capital**

Perpetual non-cumulative preference shares as restricted	25				
Perpetual non-cumulative preference shares in related undertakings	26				
Innovative tier one capital as restricted	27				
Innovative tier one capital in related undertakings	28				

<b>Total tier one capital before deductions (19+24+25+26+27+28)</b>	<b>31</b>	<b>500300</b>		<b>500300</b>	<b>474500</b>
Investments in own shares	32				
Intangible assets	33				
Amounts deducted from technical provisions for discounting	34				
Other negative valuation differences	35	48108		48108	47334
Deductions in related undertakings	36				
Deductions from tier one (32 to 36)	37	48108		48108	47334
<b>Total tier one capital after deductions (31-37)</b>	<b>39</b>	<b>452192</b>		<b>452192</b>	<b>427166</b>

## Components of capital resources

Name of insurer

THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended

31 December 2010

	Company registration number	GL/ UK/ CM	day month year			Units
R3	42133	GL	31	12	2010	£000
		General insurance business	Long-term insurance business	Total as at the end of this financial year	Total as at the end of the previous year	
		1	2	3	4	

## Tier two capital

Implicit items, (tier two waivers and amounts excluded from line 22)	41				
Perpetual non-cumulative preference shares excluded from line 25	42				
Innovative tier one capital excluded from line 27	43				
Tier two waivers, innovative tier one capital and perpetual non-cumulative preference shares treated as tier two capital (41 to 43)	44				
Perpetual cumulative preference shares	45				
Perpetual subordinated debt and securities	46	100000		100000	100000
Upper tier two capital in related undertakings	47				
<b>Upper tier two capital (44 to 47)</b>	<b>49</b>	<b>100000</b>		<b>100000</b>	<b>100000</b>

Fixed term preference shares	51				
Other tier two instruments	52	130000		130000	130000
Lower tier two capital in related undertakings	53				
<b>Lower tier two capital (51+52+53)</b>	<b>59</b>	<b>130000</b>		<b>130000</b>	<b>130000</b>

<b>Total tier two capital before restrictions (49+59)</b>	<b>61</b>	<b>230000</b>		<b>230000</b>	<b>230000</b>
Excess tier two capital	62				
Further excess lower tier two capital	63				
<b>Total tier two capital after restrictions, before deductions (61-62-63)</b>	<b>69</b>	<b>230000</b>		<b>230000</b>	<b>230000</b>

## Components of capital resources

Name of insurer

THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended

31 December 2010

	Company registration number	GL/ UK/ CM	day month year			Units
R3	42133	GL	31	12	2010	£000
		General insurance business  1	Long-term insurance business  2	Total as at the end of this financial year 3	Total as at the end of the previous year 4	

## Total capital resources

Positive adjustments for regulated non-insurance related undertakings	71					
<b>Total capital resources before deductions (39+69+71)</b>	<b>72</b>	<b>682192</b>			<b>682192</b>	<b>657166</b>
Inadmissible assets other than intangibles and own shares	73	13964			13964	4158
Assets in excess of market risk and counterparty limits	74	8			8	7
Deductions for related ancillary services undertakings	75					
Deductions for regulated non-insurance related undertakings	76					
Deductions of ineligible surplus capital	77					
<b>Total capital resources after deductions (72-73-74-75-76-77)</b>	<b>79</b>	<b>668220</b>			<b>668220</b>	<b>653002</b>

## Available capital resources for GENPRU/INSRU tests

Available capital resources for guarantee fund requirement	81	668220			668220	653002
Available capital resources for 50% MCR requirement	82	452192			452192	427166
Available capital resources for 75% MCR requirement	83	552192			552192	527166

## Financial engineering adjustments

Implicit items	91					
Financial reinsurance - ceded	92					
Financial reinsurance - accepted	93					
Outstanding contingent loans	94					
Any other charges on future profits	95					
<b>Sum of financial engineering adjustments (91+92-93+94+95)</b>	<b>96</b>					

## Calculation of general insurance capital requirement - premiums amount and brought forward amount

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

General insurance business

	Company registration number	GL/ UK/ CM	day month year			Units	
	R11	42133	GL	31	12	2010	£000
	This financial year						Previous year
	1						2
Gross premiums written			11	570437			717309
Premiums taxes and levies (included in line 11)			12				
Premiums written net of taxes and levies (11-12)			13	570437			717309
Premiums for classes 11, 12 or 13 (included in line 13)			14	82923			79110
Premiums for "actuarial health insurance" (included in line 13)			15				
<b>Sub-total A (13 + 1/2 14 - 2/3 15)</b>			16	611899			756864
Gross premiums earned			21	675853			708029
Premium taxes and levies (included in line 21)			22				
Premiums earned net of taxes and levies (21-22)			23	675853			708029
Premiums for classes 11, 12 or 13 (included in line 23)			24	81262			81561
Premiums for "actuarial health insurance" (included in line 23)			25				
<b>Sub-total H (23 + 1/2 24 - 2/3 25)</b>			26	716484			748810
<b>Sub-total I (higher of sub-total A and sub-total H)</b>			30	716484			758864
<b>Adjusted sub-total I if financial year is not a 12 month period to produce an annual figure</b>			31				
Division of gross adjusted premiums amount sub-total I (or adjusted sub-total I if appropriate)	x 0.18		32	128967			136236
	Excess (if any) over 57.5M EURO x 0.02		33	13331			14109
<b>Sub-total J (32-33)</b>			34	115636			122126
Claims paid in period of 3 financial years			41	1717395			1806529
Claims outstanding carried forward at the end of the 3 year period	For insurance business accounted for on an underwriting year basis		42	7199			9697
	For insurance business accounted for on an accident year basis		43	1526481			1146202
Claims outstanding brought forward at the beginning of the 3 year period	For insurance business accounted for on an underwriting year basis		44	28876			61445
	For insurance business accounted for on an accident year basis		45	1138902			1054427
<b>Sub-total C (41+42+43-44-45)</b>			46	2083297			1846556
Amounts recoverable from reinsurers in respect of claims included in Sub-total C			47	231759			148143
<b>Sub-total D (46-47)</b>			48	1851538			1698413
<b>Reinsurance Ratio (Sub-total D /sub-total C or, if more, 0.50 or, if less, 1.00)</b>			49	0.89			0.92
<b>Premiums amount (Sub-total J x reinsurance ratio)</b>			50	102772			112328
Provision for claims outstanding (before discounting and net of reinsurance)			51	1068546			1049766
Provision for claims outstanding (before discounting and gross of reinsurance) if both 51.1 and 51.2 are zero, otherwise zero			52				
<b>Brought forward amount (See instruction 4)</b>			53	161376			161376
<b>Greater of lines 50 and 53</b>			54	161376			161376



**Calculation of general insurance capital requirement - claims amount and result**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****General insurance business**

		Company registration number	GL/ UK/ CM	day month year			Units	
		R12	42133	GL	31	12	2010	£000
				This financial year 1			Previous year 2	
Reference period (No. of months) See INSPRU 1.1.63R				11	36			36
Claims paid in reference period				21	1717395			1806529
Claims outstanding carried forward at the end of the reference period	For insurance business accounted for on an underwriting year basis			22	7199			9697
	For insurance business accounted for on an accident year basis			23	1526481			1146202
Claims outstanding brought forward at the beginning of the reference period	For insurance business accounted for on an underwriting year basis			24	28876			61445
	For insurance business accounted for on an accident year basis			25	1138902			1054427
Claims incurred in reference period (21+22+23-24-25)				26	2083297			1846556
Claims incurred for classes 11, 12 or 13 (included in 26)				27	131525			150349
Claims incurred for "actuarial health insurance" (included in 26)				28				
<b>Sub-total E (26 +1/2 27 - 2/3 28)</b>				29	2149059			1921731
<b>Sub-total F - Conversion of sub-total E to annual figure (multiply by 12 and divide by number of months in the reference period)</b>				31	716353			640577
Division of sub-total F (gross adjusted claims amount)	x 0.26			32	186252			166550
	Excess (if any) over 40.3M EURO x 0.03			33	20440			18137
<b>Sub-total G (32-33)</b>				39	165811			148413
<b>Claims amount Sub-total G x reinsurance ratio (11.49)</b>				41	147365			136507
Higher of premiums amount and brought forward amount (11.54)				42	161376			161376
<b>General insurance capital requirement (higher of lines 41 and 42)</b>				43	161376			161376

**Analysis of admissible assets**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**Category of assets **Total other than long term insurance business assets**

	Company registration number	GL/UK/CM	day month year			Units	Category of assets	
	R13	42133	GL	31	12	2010	£000	1
							As at end of this financial year	As at end of the previous year
							1	2
Land and buildings				11				

**Investments in group undertakings and participating interests**

UK insurance dependants	Shares	21		
	Debts and loans	22		
Other insurance dependants	Shares	23		
	Debts and loans	24		
Non-insurance dependants	Shares	25		
	Debts and loans	26		
Other group undertakings	Shares	27		
	Debts and loans	28		17379
Participating interests	Shares	29		
	Debts and loans	30		

**Other financial investments**

Equity shares	41	97700		
Other shares and other variable yield participations	42			
Holdings in collective investment schemes	43			
Rights under derivative contracts	44			
Fixed interest securities	Approved	45	530812	317136
	Other	46	105988	170825
Variable interest securities	Approved	47		
	Other	48	121731	237995
Participation in investment pools	49			
Loans secured by mortgages	50			
Loans to public or local authorities and nationalised industries or undertakings	51			
Loans secured by policies of insurance issued by the company	52			
Other loans	53			
Bank and approved credit & financial institution deposits	One month or less withdrawal	54	661230	495996
	More than one month withdrawal	55	416032	725923
Other financial investments	56			
Deposits with ceding undertakings	57			
Assets held to match linked liabilities	Index linked	58		
	Property linked	59		

**Analysis of admissible assets**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**Category of assets **Total other than long term insurance business assets**

Company registration number	GL/UK/CM	day	month	year	Units	Category of assets	
R13	42133	GL	31	12	2010	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

**Reinsurers' share of technical provisions**

Provision for unearned premiums	60	11753	12706
Claims outstanding	61	102613	77486
Provision for unexpired risks	62		
Other	63		

**Debtors and salvage**

Direct insurance business	Policyholders	71	37058	44834
	Intermediaries	72	57196	94323
Salvage and subrogation recoveries		73		
Reinsurance	Accepted	74		
	Ceded	75	17000	13000
Dependants	due in 12 months or less	76		
	due in more than 12 months	77		
Other	due in 12 months or less	78		
	due in more than 12 months	79		

**Other assets**

Tangible assets	80	300	300
Deposits not subject to time restriction on withdrawal with approved institutions	81	22900	4400
Cash in hand	82		
Other assets (particulars to be specified by way of supplementary note)	83		17500
Accrued interest and rent	84	1032	1638
Deferred acquisition costs (general business only)	85	68640	86656
Other prepayments and accrued income	86	6200	1800

Deductions from the aggregate value of assets	87		
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Grand total of admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (11 to 86 less 87)	89	2258185	2319897
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**Analysis of admissible assets**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**Category of assets **Total other than long term insurance business assets**

Company registration number	GL/ UK/ CM	day	month	year	Units	Category of assets	
R13	42133	GL	31	12	2010	£000	1
					As at end of this financial year	As at end of the previous year	
					1	2	

**Reconciliation to asset values determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting**

Total admissible assets after deduction of admissible assets in excess of market risk and counterparty limits (as per line 89 above)	91	2258185	2319897
Admissible assets in excess of market and counterparty limits	92	8	7
Inadmissible assets directly held	93	13964	4158
Capital resources requirement deduction of regulated related undertakings	94		
Ineligible surplus capital and restricted assets in regulated related insurance undertakings	95		
Inadmissible assets of regulated related undertakings	96		
Book value of related ancillary services undertakings	97		
Other differences in the valuation of assets (other than for assets not valued above)	98		
Deferred acquisition costs excluded from line 89	99		
Reinsurers' share of technical provisions excluded from line 89	100		
Other asset adjustments (may be negative)	101		
Total assets determined in accordance with the insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (91 to 101)	102	2272157	2324062
Amounts included in line 89 attributable to debts due from related insurers, other than those under contracts of insurance or reinsurance	103		17379

**Liabilities (other than long term insurance business)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**

R15	Company registration number	GL/UK/CM	day month year			Units
	42133	GL	31	12	2010	£000
			As at end of this financial year		As at end of the previous year	
			1	2		

**Technical provisions (gross amount)**

Provisions for unearned premiums	11	254076	359489
Claims outstanding	12	1171159	1127253
Provision for unexpired risks	13	25412	29000
Equalisation provisions	Credit business	14	
	Other than credit business	15	47334
Other technical provisions	16		
<b>Total gross technical provisions (11 to 16)</b>	<b>19</b>	<b>1498754</b>	<b>1563076</b>

**Provisions and creditors**

Provisions	Taxation	21	12800	13024
	Other risks and charges	22	6000	10100
Deposits received from reinsurers	31			
Creditors	Direct insurance business	41	3500	8423
	Reinsurance accepted	42		
	Reinsurance ceded	43	12600	15055
Debenture loans	Secured	44		
	Unsecured	45		
Amounts owed to credit institutions	46	27600	24000	
Creditors	Taxation	47	1094	
	Foreseeable dividend	48		
	Other	49	22700	29500
Accruals and deferred income	51	4916	3719	
<b>Total (19 to 51)</b>	<b>59</b>	<b>1589965</b>	<b>1666896</b>	
Provision for "reasonably foreseeable adverse variations"	61			
Cumulative preference share capital	62			
Subordinated loan capital	63	230000	230000	
<b>Total (59 to 63)</b>	<b>69</b>	<b>1819965</b>	<b>1896896</b>	

Amounts included in line 69 attributable to liabilities to related insurers, other than those under contracts of insurance or reinsurance	71		
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Amounts deducted from technical provisions for discounting	82		
Other adjustments (may be negative)	83	(48108)	(47334)
Capital and reserves	84	500300	474500
<b>Total liabilities under insurance accounts rules or international accounting standards as applicable to the firm for the purpose of its external financial reporting (69-82+83+84)</b>	<b>85</b>	<b>2272157</b>	<b>2324062</b>

**Profit and loss account (non-technical account)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**

		Company registration number	GL/ UK/ CM	day	month	year	Units	
		R16	42133	GL	31	12	2010	£000
				This financial year			Previous year	
				1			2	
Transfer (to)/from the general insurance business technical account	From Form 20	11	(144231)	(140483)				
	Equalisation provisions	12	(774)	(917)				
Transfer from the long term insurance business revenue account		13						
Investment income	Income	14	29407	56126				
	Value re-adjustments on investments	15	4607	21000				
	Gains on the realisation of investments	16	6275	7629				
Investment charges	Investment management charges, including interest	17	7100	9200				
	Value re-adjustments on investments	18						
	Loss on the realisation of investments	19						
Allocated investment return transferred to the general insurance business technical account		20						
Other income and charges (particulars to be specified by way of supplementary note)		21	2542	(1772)				
Profit or loss on ordinary activities before tax (11+12+13+14+15+16-17-18-19-20+21)		29	(109274)	(67617)				
Tax on profit or loss on ordinary activities		31	(34300)	(24600)				
Profit or loss on ordinary activities after tax (29-31)		39	(74974)	(43017)				
Extraordinary profit or loss (particulars to be specified by way of supplementary note)		41						
Tax on extraordinary profit or loss		42						
Other taxes not shown under the preceding items		43						
Profit or loss for the financial year (39+41-(42+43))		49	(74974)	(43017)				
Dividends (paid or foreseeable)		51						
Profit or loss retained for the financial year (49-51)		59	(74974)	(43017)				

## General insurance business : Summary of business carried on

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Category number	FSA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
				R20A	42133	GL	
				Provision for undiscounted gross claims outstanding at the end of this financial year			
		Gross Premium written in this financial year		Reported	Incurred but not reported		Provision for gross unearned premium at the end of this financial year
		1		2	3		4
1	Total business	1	570437	848753	661033		254076
2	Total primary (direct) and facultative business	2	570437	847795	658827		254076
3	Total treaty reinsurance accepted business	3		959	2206		

110	Total primary (direct) and facultative accident and health (category numbers 111 to 114)	4	10719	170	835		2826
120	Total primary (direct) and facultative personal lines motor business (category numbers 121 to 123)	5	106682	355662	459953		36319
160	Primary (direct) and facultative household and domestic all risks	6	82296	23763	4715		34681
180	Total primary (direct) and facultative personal lines financial loss (category numbers 181 to 187)	7	1982	4	1217		1058
220	Total primary (direct) and facultative commercial motor business (category numbers 221 to 223)	8	91751	183559	80524		43490
260	Total primary (direct) and facultative commercial lines property (category numbers 261 to 263)	9	195134	93086	37307		96076
270	Total primary (direct) and facultative commercial lines liability business (category numbers 271 to 274)	10	81872	191550	74276		39626
280	Total primary (direct) and facultative commercial lines financial loss (category numbers 281 to 284)	11					
330	Total primary (direct) and facultative aviation (category numbers 331 to 333)	12					
340	Total primary (direct) and facultative marine (category numbers 341 to 347)	13					
350	Total primary (direct) and facultative goods in transit	14					
400	Miscellaneous primary (direct) and facultative business	15					
500	Total non-proportional treaty reinsurance business accepted (category numbers 510 to 590)	16					
600	Total proportional treaty reinsurance business accepted (category numbers 610 to 690)	17		959	2206		
700	Miscellaneous treaty reinsurance accepted business	18					
	Total (lines 4 to 18)	20	570437	848753	661033		254076

## General insurance business : Summary of business carried on

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**  
 Global business  
 Financial year ended **31 December 2010**

Category number	FSA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	42133	GL	31	12	2010
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year		
		1	Reported	Incurred but not reported			4
			2	3			

## Primary (direct) and facultative personal lines business

111	Medical insurance	21				
112	HealthCare cash plans	22				
113	Travel	23	9669		(557)	2284
114	Personal accident or sickness	24	1050	170	1392	542
121	Private motor - comprehensive	25	85470	254894	453485	27837
122	Private motor - non-comprehensive	26	8291	68738	2277	2769
123	Motor cycle	27	12921	32030	4191	5714
160	Household and domestic all risks (equals line 6)	28	82296	23763	4715	34681
181	Assistance	29				
182	Creditor	30	437		1360	234
183	Extended warranty	31				
184	Legal expenses	32				
185	Mortgage indemnity	33				
186	Pet insurance	34	1545	4	(144)	824
187	Other personal financial loss	35				

## Primary (direct) and facultative commercial lines business

221	Fleets	41	48081	63265	23965	21196
222	Commercial vehicles (non-fleet)	42	43670	120294	56559	22294
223	Motor other	43				
261	Commercial property	44	174922	64960	34857	85938
262	Consequential loss	45	20212	28127	2450	10139
263	Contractors or engineering all risks	46				
271	Employers liability	47				
272	Professional indemnity	48				
273	Public and products liability	49	81872	191550	74276	39626
274	Mixed commercial package	50				
281	Fidelity and contract guarantee	51				
282	Credit	52				
283	Suretyship	53				
284	Commercial contingency	54				

## Primary (direct) and facultative aviation

331	Aviation liability	61				
332	Aviation hull	62				
333	Space and satellite	63				



## General insurance business : Summary of business carried on

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**  
 Global business  
 Financial year ended **31 December 2010**

Category number	FSA return general insurance business reporting category	Company registration number	GL/UK/CM	day month year			units
		R20A	42133	GL	31	12	2010
		Gross Premium written in this financial year	Provision for undiscounted gross claims outstanding at the end of this financial year		Provision for gross unearned premium at the end of this financial year		
		1	Reported	Incurred but not reported			4
			2	3			

## Primary (direct) and facultative marine and transport

341	Marine liability	64				
342	Marine hull	65				
343	Energy (on and off-shore)	66				
344	Protection and indemnity	67				
345	Freight demurrage and defence	68				
346	War risks	69				
347	Yacht	70				
350	Total primary (direct) and facultative goods in transit (equals line 14)	71				

## Primary (direct) and facultative miscellaneous

400	Miscellaneous primary (direct) and facultative business (equals line 15)	72				
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## Non-proportional treaty

510	Non-proportional accident and health	81				
520	Non-proportional motor	82				
530	Non-proportional aviation	83				
540	Non-proportional marine	84				
550	Non-proportional transport	85				
560	Non-proportional property	86				
570	Non-proportional liability (non-motor)	87				
580	Non-proportional financial lines	88				
590	Non-proportional aggregate cover	89				

## Proportional treaty

610	Proportional accident and health	91				
620	Proportional motor	92				
630	Proportional aviation	93				
640	Proportional marine	94				
650	Proportional transport	95				
660	Proportional property	96				
670	Proportional liability (non-motor)	97	959	2206		
680	Proportional financial lines	98				
690	Proportional aggregate cover	99				

## Treaty Reinsurance Miscellaneous

700	Miscellaneous treaty reinsurance accepted business (equals line 18)	101				
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	<b>Total (lines 21 to 101)</b>	<b>111</b>	<b>570437</b>	<b>848753</b>	<b>661033</b>	<b>254076</b>
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**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Total business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	001
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>				<b>Previous year</b>	
				<b>1</b>				<b>2</b>	
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	649114	682535					
	Claims incurred (22.17.4)	12	640771	545970					
	Claims management costs (22.18.4)	13	23704	22858					
	Adjustment for discounting (22.52.4)	14	47711						
	Increase in provision for unexpired risks (22.19.4)	15	(3588)	24100					
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17	239490	236986					
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(203552)	(147379)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21	(248)	(285)					
	Claims incurred (22.13.4)	22	61400	(8283)					
	Claims management costs (22.14.4)	23	4055	3795					
	Adjustment for discounting (22.51.4)	24	126332	3966					
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26	1666	4284					
	Balance (21-22-23+24+25-26)	29	58963	3886					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31	358	3010					
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39	358	3010					
Balance of all years' underwriting (19+29+39)				49	(144231)	(140483)			
Allocated investment income				51					
Transfer to non-technical account (49+51)				59	(144231)	(140483)			

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative business

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	002
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>			<b>Previous year</b>		
				<b>1</b>			<b>2</b>		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11				649114	682535	
	Claims incurred (22.17.4)		12				640771	545970	
	Claims management costs (22.18.4)		13				23704	22858	
	Adjustment for discounting (22.52.4)		14				47711		
	Increase in provision for unexpired risks (22.19.4)		15				(3588)	24100	
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17				239490	236986	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				(203552)	(147379)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21				(248)	(285)	
	Claims incurred (22.13.4)		22				61400	(8283)	
	Claims management costs (22.14.4)		23				4137	3794	
	Adjustment for discounting (22.51.4)		24				126332	3966	
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				1666	4284	
	Balance (21-22-23+24+25-26)		29				58880	3887	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31				358	3010	
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39				358	3010	
Balance of all years' underwriting (19+29+39)			49				(144314)	(140481)	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				(144314)	(140481)	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Total treaty reinsurance accepted business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	003
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>			<b>Previous year</b>		
				<b>1</b>			<b>2</b>		
<b>This year's underwriting (accident year accounting)</b>	Earned premium (21.19.5)		11						
	Claims incurred (22.17.4)		12						
	Claims management costs (22.18.4)		13						
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17						
	Balance of year's underwriting (11-12-13+14-15+16-17)		19						
<b>Adjustment for prior years' underwriting (accident year accounting)</b>	Earned premium (21.11.5)		21						
	Claims incurred (22.13.4)		22				(0)		
	Claims management costs (22.14.4)		23				(82)	2	
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26						
	Balance (21-22-23+24+25-26)		29				82	(2)	
<b>Balance from underwriting year accounting</b>	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
<b>Balance of all years' underwriting (19+29+39)</b>			<b>49</b>				<b>82</b>	<b>(2)</b>	
<b>Allocated investment income</b>			<b>51</b>						
<b>Transfer to non-technical account (49+51)</b>			<b>59</b>				<b>82</b>	<b>(2)</b>	

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative personal lines motor business

		Company registration number	GL/UK/CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	120
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)	11	196583	238825					
	Claims incurred (22.17.4)	12	282588	221780					
	Claims management costs (22.18.4)	13	11130	11730					
	Adjustment for discounting (22.52.4)	14	47711						
	Increase in provision for unexpired risks (22.19.4)	15	(3588)	24100					
	Other technical income or charges (particulars to be specified by way of supplementary note)	16							
	Net operating expenses (22.42.4)	17	55841	59801					
	Balance of year's underwriting (11-12-13+14-15+16-17)	19	(101676)	(78586)					
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)	21	(51)	(192)					
	Claims incurred (22.13.4)	22	138159	61243					
	Claims management costs (22.14.4)	23	2426	3089					
	Adjustment for discounting (22.51.4)	24	120447	3966					
	Other technical income or charges (particulars to be specified by way of supplementary note)	25							
	Net operating expenses (22.41.4)	26	2366	2287					
	Balance (21-22-23+24+25-26)	29	(22555)	(62845)					
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)	31							
	Other technical income or charges (particulars to be specified by way of supplementary note)	32							
	Total	39							
Balance of all years' underwriting (19+29+39)		49	(124231)	(141432)					
Allocated investment income		51							
Transfer to non-technical account (49+51)		59	(124231)	(141432)					

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Primary (direct) and facultative household and domestic all risks

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	160
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium	(21.19.5)	11				84529	62931	
	Claims incurred	(22.17.4)	12				50808	45465	
	Claims management costs	(22.18.4)	13				1804	2025	
	Adjustment for discounting	(22.52.4)	14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses	(22.42.4)	17				31761	23345	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				156	(7904)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	(21.11.5)	21				(84)	(10)	
	Claims incurred	(22.13.4)	22				(11493)	(19253)	
	Claims management costs	(22.14.4)	23				2076	940	
	Adjustment for discounting	(22.51.4)	24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses	(22.41.4)	26				727	101	
	Balance (21-22-23+24+25-26)		29				8605	18202	
Balance from underwriting year accounting	Per Form 24	(24.69.99-99)	31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				8761	10298	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				8761	10298	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Total primary (direct) and facultative commercial motor business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	220
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11				102379		112582
	Claims incurred (22.17.4)		12				110724		106511
	Claims management costs (22.18.4)		13				5023		4488
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17				31274		34684
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				(44642)		(33102)
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21				(85)		(17)
	Claims incurred (22.13.4)		22				(3014)		477
	Claims management costs (22.14.4)		23				1208		1086
	Adjustment for discounting (22.51.4)		24				5885		
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				(753)		1098
	Balance (21-22-23+24+25-26)		29				8359		(2678)
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				(36283)		(35779)
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				(36283)		(35779)

## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines property business

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	260
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>				<b>Previous year</b>	
				<b>1</b>				<b>2</b>	
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11				173187	175254	
	Claims incurred (22.17.4)		12				110499	101199	
	Claims management costs (22.18.4)		13				2986	2668	
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17				80952	81292	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				(21251)	(9904)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21				(3)	(45)	
	Claims incurred (22.13.4)		22				(17166)	(22518)	
	Claims management costs (22.14.4)		23				153	(366)	
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				284	451	
	Balance (21-22-23+24+25-26)		29				16726	22389	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31				(76)	2827	
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39				(76)	2827	
Balance of all years' underwriting (19+29+39)			49				(4601)	15312	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				(4601)	15312	



## General insurance business : Technical account (excluding equalisation provisions)

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines liability business

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	270
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium	(21.19.5)	11				79375	79675	
	Claims incurred	(22.17.4)	12				76397	60538	
	Claims management costs	(22.18.4)	13				2750	1905	
	Adjustment for discounting	(22.52.4)	14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses	(22.42.4)	17				32538	32086	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				(32310)	(14854)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	(21.11.5)	21				(6)	(21)	
	Claims incurred	(22.13.4)	22				(41611)	(24623)	
	Claims management costs	(22.14.4)	23				(1694)	(940)	
	Adjustment for discounting	(22.51.4)	24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses	(22.41.4)	26				39	341	
	Balance (21-22-23+24+25-26)		29				43261	25201	
Balance from underwriting year accounting	Per Form 24	(24.69.99-99)	31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)			49				10951	10346	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				10951	10346	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Balance of all primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	409
<b>Items to be shown net of reinsurance</b>				<b>This financial year</b>				<b>Previous year</b>	
				<b>1</b>				<b>2</b>	
This year's underwriting (accident year accounting)	Earned premium (21.19.5)		11				13061	13268	
	Claims incurred (22.17.4)		12				9754	10477	
	Claims management costs (22.18.4)		13				10	42	
	Adjustment for discounting (22.52.4)		14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses (22.42.4)		17				7125	5777	
	Balance of year's underwriting (11-12-13+14-15+16-17)		19				(3829)	(3028)	
Adjustment for prior years' underwriting (accident year accounting)	Earned premium (21.11.5)		21				(18)	(0)	
	Claims incurred (22.13.4)		22				(3475)	(3609)	
	Claims management costs (22.14.4)		23				(32)	(15)	
	Adjustment for discounting (22.51.4)		24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses (22.41.4)		26				(996)	6	
	Balance (21-22-23+24+25-26)		29				4484	3619	
Balance from underwriting year accounting	Per Form 24 (24.69.99-99)		31				434	183	
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39				434	183	
Balance of all years' underwriting (19+29+39)			49				1089	774	
Allocated investment income			51						
Transfer to non-technical account (49+51)			59				1089	774	

**General insurance business : Technical account (excluding equalisation provisions)**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Balance of all treaty reinsurance accepted business**

		Company registration number	GL/ UK/ CM	day	month	year	Units	Category number	
		R20	42133	GL	31	12	2010	£000	709
Items to be shown net of reinsurance				This financial year			Previous year		
				1			2		
This year's underwriting (accident year accounting)	Earned premium	(21.19.5)	11						
	Claims incurred	(22.17.4)	12						
	Claims management costs	(22.18.4)	13						
	Adjustment for discounting	(22.52.4)	14						
	Increase in provision for unexpired risks (22.19.4)		15						
	Other technical income or charges (particulars to be specified by way of supplementary note)		16						
	Net operating expenses	(22.42.4)	17						
Balance of year's underwriting (11-12-13+14-15+16-17)		19							
Adjustment for prior years' underwriting (accident year accounting)	Earned premium	(21.11.5)	21						
	Claims incurred	(22.13.4)	22				(0)		
	Claims management costs	(22.14.4)	23				(82)		2
	Adjustment for discounting	(22.51.4)	24						
	Other technical income or charges (particulars to be specified by way of supplementary note)		25						
	Net operating expenses	(22.41.4)	26						
Balance (21-22-23+24+25-26)		29				82		(2)	
Balance from underwriting year accounting	Per Form 24	(24.69.99-99)	31						
	Other technical income or charges (particulars to be specified by way of supplementary note)		32						
	Total		39						
Balance of all years' underwriting (19+29+39)		49				82		(2)	
Allocated investment income		51							
Transfer to non-technical account (49+51)		59				82		(2)	

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Total business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	001
<b>Premiums receivable during the financial year</b>		<b>Gross premiums written</b>		<b>Reinsurers' share</b>			<b>Net of reinsurance</b>		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years	11	(253)		(4)			(248)		
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4	Earned in this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years	12	(489)		20			(509)		
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	317098	254076	14258	11753	302840	242323	
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	359489		12706			346783		
<b>Total (12 to 16)</b>	<b>19</b>	<b>676099</b>	<b>254076</b>	<b>26985</b>	<b>11753</b>	<b>649114</b>	<b>242323</b>		

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Total primary (direct) and facultative business**

		Company registration number	GU/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	002
<b>Premiums receivable during the financial year</b>		<b>Gross premiums written</b>		<b>Reinsurers' share</b>			<b>Net of reinsurance</b>		
		Earned in previous financial years 1		Earned in previous financial years 3				Earned in previous financial years 5	
In respect of risks incepted in previous financial years	11	(253)		(4)				(248)	
		Earned in this financial year 1	Unearned at end of this financial year 2	Earned in this financial year 3	Unearned at end of this financial year 4			Earned in this financial year 5	Unearned at end of this financial year 6
In respect of risks incepted in previous financial years	12	(489)		20				(509)	
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	317098	254076	14258	11753		302840	242323
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	359489		12706				346783	
<b>Total (12 to 16)</b>	<b>19</b>	<b>676099</b>	<b>254076</b>	<b>26985</b>	<b>11753</b>			<b>649114</b>	<b>242323</b>

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Total treaty reinsurance accepted business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	003
<b>Premiums receivable during the financial year</b>		<b>Gross premiums written</b>		<b>Reinsurers' share</b>			<b>Net of reinsurance</b>		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years		11							
		Earned In this financial year 1	Uneared at end of this financial year 2	Earned In this financial year 3	Uneared at end of this financial year 4	Earned In this financial year 5	Uneared at end of this financial year 6		
In respect of risks incepted in previous financial years		12							
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14							
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year		16							
Total (12 to 16)		19							

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Total primary (direct) and facultative personal lines motor business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	120
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 6			
In respect of risks incepted in previous financial years	11	(52)		(0)		(51)			
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years	12	(144)		(1)		(143)			
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	70558	36319	674	167	69885	36152	
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	128613		1771		126842			
Total (12 to 16)	19	199027	36319	2444	167	196583	36152		

**General insurance business (accident year accounting) : Analysis of premiums**Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Primary (direct) and facultative household and domestic all risks**

		Company registration number	GU/ UK/ CM	day month year			Units	Category number	
		<b>R21</b>	<b>42133</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>160</b>
<b>Premiums receivable during the financial year</b>		<b>Gross premiums written</b>		<b>Reinsurers' share</b>			<b>Net of reinsurance</b>		
		<b>Earned in previous financial years 1</b>		<b>Earned in previous financial years 3</b>		<b>Earned in previous financial years 5</b>			
<b>In respect of risks incepted in previous financial years</b>	<b>11</b>	<b>(87)</b>		<b>(3)</b>		<b>(84)</b>			
		<b>Earned in this financial year 1</b>	<b>Unearned at end of this financial year 2</b>	<b>Earned in this financial year 3</b>	<b>Unearned at end of this financial year 4</b>	<b>Earned in this financial year 5</b>	<b>Unearned at end of this financial year 6</b>		
<b>In respect of risks incepted in previous financial years</b>	<b>12</b>	<b>715</b>		<b>23</b>		<b>692</b>			
<b>In respect of risks incepted in this financial year</b>	<b>For periods of less than 12 months</b>	<b>13</b>							
	<b>For periods of 12 months</b>	<b>14</b>	<b>46988</b>	<b>34681</b>	<b>1492</b>	<b>1988</b>	<b>45496</b>	<b>32693</b>	
	<b>For periods of more than 12 months</b>	<b>15</b>							
<b>Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year</b>	<b>16</b>	<b>41168</b>		<b>2828</b>		<b>38341</b>			
<b>Total (12 to 16)</b>	<b>19</b>	<b>88871</b>	<b>34681</b>	<b>4342</b>	<b>1988</b>	<b>84529</b>	<b>32693</b>		



**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Total primary (direct) and facultative commercial motor business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	220
<b>Premiums receivable during the financial year</b>		<b>Gross premiums written</b>		<b>Reinsurers' share</b>			<b>Net of reinsurance</b>		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years	11	(86)		(1)		(85)			
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years	12	(700)		(6)		(694)			
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	49047	43490	403	211	48644	43279	
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	55195		765		54430			
<b>Total (12 to 16)</b>	<b>19</b>	<b>103542</b>	<b>43490</b>	<b>1163</b>	<b>211</b>	<b>102379</b>	<b>43279</b>		

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Total primary (direct) and facultative commercial lines property business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	260
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years	11	(4)		(0)		(3)			
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years	12	53		6		48			
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	99004	96076	10734	9387	88270	86689	
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	92212		7342		84869			
<b>Total (12 to 16)</b>	<b>19</b>	<b>191269</b>	<b>96076</b>	<b>18082</b>	<b>9387</b>	<b>173187</b>	<b>86689</b>		

## General insurance business (accident year accounting) : Analysis of premiums

Name of insurer

THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended

31 December 2010

## Total primary (direct) and facultative commercial lines liability business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	270
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years	11	(6)		(0)		(6)			
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years	12	(42)		(1)		(41)			
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	42294	39626	881	41413	39626		
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	38003				38003			
Total (12 to 16)	19	80255	39626	880		79375	39626		

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Balance of all primary (direct) and facultative business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R21	42133	GL	31	12	2010	£000	409
<b>Premiums receivable during the financial year</b>		Gross premiums written		Reinsurers' share			Net of reinsurance		
		Earned in previous financial years 1		Earned in previous financial years 3		Earned in previous financial years 5			
In respect of risks incepted in previous financial years	11	(18)		(0)		(18)			
		Earned In this financial year 1	Unearned at end of this financial year 2	Earned In this financial year 3	Unearned at end of this financial year 4	Earned In this financial year 5	Unearned at end of this financial year 6		
In respect of risks incepted in previous financial years	12	(370)		(0)		(370)			
In respect of risks incepted in this financial year	For periods of less than 12 months	13							
	For periods of 12 months	14	9207	3884	73	9133	3884		
	For periods of more than 12 months	15							
Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year	16	4298				4298			
<b>Total (12 to 16)</b>	<b>19</b>	<b>13134</b>	<b>3884</b>	<b>73</b>		<b>13061</b>	<b>3884</b>		

**General insurance business (accident year accounting) : Analysis of premiums**

Name of insurer

**THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended

**31 December 2010****Balance of all treaty reinsurance accepted business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		<b>R21</b>	<b>42133</b>	<b>GL</b>	<b>31</b>	<b>12</b>	<b>2010</b>	<b>£000</b>	<b>709</b>
<b>Premiums receivable during the financial year</b>		<b>Gross premiums written</b>		<b>Reinsurers' share</b>			<b>Net of reinsurance</b>		
		<b>Earned in previous financial years</b>		<b>Earned in previous financial years</b>		<b>Earned in previous financial years</b>			
<b>In respect of risks incepted in previous financial years</b>		<b>11</b>							
		<b>Earned In this financial year</b>	<b>Unearned at end of this financial year</b>	<b>Earned In this financial year</b>	<b>Unearned at end of this financial year</b>	<b>Earned In this financial year</b>	<b>Unearned at end of this financial year</b>		
		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>		
<b>In respect of risks incepted in previous financial years</b>		<b>12</b>							
<b>In respect of risks incepted in this financial year</b>	<b>For periods of less than 12 months</b>	<b>13</b>							
	<b>For periods of 12 months</b>	<b>14</b>							
	<b>For periods of more than 12 months</b>	<b>15</b>							
<b>Premiums receivable (less rebates and refunds) in previous financial years not earned in those years and brought forward to the financial year</b>		<b>16</b>							
<b>Total (12 to 16)</b>		<b>19</b>							

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	001
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1122026		310701		1055393	244069	
	Reinsurers' share	12	102167		9981		274855	182668	
	Net (11-12)	13	1019859		300721		780539	61400	
	Claims management costs	14	24176		11156		17075	4055	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			206082		447193	653276	
	Reinsurers' share	16			235		12270	12505	
	Net (15-16)	17			205848		434923	640771	
	Claims management costs	18			16885		6819	23704	
Provision for unexpired risks		19	29000				25412	(3588)	
Net operating expenses	Commissions	21	76016		130085		59020	147081	
	Other acquisition expenses	22	10640		20908		9655	21892	
	Administrative expenses	23			72183			72183	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29	86656		223176		68675	241157	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	28646				362522	333875	
	Reinsurers' share	32	24680				184512	159832	
	Claims management costs	33							
	Total (31-32+33)	39	3966				178010	174044	
Split of line 29	Prior financial years	41			1666			1666	
	This financial year	42	86656		221510		68675	239490	
Split of line 39	Incidents occurring prior to this financial year	51	3966				130298	126332	
	Incidents occurring in this financial year	52					47711	47711	

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	002
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	1118711		310551		1052229	244069	
	Reinsurers' share	12	102167		9981		274855	182668	
	Net (11-12)	13	1016545		300570		777375	61400	
	Claims management costs	14	24094		11156		17075	4137	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			206082		447193	653276	
	Reinsurers' share	16			235		12270	12505	
	Net (15-16)	17			205848		434923	640771	
	Claims management costs	18			16885		6819	23704	
Provision for unexpired risks		19	29000				25412	(3588)	
Net operating expenses	Commissions	21	76016		130085		59020	147081	
	Other acquisition expenses	22	10640		20908		9655	21892	
	Administrative expenses	23			72183			72183	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29	86656		223176		68675	241157	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	28646				362522	333875	
	Reinsurers' share	32	24680				184512	159832	
	Claims management costs	33							
	Total (31-32+33)	39	3966				178010	174044	
Split of line 29	Prior financial years	41			1666			1666	
	This financial year	42	86656		221510		68675	239490	
Split of line 39	Incidents occurring prior to this financial year	51	3966				130298	126332	
	Incidents occurring in this financial year	52					47711	47711	

**General insurance business (accident year accounting) : Analysis of claims, expenses and technical provisions**Name of company **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010****Total treaty reinsurance accepted business**

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	003
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	3314	150	3164	(0)			
	Reinsurers' share	12							
	Net (11-12)	13	3314	150	3164	(0)			
	Claims management costs	14	82			(82)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15							
	Reinsurers' share	16							
	Net (15-16)	17							
	Claims management costs	18							
Provision for unexpired risks		19							
Net operating expenses	Commissions	21							
	Other acquisition expenses	22							
	Administrative expenses	23							
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29							
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41							
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							



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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative personal lines motor business

		Company registration number	GL/UK/CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	120
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	484422		134926		609401	259905	
	Reinsurers' share	12	70063		1901		189908	121746	
	Net (11-12)	13	414359		133025		419493	138159	
	Claims management costs	14	9078		5925		5580	2426	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			86478		206214	292692	
	Reinsurers' share	16					10104	10104	
	Net (15-16)	17			86478		196110	282588	
	Claims management costs	18			8999		2131	11130	
Provision for unexpired risks		19	29000				25412	(3588)	
Net operating expenses	Commissions	21	22210		18464		5991	34684	
	Other acquisition expenses	22	1374		2053		783	2644	
	Administrative expenses	23			20879			20879	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29	23584		41396		6774	58206	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31	28646				300733	272086	
	Reinsurers' share	32	24680				128608	103928	
	Claims management costs	33							
	Total (31-32+33)	39	3966				172125	168159	
Split of line 29	Prior financial years	41			2366			2366	
	This financial year	42	23584		39030		6774	55841	
Split of line 39	Incidents occurring prior to this financial year	51	3966				124413	120447	
	Incidents occurring in this financial year	52					47711	47711	

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Primary (direct) and facultative household and domestic all risks

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	160
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	34146		15690		6964	(11493)	
	Reinsurers' share	12	668		343		325	0	
	Net (11-12)	13	33478		15347		6638	(11493)	
	Claims management costs	14	110		2141		45	2076	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			29301		21514	50816	
	Reinsurers' share	16					7	7	
	Net (15-16)	17			29301		21507	50808	
	Claims management costs	18			1726		78	1804	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	12092		25265		10294	27063	
	Other acquisition expenses	22	391		1606		496	1501	
	Administrative expenses	23			3925			3925	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29	12483		30795		10790	32488	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41			727			727	
	This financial year	42	12483		30068		10790	31761	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial motor business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	220
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	195647	60833	191769	56954			
	Reinsurers' share	12	18087	3808	74248	59968			
	Net (11-12)	13	177560	57025	117521	(3014)			
	Claims management costs	14	4769	2215	3762	1208			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		38436	72314	110750			
	Reinsurers' share	16			26	26			
	Net (15-16)	17		38436	72288	110724			
	Claims management costs	18		3558	1465	5023			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	7669	13666	6399	14936			
	Other acquisition expenses	22	2306	4224	1887	4643			
	Administrative expenses	23		10942		10942			
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29	9975	28833	8286	30521			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31			61789	61789			
	Reinsurers' share	32			55904	55904			
	Claims management costs	33							
	Total (31-32+33)	39			5885	5885			
Split of line 29	Prior financial years	41		(753)		(753)			
	This financial year	42	9975	29586	8286	31274			
Split of line 39	Incidents occurring prior to this financial year	51			5885	5885			
	Incidents occurring in this financial year	52							

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines property business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	260
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11		101828	37129		51379	(13319)	
	Reinsurers' share	12		3774	(463)		8084	3847	
	Net (11-12)	13		98053	37592		43295	(17166)	
	Claims management costs	14		2624	772		2006	153	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			40721		71815	112536	
	Reinsurers' share	16					2037	2037	
	Net (15-16)	17			40721		69778	110499	
	Claims management costs	18			1454		1532	2986	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21		24095	48996		25782	47308	
	Other acquisition expenses	22		4593	8979		4528	9044	
	Administrative expenses	23			24884			24884	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29		28688	82859		30310	81236	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41			284			284	
	This financial year	42		28688	82574		30310	80952	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines liability business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	270
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11		297840	60992		192199	(44649)	
	Reinsurers' share	12		9574	4392		2144	(3038)	
	Net (11-12)	13		288266	56600		190055	(41611)	
	Claims management costs	14		7392	88		5610	(1694)	
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15			2866		73627	76493	
	Reinsurers' share	16					95	95	
	Net (15-16)	17			2866		73532	76397	
	Claims management costs	18			1125		1625	2750	
Provision for unexpired risks		19							
Net operating expenses	Commissions	21		8225	18624		9004	17845	
	Other acquisition expenses	22		1909	3770		1889	3790	
	Administrative expenses	23			10942			10942	
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29		10134	33335		10893	32576	
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41			39			39	
	This financial year	42		10134	33297		10893	32538	
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Balance of all primary (direct) and facultative business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	409
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	4828	981	517	(3329)			
	Reinsurers' share	12			145	145			
	Net (11-12)	13	4828	981	372	(3475)			
	Claims management costs	14	120	15	73	(32)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15		8280	1709	9989			
	Reinsurers' share	16		235		235			
	Net (15-16)	17		8045	1709	9754			
	Claims management costs	18		23	(13)	10			
Provision for unexpired risks		19							
Net operating expenses	Commissions	21	1724	5071	1549	5246			
	Other acquisition expenses	22	67	276	72	271			
	Administrative expenses	23		612		612			
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29	1791	5958	1621	6129			
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41		(996)		(996)			
	This financial year	42	1791	6955	1621	7125			
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of company THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Balance of all treaty reinsurance accepted business

		Company registration number	GL/ UK/ CM	day month year			Units	Category number	
		R22	42133	GL	31	12	2010	£000	709
				Amount brought forward from previous financial year 1	Amount payable/receivable in this financial year 2		Amount carried forward to next financial year 3	Amount attributable to this financial year 4	
Claims incurred in respect of incidents occurring prior to this financial year	Gross amount	11	3314	150	3164	(0)			
	Reinsurers' share	12							
	Net (11-12)	13	3314	150	3164	(0)			
	Claims management costs	14	82			(82)			
Claims incurred in respect of incidents occurring in this financial year	Gross amount	15							
	Reinsurers' share	16							
	Net (15-16)	17							
	Claims management costs	18							
Provision for unexpired risks		19							
Net operating expenses	Commissions	21							
	Other acquisition expenses	22							
	Administrative expenses	23							
	Reinsurance commissions and profit participations	24							
	Total (21+22+23-24)	29							
Adjustments for discounting in respect of the items shown at lines 11 to 18 above	Gross amount	31							
	Reinsurers' share	32							
	Claims management costs	33							
	Total (31-32+33)	39							
Split of line 29	Prior financial years	41							
	This financial year	42							
Split of line 39	Incidents occurring prior to this financial year	51							
	Incidents occurring in this financial year	52							

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total business

Accident year ended		Company registration number	GL/UK/CM	day month year			Units	Category number							
				R23	42133	GL			31	12	2010	£000	001		
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Eamed premiums (net)	Detonoration/ (surplus) of original claims reserve %	Claims ratio %	
						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)						
12	2010	11			205848	211467	223456			640771	47711	649114		98.7	
12	2009	12	208017	337952	141640	186696	84925	228847	109105	75310	36994	682287	22.3	91.1	
12	2008	13	240666	374806	161361	56764	140719	68591	185368	67357	14349	45461	777038	14.3	86.1
12	2007	14	178950	466041	264762	43202	104203	40315	138222	52139	(2641)	22087	730340	(2.9)	86.5
12	2006	15	202912	386346	161320	35676	41568	16034	86825	36994	(30541)	9408	700639	(34.1)	65.3
12	2005	16	176426	343703	167780	9910	18492	14432	34944	11513	(3623)	3919	654428	(38.7)	59.1
12	2004	17	128429	290213	136851	5630	12200	5136	15260	8492	(785)	3455	528494	(44.9)	54.5
12	2003	18	150721	270270	128352	4712	4303	12182	11518	6669	3011	566	523307	(44.7)	57.4
12	2002	19	136496	204025	154030	1299	2486	1717	3247	2054	202	2083	487289	(21.8)	60.8
12	2001	20	115020	171545	141190	669	234	7157	3528	3237	1295	66	391856	(13.0)	67.4
Prior accident years		21				1217	3490	14655	9887	4651	4824	4260			
Reconciliation		22													
Total (11 to 22)		29				506568	725860	489602	717646	302212	702171	178010			



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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total primary (direct) and facultative business

Accident year ended		11	1	2	3	4	Claims outstanding carried forward		Claims outstanding brought forward		9	10	11	12	13
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
12	2010	11				205848	211467	223456			640771	47711	649114		98.7
12	2009	12	208017	337952		141640	186696	84925	228847	109105	75310	38994	682287	22.3	91.1
12	2008	13	240666	374806	161361	56764	140719	69591	165368	67357	14349	45461	777038	14.3	86.1
12	2007	14	178950	466041	264762	43202	104203	40315	138222	52139	(2641)	22087	730340	(2.9)	86.5
12	2006	15	202912	386346	161320	35676	41568	16034	86825	36994	(30541)	9408	700639	(34.1)	65.3
12	2005	16	176426	343703	167780	9910	18492	14432	34944	11513	(3623)	3919	654428	(38.7)	59.1
12	2004	17	128429	290213	136851	5630	12200	5138	15260	8492	(785)	3455	528494	(44.9)	54.5
12	2003	18	150721	270270	128352	4712	4303	12182	11518	6669	3011	566	523307	(44.7)	57.4
12	2002	19	136496	204025	154030	1299	2486	1717	3247	2054	202	2083	484287	(21.8)	61.1
12	2001	20	114055	157987	131445	519	(724)	4952	2406	1045	1295	68	375278	(13.8)	66.7
Prior accident years		21				1217	3490	14655	9887	4651	4824	4260			
Reconciliation		22													
Total (11 to 22)		29				508418	724901	487397	716526	300019	702171	178010			

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total treaty reinsurance accepted business

Accident year ended		11	1	2	3	4	Claims outstanding carried forward		Claims outstanding brought forward		9	10	11	12	13
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
12	2010	11													
12	2009	12													
12	2008	13													
12	2007	14													
12	2006	15													
12	2005	16													
12	2004	17													
12	2003	18													
12	2002	19										3002			
12	2001	20	965	13558	9744	150	959	2206	1122	2192	(0)	16578	(3.7)	84.6	
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				150	959	2206	1122	2192	(0)				

## General insurance business (accident year accounting) : Analysis of net claims and premlums

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total primary (direct) and facultative personal lines motor business

										Company registration number	GL/UK/CM	day month year			Units	Category number	
										R23	42133	GL	31	12	2010	£000	120
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %			
Month	Year					Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)								
		1	2	3	4	5	6	7	8	9	10	11	12	13			
12	2010	11			86478	58377	137734			282588	47711	196583		143.7			
12	2009	12	101473	120306	61327	78679	64662	74424	45882	84360	38994	238773	70.1	128.2			
12	2008	13	123654	129376	74381	23889	68960	57909	77095	26573	45089	45481	305975	72.5	113.3		
12	2007	14	101442	172097	128229	21202	47504	31893	62175	20182	18262	22087	308773	31.8	106.3		
12	2006	15	120683	158339	85552	15726	22921	11811	42684	16480	(8707)	9408	289731	(14.1)	88.6		
12	2005	16	92052	132032	75846	5459	8803	10129	14540	3918	5934	3919	256977	(24.1)	74.8		
12	2004	17	63724	89696	51432	2119	6080	(1552)	8662	3155	(5170)		186884	(35.2)	65.2		
12	2003	18	80400	55156	33150	1819	1476	4015	4103	3094	113	566	189333	(26.6)	63.8		
12	2002	19	74086	88363	59732	786	858	(665)	1310	1164	(1495)	2083	216667	(31.3)	62.2		
12	2001	20	72872	89444	66847	358	646	2673	994	275	2406	66	210835	(21.2)	68.1		
Prior accident years		21			343	3435	1256	6653	1015	(2634)	1830						
Reconciliation		22															
Total (11 to 22)		29			219503	295738	319866	292641	121718	420747	172125						

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

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**

Primary (direct) and facultative household and domestic all risks

Company  
registration  
number

GL/  
UK/  
CM

day month year

Units

Category  
number

R23 42133 GL 31 12 2010 £000 160

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2010	11				29301	17040	4468			50808		84529		60.1
12	2009	12	23286	22177		12685	3161	15	12857	9320	(6316)		62847	(28.5)	62.3
12	2008	13	23499	23347	12222	1389	1385	15	2859	1774	(1844)		58164	(35.7)	66.2
12	2007	14	26757	40959	25493	670	949	9	1401	1179	(953)		50283	(33.8)	107.1
12	2006	15	16270	28036	11630	442	222	33	740	808	(852)		55272	(56.0)	51.7
12	2005	16	16655	26256	12999	54	442	7	683	556	(737)		48872	(48.6)	61.7
12	2004	17	17191	20417	13037	11	270	(10)	215	300	(245)		48402	(34.8)	63.0
12	2003	18	15671	27368	14271	97	133	40	245	331	(305)		42175	(46.9)	71.6
12	2002	19	14662	13101	9980	41	0	(29)	75	38	(100)		39095	(23.7)	63.1
12	2001	20	10042	12133	9094	(46)	0	(2)	61	29	(137)		30364	(25.4)	62.9
Prior accident years		21				4	1	(2)	6	0	(4)				
Reconciliation		22													
Total (11 to 22)		29				44648	23602	4544	19140	14337	39316				

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total primary (direct) and facultative commercial motor business

Accident year ended		Company registration number	OL/UK/CM	day month year			Units	Category number							
				R23	42133	GL			31	12	2010	£000	220		
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %	
12	2010	11			38436	40522	31766			110724		102379		108.2	
12	2009	12	39353	67158	29308	35722	9401	45167	21992	7273		112497	10.8	101.1	
12	2008	13	40471	66341	25782	10402	26710	5503	32906	13981	(4271)	117592	3.1	92.6	
12	2007	14	21878	66627	36519	8203	17505	4740	23503	11450	(4505)	99002	0.5	89.7	
12	2006	15	23585	50481	23606	4434	3783	266	8506	4202	(4226)	87716	(36.4)	63.5	
12	2005	16	18817	45136	21657	1902	2749	506	5099	1495	(1438)	79246	(40.6)	57.6	
12	2004	17	15995	42942	19411	716	2869	2715	204	1922	4175	3455	72620	(40.1)	57.4
12	2003	18	20192	53116	18261	1261	42	(29)	1947	455	(1128)	72453	(63.2)	54.8	
12	2002	19	14854	33600	24488	281	(51)	7	26	98	113	73161	(26.4)	54.1	
12	2001	20	11816	25813	18702	18	460	(31)	528	256	(337)	51121	(25.8)	60.6	
Prior accident years		21			500	(2036)	6688	620	3203	1330	2430				
Reconciliation		22													
Total (11 to 22)		29			95461	128275	61534	118507	59054	107709	5885				

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines property business

Accident year ended		Company registration number	GL/UK/CM	day month year			Units	Category number						
				R23	42133	GL			31	12	2010	£000	260	
Month	Year	1	2	3	4	5	6	7	8	9	10	11	12	13
Accident year ended		Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Detenorator/ (surplus) of original claims reserve %	Claims ratio %
Month	Year	1	2	3	4	Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)	9	10	11	12	13
12	2010	11			40721	54287	15491			110499		173167		63.8
12	2009	12	34518	66881	30206	28230	8282	60750	5932	37		175251	0.1	57.8
12	2008	13	44011	73323	38869	7459	5989	2878	17725	1613	(3032)	193543	(24.8)	51.2
12	2007	14	40838	91439	55499	1375	1156	472	4344	455	(1797)	178904	(36.0)	55.6
12	2006	15	36926	58549	32597	472	(3206)	412	1278	186	(3786)	178623	(49.2)	37.6
12	2005	16	40574	56245	33921	(1853)	294	150	2564	468	(4440)	174504	(42.2)	41.9
12	2004	17	29201	47796	23613	48	185	(120)	185	78	(150)	161863	(50.4)	32.7
12	2003	18	29383	29932	18066	89	702	(191)	1695	233	(1329)	134377	(37.6)	35.8
12	2002	19	30675	28625	24592	4	105	(21)	216	3	(130)	108522	(13.8)	52.0
12	2001	20	18108	11087	12803	(1)	(2232)	6	160	2	(2389)	58176	(4.6)	49.3
Prior accident years		21			(207)	220	3	165	1	(150)				
Reconciliation		22												
Total (11 to 22)		29			78314	85710	27362	89082	8971	93333				

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines liability business

		Company registration number		GL/UK/CM		day month year			Units	Category number					
		R23		42133		GL			31 12 2010	£000	270				
Accident year ended	Month	Year	Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Eamed premiums (net)	Deterioration (surplus) of original claims reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11				2866	41115	32417			76397		79375		96.2
12	2009	12	2837	57700		7195	40887	2213	35507	22194	(7405)		79669	(12.8)	66.7
12	2008	13	3437	79203	9160	13579	39670	3272	54747	22953	(21180)		89157	(17.1)	77.5
12	2007	14	(16150)	92130	19611	11746	37207	3201	46794	18875	(13515)		83334	(22.1)	66.7
12	2006	15	1333	84510	7221	14594	17877	3512	33612	15316	(12945)		79391	(46.9)	56.1
12	2005	16	1858	80534	21049	4348	6204	3623	12059	5075	(2959)		78959	(56.3)	47.0
12	2004	17	1924	78170	27197	2735	2786	4053	5987	2864	732		48593	(52.9)	79.7
12	2003	18	2245	99390	42522	1446	1947	8309	3524	2366	5813		76890	(45.4)	73.4
12	2002	19	1795	40221	34628	187	1574	2425	1620	751	1814		49893	(3.5)	81.4
12	2001	20	1206	19440	23956	192	401	2306	663	483	1753		25357	38.1	110.7
Prior accident years		21				578	1870	6710	2444	432	6262				
Reconciliation		22													
Total (11 to 22)		29				59466	191547	72040	196957	91309	34786				

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Balance of all primary (direct) and facultative business

		Company registration number		GL UK CM		day month year			Units	Category number					
		R23	42133	GL	31	12	2010	£000	409						
Accident year ended	Month	Year	Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
							Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
		1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2010	11				8045	127	1582			9754		13061		74.7
12	2009	12	6548	3929		920	18	352	143	3786	(2639)		13250	(67.2)	59.1
12	2008	13	5595	3215	947	46	25	15	36	464	(414)		12607	(67.9)	52.6
12	2007	14	4085	2789	1411	7	(117)		5	17	(133)		10043	(53.4)	53.8
12	2006	15	4115	5431	714	8	(28)		5	0	(25)		9907	(87.2)	48.5
12	2005	16	6489	3499	2307			17			17		15869	(33.6)	55.4
12	2004	17	395	11191	2162	1	0	49	6	173	(128)		10133	(80.2)	25.7
12	2003	18	2831	5308	2083		4	37	4	189	(153)		8079	(60.0)	61.3
12	2002	19	424	114	610								(1050)	434.9	(98.4)
12	2001	20	10	70	44								(375)	(36.7)	(14.5)
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				9027	29	2052	198	4629	6280				



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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Balance of all treaty reinsurance accepted business

Company registration number	GL/UK/CM	day month year			Units	Category number	
R23	42133	GL	31	12	2010	£000	709

Accident year ended			Claims paid (net) during the accident year	Claims outstanding (net) as at end of the accident year	Total claims paid (net) since the end of the accident year, but prior to this financial year	Claims paid (net) during this financial year	Claims outstanding carried forward		Claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Deduction for discounting from claims outstanding carried forward (net)	Earned premiums (net)	Deterioration/ (surplus) of original claims reserve %	Claims ratio %
Month	Year						Reported (net)	Incurred but not reported (net)	Reported (net)	Incurred but not reported (net)					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11													
12	2009	12													
12	2008	13													
12	2007	14													
12	2006	15													
12	2005	16													
12	2004	17													
12	2003	18													
12	2002	19											3002		
12	2001	20	965	13558	9744	150	959	2208	1122	2192	(0)		16578	(3.7)	84.6
Prior accident years		21													
Reconciliation		22													
Total (11 to 22)		29				150	959	2208	1122	2192	(0)				

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total business

Company registration number GL/UK/CM day month year Units Category number

Underwriting year ended		Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns			
		29	29	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10	99	99
		R24		42133		GL		31 12 2010		£000		001													
Premiums written	Gross amount	11								4													4		
	Reinsurers' share	12																							
	Net (11-12)	19								4													4		
Claims paid	Gross amount	21	341	341	(272)	670	151																1232		
	Reinsurers' share	22																							
	Net (21-22)	29	341	341	(272)	670	151																1232		
Claims management costs		39																							
Net operating expenses	Commissions	41					912																912		
	Other acquisition expenses	42																							
	Administrative expenses	43																							
	Reinsurers' commissions and profit participations	44																							
	Payable net (41+42+43-44)	49					912																912		
Technical provisions	Brought forward	Undiscounted	51	1140	1591	397	2945	2970	653														6697		
		Adjustment for discounting	52																						
	Carried forward	Undiscounted	53	445	1504	830	2445	1975																7199	
		Adjustment for discounting	54																						
	Increase (decrease) in the financial year (53-54-51+52)		59	(696)	(87)	433	(500)	(995)	(653)															(2497)	
Balance on each underwriting year (19-29-39-49-59)		69	354	(254)	(161)	(1082)	848	653															358		

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total primary (direct) and facultative business

Company registration number GL/UK/CM day month year Units Category number

Underwriting year ended		Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns			
		29	29	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10	99	99
		R24		42133		GL		31 12 2010		E000		002													
Premiums written	Gross amount	11							4														4		
	Reinsurers' share	12																							
	Net (11-12)	19							4														4		
Claims paid	Gross amount	21	341	341	(272)	670	151																1232		
	Reinsurers' share	22																							
	Net (21-22)	29	341	341	(272)	670	151																1232		
Claims management costs		39																							
Net operating expenses	Commissions	41				912																	912		
	Other acquisition expenses	42																							
	Administrative expenses	43																							
	Reinsurers' commissions and profit participations	44																							
	Payable net (41+42+43-44)	49					912																912		
Technical provisions	Brought forward	Undiscounted	51	1140	1591	397	2945	2970	653														9697		
		Adjustment for discounting	52																						
	Carried forward	Undiscounted	53	445	1504	830	2445	1975																7199	
		Adjustment for discounting	54																						
	Increase (decrease) in the financial year (53-54-51+52)		59	(696)	(87)	433	(500)	(995)	(653)															(2497)	
Balance on each underwriting year (19-29-39-49-59)		69	354	(254)	(161)	(1082)	848	653															358		

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines property business

Underwriting year ended			Prior underwriting years		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		Company registration number		GL/UK/CM		day month year			Units		Category number		
			R24		42133		GL		31			12			2010			£000		260		Total all previous columns														
			29	29	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10	99	99										
Premiums written	Gross amount	11									4																							4		
	Reinsurers' share	12																																		
	Net (11-12)	19									4																							4		
Claims paid	Gross amount	21	158		46		2		565		151																							523		
	Reinsurers' share	22																																		
	Net (21-22)	29	158		46		2		565		151																								523	
Claims management costs		39																																		
Net operating expenses	Commissions	41							912																										912	
	Other acquisition expenses	42																																		
	Administrative expenses	43																																		
	Reinsurers' commissions and profit participations	44																																		
	Payable net (41+42+43-44)	49							912																										912	
Technical provisions	Brought forward	Undiscounted	51	778		505		397		2845		2045																							6688	
		Adjustment for discounting	52																																	
	Carried forward	Undiscounted	53	304		320		123		2192		1975																								4914
		Adjustment for discounting	54																																	
	Increase (decrease) in the financial year (53-54-51+52)		59	(472)		(185)		(275)		(753)		(70)																								(1754)
Balance on each underwriting year (19-29-39-49-59)		69	313		139		272		(723)		(77)																								(76)	

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Balance of all primary (direct) and facultative business

Company registration number GL/UK/CM day month year Units Category number

Underwriting year ended			Prior underwriting years		MM YY		MM YY		MM YY		MM YY		R24		42133		GL		31 12 2010			£000		409		
			29	29	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10	99	99
			Total all previous columns																							
Premiums written	Gross amount	11																								
	Reinsurers' share	12																								
	Net (11-12)	19																								
Claims paid	Gross amount	21	183	295	(274)	108																			309	
	Reinsurers' share	22																								
	Net (21-22)	29	183	295	(274)	108																			309	
Claims management costs		39																								
Net operating expenses	Commissions	41																								
	Other acquisition expenses	42																								
	Administrative expenses	43																								
	Reinsurers' commissions and profit participations	44																								
	Payable net (41+42+43-44)	49																								
Technical provisions	Brought forward	Undiscounted	51	365	1088				925	653															3029	
		Adjustment for discounting	52																							
	Earned forward	Undiscounted	53	141	1184	708	253																			2286
		Adjustment for discounting	54																							
	Increase (decrease) in the financial year (53-54-51+52)		59	(224)	98	708	253	(925)	(653)																	(743)
Balance on each underwriting year (19-29-39-49-59)		69	41	(393)	(434)	(359)	925	653																	434	

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total business

Company  
registration  
numberGL/  
UK/  
CM

day month year

Units

Category number

R25 42133 GL 31 12 2010 £000 001

Underwriting year ended		Prior underwriting years		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		MM YY		Total all previous columns	
		29	29	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10
Reported claims outstanding	Gross amount	11	4	21	36	190	37																289
	Reinsurers' share	12																					
Claims incurred but not reported	Gross amount	13	440	1483	794	2255	1938																8811
	Reinsurers' share	14																					
Claims management costs		15																					
Adjustment for discounting	Gross amount	16																					
	Reinsurers' share	17																					
	Claims management costs	18																					
Allocation to/(from) another risk category of anticipated surplus		19																					
Balance of the fund		20																					
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	445	1504	830	2445	1975																7169
Provision for unearned premiums		22																					
Provision for unexpired risks		23																					
Deferred acquisition costs		24																					
Other technical provisions (particulars to be specified by way of supplementary note)		25																					
Total (21+22+23-24+25)		29	445	1504	830	2445	1975																7199

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Total primary (direct) and facultative business

Underwriting year ended		Prior underwriting years		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		Company registration number		GL/UK/CM		day month year			Units		Category number	
		29	28	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10	99	99	R25	42133	GL	31	12	2010	£000	002	
Reported claims outstanding	Gross amount	11	4	21	36	190	37																										289	
	Reinsurers' share	12																																
Claims incurred but not reported	Gross amount	13	440	1463	794	2255	1938																										6911	
	Reinsurers' share	14																																
Claims management costs		15																																
Adjustment for discounting	Gross amount	16																																
	Reinsurers' share	17																																
	Claims management costs	18																																
Allocation to/(from) another risk category of anticipated surplus		19																																
Balance of the fund		20																																
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	445	1504	830	2445	1975																											7199
Provision for unearned premiums		22																																
Provision for unexpired risks		23																																
Deferred acquisition costs		24																																
Other technical provisions (particulars to be specified by way of supplementary note)		25																																
Total (21+22+23-24+25)		29	445	1504	830	2445	1975																											7199

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

## Total primary (direct) and facultative commercial lines property business

Underwriting year ended		Prior underwriting years		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		Total all previous columns	
		29	29	12	01	12	02	12	03	12	04	12	05	12	06	12	07	12	08	12	09	12	10	99	99	R25		42133		GL		31 12 2010		£000		260	
Reported claims outstanding	Gross amount	11	1	13	5	190	37																												248		
	Reinsurers' share	12																																			
Claims incurred but not reported	Gross amount	13	303	307	118	2002	1936																												4668		
	Reinsurers' share	14																																			
Claims management costs		15																																			
Adjustment for discounting	Gross amount	16																																			
	Reinsurers' share	17																																			
	Claims management costs	18																																			
Allocation to/(from) another risk category of anticipated surplus		19																																			
Balance of the fund		20																																			
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	304	320	123	2192	1975																												4914		
Provision for unearned premiums		22																																			
Provision for unexpired risks		23																																			
Deferred acquisition costs		24																																			
Other technical provisions (particulars to be specified by way of supplementary note)		25																																			
Total (21+22+23-24+25)		29	304	320	123	2192	1975																												4914		



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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Balance of all primary (direct) and facultative business

Underwriting year ended		Prior underwriting years		MM		YY		MM		YY		MM		YY		MM		YY		MM		YY		Company registration number		GL/UK/CM		day month year			Units		Category number					
		29		29		12		01		12		02		12		03		12		04		12		05		R26		42133		GL		31 12 2010			£000		409	
																																			Total all previous columns			
Reported claims outstanding	Gross amount	11	3	8	32	0																												43				
	Reinsurers' share	12																																				
Claims incurred but not reported	Gross amount	13	138	1176	676	253																												2243				
	Reinsurers' share	14																																				
Claims management costs		15																																				
Adjustment for discounting	Gross amount	16																																				
	Reinsurers' share	17																																				
	Claims management costs	18																																				
Allocation to/(from) another risk category of anticipated surplus		19																																				
Balance of the fund		20																																				
Claims outstanding (11-12+13-14+15-16+17-18+19+20)		21	141	1184	708	253																												2288				
Provision for unearned premiums		22																																				
Provision for unexpired risks		23																																				
Deferred acquisition costs		24																																				
Other technical provisions (particulars to be specified by way of supplementary note)		25																																				
Total (21+22+23-24+25)		29	141	1184	708	253																												2288				

General insurance business : Expected income and yield from admissible assets covering discounted provisions

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Company registration number: R30  
 GL/UK/CM: 42133  
 day month year: GL 31 12 2010  
 Units: £000

Major currencies	Reporting territory code		Total admissible assets as shown on Form 13 1	Admissible assets hypothecated to cover the provision for outstanding claims being discounted 2	Expected income from assets included in column 2 3	Yield % 4	Technical provisions 5	Provision for outstanding claims being discounted		Unwind in the discount in the next financial year 8	Rates of interest at which the provision is being discounted		
								Before deduction for discounting 6	Deduction for discounting 7		Highest 9	Lowest 10	Average rate 11
		11	2075179	2075179	33180	1.8	1310889	278041	178010	3561	4.5	4.5	4.5
		12											
		13											
		14											
		15											
		16											
		17											
		18											
		19											
		20											
Other currencies		21											
Total		29	2075179	2075179			1310889	278041	178010	3561			

## General insurance business : Expected Income and yield from admissible assets covering discounted provisions

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

		Company registration number	GL/ UK/ CM	day month year			Units	
		R30	42133	GL	31	12	2010	£000
Type of asset			Value of admissible assets as shown on Form 13 1	Admissible assets hypothecated to cover the provision for outstanding claims being discounted 2	Expected income from assets included in column 2 3			Yield % 4
Land and buildings		31						
Fixed interest securities	Approved securities	32	530812	530812	11678			2.2
	Other	33	105988	105988	4769			4.5
Variable interest and variable yield securities (excluding items shown at line 36)	Approved securities	34						
	Other	35	121731	121731	1461			1.2
Equity shares and holdings in collective investment schemes		36	97700	97700	2345			2.4
Loans secured by mortgages		37						
All other assets	Producing income	38	1077262	1077262	12927			1.2
	Not producing income	39	141686	141686				
Total		49	2075179	2075179	33180			1.6

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Currency British Pound

Global business

Reporting Territory United Kingdom other than home foreign

Financial year ended 31 December 2010

Primary (direct) and facultative household and domestic all risks

Company registration number	GL/UK/CM	day month year	Monetary units	Category number	Currency code	Reporting territory code	
R31	42133	GL	31 12 2010	000	160	GBP	AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	19982	10378		29301	17040	4475			50816	68871	57.2
12	2009	12	25842	561	23288	12685	3161	45	12857	9431	(6398)	66945	58.5
12	2008	13	20754	173	35721	1389	1385	45	2859	1795	(1834)	62369	61.8
12	2007	14	23786	87	67108	1013	964	45	1898	1193	(1069)	63121	109.5
12	2006	15	20903	42	36034	442	368	45	740	819	(703)	73332	50.3
12	2005	16	22890	36	37517	54	442	8	683	565	(743)	64645	58.8
12	2004	17	20209	37	36822	11	270	4	215	303	(234)	63383	58.5
12	2003	18	17787	38	36783	97	133	47	245	335	(303)	56792	65.3
12	2002	19	19008	2	24651	41	0	0	75	38	(71)	41291	59.8
12	2001	20	14215	1	19820	(46)	0	0	61	29	(135)	31859	62.1
Prior accident years		21		13		4	1	(0)	6	0	(2)		
Total (11 to 21)		29		11388		44991	23763	4715	19637	14509	39323		
Line 29 expressed in sterling		30				44991	23763	4715	19637	14509	39323		

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Currency British Pound

Global business

Reporting Territory United Kingdom other than home foreign

Financial year ended 31 December 2010

Commercial property

Company registration number	GL/UK/CM	day month year	Monetary units	Category number	Currency code	Reporting territory code
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		R31	42133	GL	31	12	2010	000	261	GBP	AA		
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported				
		1	2	3	4	5	6	7	8	9	10	11	
12	2010	11	7185	5399		35742	42018	21010		98770	171918	57.5	
12	2009	12	12955	692	30832	24039	15002	6094	43039	6804	(4707)	191448	39.7
12	2008	13	15743	116	72383	6092	4407	2032	13830	1712	(3010)	216188	39.3
12	2007	14	21745	75	113561	1230	854	458	3287	510	(1255)	210720	55.1
12	2006	15	17740	34	75590	450	619	342	1127	205	79	218209	35.3
12	2005	16	17160	57	82163	(2648)	385	197	1492	258	(3817)	211692	37.8
12	2004	17	15692	46	60688	48	215	54	461	69	(213)	190941	32.0
12	2003	18	14794	12	54337	87	687	(9)	1641	270	(1146)	163364	33.7
12	2002	19	14117	16	49144	4	176	(2)	211	4	(37)	100675	48.0
12	2001	20	8660	20	27826	(1)	147	8	147	2	4	54950	50.9
Prior accident years		21		13		(105)	205	5	44	1	60		
Total (11 to 21)		29		6480		64939	64714	30189	65279	9836	84727		
Line 29 expressed in sterling		30				64939	64714	30189	65279	9836	84727		

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Currency British Pound

Global business

Reporting Territory United Kingdom other than home foreign

Financial year ended 31 December 2010

Consequential loss

Company registration number      GL/UK/CM      day month year      Monetary units      Category number      Currency code      Reporting territory code

		R31	42133	GL	31	12	2010	000	262	GBP	AA		
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported				
		1	2	3	4	5	6	7	8	9	10	11	
12	2010	11	371	382	4980	12268	(3482)			13766	19351	71.1	
12	2009	12	743	161	3686	6167	13228	2798	17711	1211	3270	19441	133.1
12	2008	13	1117	75	10496	1367	1562	1063	3895	432	(336)	22054	65.7
12	2007	14	2187	28	22390	302	302	82	1057	102	(473)	24893	92.7
12	2006	15	1348	10	13880	39	326	111	394	44	37	26560	54.1
12	2005	16	1208	9	18413	55	378	(27)	1426	302	(1321)	26544	70.9
12	2004	17	49	1	10787		(30)	(160)	1	31	(221)	25955	40.8
12	2003	18	20	1	7063	2	16	(178)	54	46	(260)	20412	33.8
12	2002	19	6		8206		30		5	0	25	12427	66.3
12	2001	20	7		4639					0	(0)	6468	71.7
Prior accident years		21		1			3		0	0	2		
Total (11 to 21)		29		668		12912	28084	207	24544	2169	14490		
Line 29 expressed in sterling		30				12912	28084	207	24544	2169	14480		

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Currency British Pound

Global business

Reporting Territory United Kingdom other than home foreign

Financial year ended 31 December 2010

Public and products liability

Company registration number R31 42133 GL/UK/CM GL 31 12 2010 day month year Monetary units 000 Category number 273 Currency code GBP Reporting territory code AA

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year		Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
			1	2	3	4	5	6	7	8	9	10	11
12	2010	11	648	2944		2666	41321	33477			77664	80255	96.8
12	2009	12	2168	1868	2837	7195	41091	2683	35702	23270	(8002)	80513	66.8
12	2008	13	3842	1306	13014	13620	39871	3783	55048	24068	(21839)	92546	76.0
12	2007	14	5487	789	24119	11773	37394	3783	47070	19791	(13911)	104803	73.5
12	2006	15	5810	285	33557	17606	17966	3783	40108	16059	(16812)	106525	68.4
12	2005	16	5466	113	40757	4348	6235	3739	12125	5321	(3124)	104457	52.7
12	2004	17	5624	60	44907	2789	2810	4362	6020	3003	938	100710	54.5
12	2003	18	6374	41	49389	2111	1956	8645	3980	2481	6252	87457	71.0
12	2002	19	5707	58	37440	187	1582	2885	1731	788	2135	52364	80.4
12	2001	20	4247	39	26724	935	403	2404	1194	506	2041	26487	115.0
Prior accident years		21		134		578	1880	6935	1701	339	7353		
Total (11 to 21)		29		7637		64007	192509	76482	204678	95623	32696		
Line 29 expressed in sterling		30				64007	192509	76482	204678	95623	32696		

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

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Currency British Pound

Global business

Reporting Territory United Kingdom other than home foreign

Financial year ended 31 December 2010

Public and products liability

		Company registration number	GL/UK/CM	day month year			Monetary units	Category number	Currency code	Reporting territory code		
		R31	42133	GL	31	12	2010	000	273	GBP	AA	
Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %
Month	Year	Closed at some cost during this or previous financial years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported			
		1	2	3	4	5	6	7	8	9	10	11
12	2000	3240	37	18354	36	335	1238	317	125	1167	18005	110.9
12	1999	2837	12	12301	93	78	290	165	25	271	14874	85.8
12	1998	2042	9	8872	15	351	1294	384	59	1216	12611	83.5
12	1997	1688	3	5379	3	81	299	49	8	326	12356	46.6
12	1996	1553	3	5111	8	143	529	135	21	525	2940	197.0
12	1995	1619	11	6529	1	78	287	56	9	302	3182	216.7
12	1994	1752	9	7592	6	53	195	78	12	163	3287	238.7
12	1993	1190	7	5139	59	186	685	311	48	571		
12	1992	1004	6	4819	4	26	97	119	18	(9)		
12	1991	855	2	5824	0	9	34	10	1	32		
12	1990	862	5	5523		41	150	26	4	161		
12	1989	713	1	4568		13	46	13	2	44		
12	1988	491	29	2154	352	486	1791	39	6	2584		



## General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED** Currency **British Pound**Global business Reporting Territory **United Kingdom other than home foreign**Financial year ended **31 December 2010**

Private motor - comprehensive

Company registration number **R32** GU/UK/CM **GL** day month year **31 12 2010** Monetary units **000** Category number **121** Currency code **GBP** Reporting territory code **AA**

Accident year ended		Number of claims	Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %		
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported						Reported	Incurred but not reported
		1	2	3	4	5	6	7	8	9	10	11	12	13	
12	2010	11	55594	15439		75200	47167	144723			267090	199027	134.2	504	14.1
12	2009	12	83080	6333	86298	50646	61261	80324	60575	48796	82860	195235	142.7	611	14.6
12	2008	13	113487	3276	160082	16770	48905	74910	51716	26875	61994	246514	122.0	781	15.0
12	2007	14	152355	1853	231242	14755	26603	68404	38813	20044	50905	301199	113.2	984	15.7
12	2006	15	152417	1018	216659	10157	21353	28032	34888	16321	8333	302968	91.2	974	15.8
12	2005	16	129337	856	183517	3604	3649	19185	7307	3544	15586	280567	74.8	858	15.2
12	2004	17	86034	675	132737	1151	4541	1892	13376	3034	(8826)	204584	68.6	607	14.3
12	2003	18	82755	251	121543	2145	7563	11116	7566	3460	9797	199269	71.4	577	14.4
12	2002	19	80563	418	115866	1245	4068	13181	2785	1227	14482	183846	73.1	528	15.3
12	2001	20	85663	574	118112	384	1541	3219	1097	300	3749	177444	69.5	527	16.4
Prior accident years		21		617		76	28244	8499	23527	514	12778				
Total (11 to 21)		29		31310		176133	254894	453485	241650	124115	518748				
Line 29 expressed in sterling		30				176133	254894	453485	241650	124115	518748				

## General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED** Currency **British Pound**Global business Reporting Territory **United Kingdom other than home foreign**Financial year ended **31 December 2010**

Private motor - non-comprehensive

Company registration number **R32** GL/UK/CM **42133** day month year **GL 31 12 2010** Monetary units **000** Category number **122** Currency code **GBP** Reporting territory code **AA**

Accident year ended			Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8) 9	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year		Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
			1	2	3	4	5	6	7	8		10	11	12	13
12	2010	11	1097	1233		5145	6214	696			12054	17852	67.5	42	5.5
12	2009	12	2697	723	6927	8203	9888	318	7684	1742	8984	24146	104.9	54	6.4
12	2008	13	7548	561	26421	5916	14555	357	21042	2321	(2536)	40596	116.4	93	8.7
12	2007	14	10923	292	37318	4883	19409	123	19309	1632	3275	48721	126.7	148	7.6
12	2006	15	10989	110	35057	3065	5554	76	9951	936	(2192)	46536	94.0	160	6.9
12	2005	16	8324	56	24578	1231	3808	4	5107	490	(553)	36579	76.8	137	6.1
12	2004	17	4842	41	14309	666	4074	35	4748	422	(396)	24707	77.2	85	5.8
12	2003	18	4777	17	13033	404	92	8	548	46	(90)	25229	53.7	90	5.3
12	2002	19	4867	71	13113	325	900	133	1069	88	202	24490	59.1	94	5.3
12	2001	20	5756	82	16290		152	3	156	10	(11)	26286	62.6	103	5.7
Prior accident years		21		185		715	4093	526	4841	375	117				
Total (11 to 21)		29		3371		30555	68738	2277	74454	8262	18855				
Line 29 expressed in sterling		30				30555	68738	2277	74454	8262	18855				

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

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED** Currency **British Pound**

Global business Reporting Territory **United Kingdom other than home foreign**

Financial year ended **31 December 2010**

Company registration number **GL** **OU** **UK** **CM** day month year Monetary units Category number Currency code Reporting territory code

Fleets

Accident year ended		Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
Month	Year	Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
		1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11	12016	5349	21421	20425	17428			59274	56823	104.3	20	87.7
12	2009	12	17466	2000	22344	15705	3650	25058	14239	(3524)	63729	91.2	24	79.9
12	2008	13	19784	715	34934	4918	14692	17377	8753	(4319)	62586	90.7	20	102.5
12	2007	14	22372	307	41879	3784	6182	8314	5727	(3963)	63742	81.5	62	36.4
12	2006	15	18915	88	35843	1945	1501	3990	2326	(2830)	57802	68.0	54	35.3
12	2005	16	15366	25	29517	1509	3339	4718	649	(480)	51524	66.8	44	34.7
12	2004	17	12231	12	23686	268	249	537	291	(272)	45203	53.6	37	33.5
12	2003	18	12123	9	29214	508	137	803	13	(146)	43821	68.5	37	33.1
12	2002	19	6836	2	21884	201	5	26	36	323	20980	106.1	15	45.4
12	2001	20	47		39	0		219		219				
Prior accident years		21		68	(2)	316	35	316	20	13				
Total (11 to 21)		29		8575		50258	63265	23965	61140	32055	44294			
Line 29 expressed in sterling		30				50258	63265	23965	61140	32055	44294			

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## General insurance business (accident year accounting) : Analysis of gross claims and premiums for motor vehicle direct insurance and facultative reinsurance

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED** Currency **British Pound**Global business Reporting Territory **United Kingdom other than home foreign**Financial year ended **31 December 2010**

Commercial vehicles (non-fleet)

		Company registration number	GU/UK/CM	day	month	year	Monetary units	Category number	Currency code	Reporting territory code					
		R32	42133	GL	31	12	2010	000	222	GBP	AA				
Accident year ended	Month	Year	Number of claims		Gross claims paid		Gross claims outstanding carried forward		Gross claims outstanding brought forward		Claims incurred (latest year) or developed (other years) during this financial year (4+5+6-7-8)	Gross earned premiums	Claims ratio %	Vehicle years (000's)	Claims frequency %
			Closed at some cost during this or previous years	Reported claims outstanding	In previous financial years	In this financial year	Reported	Incurred but not reported	Reported	Incurred but not reported					
			1	2	3	4	5	6	7	8	9	10	11	12	13
12	2010	11	8881	4252		17014	20097	14365			51476	46719	110.2	79	16.5
12	2009	12	12857	1747	17009	13604	19304	5858	20108	8678	9980	50283	110.9	90	16.3
12	2008	13	21462	804	31319	5484	12093	3424	15551	5816	(367)	56882	92.0	106	21.0
12	2007	14	16702	349	33705	4419	13347	5086	17161	6205	(514)	55447	102.0	56	30.3
12	2006	15	14000	123	28586	2488	2282	298	4516	2053	(1501)	54193	62.1	48	29.3
12	2005	16	18483	63	24155	393	1312	554	2296	909	(946)	50509	52.3	43	43.5
12	2004	17	8719	79	23566	1129	12009	9826	4041	1711	17212	48360	96.2	38	23.1
12	2003	18	8904	38	22899	1162	143	214	1321	462	(264)	80684	30.3	42	21.3
12	2002	19	11468	27	18649	79	(56)	(13)		66	(56)	53925	34.6	67	17.1
12	2001	20	14842	33	30476	18	460	(185)	479	267	(453)	52385	58.7	58	25.9
Pnor accident years		21		4		3220	39304	17132	7497	3317	48841				
Total (11 to 21)		29		7519		49010	120294	56559	72969	29484	123410				
Line 29 expressed in sterling		30				49010	120294	56559	72969	29484	123410				

## Equalisation provisions

Name of insurer THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

	Company registration number	GL/UK/CM	day month year			Units	
			R37	42133	GL		31
Calculation of the maximum provision	Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)	Business grouping E (non-proportional treaty)	All business groupings	Credit insurance business
	1	2	3	4	5	6	7
Total net premiums written in the previous 4 years	11	873641	75260				
Net premiums written in the current year	12	235084	18716				
Maximum provision	13	44349	3759			48108	

## Calculation of the transfer to/from the provision

Equalisation provision brought forward	21					47334	
Transfers in	22	7053	561			7614	
Total abnormal loss	23		1430				
Provisional transfers out	24		1430			1430	
Excess of provisional transfer out over fund available	25						
Provisional amount carried forward (21+22-24+25)	26					53518	
Excess, if any, of 26 over 13	27					5410	
Equalisation provision carried forward (26-27)	28					48108	
Transfer in/(out) for financial year (28-21)	29					774	

**Equalisation provisions technical account : Accident year accounting**

Name of insurer **THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

Global business

Financial year ended **31 December 2010**

		Company registration number	GL/ UK/ CM	day month year			Units	
		R38	42133	GL	31	12	2010	£000
		Business grouping A (property)	Business grouping B (business interruption)	Business grouping C (marine and aviation)	Business grouping D (nuclear)			Business grouping E (non-proportional treaty)
		1	2	3	4			5
<b>Other than credit business</b>								
Net premiums earned	11	239600	18028					
Claims incurred net of reinsurance	12	124697	14500					
Trigger claims value	13	173710	13070					
Abnormal loss	19		1430					
Trigger claims ratio		72.5%	72.5%	95%	25%			100%

**Credit business**

Net premiums earned	21	
Claims incurred net of reinsurance	22	
Claims management costs	23	
Net operating expenditure	24	
Technical surplus/ (deficit) (21-22-23-24)	29	

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Supplementary notes to the Return**

Name of Company      **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended    **31<sup>st</sup> December 2010**

\*0101 Modification to the Return

This return has been prepared in accordance with the Accounts and Statements Rules as modifies by the following written concession:

Rule INSPRU 2.1.22R is amended by the addition of the following new subparagraph (7): "(7) for the purpose of this rule, a group of persons is not closely related by reason of the relationship described in INSPRU 2.1.40R(1) if control is exercised by, or on behalf of, HM Treasury."

This direction is given by the FSA under section 148 of the Financial Services and Markets Act 2000 ("the Act"). The direction takes effect from 16 June 2009 and ends on 31 March 2012.

\*0301\* Reconciliation of Net Admissible Assets to Available Capital Resources

	2010 £000s
Form 13 line 89	2,258,185
Form 15 line 69	<u>(1,819,965)</u>
Net admissible assets	438,220
Subordinated Loan Capital	<u>230,000</u>
	<u>668,220</u>
Total capital resources after deductions (Form 3 line 79)	<u>668,220</u>

\*0310\* Net Valuation Differences

The following net valuation differences have been included in Form 3 to the Return:

	2010 £000s	2009 £000s
Line 35 Other negative valuation differences	48,108	47,334

The other negative valuation differences represent a claims equalisation reserve of £48,108,000 which has been included in the Company's statutory accounts as Other Reserves. (2009:£47,334,000).

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Supplementary notes to the Return**

Name of Company            **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended        **31<sup>st</sup> December 2010**

**\*0313\* Reconciliation of Movement in Reserves to Retained Loss for the Year**

	2010
	£000s
Form 3 line 12 (Reserves c/f)	235,300
Form 3 line 12 (Reserves b/f)	<u>(209,500)</u>
Movement on Reserves	25,800
Movement on Claims equalisation reserve	(774)
Capital Contribution during the year	<u>(100,000)</u>
	<u>(74,974)</u>
	<u>(74,974)</u>
Form 16 Line 59- Profit (Loss) Retained for the financial year	<u>(74,974)</u>

**\*1102\* Amounts recoverable from reinsurers**

On Form 11 Line 47 the Company has included an amount of £ (7,554,707) (2009: £8,265,000). These amounts represent the indemnity payment from a former parent company in respect of Special Risks business (as disclosed in Note 1603). Although this indemnity is not strictly a reinsurance contract, it has the same substance as a reinsurance contract and has therefore been included in the calculation of the amounts recoverable from reinsurers.

**\*1104\* Discounting**

Provisions for claims outstanding at Form 11 line 51 are shown net of discounting for Periodical Payment Order (PPO) liabilities which are awards made by the Courts Act 2003. These awards involve a series of payments at fixed intervals, guaranteed for a fixed number of years or the lifetime of one or more individuals. The PPO liabilities included in the technical provisions are either in respect of annuities which have been awarded or reserves which are being held in anticipation of an obligation to pay out future annuities once an order is made by the Courts. These liabilities have thus been treated as annuities for the purpose of this return.

**\*1304\* Set-Off**

Amounts have been set off to the extent permitted by generally accepted accounting principles.

**\*1305\* Maximum Counterparty Limits**

The Company's investment guideline regarding counterparty exposures is that the maximum exposure to any one approved counterparty is continually reviewed and set as appropriate.



Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Supplementary notes to the Return**

Name of Company            **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended        **31<sup>st</sup> December 2010**

**\*1306\* Exposure To Large Counterparties**

The Company had the following exposure to large counterparties at the year end:

	2010
	£000s
Barclays	123,163
ING	98,045
Nationwide	103,074
UBS	<u>90,118</u>
	<u>414,400</u>

**\*1314\* Tangible Leased Assets**

There are no tangible leased assets included in Line 80

**\*1501\* Provision For Reasonably Foreseeable Adverse Variations**

No provision is required in respect of foreseeable adverse variations. The Company has no derivative contracts and all obligations to deliver an asset or make a payment were felt to be prudently provided in the accounts.

**\*1502\* Other Than Long Term Business Assets/ Liabilities**

- a) No charge has been made on the assets of the Company to secure the liabilities of any other person
- b) There is no potential capital gains tax liability
- c) There are no guarantees, indemnities or other contractual commitments, effected other than in the ordinary course of insurance business, in respect of related companies
- d) There are no other contingent liabilities
- e) There are no fundamental uncertainties

**\*1507\* Other Adjustments to Liabilities**

An amount of £48,108,000 has been included in Form 15 line 83 and Form 3 line 35 in respect of claims equalisation reserve. (2009: £47,333,000).

The claims equalisation reserve is now regarded as part of Capital and Reserves in Form 15 line 84. If the adjustment had not been made in Form 15 Line 83 then the equalisation reserves would have been double-counted as they are also shown in Form 15 Lines 14/15.

**\*1601\* Basis Of Conversion**

Assets and liabilities denominated in foreign currencies are included within the return at exchange rates ruling at the end of the accounting period. Items of income and expenditure denominated in foreign currencies are included within the return at exchange rates ruling at the end of the month in which the income or expenditure arose.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Supplementary notes to the Return

Name of Company           **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended       **31<sup>st</sup> December 2010**

**\*1603\* Other Income And Charges (Form 16 Line 21)**

	2010	2009
	£000s	£000s
Indemnity payment from / (to) former parent Company in respect of losses / (gains) relating to Special Risks	2,542	(1,535)
Miscellaneous income		
Realised Gains/Losses from Foreign		
Exchange Movements		(241)
	<u>2,542</u>	<u>(1,772)</u>

**\*1700\* Derivative Contracts**

No Form 17 has been presented as the Company did not enter into any derivative contracts during the year, and no such contract was outstanding at year end.

**\*20Ab\* Risk Categories**

The following risk categories include contract of insurance against risk of death or injury to passengers:

- 121 - Private motor comprehensive
- 122 - Private motor non comprehensive
- 113 - Travel

**\*20Ae\* Amounts reported in category 002 that are facultative business**

The Company does not underwrite any facultative business, as such these amounts equate to Nil.

**\*20Af\* - Balances reported under Category 113**

All the balances reported under Category 113 relate to category 1 Accident and Health under IPRU(INS) Annex 11.2 Part II.

**\*20Aq\* Gross Premiums Written Attributable To Overseas Countries**

Risk Category	262
	£000s
Germany	<u>4</u>

**\*20Aj\* Authorisation Classes**

During the year the Company wrote no new policies of insurance in the following classes for which it is authorised to transact business:

Class 6	Ships
Class 12	Liability for ships

To the best of the knowledge of the present directors and management the Company has never written any policies in the above authorisation classes.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Supplementary notes to the Return**

Name of Company            **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended        **31<sup>st</sup> December 2010**

**Classes;**

**\*2007\* Particulars Of Material Counterparty Transactions**

- i. The Company has entered into banking arrangements with The Royal Bank of Scotland Group plc. The exposure to The Royal Bank of Scotland Group plc is detailed in note 1306.
- ii. A fellow subsidiary, RBS Insurance Services Limited (RBSIS), provides staff/administration services to the Company. During the course of 2010, an amount of £117,367,000 was recharged to the Company by RBSIS. The amount outstanding at the year end was £11,100,000.

**\*2102\* Provision For Unearned Premium**

The provision for unearned premiums accounted on an accident year basis is calculated using the 24ths method. This method is employed as being the most accurate possible given the Company's data and existing systems.

**\*2202\* Claims Management Expenses**

The costs of administering claims are specifically identified within the Company's costing system and these, together with the appropriate share of support costs, make up the claims handling costs stated in the Return. Claims handling expenses are carried forward based on an estimate of the likely costs to be incurred in settling all outstanding claims.

**\*2204\* & \*2406\* Acquisition Costs**

The costs of acquiring business are specifically identified within the Company's costing system and these, together with the appropriate share of support costs, make up the non commission acquisition costs stated in the Return. Such acquisition costs are carried forward as a percentage of unearned premiums, derived as the ratio of non commission acquisition costs incurred to gross premiums written. The business reported in form 24 ceased writing new business in 2003, and no further acquisition costs have been incurred. There is no deferred acquisition cost in relation to this business.

**\*2205\* Unexpired Risk Reserve**

In setting an unexpired risk reserve the Company offsets surpluses in one class of business against deficits in other classes within the same business segment on the grounds that all business classes within each business segment are managed together. In setting the reserve, investment income with assumed return of 1.77% is taken into consideration. A provision of £25,412,000 was required at 31 December 2010.

**\*2402\* Underwriting Year Accounting**

The Company's policy is to adopt accident year accounting for all business with the exception of business which it categorises internally as "Special Risks". These Special Risks schemes are in run-off and predominantly represented extended warranty business. The Company considers that underwriting year accounting is more appropriate than accident year accounting as it better reflects the nature of the business written, covering an extended number of years on which early determination of profits is neither appropriate nor possible.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Supplementary notes to the Return**

Name of Company            **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended        **31<sup>st</sup> December 2010**

**\*2404\* Claims Management Expenses**

The cost of administering claims for business accounted for on an underwriting business (Special Risks) is included within commissions payable to the administrators/introducers of this business and is therefore not disclosed separately as claims management costs.

**\*2501\* Provision For Unearned Premium**

Previously, the provision for unearned premiums accounted on an underwriting year basis was calculated using the 24ths method, modified to reflect the actual duration of policies in force measured in months. This method was considered to be the most appropriate for business which was ceded to the Company in blocks, normally on monthly bordereaux, by the agents selling the policies.

During 2003, the Special Risks business was put into run-off. Movements on the Special Risks technical reserves are largely recoverable from a previous ultimate holding company and are shown as other income and charges as detailed in note 1603. Future levels of premiums, their earnings profile and claims were linked but subject to particular uncertainty. This business was consequently reserved on an ultimate result basis. Premium and associated acquisition costs are deemed to be fully earned and a single reserve for claims, net of future premium movements but gross of reinsurance has been established.

**\*3001\* \*3003\* Discounting**

An adjustment for discounting has been made in the following categories:

Private motor – Comprehensive (121)  
Commercial Motor – (220)

The expected yield used in Form 30 is the annualised interest received on a non-compounding basis, divided by the current FV of the assets.

The method used in calculating the deduction for discounting is based on the projection of expected claims cash payments including outstanding claims and IBNR. Using cash flows derived from the expected terms of the settlements, the assumed life expectancies and adjusted for the inflation agreed in the settlements, the effect of discounting is calculated as the difference between the present value of these cash flows arising using a discount rate of interest and the undiscounted value of these cash flows.

The rate of interest used in the discounting calculations is 4.5%.

The expected average interval between the date of settlement for claims being discounted and the end of the financial year is 45 years on settled cases.

The criteria adopted for estimating the period that will elapse before claims are settled are: for each claim this is calculated as the mean of the insurer's and the claimant's expert advice on the claimant's life expectancy.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers  
**Statement in accordance with Rule 9.25 - Additional Information on general business: Major Treaty Reinsurers**

Name of Company **The National Insurance and Guarantee Corporation Limited**  
 Global Business  
 Financial year ended **31 December 2010**

Reinsurer details	Connection	Proportional Reinsurance Treaties	Non Proportional Reinsurance Treaties	Debts outstanding included at F13L75	Deposits received included at F15L31	Anticipated recoveries
As required by Rule 9.25:		£000	£000	£000	£000	£000
Munich Reinsurance Company Koniginstrasse 107 80802 Munchen Germany	None		2,519	3,475		29,060
Lloyd's of London One Lime Street London, England EC3M 7HA	None		2,823	524		313
General Reinsurance Ltd The Corn Exchange 55 Mark Lane London England	None		714	-		-
Headrow Reinsurance Ltd Post Office Box 33 Maison Trinity Trinity Square St Peter Port Guernsey GY1 4AT	Wholly owned subsidiary of RBS Group, the companys ultimate parent. Proportional Treaty commuted as at 30/09/07.		428	353		16,215
Swiss Reinsurance Ltd 30 St Mary Axe London EC3A 8EP	None		1,155	1,782		21,882
Transatlantic Reinsurance Co. Corn Exchange 55 Mark Lane London EC3R 7NE	None		933	189		21

**Statement in accordance with Rule 9.26 - Additional information on general business: Major Facultative Reinsurers**

Name of Company **The National Insurance and Guarantee Corporation Limited**  
 Global Business  
 Financial year ended **31 December 2010**

Reinsurer details  As required by Rule 9.26:	Connection	Reinsurance premiums payable  £000	Debts outstanding included at F13L75  £000	Deposits received included at F15L31  £000	Anticipated recoveries  £000	Comments
The company has no major facultative reinsurers.						

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with Rule 9.27 - Information on Major General Business Reinsurance Cedants**

Name of Company **The National Insurance and Guarantee Corporation Limited**  
 Global Business  
 Financial year ended **31 December 2010**

Cedant details  As required by Rule 9.27:	Connection	Premiums receivable  £000	Deposits made included at F13L57  £000	Debts outstanding included at F13L74  £000	Comments
The company has no major cedants					

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with rule 9.32 - Additional information on Non-Facultative Reinsurance Arrangements**

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b>Motor Programme Excess of Loss</b>					
1st Layer	Risks attaching in 12 months at 1 January 2010	£15,000,000 xs £10,000,000	Unlimited Free	Full indexation clause applies to bodily injury claims	Motor Liability Class
2nd Layer	Risks attaching in 12 months at 1 January 2010	Unlimited xs £25,000,000	Unlimited Free	Full indexation clause applies to bodily injury claims	Motor Liability Class
3rd Layer	Risks attaching in 12 months at 1 January 2010	£75,000,000 xs £25,000,000	Unlimited Free	Full indexation clause applies to bodily injury claims	Motor Liability Class
4th Layer	Risks attaching in 12 months at 1 January 2010	Unlimited xs £100,000,000	Unlimited Free	Full indexation clause applies to bodily injury claims	Motor Liability Class

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b>Liability Programme Excess of Loss</b>					
	<b>RBS Group Cover</b>				
1st Layer	Losses occurring during 12 months at 1st January 2010	£5,000,000 xs £5,000,000	2 Free, except EL which are unlimited	Group cover protecting DL / UKI / CIC / NIG	EL / PL / Pet Liability / Travel Liability
2nd Layer	Losses occurring during 12 months at 1st January 2010	£15,000,000 xs £10,000,000	2 Free, except EL which are unlimited	Group cover protecting DL / UKI / CIC / NIG	EL / PL / Pet Liability / Travel Liability

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b>Travel Programme Excess of Loss</b>					
	<b>RBS Group Cover</b>				
1st Layer	Losses occurring during 12 months at 1st January 2010	£500,000 xs £500,000	4 at 100% AP	Group cover protecting DL / UKI / CIC / NIG	Accident / Travel
2nd Layer	Losses occurring during 12 months at 1st January 2010	£1,000,000 xs £1,000,000	2 at 100% AP	Group cover protecting DL / UKI / CIC / NIG	Accident / Travel
3rd Layer	Losses occurring during 12 months at 1st January 2010	£5,500,000 xs £2,000,000	1 at 100% AP	Group cover protecting DL / UKI / CIC / NIG	Accident / Travel



Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with rule 9.32 - Additional information on Non-Facultative Reinsurance Arrangements

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b>Property Catastrophe Programme Excess of Loss</b>	From 1/10/2010	-			
1st Layer	12 months at 1 October 2010	£80,000,000 xs £170,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
2nd Layer	12 months at 1 October 2010	£200,000,000 xs £250,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
3rd Layer	12 months at 1 October 2010	£325,000,000 xs £450,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
4th Layer	12 months at 1 October 2010	£100,000,000 xs £775,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
5th Layer	12 months at 1 October 2010	£350,000,000 xs £875,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
6th Layer	12 months at 1 October 2010	£50,000,000 xs £1,225,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
7th Layer	12 months at 1 October 2010	£50,000,000 xs £1,275,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

Statement in accordance with rule 9.32 - Additional Information on Non-Facultative Reinsurance Arrangements

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b>Property Catastrophe Programme Excess of Loss</b>	From 1/10/2009				
1st Layer	Losses Occurring 12 months at 1 October 2009	£180,000,000 xs £220,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
2nd Layer	Losses Occurring 12 months at 1 October 2009	£250,000,000 xs £400,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
3rd Layer	Losses Occurring 12 months at 1 October 2009	£250,000,000 xs £650,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
4th Layer	Losses Occurring 12 months at 1 October 2009	£100,000,000 xs £900,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
5th Layer	Losses Occurring 12 months at 1 October 2009	£250,000,000 xs £1,000,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with rule 9.32 - Additional information on Non-Facultative Reinsurance Arrangements**

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

6th Layer	Losses Occurring 12 months at 1 October 2009	£50,000,000 xs £1,250,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
7th Layer	Losses Occurring 12 months at 1 October 2009	£25,000,000 xs £1,300,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
8th Layer	Losses Occurring 12 months at 1 October 2009	£200,000,000 xs £220,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
9th Layer	Losses Occurring 12 months at 1 October 2009	£265,000,000 xs £420,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses
10th Layer	Losses Occurring 12 months at 1 October 2009	£265,000,000 xs £685,000,000	One at 100% additional premium	RBS Group Cover	Householder & Motor Physical Damage Combined Losses

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with rule 9.32 - Additional Information on Non-Facultative Reinsurance Arrangements**

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b><u>Property Programme Risk Excess of Loss</u></b>	<b>Commercial Property</b>				
1st Layer	Risks attaching in 12 months at 1st October 2010	£7,500,000 xs £5,000,000	Two at 100% additional premium		Industrial & Commercial Property and Consequential Loss
2nd Layer	Risks attaching in 12 months at 1st October 2010	£17,500,000 xs £12,500,000	One at 100% additional premium		

Description of Cover	Period Covered	Limits	Reinstatements	Remarks	Risk Groups
<b><u>Property Programme Risk Excess of Loss</u></b>	<b>Commercial Property</b>				
1st Layer	Risks attaching in 12 months at 1st October 2009	£7,500,000 xs £5,000,000	Two at 100% additional premium		Industrial & Commercial Property and Consequential Loss
2nd Layer	Risks attaching in 12 months at 1st October 2009	£17,500,000 xs £12,500,000	One at 100% additional premium		

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with rule 9.32 - Additional Information on Non-Facultative Reinsurance Arrangements**

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

**Summary of reinsurers' share of gross premiums**

Accounting Class	Facultative reinsurance ceded	Non facultative reinsurance ceded	Total ceded
	£000	£000	£000
120		839	839
160		3,500	3,500
220		607	607
260		20,127	20,127
270		880	880
409		73	73
Total		26,027	26,027

Summary of maximum probable losses per risk group, net of reinsurance, for any one incident or series of incidents arising from the same originating cause from:

	Any one contract of insurance	All such contracts taken together
	£000	£000
Motor Home / householders (RMS 1 in 273 year return period for Windstorm and Coastal Inundation combined. RBSI excluding TPF combined policy - includes Reinstatement premium)	10,000	10,000
Pet Liability	247,340	247,340
Travel incl Liability	5,000	5,000
Commercial Liability	5,000	5,000
Home Liability	5,000	5,000

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with Rule 9.32A – Additional information on Financial Reinsurance and Financing arrangements: general insurers.**

Name of Company            **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended        **31 December 2010**

The Company has no financial reinsurance agreements or similar financing arrangements in respect of ceded business.

All major reinsurance arrangements are controlled centrally within RBS Insurance in accordance with the Reinsurance Policy approved by the Board. The Policy specifies the forms of reinsurance that can be used and this list does not include financial reinsurances. Any reinsurance arrangements that fall outside the policy must be specifically approved by the Board and reinsurance expenditure approval resides with the RBS Insurance and RBS Group Board depending on the level of expenditure who are conversant with the policy. The operation of the reinsurance purchase process and the compliance with the reinsurance policy are subject to regular internal and external audits.

Any reinsurance contract that is accounted for as reinsurance must be processed within the reinsurance accounting processes and have followed the purchase and approval procedures defined within the Reinsurance Policy. To be an acceptable form of reinsurance within the Reinsurance Policy there must be an adequate degree of risk transfer.

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with Rule 9.29 - Additional information on Derivative and Quasi-Derivative Contracts**

Name of Company      **The National Insurance and Guarantee Corporation Limited**  
Global Business  
Financial year ended    **31 December 2010**

- a) The following guidelines govern the use by the Company of derivative contracts:

Agreement is required from the Investment Committee for any direct exposure to derivatives.

The use of derivatives is permitted as and when required (e.g. to help protect the Company's solvency position) and the need for this is determined from time to time by the Chief Investment Officer in liaison with the Funds Management Committee and other appropriate individuals.

The responsibility for the administration of investments lies with the Finance Department so as, amongst other things, to ensure that the use of derivatives is monitored independently and any unauthorised use is immediately recognised.

All margin payments are required to be authorised by the Finance Department;

At all times the distribution of assets must be within the ranges specified in the investment policy when derivatives are taken into account. For forward contracts the test is on the basis that the contracts are settled. For option contracts the test must be satisfied both assuming that the option is exercised and that the option is not exercised.

- b) The Company's investment guidelines, as noted above, allow, amongst other things, for the use of derivatives in order to protect the Company's solvency position. Such contracts may involve rights or obligations to acquire or dispose of assets which were not, at the time the contract was entered into, reasonably likely to be exercised. All derivative contracts were entered into for hedging purposes. The expectation was, at the point of being taken out, that they were not likely to be exercised, namely that the markets would not fall below levels specified in the contracts;
- c) There were no derivative contracts outstanding at 31 December 2010

Returns under the Accounts and Statement Rules of the Interim Prudential Sourcebook for Insurers

**Statement in accordance with Rule 9.30 - Additional Information on Controllers**

Name of Company **The National Insurance and Guarantee Corporation Limited**

Global Business

Financial year ended **31 December 2010**

Statement required by Rule 9.30 (Chapter 9 'Financial Reporting – Accounts and Statements') of the Interim Prudential Sourcebook for Insurers

The following persons have been shareholder controllers of the Company at any time during the year and their shareholdings and voting power at 31 December 2010 were:

1) RBS Insurance Group Limited (RBSIG)

Percentage of shares in the Company held: 100%

Percentage of votes in the Company held: 100%

2) The Royal Bank of Scotland Group Plc (RBS)

Percentage of shares in RBSIG held: 100%

Percentage of votes in RBSIG held: 100%

3) The Solicitor for the Affairs of Her Majesty's Treasury (UK Financial Investments Limited manages the shareholding)

Percentage of total share capital in RBS: 84%

Percentage of voting share capital in RBS: 70%



## DIRECTORS' CERTIFICATE

### THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED

Global business

Financial year ended 31 December 2010

Certificate required by rule 9.34 of the Accounts and Statements Rules

We certify that:

1. the return, comprising Forms 1, 3, 11 to 13, 15 to 16, 20A, 20 to 25, 30 to 32, 37, and 38 (including the supplementary notes) and the statements required by rules 9.25, 9.26, 9.27, 9.29, 9.30, 9.32 and 9.32A, has been properly prepared in accordance with the Accounts and Statements Rules set out in part I and part IV of chapter 9 of IPRU(INS), the Interim Prudential Sourcebook for Insurers, GENPRU, the General Prudential Sourcebook and INSPRU, the Prudential Sourcebook for Insurers; and
2. the directors are satisfied that:
  - (i) throughout the financial year, the company has complied in all material respects with the requirements in SYSC, Senior Management Arrangements, Systems and Controls, and PRIN, Principles for Business, sections of the FSA Handbook as well as the provisions of IPRU(INS), GENPRU and INSPRU; and
  - (ii) it is reasonable to believe that the company has continued so to comply subsequently, and will continue so to comply in future.



Director



Director



Director

22<sup>nd</sup> March 2011

**Name of Company - THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

**Global business**

**Financial year ended 31 December 2010**

**Independent auditor's report to the directors pursuant to Rule 9.35 of the Interim Prudential Sourcebook for Insurers ("IPRU(INS)")**

We have audited the following documents prepared by the insurer pursuant to the Accounts and Statements Rules set out in part I and part IV of chapter 9 to IPRU(INS) the Interim Prudential Sourcebook for Insurers, GENPRU the General Prudential Sourcebook and INSPRU the Prudential Sourcebook for Insurers, ("the Rules") made by the Financial Services Authority under section 138 of the Financial Services and Markets Act 2000:

- Forms 1, 3, 11 to 13, 15 to 16, 20A, 20 to 25, 30 to 32, 37, and 38 (including the supplementary notes); and
- the statements required by IPRU(INS) rules 9.25, 9.26, 9.27 and 9.29.

We are not required to audit and do not express an opinion on:

- the statements required by IPRU(INS) rules 9.30, 9.32 and 9.32A.
- the certificate required by IPRU(INS) rule 9.34(1).

Our report is provided to the directors of The National Insurance and Guarantee Corporation Limited in accordance with rule 9.35 of the Interim Prudential Sourcebook for Insurers. We acknowledge that our report will be provided to the FSA for the use of the FSA solely for the purposes set down by statute and the FSA's rules. Our work has been undertaken so that we might state to the insurer's directors those matters we are required to state to them in an auditor's report on an annual FSA return for an insurer and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the FSA, and the insurer, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of the insurer and its auditor**

The insurer is responsible for the preparation of an annual return (including the Forms and the Statements) under the provisions of the Rules. The requirements of the Rules have been modified by a direction issued under section 148 of the Financial Services and Markets Act 2000 on 16 June 2009. Under IPRU(INS) rule 9.11 the Forms and the Statements are required to be prepared in the manner specified by the Rules and to state fairly the information provided on the basis required by the Rules.

It is our responsibility to form an independent opinion as to whether the Forms and the Statements meet these requirements, and to report our opinion to you. We also report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Forms and the Statements are not in agreement with the accounting records and returns; or
- we have not received all the information we require for our audit.

**Basis of opinion**

We conducted our work in accordance with Practice Note 20 'The audit of insurers in the United Kingdom (Revised)' 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 the Statements. The evidence included that previously obtained by us relating to the audit of the financial statements of the insurer for the financial year. It also included an assessment of the significant estimates and judgments made by the insurer in the preparation of the Forms and Statements.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Forms and the Statements are free from material misstatement, whether caused by fraud or other irregularity or error and comply with IPRU(INS) rule 9.11.

**Name of Company - THE NATIONAL INSURANCE AND GUARANTEE CORPORATION LIMITED**

**Global business**

**Financial year ended 31 December 2010**

**Independent auditor's report to the directors pursuant to Rule 9.35 of the Interim Prudential Sourcebook for Insurers ("IPRU(INS)") (Continued)**

**Opinion**

In our opinion the Forms and the Statements fairly state the information provided on the basis required by the Rules as modified and have been properly prepared in accordance with the provisions of those Rules.

*Deloitte LLP*

Deloitte LLP

Chartered Accountants and Statutory Auditor  
London, United Kingdom

**23** March 2011