

The background is a complex abstract composition. It features broad, expressive brushstrokes in shades of red, purple, and blue, particularly on the left side. On the right, there are thin, delicate lines in purple and yellow. The bottom half of the image is dominated by sharp, overlapping geometric shapes in various colors, including purple, pink, blue, and green, creating a sense of depth and movement.

NIRA

annual report

2017



Ways of freedom

R. PICCART 2018

**Annual Report 2017
of the Board of Directors and of the
Statutory Auditor to be presented at
the Annual General Meeting
on 26 April 2018**

The company (Mutual association) is incorporated in Luxembourg on December 11th 2008 and governed by the modified Law of December 7th 2015 on the insurance sector, the Grand-Ducal Regulation dated December 5th 2007 and Regulation 15/3 of December 7th 2015 issued by the Commissariat aux Assurances and is authorised by l'arrêté ministeriel of March 30th 2009 to do reinsurance.

Registered Office:
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Financial Highlights

in Euro

Statement of Earnings

	2017	2016	2015	2014	2013
Net Premium Earned	6.304.918	5.461.172	5.395.841	5.465.573	5.681.504
Claims	-25.529	-3.339.726	-1.029.188	51.700	194.243
Rebates	0	0	0	0	0
Expenses and Taxes	-807.613	-1.307.211	-850.544	-732.112	-663.573
Net Investment Result	302.446	2.356.703	822.616	1.667.735	226.644
Other technical income	50.274	15.478	0	0	0
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Earnings before allocation to the equalisation provision	5.824.495	3.186.416	4.338.726	6.452.897	5.438.818

Balance Sheet

Assets	88.427.350	85.921.604	79.565.943	73.690.702	69.614.931
Liabilities	-53.307.971	-47.770.778	-42.725.941	-36.850.700	-32.774.928
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Guarantee fund	35.119.379	38.150.826	36.840.002	36.840.002	36.840.002

Contents

6	Members
7	Board of Directors
8	Advisory Committees
10	Management
11	Letter from the Chairman
13	Corporate Message
15	Corporate Governance Report
18	Report of the Board of Directors
24	Report of the Réviseur d'entreprises agréé
28	Balance Sheet
30	Profit and Loss Account
32	Notes to the Accounts

Members

NIRA m.a.

AB SVAFO
Axpo Power AG
Axpo Trading AG
Belgoprocess NV
BKW Energie AG
British Energy Ltd
Bruce Power LP
BWX Technologies, Inc.
Centrales Nucléaires en Participation SA (CNP)
ČEZ a.s.
China General Nuclear Corporation (CGN)
Comanche Peak Power Company LLC
EDF
Electrabel s.a.
EnBW Energie Baden Württemberg AG
EnBW Kernkraft GmbH
Energy Solutions
EPZ NV
Eskom Holdings Ltd
Forsmarks Kraftgrupp AB
Fortum Power & Heat Oy
Framatome
Gemeenschappelijke Kernenergiecentrale Nederland BV (GKN)
Gesellschaft für Nuklear Service mbH (GNS)
Kernkraftwerk Gösgen-Däniken AG
Kernkraftwerk Leibstadt AG
Kernkraftwerk Obrigheim GmbH
Korea Hydro & Nuclear Power Co. Ltd (KHNP)
MVM Paks Nuclear Power Plant Ltd
New Brunswick Power Corporation
Northern State Power Company-Minnesota (NSP-M)
OKG Aktiebolag
Ontario Power Generation (OPG)
Orano
PreussenElektra GmbH
Ringhals AB
RWE Power AG
SCK•CEN
Slovenské Elektrárne AS
Socatri SARL
South Carolina Electric & Gas (SCG&E)
Studsvik AB
Svensk Kärnbränslehantering AB (SKB)
Sydkraft Nuclear Power AB
Teollisuuden Voima Oyj (TVO)
Union Electric Company d/b/a Ameren Missouri
URENCO Ltd
Vattenfall Europe Nuclear Energy GmbH
Zwischenlager Würenlingen AG

Board of Directors *

G.J. Geertsema

Chairman

K. Greimel

Vice-Chairman

K. Sinclair

Vice-Chairman

G. Bunkens

J.L. Carbonell

V. Hronek

M. Laguna

D. Prüske

D. Vanwelkenhuyzen

* status at the time of the Annual General Meeting

Advisory Committees *

Underwriting Committee

D. Vanwelkenhuyzen *Chairman*

E. Desseyn

J. Floras

P. Haenecour

B. Kockum

M. Laguna

K. Sinclair

Z. Šípošová

Finance and Investment Advisory Committee

G. Bunkens

L. Piekari

A. Roefs

M. Vercammen

* status at the time of the Annual General Meeting

Risk Committee

J.L. Carbonell
G.J. Geertsema

Chairman

Audit Committee

J.L. Carbonell
G. Bunkens
G.J. Geertsema

Chairman

Internal Auditor

W. Gemis

Compliance Officer

A. Roefs

* status at the time of the Annual General Meeting

Management *

Management Committee

D. Vanwelkenhuyzen *Chairman*
M. Laguna
J. Machtelinckx
M. Vercammen

Auditors

Deloitte Audit s.à.r.l.
560, rue de Neudorf
L-2220 Luxembourg
Grand-Duchy of Luxembourg
Represented by :
Mr. J. Lecoq
Réviseur d'entreprises agréé

Actuarial function

G. Levavasseur

* status at the time of the Annual General Meeting

Letter from the Chairman

Dear Members,

It is my pleasure to present to you the annual accounts of Nuclear Industry Reinsurance Association, shortened NIRA for its ninth year of operation in Luxemburg, which started 1st January 2017 and ended on 31st December 2017. At the same time, I will discuss the outlook for 2018.

Earned gross of reinsurance contributions increased from € 6.290.093 in 2016 to € 7.237.400 in 2017 due to the increased facultative capacity to EMANI and the new Property Damage contract with our Russian Member. The earned reinsurance costs for Property Damage contracts increased from € 828.920 in 2016 to € 932.482 in 2017 and are related to the Property Damage contract with our Chinese Member and new Russian Member for which retro protections has been put in place.

The total claim costs for the period is € 25.529 versus € 3.339.726 in 2016. This cost is composed out of € 733.683 actual payments of which € 751 are in relation to losses occurred in 2017 and a decrease in reserves of € 708.154. This variation in reserves includes however € 1.204.126 costs in relation to losses occurred in the financial year 2017 which are related to the EMANI contracts cessions except for one claim which is related to the Korean contract for € 359.217. An allocation was made to the IBNR reserve on TPL risks of € 616.390 and a reduction of the ANI ICRP reserve of € 308.068 was made.

The total outstanding claims reserve at year end amounts € 11.569.113 versus € 12.277.267 in 2016 and includes the ANI ICRP refund fund for the amount of € 2.753.526 for this year and € 3.061.594 for 2016.

General expenses increased from € 704.199 in 2016 to € 773.021 in 2017 and include acquisition costs on the reinsurance treaties amounting to € 53.792 in 2016 to € 803 in 2017. The administrative expenses increased from € 650.406 in 2016 to € 772.218 in 2017 and are due to higher HR costs including recruitment expenses.

The total book value of the investments amounts to € 83.642.707 and compares with € 79.945.547 previous year and include investments and cash at banks. The investment strategy at year end in 23% liquidities, 67% long term investments and 10% equity resulting in a net financial income of € 302.455 and compare with a net income of € 2.356.703 in previous year. In 2016 exceptional realized profits of several prior years were included as well as currency exchanges losses on the ANI deposit. No derivative products were bought. The duration of the total investment portfolio excluding equity is 3 years.

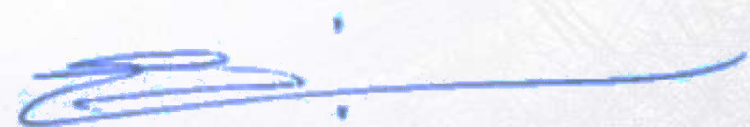
The result in this accounting year 2017 is a € 5.824.495 surplus before allocation and after taxes and compare with € 3.186.416 surplus in 2016. The Annual General Meeting held on 26th April 2018 at the NIRA offices in Manternach/Luxemburg, agreed to the proposal of the Board of Directors to allocate the total surplus of € 5.824.495 to the equalization reserve. The allocation to the guarantee fund was € 0.

As at 31st December 2017 the subscribed capital amounts to € 3.600.000 and the additional contributions of € 31.519.379 constitute together a fund of € 35.119.379 compared with € 38.150.826 previous year. This decrease can be attributed to the first withdrawal of a Member after his 5-year waiting period. The Mutual Association has acknowledged the resignation of 6 other Members, who will leave in the next following years once their 5-year waiting period is reached. The current part in the undivided fund is € 7.403.951. The guarantee fund together with the equalization provision now available to the Members to be used as reinsurance capacity, will be € 73.195.547 versus € 70.402.497 previous year.

In order to maintain the annual re-insurance premium income at a satisfactory level it was in 2015 decided that the core business will remain the re-insurance of “nuclear” installations but on a wider range. In order to execute a wider range of activities some restrictions for Membership of our mutual were adapted in our Articles of Association by 15 September 2015. As a result, our mutual could expand its business in the year 2016. Several new members were welcomed in 2016 due to the adapted Articles of Association. In the year 2017 Management continued this successful policy resulting in satisfactory financial outcome. NIRA welcomes not only more business but the business originates increasingly from other continents as well.

The outlook for the year 2018 was discussed during our Members Meeting at Lisbon on 15th November 2017. At that time we forecasted higher gross premiums i.e. € 6.994.700 in 2018 versus € 6.638.000 in 2017 and higher earnings before distribution to reserve for equalisation and catastrophies i.e. € 4.561.800 in 2018 versus € 3.357.100 in 2017. So far the results are more or less in line with our expectations however you never know in the insurance business.

This being my fourth year as Chairman of the Board I wish to thank my colleague Board members and the Management, as well as all Members of NIRA for their and your support.



Gert Jan Geertsema
Chairman of the Board of Directors of NIRA ma

Corporate Message

NIRA is a mutual reinsurance association, founded in 2008 and headquartered in Luxembourg. NIRA stands for Nuclear Industry Reinsurance Association. All the Members of the company are involved in the Nuclear sector. NIRA was traditionally an industry captive re-insurer. A fresh approach has been adopted to focus on the reinsurance of nuclear risks with the advantage which has been built over the last 20 years of discipline and an intricate knowledge of underwriting and risk management in this field. Our team's extensive and successful track record means we add genuine value to customers and brokers.

A Strong Underwriting Culture

NIRA has brought a fresh approach to the reinsurance industry with focus, discipline and an intricate knowledge of underwriting and risk management in the area of nuclear risks.

Leading Expertise and Experience

We have the right team in place, underwriting and management professionals with a wealth of experience in nuclear reinsurance.

A Diverse, Balanced Book of Business

Independence gives us the freedom to write the reinsurance business we want to write, a diverse book across key lines of business in different areas of the world. We can respond quickly to market movements and developments.

Industrial & Engineering Reinsurance

NIRA provides a complete range of reinsurance services across all project phases of power plants and other nuclear projects from preconstruction to operation.

Operational Phase

Industrial All Risks (IAR) is a combined “All Risks” insurance for Property Damage (PD) and Machinery Breakdown (MB), combined with or without business interruption.

Treaty Reinsurance

Treaty reinsurance for Property Damage and Third Party Liability.

Corporate Governance Report

To ensure the appropriate level of corporate governance, the Board has put in place arrangements which it believes are suitable for a mutual carrying on reinsurance and enable the Mutual to comply with the circular LC14/5 carrying modifications of the circular letter modified 99/6 relative to the annual report of the companies of reinsurance.

Following the new EU-wide regulatory regime of Solvency, NIRA's goal is to ensure that the Mutual is compliant with the requirements defined by EIOPA and translated into Luxembourg regulations by the C.A.A. The Solvency Financial condition report (SFCR) can be found on our website.

All the principles are written in the document "Memorandum of good governance". In addition, the Management Committee presents annually to the Board the Report on internal control.

The relevant principles of governance are applied to the mutual in the following way:

The Board

There are currently nine Board Members, five of them are representing the nuclear Members, two members are independent and two are representing the Management.

The composition of the Board is balanced considering the respective skills, experience and background of each of the Board members. Board members undertake that they have sufficient time to exercise their duties, taking into consideration the number and importance of their other commitments.

The Board meets four times a year.

The Management Committee has full authority to undertake the daily management of the Association.

Board Committees

The Board has a schedule of matters that it reserves for itself. These matters cover approval of accounts, significant changes to accounting policies, changes to the membership of the Board and its Advisory Committees, recommendations of the strategy to be applied to the Members of the mutual, approval of the annual operating budget.

In addition, the Board has appointed 4 specific Advisory Committees being the Finance and Investment Advisory Committee, the Audit Committee, the Risk Committee and the Underwriting Committee. These Committees are composed out of representatives of the Members of the Association.

The mission of these Committees is to analyse specific topics, to prepare matters for consideration and recommendation towards the Board. The final decision-making process remains in the hands of the Board. Therefore, the existence of the Committees does not replace the ultimate responsibility of the Board.

Board and Committee Papers

Appropriate and timely management information is circulated to Directors and Committee members in good time before the meetings.

Minutes are kept of every meeting. They are signed off by the Chairman after approval.

Annual General Meeting

The General Meeting has the powers vested in it by the Law and by the Articles of Association, without any prejudice to the laws and regulations in force regarding the control of reinsurance enterprises.

Internal Control

The Board is ultimately responsible for the Mutual's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against misstatements or loss.

Control Procedures & key functions

The mutual has implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud. Measures taken include reviews by Management as well as internal and external audits.

In accordance with Articles 44, 46, 47 and 48 of Solvency II Directive, the Mutual has implemented the following key functions: risk management function, compliance function, internal audit function and actuarial function. Each key function discloses a report as well as for the year to come a plan and are in direct contact with the Board of Directors.

All key functions have a separate policy explain their role and responsibilities. Each key function need to comply with the fit & proper policy and conduct a self-assessment. In case the key function is outsourced, a check is performed to comply with the guidelines of the outsourcing policy.

Risk Identification

The Management Committee is responsible for the identification and evaluation of the risk underwritten. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including regulatory requirements.

Monitoring and Corrective Actions

The Mutual has a Procedures Manual which provides practical guidance for all staff (1st line of defence).

The second line of control performed by the risk management function & compliance function, assures the follow-up of the control of the risks and that corrective actions are taken.

The internal auditor reports to the Audit committee on the effectiveness of the procedures and therefore being the 3rd line of defence.

Concerning the IT-infrastructure, a Continuity Policy and implementation process including proper securities is in place. The IT-department certifies that security, privacy and all other IT management requirements are adequately addressed by the cloud computing vendor. In respect of GDPR, personal data is mapped in a register with restricted access and a privacy policy is put into place.

Report of the Board of Directors to be presented to the Annual General Meeting of 26th April 2018

Dear Member,

We are pleased to present for your approval the financial statements of Nuclear Industry Reinsurance Association, shortened NIRA (“the Company”) for its ninth year of operations, which started 1st January 2017 and ended on 31st December 2017.

The management of NIRA is responsible for the information contained in the financial statements and other sections of the annual report. The management considers that the financial statements and related information have been prepared in accordance with Luxembourg generally accepted accounting principles. These financial statements include amounts that are based on management’s judgment and best estimates.

NIRA maintains a system of internal accounting controls to provide reasonable assurance that our assets are safeguarded against loss from unauthorized use or disposal and that the accounting records provide a reliable basis for the preparation of the financial statements.

Deloitte Audit Société à Responsabilité Limitée, rue de Neudorf 560, 2220 Luxembourg, has been appointed with your approval, as the independent auditors to audit the financial statements and to express their opinion thereon. Their opinion is based on procedures considered by them to be sufficient to provide reasonable assurance that the financial statements present fairly, in all material respects, the financial position, cash flows and results of operations. The audit report is also included in the annual report.

Activity

The Company was incorporated in Luxembourg on December 11th, 2008 and published in the official journal “Mémorial C” under reference number 358 date February 18th, 2009.

The agreement from Commissariat aux Assurances was published March 30th, 2009 by “Arrêté Ministériel”.

Following the master novation agreement signed between NIRA Ltd, domiciled in the Isle of Man, and the Company, all reinsurance business of NIRA Ltd, were novated into the Company dated July 1st 2009.

For 2017 the overall combined re-insurance capacity Material Damage and Third-party liability has increased to € 67.000.000 in 2017 versus € 67.000.000 previous year’s capacity.

The net retention for Material Damage Treaty and quota share 2017 were maintained at € 16.000.000 and € 5.000.000 respectively. Facultative material damage Re-insurance support was offered with a net retention of maximum € 12.500.000 in 2017 compared to € 8.000.000 in 2016

The Third-Party Liability treaty/fac retention decreased at around € 22.000.000 in 2017 from € 25.400.000 in 2016 with the exception of two facultative contracts raising the maximum treaty/fac retention to € 50.000.000.

The maximum gross retention in 2017 was US\$ 95.000.000 of which US\$ 70.000.000 were retroceded.

Earned contributions

The contributions written are reflected as net contributions written in Profit and Loss account. Unearned contributions represent the portion of contributions written, which are related to the next accounting years.

Earned gross of reinsurance contributions increased from € 6.290.093 in 2016 to € 7.237.400 in 2017 due to the increased facultative capacity to EMANI and the new Property damage contract with Russian Member.

The earned reinsurance costs for Property Damage contracts increased from € 828.920 in 2016 to € 932.482 in 2017 and are related to the Property damage contract with our Chinese Member and new Russian Member for which a big part of their contracts are retroceded.

Claims

Provisions are made for the estimated cost of incurred losses on the basis of management estimates, based where appropriate on information from ceding companies, their brokers, nuclear pools, claims adjusters, independent consultants and other relevant sources.

The total claim cost for the period is € 25.529 versus € 3.339.726 in 2016.

This cost is composed out of € 733.683 actual payments of which € 751 are in relation to losses occurred in 2017 and a decrease in reserves of € 708.154. This variation in reserves includes however € 1.204.126 costs in relation to losses occurred in the financial year 2017 which are related to the EMANI contracts cessions except for 1 claim which is related to the Korean contract for € 359.217.

The total claims costs are mainly related to the EMANI cession but the total variation in reserve of € 708.154 also includes an allocation to the IBNR reserve on TPL risks of € 616.390 and a reduction of the ANI ICRP fund of € 308.068

The total outstanding claims reserve at year end amounts to € 11.569.113 versus € 12.277.267 in 2016 and includes the ANI ICRP refund fund for the amount of € 2.753.526 for this year and € 3.061.594 for 2016.

Further the above-mentioned reserve includes a provision for claims Incurred But Not Reported (IBNR). As from year 2015, an IBNR policy in view of a 30 years prescription period in nuclear third-party liability is applied. Previous years a 10 years prescription period was applied.

For this period an amount of € 616.390 was allocated to the IBNR versus € 598.406 in 2016 which brings the total IBNR provision to € 5.423.654 and this compares to previous year's IBNR provision of € 4.807.264.

General expenses

General expenses increased from € 704.199 in 2016 to € 773.021 in 2017 and include acquisition costs on the reinsurance treaties amounting to € 53.792 for 2016 and € 803 for 2017.

The administrative expenses increased from € 650.406 in 2016 to € 772.218 in 2017 and are due to higher HR Costs including recruitment expenses.

Investments

The total book value of the investments amounts to € 83.642.707 and compares with € 79.945.547 previous year and include investments and cash at banks.

The deposit held with ANI amounting to € 2.999.358 for 2017 and € 3.357.807 for 2016 is not included in this chapter on investments.

The market value of the investments and cash at banks is € 85.600.775 and compares to € 81.817.890 in 2016. All these investments are recorded at their purchase value and the unrealized gains of € 1.958.068 are not recorded in the income statement for the year. (in 2016 it was € 1.872.315). The weighted actual return on investments for 2017 is 1,00%. (in 2016 it was 1,65%).

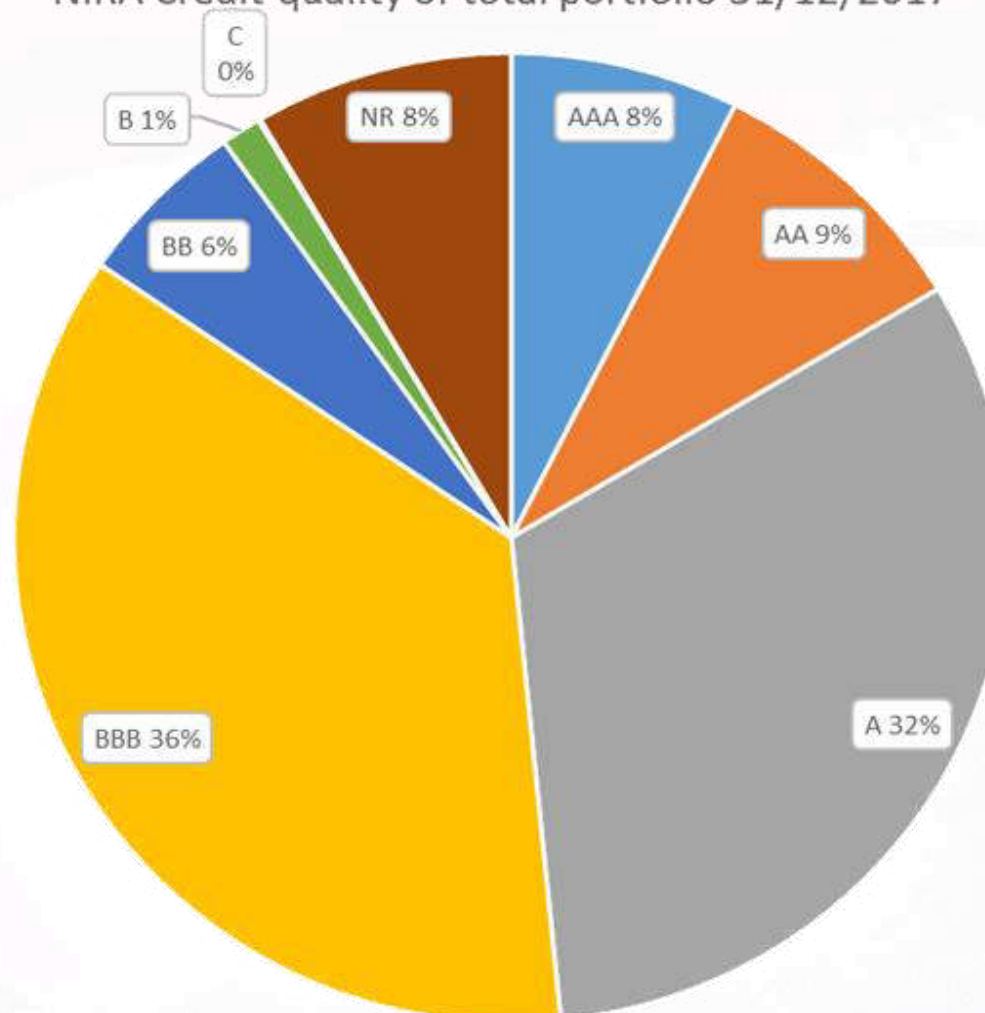
The investment strategy at year end is 23% liquidities, 67% long term investments and 10% equity resulting in a net financial income of € 302.445 and compare to 55% liquidities and 37% long term investments and 8% equity previous year with a net income of € 2.356.703. The lower financial income in the financial statements can be explained by the fact that previous year included exceptional realised profits of several prior years and currency exchanges losses on the ANI deposit. The matching currency gains on the ANI claims reserve are recorded under variation of claim reserves.

No derivative products, such as equity, interest rate, credit, foreign exchange or commodity forwards, options or swaps, were bought.

Credit rating of the investment product as at 31 December 2017

The overall weighted average credit rating of the total portfolio is A -, broken down as follows:

NIRA Credit quality of total portfolio 31/12/2017



Country Allocation and Duration as at 31 December 2017

The country allocation of the total investment portfolio is split as follows:

AT 0,50% • BE 7,11% • BM 0,04% • CA 0,72% • CH 0,50% • CN 0,83% • DE 6,37% • DK 1,38% • ES 1,66% • FI 0,19% • FR 15,45% • GB 10,70% • IE 0,91% • IT 1,59% • LU 7,26% • NL 6,06% • NO 1,36% • Europe others 1,88% • US 15,85% • MX 0,25% • Latin America others 0,22% • AU 0,96% • NZ 0,03% • JP 2,41% • Asia others 12,27% • AE 0,10% • Africa/Middle East others 3,09%

The duration of the total investment portfolio excluding equity is 3,00 years.

Result

The € 5.824.495 surplus before allocation and after taxes for 2017 compares with € 3.186.416 surplus in 2016.

In accordance with the regulations applicable to reinsurance companies (The Grand Ducal Regulation of 5 December 2007 and article 99 of the modified law of 6 December 1991) the allocation to the equalisation provision is the full technical surplus of € 5.522.050 and a part of the Financial surplus because as at December 31,2017 the amount of the equalisation reserve reached more than the 30% limit of the ceiling equalisation provision amount.

Based on this regulation, the maximum theoretical target of the equalisation reserve amount should be 99.081.525 € which is the average earned premiums over the last 5 years multiplied by 17,5. At year end the reserve amounts to 38.076.168 € or 38,42% of the target amount

With respect to the financial result of the company for the year ended December 31,2017 the allocation cannot exceed the balance corresponding the technical rate (1,25%- Circular Letter CAA 16/10 applicable as from December 1st ,2016) multiplied by the technical provisions of the Company as at December 31,2016 or € 581.293. As the actual financial income for the year 2017 is only € 302.445 and therefore below the regulatory limit we can allocate it in full to the equalisation reserve. This bringing the total allocation to the equalisation reserve to € 5.824.495

Following the above-mentioned regulation, the Board of Directors proposes to the Annual General Meeting that the remaining financial surplus of € 0 be allocated to the guarantee fund.

Guarantee Fund

As at December 31st,2017 the subscribed capital amounts to € 3.600.000 and the additional contributions of € 31.519.379 constitute together a fund of € 35.119.379 compared to € 38.150.826 previous year. This decrease can be attributed to the first withdrawal of a Member after his 5-year waiting period.

The Mutual Association has acknowledged the resignation of 6 other Members, who will leave in the next following years once their 5-year waiting period is reached. Their current part in the undivided fund is € 7.403.951.

The guarantee fund together with the equalization provision now available to the Members to be used as reinsurance capacity, will be € 73.195.547 versus € 70.402.497 previous year.

Others

No research and development activities incurred.

NIRA does not face abnormal price, credit or liquidity risks.

NIRA has not purchased any of its own shares during the year and does not hold any own shares at this time.

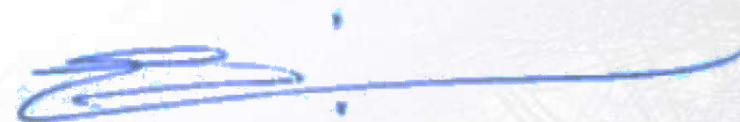
NIRA does not have any branches or subsidiaries.

No event, nor decisions of any importance that could have any influence on the continuation of the activities of NIRA have occurred subsequently to year-end. Based on the elements in our possession, NIRA should continue a positive development in 2018.

Recommendations

We propose that you:

- Approve the annual accounts as at December 31st, 2017 as presented
- Grant discharge to the Directors of the Company in respect of their duties and functions for the year ended
- Grant discharge to the Statutory Auditor
- Appoint a Statutory Auditor



Gert Jan Geertsema
Chairman of the Board of Directors
On behalf of the Board of Directors

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

To the Members of
Nuclear Industry Reinsurance Association,
Association d'Assurance Mutuelle
14, Syrdallstrooss
L-6850 Mantemach

Report on the Audit of the annual accounts

Opinion

We have audited the annual accounts of Nuclear Industry Reinsurance Association, Association d'Assurance Mutuelle (the "Company"), which comprise the balance sheet as at December 31, 2017, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at December 31, 2017 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for Opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under those Regulation, Law and standards are further described in the "Responsibilities of the *Réviseur d'Entreprises Agréé* for the Audit of the annual accounts" section of our report. We are also independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Based on our professional judgment, we have determined that there are no Key Audit Matters to communicate in our report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the Directors' report but does not include the annual accounts and our report of the Réviseur d'Entreprises Agréé thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the Réviseur d'Entreprises Agréé for the Audit of the annual accounts

The objectives of our audit are to obtain a reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the Réviseur d'Entreprises Agréé that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *Réviseur d'Entreprises Agréé* to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *Réviseur d'Entreprises Agréé*. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on Other Legal and Regulatory Requirements

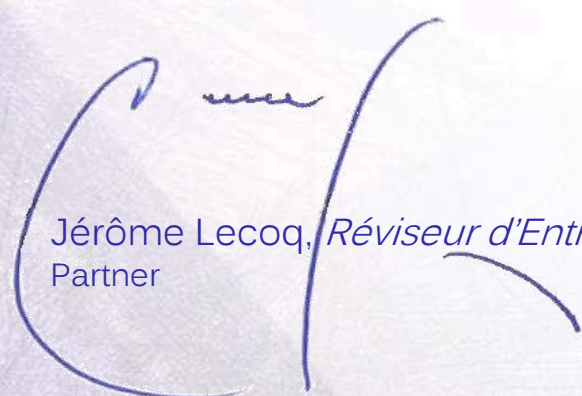
We have been appointed as Réviseur d'Entreprises Agréé by the General Meeting of the Members on April 27, 2017 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 9 years.

The Directors' report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014, on the audit profession were not provided and that we remain independent of the Company in conducting the audit.

For Deloitte Audit, *Cabinet de Révision Agréé*



Jérôme Lecoq, *Réviseur d'Entreprises Agréé*
Partner

March 30, 2018

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION
Association d'Assurance Mutuelle
BALANCE SHEET
As at December 31, 2017
(expressed in EUR)

ASSETS	Note(s)	2017	2016
Investments	3.2, 4		
Other financial investments			
Shares and other variable-yield transferable securities and units in unit trusts		78.755.742,39	56.106.055,68
Debt securities and other fixed income transferable securities		0,00	4.950.000,00
Deposits with credit institutions		1.290.519,61	11.229.853,57
		<u>80.046.262,00</u>	<u>72.285.909,25</u>
Deposits with ceding undertakings		2.999.358,30	3.357.807,03
Reinsurers' share of the technical provision			
Provision for unearned premiums	3.6	602.020,95	440.092,75
		<u>602.020,95</u>	<u>440.092,75</u>
Debtors			
Debtors arising out of reinsurance operations	3.3	872.065,52	1.960.583,43
Other debtors		69.776,43	56.075,90
		<u>941.841,95</u>	<u>2.016.659,33</u>
Other assets			
Tangible assets and stocks	3.4	146.202,71	80.195,48
Cash at bank and in hand		3.596.445,48	7.659.664,91
		<u>3.742.648,19</u>	<u>7.739.860,39</u>
Prepayments and accrued income			
Accrued interest and rent		17.075,07	3.214,53
Deferred acquisition costs		77.555,90	35.193,21
Other prepayments and accrued income		587,90	42.867,64
		<u>95.218,87</u>	<u>81.275,38</u>
TOTAL ASSETS		88.427.350,26	85.921.604,13

The accompanying notes form an integral part of these annual accounts.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION
Association d'Assurance Mutuelle
BALANCE SHEET
As at December 31, 2017
(expressed in EUR)
- continued -

LIABILITIES	Note(s)	2017	2016
Capital and reserves	5		
Subscribed capital		3.600.000,00	3.600.000,00
Equivalent funds		31.519.379,46	33.320.002,33
Profit for the financial year		0,00	1.230.823,62
		35.119.379,46	38.150.825,95
Technical provisions	3.6		
Provision for unearned premiums		2.490.172,20	1.974.531,81
Claims outstanding	6	11.569.112,90	12.277.266,80
Equalisation provision		38.076.168,37	32.251.672,89
		52.135.453,47	46.503.471,50
Creditors	3.3, 7		
Creditors arising out of reinsurance operations		450.079,46	531.670,23
Other creditors, including tax and social security		711.808,87	693.177,52
		1.161.888,33	1.224.847,75
Accruals and deferred income		10.629,00	42.458,93
TOTAL LIABILITIES		88.427.350,26	85.921.604,13

The accompanying notes form an integral part of these annual accounts.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION
Association d'Assurance Mutuelle
PROFIT AND LOSS ACCOUNT
For the year ended December 31, 2017
(expressed in EUR)

	<u>Note(s)</u>	<u>2017</u>	<u>2016</u>
TECHNICAL ACCOUNT NON-LIFE INSURANCE BUSINESS			
Earned premiums			
Gross premiums written	8	7.753.040,10	6.025.181,53
Outward reinsurance premiums		(1.094.409,88)	(587.011,23)
Change in the gross provision for unearned premiums		(515.640,39)	264.911,17
Change in the provision for unearned premiums, reinsurers' share		161.928,20	(241.909,16)
		<u>6.304.918,03</u>	<u>5.461.172,31</u>
Allocated investment return transferred from the non-technical account	13	302.445,56	2.356.702,65
Claims incurred, net of reinsurance			
Claims paid:			
Gross amount		(733.683,32)	(372.636,28)
Change in the provision for claims:			
Gross amount		708.153,90	(2.967.089,52)
		<u>(25.529,42)</u>	<u>(3.339.725,80)</u>
Net operating expenses			
Acquisition costs		(151.374,84)	(79.654,09)
Change in deferred acquisition costs		42.362,69	7.777,87
Administrative expenses	12	(772.217,62)	(650.406,35)
Reinsurance commissions and profit participation		108.208,72	18.083,91
		<u>(773.021,05)</u>	<u>(704.198,66)</u>
Other technical income		50.273,97	15.477,60
Change in the equalisation provision		(5.824.495,48)	(1.955.592,00)
Balance on the technical account for non-life insurance business		<u>34.591,61</u>	<u>1.833.836,10</u>

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION
Association d'Assurance Mutuelle
PROFIT AND LOSS ACCOUNT
For the year ended December 31, 2017
(expressed in EUR)
- continued -

	<u>Note(s)</u>	<u>2017</u>	<u>2016</u>
NON-TECHNICAL ACCOUNT			
Balance on the technical account for non-life insurance business		34.591,61	1.833.836,10
Investment income		1.026.860,14	2.457.471,80
Income from other investments		194.086,33	387.175,03
Gains on the realisation of investments		832.773,81	2.070.296,77
Investment charges		(724.414,58)	(100.769,15)
Investment management charges, including interest		(706.723,53)	(99.751,60)
Losses on the realisation of investments		(17.691,05)	(1.017,55)
Allocated investment return transferred to the technical account	13	(302.445,56)	(2.356.702,65)
Tax on profit on ordinary activities		863,39	(572.912,48)
Profit on ordinary activities after tax		35.455,00	1.260.923,62
Other taxes not shown under the preceding items	9	(35.455,00)	(30.100,00)
Profit or loss for the financial year		<u>0,00</u>	<u>1.230.823,62</u>

The accompanying notes form an integral part of these annual accounts.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017

NOTE 1 – GENERAL

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION, Association d'Assurance Mutuelle (the "Company"), was incorporated in Luxembourg as a "mutual association" on December 11, 2008 and is governed by the Law of December 7, 2015 on the insurance sector.

The Company's accounting year begins January 1 and ends December 31 each year.

The object of the Company is to carry out reinsurance activities, excluding all direct insurance operations in the Grand-Duchy of Luxembourg as well as in any other country in which the Company has members and/or where these members have their activities.

NOTE 2 – PRESENTATION OF THE ANNUAL ACCOUNTS

The annual accounts have been prepared in conformity with the modified Law of December 8, 1994 on annual accounts of insurance and reinsurance undertakings, and with the accounting policies generally accepted within the insurance and reinsurance industry in Luxembourg. The accounting policies and the valuation rules are, except for those which are imposed by the law or the Commissariat aux Assurances, determined and applied by the Board of Directors.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company are as follows:

3.1. Foreign currency translation

The Company maintains its accounts in Euro ("EUR") and the annual accounts are expressed in this currency.

The accounts denominated in foreign currency of the profit and loss account are converted in EUR on a monthly basis using the exchange rate in force at the last day of the previous month.

The accounts denominated in foreign currency of the balance sheet are converted in EUR using exchange rate as of the balance sheet closing date.

Exchange gains and losses are recorded in the profit or loss account.

3.2. Investments

Shares and other variable-yield transferable securities

Shares and other variable-yield transferable securities are valued at their acquisition costs. The incidental costs are expensed as incurred. Unrealized losses are recorded in the profit and loss account if there will be a permanent reduction in the value of these securities. In this case, the security will be depreciated to its lower value.

Permanent impairments are determined based on the two following conditions:

- Market value must be below book value for a period uninterrupted of 12 months;
- And the decrease in market value should be at least equal to 20% of the book value at the end of that period.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

Debt securities and other fixed income transferable securities

Investments in interest bearing bonds are valued at their acquisition costs. The incidental costs are expensed as incurred. The differences between acquisition cost and redemption values of the securities are amortised pro rata to maturity of the securities. Under this method, the premium or discount on purchase is amortised to the profit and loss account on a straight-line basis from the date of acquisition to the date of maturity of the bond.

Unless the intention of the Company is to sell the securities in the short term, no adjustments are booked to reflect the market value, if this market value is below the net book value determined according the amortization method described above.

In case of permanent reduction in value, fixed income securities shall be subject to value adjustments in the profit and loss account when the reimbursement at redemption date is partly or fully uncertain or compromised.

Deposits with credit institutions and with ceding undertakings

Deposits are stated at their nominal value at year-end.

3.3. Debtors and creditors

Debtors are stated at their nominal value. Value adjustments are made when they are partially or totally unrecoverable. The value adjustments are not maintained when the reasons for which they were made cease to apply.

Creditors are recorded under liabilities at their reimbursement value. If the amount paid exceeds the initial amount, the resulting difference is reflected in the profit and loss account at the date of settlement.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

3.4. Tangible assets

Due to usage and/or obsolescence, assets are amortised on a linear basis. Current amortization percentages for tangible assets are as follows:

Installations, machinery and IT	33,33% / Year
Software (upon evaluation management committee by project)	20% or 33,33% / Year
Office furniture	10% / Year
Vehicles	20% / Year

3.5. Deferred acquisition costs

Acquisition costs related to non-life insurance policies are deferred according to a method compatible with that used for unearned premiums.

3.6. Technical provisions

The Company constitutes technical provisions based on contributions relating to its active, non-expired outstanding treaties at the end of the accounting year.

The provision for unearned premiums consists of the amount representing the part of the premium which is to be allocated to the subsequent financial year(s). It is computed on a contract by contract basis. The same principles apply to the reinsurer's share in the provision for unearned premiums.

Provisions for claims outstanding represents the total estimated cost of all claims arising from events which have occurred up to the end of the accounting year, whether reported or not, less amounts already paid in respect of such claims. Every claim is handled individually which results in individual claim provisions.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017

- continued -

The estimated cost of every incurred loss is calculated based on information received from ceding companies, nuclear pools and claim adjusters. A provision for claims incurred but not reported ("IBNR") is constituted with respect to the prevailing Conventions related to Third Party Liability of Nuclear Energy which require that actions for claims arriving out of a nuclear incident can be initiated within ten years. During the year ended December 31, 2014, the Board of Directors has adopted to change the ten-year IBNR policy to a thirty-year IBNR reserving policy. The change ratified by the Board of Directors has become effective for financial years starting on January 1, 2015 and onwards.

This IBNR reserving policy is based on a lump sum method in accordance with article 74 of the modified Law of December 8, 1994 on annual accounts of insurance and reinsurance undertakings.

The equalisation provision comprises amounts set aside in accordance with legal and administrative requirements to equalise fluctuations in loss ratios in future years or to provide for special risks.

3.7. Taxes

Taxes are accounted for on an accrual basis.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

NOTE 4 – INVESTMENTS

The actual value of investments is as follows:

EUR	<u>December 31, 2017</u>	<u>December 31, 2016</u>
Shares and other variable-yield transferable securities and units in unit trusts	80.713.810,21	57.978.371,32
Debt securities and other fixed income transferable securities	0,00	4.950.000,00
Deposits with credit institutions	1.290.519,61	11.229.853,57
Deposits with ceding undertakings	2.999.358,30	3.357.807,03
	<u>85.003.688,12</u>	<u>77.516.031,92</u>

As at December 31, 2017, the Board of Directors of the Company believes that there is no permanent impairment on shares and other variable-yield securities and units in unit trusts and on debt securities and other fixed income transferable securities.

As at December 31, 2017, the deposits with ceding undertakings consist of a premium deposit retained by the ceding company accumulated in virtue of an existing agreement since its date of inception and which amounts to EUR 2.999.358,30 (EUR 3.357.807,03 in 2016).

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

This premium deposit consists of a part of the contractual premiums attributed to the Company which are retained by the ceding undertaking and allocated to a "Reserve Fund" for the sole purpose to pay loss expenses. These premiums allocated to the "Reserve Fund" are held for 10 years, after which a portion is periodically returned to policy holders based upon historical loss experience.

NOTE 5 – SUBSCRIBED CAPITAL AND EQUIVALENT FUNDS

The subscribed capital of the Company amounts to EUR 3.600.000 and has been contributed in 2009 for EUR 3.200.000 by 3 members (EMANI, ELINI, NIRA Ltd). As of the moment of the final liquidation of NIRA Ltd, a reinsurance company domiciled in the Isle of Man and liquidated on June 28, 2010, the NIRA Ltd's shareholders became automatically members of the Company as successor in title, in the same proportions as they were shareholders within NIRA Ltd. At that same moment, EMANI and ELINI had no longer a voting right.

At the Annual General Meetings of Members dated April 25, 2013 and April 24, 2014, it was agreed to reallocate each time an amount of EUR 200.000 of the equivalent funds to the subscribed capital.

The equivalent funds amounting to EUR 31.519.379,46 (2016: EUR 33.320.002,33) consist in additional amounts which were contributed by NIRA Ltd (in name of its 36 shareholders) and the Company's new voting members, each being authorised with 1 voting right. During the year ended December 31, 2017, the profit for the financial year ended December 31, 2016 (EUR 1.230.823,62) was allocated to the equivalent funds. As at December 31, 2017, equivalent funds include additional contributions of new members (EUR 70.000,00) and have been reduced with the reimbursement to a member (EUR 3.101.447,00).

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

As at December 31, 2017, the subscribed capital and the equivalent funds can be split between the members as follows:

	Allocation as at December 31, 2017 EUR	Allocation as at December 31, 2016 EUR
Ameren Corporation	19.704	10.000
ORANO (formerly AREVA NC & Cogema S.A.)	3.796.153	3.580.116
AXPO Power AG	2.747.667	2.746.281
Axpo Trading AG (formerly EGL AG)	90.607	78.882
B.K.W. Energy Ltd.	1.357.200	1.356.040
Belgoprocess NV	27.010	14.195
British Energy Ltd	20.768	10.000
Bruce Power LP	28.818	14.122
BWX Technologies	10.000	0
Centrales Nucléaires en Participation S.A. (c/o Alpiq Suisse S.A)	378.956	366.279
CEZ	100.396	10.000
Comanche Peak Power Company LLC.	25.940	10.000
CGN	132.903	50.000
Preussen Elektra Gmbh (ex E.ON Kernkraft GmbH)	3.367.418	3.249.105
EDF	136.906	44.424
Electrabel	62.692	10.000
Elektricitets-Produktimaatschappij Zuid- Nederland (EPZ) N.V	763.796	759.881
EnBW Kernkraft GmbH (formerly GKW Neckar GmbH)	800.227	768.634
EnBW Energy Baden Württemberg AG	1.038.099	1.021.498
Eskom Holding Ltd	365.477	348.774
Energy Solutions	10.000	0
Eurodif Production S.A.	0	3.077.329

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017

- continued -

	Allocation as at December 31, 2017	Allocation as at December 31, 2016
	EUR	EUR
FBFC S.A.	608.983	608.552
Forsmarks Kraftgrupp AB	956.985	922.316
Fortum Power & Heat Oy	92.507	87.488
G.K.N. BV	960.388	958.429
GNS (Gesellschaft für Nuklear-Service) mBH	24.056	15.556
Kernkraftwerk Leibstadt A.G. (KKL)	1.804.830	1.799.399
Kernkraftwerk Obrigheim GmbH	284.184	280.446
Kernkraftwk Gösgen Däniken A.G.	2.088.567	2.084.699
KHNP	50.000	0
O.K.G. Aktiebolag	2.739.175	2.720.060
Ontario Power Generation (OPG)	37.565	12.761
MVM Paks Nuclear Power Plant Ltd	382.776	360.946
New Brunswick Power Nuclear Corporation	15.012	10.000
NSP (Nothorn State Power Company)	10.000	10.000
R.W.E. Power AG	3.324.395	3.301.031
Ringhals AB	1.359.148	1.323.715
SCK-CEN	23.740	15.813
SCE&G	26.023	10.000
SKB	11.446	10.000
Slovenske Elektrarne AS	146.098	96.645
Socatri S.à r.l.	96.108	87.488
Studsvik AB	15.201	13.607
SVAFO AB	5.752	5.000
Sydskraft Nuclear Power AB	1.714.201	1.689.221
Teollisuuden Voima Oyj	2.372.551	2.343.742
URENCO Ltd	69.246	13.202
Vattenfall Europe Nuclear Energy GmbH	599.846	595.056
Zwischenlager Wurenlingen AG (Zwilag)	19.859	19.270
	35.119.379	36.920.002

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

NOTE 6 – CLAIMS OUTSTANDING

Claims outstanding include a provision of EUR 5.423.654,00 for claims incurred but not reported in virtue of the IBNR reserving policy applicable as at December 31, 2017 (2016: EUR 4.807.264,00) and described in note 3.6.

NOTE 7 – CREDITORS

All creditors become due and payable in less than one year.

NOTE 8 – GROSS PREMIUMS WRITTEN

Gross premiums written by the Company relate to non-life business only and for the classes Material Damage and Third Party Liability.

NOTE 9 – TAXATION

The Company is subject to income and net worth taxes applicable in the Grand-Duchy of Luxembourg to *Sociétés Anonymes*.

Taxes other than income taxes are disclosed under the caption "other taxes not shown under the preceding items" in the profit and loss account.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

NOTE 10 – PERSONNEL EMPLOYED DURING THE YEAR

For the years 2017 and 2016, the Company did employ five part time staff members and two (one in 2016) full time staff members.

The total staff costs with respect to the financial year may be broken down as follows:

	2017	2016
	EUR	EUR
Wages and salaries	331.090,16	267.867,46
Social security costs	82.236,24	60.485,65
Pension scheme	35.934,27	43.300,04
Others	712,27	781,13
Total	449.972,94	372.434,28

NOTE 11 – REMUNERATION GRANTED TO BOARD MEMBERS AND COMMITMENTS ENTERED INTO IN RESPECT OF RETIREMENT PENSIONS FOR FORMER BOARD MEMBERS

The Company did grant remuneration to members of its supervisory bodies for the services rendered during the year amounting to EUR 27.000 (2016: EUR 18.000). The Company has no commitments in respect of retirement pensions for former members of those bodies as at December 31, 2017.

For the year ended December 31, 2017, the Company did not grant advances or credits to the members of its supervisory bodies.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

NOTE 12 – FEES PAYABLE TO THE AUDIT FIRM

Fees charged to the Company by the *Réviseur d'Entreprises Agréé* and its respective entire network is analysed as follows:

	2017	2016
	EUR	EUR
Annual audit fees (VAT excl.)	15.375,00	15.375,00
	<u>15.375,00</u>	<u>15.375,00</u>

Fees are shown on an accrual basis for the financial year.

For the year ended December 31, 2017, audit fees are related to the audit of annual accounts and the issue of the auditor's supplementary report in accordance with Circular Letter 09/2 issued by the *Commissariat aux Assurances*, as amended.

NOTE 13 – ALLOCATED INVESTMENT RETURN

In accordance with Article 55 of the modified Law of December 8, 1994 on the accounts of insurance and reinsurance undertakings, the Company has transferred the whole investment income, net of corresponding charges, to the non-life insurance technical account.

NUCLEAR INDUSTRY REINSURANCE ASSOCIATION,
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS
As at December 31, 2017
- continued -

NOTE 14 – OFF-BALANCE SHEET COMMITMENTS

As at December 31, 2017, an amount of EUR 999.542 (2016: EUR 999.783) on a cash at bank account is given as a guarantee in favour of one ceding undertaking by way of a Letter of Credit.

NOTE 15 – PARENT COMPANY

As there is no other mutual/company entitled to, de jure or de facto, exert a deciding influence on the appointment of the majority of the directors or on the orientation of the management, the Company cannot be considered as a subsidiary of any other entity and consequently is not included into consolidated financial statements and is exempt to prepare consolidated financial statements under Luxembourg legislation.

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