MIC Insurance
strength and quality make us grow
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Our history

Business figures consolidate MIC in the Spanish market in premium volume, solvency and profits. With the aim of reaching new market niches during this year 2017, Millennium opens a new period of work with the main novelty of rebranding, and offer both better and updated products to customers. Millennium, with its new trademark MIC Insurance, is a young and dynamic company that started 16 years ago, obtaining licenses to operate in the European Economic Area.

The Company will perform its business under the brand MIC Insurance in all countries where it has been developing its insurance business under Freedom to provide Services basis. The brand will be transformed responding to the international needs that the insurance company poses for the coming years. “It is a shorter, resounding, sonorous and easy name to remember”, in words of MIC’s managers.

Thanks to the extensive experience of the managers of the Company in the insurance sector, MIC began its activity in Spain operating through Underwriting Agencies, followed by the expansion to other countries in the European Union among which are: United Kingdom, France, Italy, Portugal, Poland, Hungary, Ireland, Lithuania and Luxembourg.

Nowadays we are working on boosting this international expansion with a global and strategic vision.
MIC Insurance carries out product diversification and executes its activities by implementing a continuous process of internationalization. Flexibility and being operational in the international context are the main tools we use to achieve our goals.

We are experts in designing any customized product.

The main strengths of MIC Insurance are:

- Sturdiness and trustworthiness.
- Loyalty and commitment.
- Flexibility and Dynamism.
- Financial Guarantee.
- Optimized management.
- International Experience.

MIC Insurance provides customized solutions for each project. Anticipation and creativity are the qualities that drive our progress.

“Our capacity for inspiration helps us overcome all uncertainties.”
Values
Values

The company values are embodied in a project that achieves excellence in the services we offer.

Confidence We are confident we can fulfill our obligations and maintain lasting unions. We comply out of respective for ourselves and for others.

Commitment Our relationships with our partners are built on a sustainable and strong base. Providing effective mediation services is a priority. Maintaining long-term collaboration is our aim. The loyalty of our clients and providers are reliant on our integrity and honesty in conducting our business.

Efficiency Special products, a diversified market and productivity in our resources, is a combination that makes us competitive. Our technological innovation is developed in such a way that it allows us to develop our business plans in record time.

Expertise Our management team has many years of experience in the sector, and therefore an extensive knowledge of the specific market. We are experts in every product we market, and this is a value that sets us apart.
Distribution channels
Distribution channels

MIC operates under Freedom to provide Services basis.

We are authorized to operate in all European Union Member States by distributing our business through different channels:

✔ Underwriting Agencies.
✔ Insurance Intermediaries: Brokers.

The confidence is the basis to work with great and qualified professionals, letting us anticipate the future with certainty.

“Values: empathy with intermediaries, ability to listen and speed in carrying out operations.”
Distribution channels

Underwriting Agencies

Underwriting Agencies constitute one of our main distribution channels. MIC Insurance works throughout the European Economic Area via agency contracts. They are empowered to underwrite risks, comply and operate according to the contract clauses. These agencies take risks on behalf of the insurer.

The relationship between MIC Insurance and its agencies is based on strength, stability and working together.

Some of the agencies that distribute MIC Insurance’s products are:

Brokers

Brokers are our direct distribution channel. The main objective is to increase and optimize their customer base.

Our objective is to work with local production centers in designing products that satisfy the needs of their clients.

MIC Insurance shares advice and facilities with brokers in marketing a diverse and flexible product portfolio.

The main characteristics of the relationship with our partners are increased international presence and a solid knowledge of local markets, plus a great capacity for innovation.
Products
Products

Surety
- Performance/ stocks of materials
- Real estate agents
- Insurance brokers
- Security companies
- Special duties (alcohol & hydrocarbons)
- Renewable energy
- Judicial guarantees
- Tax deferral
- Customs

Personal branches

Professional liability
- Medical malpractice
- Security companies
- Engineering
- Architecture firms
- Insurance brokers
- Consulting services
## Products

### Construction
- Liability (developer and constructor)
- All risk construction
- Decennial (ten years)
- Accidents

### General liability

### Multirisks
- SME
- Community
- Home
- Hotel
- Industry

### General liability
- Temporary disability
- Collective accidents / Individual Accidents
MIC Insurance Offers first class solutions in a wide range of products.”
Financial strength
Financial strength

Financial accreditation

✓ Value certified by the Financial Services Commission (FSC: 82939).
✓ Authorization to develop insurance activities in European countries.

Portfolio of Reinsurers

MIC Insurance supports its insurance management through agreements with high level reinsurers and rating A+.

- Nacional de Reaseguro
- Catlin Re
- Q-Re
- CCR
- Sompo International
- IRB Brasil Re

In addition to these Continental reinsurers, MIC Insurance is included in some of the most prestigious syndicates of Lloyd’s.
The importance of reinsurance entails:

- **a** A decreased risk of potential loss, spreading risks totally or partially.
- **b** Increased ability to accept higher risks than those normally accepted in insurance.
- **c** A clear increase in the business volume which enables the development and expansion of the insurer.
- **d** Maintaining a balance in the insured portfolio.

MIC Insurance is supported by:

- ✔ Continental Reinsurances and Lloyds Syndicates.
- ✔ Contractual capacities up to USD 15 Millions.
- ✔ Combination of Quota-Share and Excess of Loss Reinsurance.

“Our strength is guaranteed by our transparency and clarity in coverage. For this reason MIC Insurance has not received any demands from dissatisfied customers.”
Solvency II

Pillars of Solvency II

Solvency II establishes a shift in the approach that Insurers should keep regarding the risks taken by their activity, in the identification, measurement and management. Each company must have the capital requirements they need based on the risks handled in its management and business.

The directive is based on the three-pillar approach:

**Pillar I (Quantitative Requirements):** Measurement of assets, liabilities and capital. This is the quantification of the required capital charges depending on the risks assumed by the Entity through a consistent valuation of the balance. The key concepts of this pillar are the economic balance and SCR (Solvency Capital Requirement).

**Pillar II (Qualitative Requirements):** Process of control and supervision. It is formed by a set of rules that that allow to establish effective management systems and a safe capital/risk management. It consists on homogenised standards for the monitoring process. In this pillar, the key concepts are the ORSA and the System of Government.

**Pillar III (Communicative Requirements):** Reporting requirements, a set of measures aimed at ensuring transparency and discipline in the insurance market. They are a set of communicative standards of financial reporting and solvency of institutions to the supervisory authority and the market. In this pillar, the key concepts are the annual Solvency and Financial Condition Report (SFCR), the Report to Supervisors (RSR) and Quantitative Reporting Templates (QRT).
MIC Insurance meet perfectly the requirements of Solvency II as to risk management strategy, by developing a complete system of governance and risk management with a robust methodology focused on the control of risks.

Thus, in compliance with the Directive 2009/138 /EC of the European Parliament and of the Council of 25th November 2009, on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II), and more specifically its Articles 41 to 49, concerning the System of governance, MIC Insurance has developed an internal document deposited in the Financial Services Commission that fulfills and maintains the structure established in the mentioned regulation. The document sets out the strategy and goes into detail on the different policies of risk management of the Company, such as management of assets and liabilities, investment risks, underwriting, claims, liquidity, concentration, operational and reputational risk, and establishment of key functions from a Solvency II perspective. On the website you can find a full report of our solvency and financial position.
In addition, we delivered the document summarizing the Internal Risk Assessment (FLAOR). This document aims to establish the risks that have been faced by the Company during the year ending and describes the steps and measures to tackle them. As a starting point thereof, an internal document that establishes a scale of risks and impacts is produced, the Risk Register, updated on a daily basis by the Company. This document also establishes an assessment of the capital required and the circumstances in which it is calculated, evaluating different stress tests in order to identify potential weaknesses and threats for the Company. Finally, and depending on the results obtained in the stress tests and the overall development of the Internal Risk Assessment, a series of points of improvement are proposed, enabling to have a greater strength in the risk management and anticipate to possible risks that the Company will face in the future.

Therefore, MIC Insurance works perfectly according to Solvency II regulations, our company is improving its risk management and adapting to the changing market with agility and efficiency.
Growth
### Ranking ICEA 2018

<table>
<thead>
<tr>
<th>Nº</th>
<th>Entity</th>
<th>Premiums issues direct (euros)</th>
<th>Growth</th>
<th>Market share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>MIC-MILLENIUM Insurance Company Limited</td>
<td>14,029,381,38</td>
<td>5,85%</td>
<td>17,78%</td>
</tr>
<tr>
<td>2</td>
<td>AXA SEGUROS GENERALES</td>
<td>13,183,090,73</td>
<td>49,39%</td>
<td>16,71%</td>
</tr>
<tr>
<td>3</td>
<td>A. CRÉDITO Y CAUCIÓN</td>
<td>10,083,049,34</td>
<td>5,47%</td>
<td>12,78%</td>
</tr>
<tr>
<td>4</td>
<td>ABARCA COMPANHIA DE SEGUROS</td>
<td>7,021,790,72</td>
<td>171%</td>
<td>8,90%</td>
</tr>
<tr>
<td>5</td>
<td>MAPFRE GLOBAL RISK</td>
<td>6,205,820,81</td>
<td>6,62%</td>
<td>7,87%</td>
</tr>
<tr>
<td>6</td>
<td>CESCE</td>
<td>5,298,871,44</td>
<td>12,50%</td>
<td>6,72%</td>
</tr>
<tr>
<td>7</td>
<td>ASEFA</td>
<td>3,711,950,45</td>
<td>21,77%</td>
<td>4,71%</td>
</tr>
<tr>
<td>8</td>
<td>ZURICH INSURANCE</td>
<td>3,210,579,87</td>
<td>-0,74%</td>
<td>4,07%</td>
</tr>
<tr>
<td>9</td>
<td>CHUBB EUROPEAN</td>
<td>3,082,198,00</td>
<td>31,00%</td>
<td>3,91%</td>
</tr>
<tr>
<td>10</td>
<td>GENERALI SEGUROS</td>
<td>2,450,935,93</td>
<td>2,56%</td>
<td>3,11%</td>
</tr>
</tbody>
</table>

This ranking has been elaborated from the following data: Insurance Market evolution Statistic as of December 2018.
Growth

Evolution
OWN FUNDS (€ 000)

Evolution
TECHNICAL PROVISIONS (€ 000)
TOTAL ASSETS growth/development (£ 000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>23.52%</td>
</tr>
<tr>
<td>2012</td>
<td>0.39%</td>
</tr>
<tr>
<td>2013</td>
<td>27.52%</td>
</tr>
<tr>
<td>2014</td>
<td>38.06%</td>
</tr>
<tr>
<td>2015</td>
<td>26.7%</td>
</tr>
<tr>
<td>2016</td>
<td>18.47%</td>
</tr>
<tr>
<td>2017</td>
<td>21.55%</td>
</tr>
<tr>
<td>2018</td>
<td>8.43%</td>
</tr>
</tbody>
</table>
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