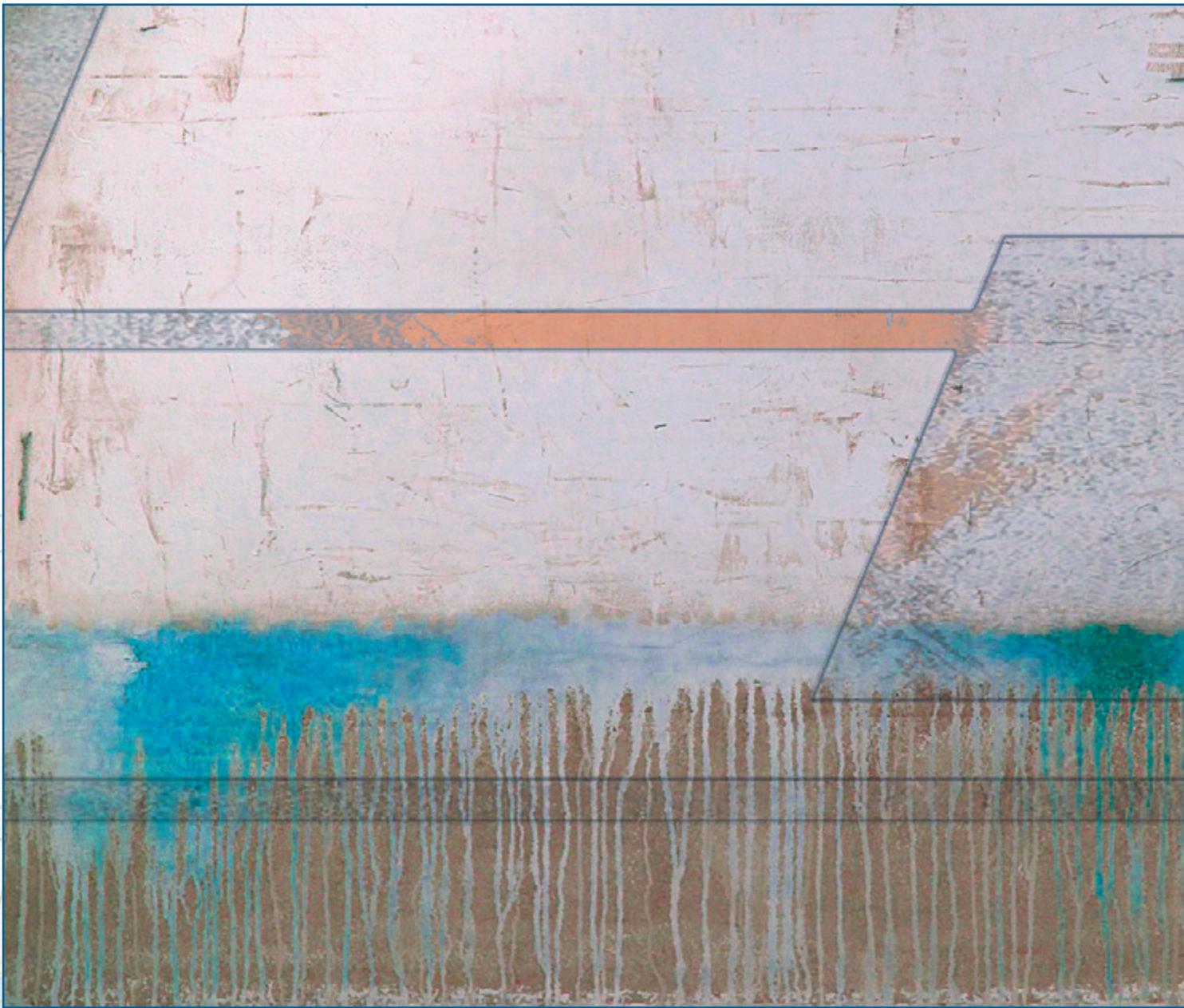


Blu eRe m.a.

annual report 2013



Abstract landscape

R. Piccart

**Annual Report 2013
of the Board of Directors
and of the Statutory Auditor
to be presented at
the Annual General Meeting
on 24 April 2014**

**The company (Mutual association) is
incorporated in Luxembourg on June 17th, 2011
and governed by the modified Law of December 6th
1991 on the insurance sector and the Grand-Ducal
Regulation dated December 5th 2007 issued by the
Commissariat aux Assurances and is authorised by
l'arrêté ministeriel of March 30th 2009 to do reinsurance.
Registered Office : 14, Syrdallstrooss, L-6850 Manternach, Luxembourg
Tel. +352 267 10 031
Fax +352 263 83 135**

Financial Highlights

In euro

Statement of Earnings

	31.12.2013	31.12.2012
Net Premium Earned	0	0
Claims	0	0
Rebates	0	0
Expenses and Taxes	-56.797	-236.462
Net Investment Result	22.206	61.522
Other income	52.500	210.000
<hr/>		
Earnings before allocation to equalisation provision	17.909	35.060

Balance Sheet

Assets	7.084.698	6.996.895
Liabilities	311.728	241.834
Own funds	6.772.970	6.755.060

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Members

BlueRe m.a.

AB SVAFO
AREVA NC
British Energy Ltd
Bruce Power
ČEZ a.s.
EDF
Electrabel SA
Endesa
E.ON Sverige AB
EPZ NV
Forsmarks Kraftgrupp AB
Fortum Power and Heat Oy
Kernkrafwerk Gösgen-Däniken AG
OKG Aktiebolag
Ontario Power Generation Inc.
Ringhals AB
SCK•CEN
SKB
Slovenské Elektrárne a.s.
Studsvik AB
Teollisuuden Voima Oyj

Board

M. Plaschy
M. Huopalainen
A. Geivaerts
K. Kelly
S. Ordéus
E. Pérez Ferreiro
R. Sladkovsky
D. Vanwelkenhuyzen
C. Verwijs
S. Yvon

Chairman
Vice-Chairman

Reinsurance Advisory Committee

D. Vanwelkenhuyzen
J. Floras
A. Geivaerts
V. Hronek
B. Kockum
M. Laguna
L. Noukka
B. Rifaï
J. Rincón
K. Sinclair

Chairman

Finance and Investment Advisory Committee

K. Kelly
M. Ekman
B.-P. Jobse
K. Luotonen
C. Madec
A. Russell
C. Sidford
M. Vandlikova
D. Vanwelkenhuyzen
M. Vercammen

Chairman

Legal Advisory Committee

A. Geivaerts
D. Berger
M. Beyens
R. Danielsson
E. de Lempdes
P. De Mena Pernil
H. Hinders
A. Ingman
J. Lasry
J. Ortman
G. Vandeputte
D. Vanwelkenhuyzen

Chairman

Management Committee

D. Vanwelkenhuyzen
A. Geivaerts
M. Laguna
M. Vercammen

Chairman

Auditors

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

Actuary

Deloitte Tax & Consulting
560, rue de Neudorf,
L-2220 Luxembourg
Grand-Duchy of Luxembourg
Represented by :
Mr. Thierry Flamand
Partner

Letter from the Chairman

Dear Members,

It is my pleasure to introduce to you the Annual Report 2013 of BlueRe m.a. Luxembourg. This is the associations' second year of existence. /

The entire Board of Directors welcomed your decision during the Members Meeting in October 2013 to elevate BlueRe's status to a higher level and start writing nuclear third party liability reinsurance for ELINI as from 1st January 2014. Although the BlueRe capacity offered will be rather limited during its first year of operations, we feel comfortable that the only way is up, and we are confident that BlueRe will start playing a significant role in the nuclear insurance market in the very near future.

We are still waiting for the ratification of the Revised Paris Convention, which is still under way but is likely to speed-up as soon as one pioneer country has kicked-off this ratification process. Meanwhile, we remain stand-by to increase BlueRe's capacity and keep on monitoring all related developments.

Total assets of our association slightly improved during 2013. Financial markets were not favorable to gain high yields, but our main goals remain capital preservation and beating the Euro area inflation with the first one being fully achieved and the latter just beneath the target. Also in 2014, these two principles will remain the main drivers for our investment policy.

Once again, I like to thank all the members for their support and give special thanks to my fellow board members as well as the management team for their work.
Looking forward to working with you in 2014, and beyond !



Michaël Plaschy
Chairman of the Board

Corporate Message

BlueRe is a mutual reinsurance association, founded in 2011 and headquartered in Luxembourg. All of the Members of the company are involved in the Nuclear sector. BlueRe focuses on the reinsurance of nuclear liability risks aiming to add genuine value to customers and brokers.

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

BlueRe provides TPL reinsurance services for nuclear power plants and other nuclear projects.

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.

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

The Board

There are currently eleven Board Members, including the Chairman, nine of them are representing the nuclear Members and two of them are members of the Management.

All of the Board Members are nominated by the General Meeting.

The Board meets four times a year and at other times as may be necessary, one of these meetings being held in Luxembourg.

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.

The first committee is the Management Committee .

In addition the Board has appointed three Advisory Committees. These Committees report to the Board at each of their Meetings. The terms of reference for the Finance and Investment Advisory Committee, the Legal Advisory Committee and the Reinsurance Advisory Committee, which are reviewed annually, have been agreed by the Members and the Board. The nomination of members within these Committees must be approved by the Board.

Corporate Governance Report

Board and Committee Papers

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

Annual General Meeting

The sections of the Articles of Association relating to the Annual General Meeting have been complied with.

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

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.

Risk Identification

The Management 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 and/or authorities.

Monitoring and Corrective Actions

The Company is producing a Corporate Governance Memorandum, which will provide practical guidance for all staff.

Report of the Board of Directors to be presented to the Annual General Meeting of 24th April 2014

Dear Member,

We are pleased to present for your approval the financial statements of BlueRe (“the Company”) for its second financial year ending on 31st December 2013.

The management of BlueRe 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.

BlueRe 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, and results of operations. The audit report is also included in the annual report.

Activity

The Company was incorporated in Luxembourg on June 17th, 2011 and published in the official journal Mémorial C Recueil des Sociétés et Assosiations under reference number 2284 on September 27th, 2011.

The agreement from Commissariat aux Assurance was published December 20th, 2011 by “Arrêté Ministériel”.

During the year 2013, BlueRe had still no re-insurance activity.

Earned contributions

No contributions were written during the Company's second year of activity.

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.

At December 31st, 2013 no provisions were made.

General expenses

The general expenses amount to € 35.296,57 and are the administrative expenses which are mainly due to premises costs on the one hand, and audit-, actuarial- and consultancy fees on the other hand.

All members have contributed for a total of € 210.000 in the administration fees during 2013.

The Board of Directors however agreed to refund a total of € 157.500 to the Members.

As a result, the "Other income" recorded in the profit and loss account amounts to EUR 52.500 only for the year 2013."

Investments

The total book value of the investments amounts to € 6.765.441.

The market value of the investments is € 6.767.125. The cash at the bank in other assets amounts to € 229.224.

The investment strategy at year end is 100% liquidities resulting in a net financial income of € 23.969 including the unrealised gains of € 1.684. No derivative products, such as equity, interest rate, credit, foreign exchange or commodity forwards, options or swaps, were bought.

Credit rating and duration classified by investment product as of December 31st, 2012.

<u>Euro</u>	<u>Credit ratings</u>	<u>Duration</u>
Money market funds	AAA rated fund	0,11 year
Deposits & Cash	A+	0,01 year

Country Allocation classified by investment product as of December 31st , 2012.

Money market funds:

GB 2,42% • NL 14,18% • AE 6,12% • BE 4,37% • CN 5,15% • LU 5,85% • FR 38,35% • AU 0,05% • DE 10,26% • US 4,21% • AT 4,24% • SE 2,56% • FI 2,26%

Result

The surplus before allocation and after taxes for the year 2013 amounts to € 17.909.

The Board of Directors proposes to the Annual General Meeting that the surplus will be retained and allocated to the profit brought forward and no distribution to members is proposed.

Guarantee Fund

As at December 31st, 2013 the subscribed capital is € 3.400.000 and the additional contributions of € 3.320.000 constitute together a fund of € 6.720.000.

The difference in subscribed capital and the additional contributions compared to the previous financial year, is the result of the AGM decision of 25th April 2013 to reallocate the amount of EUR 200.000 of the equivalent fund to the subscribed capital in order to align the subscribed capital with the new requirement in terms of minimum guarantee fund following the Règlement Grand-Ducal of 14th November 2012

Others

No research and development activities incurred.

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

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

BlueRe 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 BlueRe have occurred subsequently to year-end.

Based on the elements in our possession, BlueRe should continue a positive development in 2014.

Recommendations

We propose that you

- Approve the annual accounts as at December 31st 2013 as presented
- Grant discharge to the Directors of the Company in respect of their duties and functions for the year ended
- Appoint a statutory auditor



Michael Plaschy
Chairman of the Board of Directors
On behalf of the Board of Directors

REPORT OF THE REVISEUR D'ENTREPRISES AGRÉÉ

**To the Members of
BlueRe m.a.
Association d'Assurance Mutuelle
14, Syrdallstroos
L-6850 Manternach**

Report on the annual accounts

Following our appointment by the General Meeting of Members dated April 25, 2013, we have audited the accompanying annual accounts of BlueRe m.a., which comprise the balance sheet as at December 31, 2013 and the profit and loss account for the year then ended, and a summary of significant accounting policies and other explanatory information.

Responsibility of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation 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.

Responsibility of the réviseur d'entreprises agréé

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the annual accounts are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the *réviseur d'entreprises agréé*'s judgement, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the *réviseur d'entreprises agréé* considers internal control relevant to the entity's preparation and fair presentation of the annual accounts 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual accounts give a true and fair view of the financial position of BlueRe m.a. as of December 31, 2013, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

Report on other legal and regulatory requirements

The management report, which is the responsibility of the Board of Directors, is consistent with the annual accounts.

For Deloitte Audit, *Cabinet de révision agréé*

Jérôme Lecoq, *Réviseur d'entreprises agréé*
Partner

March 25, 2014

BlueRe m.a.
Association d'Assurance Mutuelle
BALANCE SHEET

As at December 31, 2013
 (in EUR)

Assets

	Note(s)	31.12.2013	31.12.2012
Investments	3.2., 4		
Other financial investments			
Shares and other variable-yield transferable securities and units in unit trusts		1.765.441,14	6.764.034,25
Deposits with credit institutions		5.000.000,00	0,00
		6.765.441,14	6.764.034,25
Debtors	3.3		
Other debtors		8.898,35	7.000,00
		8.898,35	7.000,00
Other assets			
Cash at bank and in hand		299.223,50	225.860,50
		299.223,50	225.860,50
Prepayments and accrued income			
Accrued interest and rent		11.135,03	0,00
		11.135,03	0,00
Total assets		7.084.698,02	6.996.894,75
		=====	=====

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

BlueRe m.a.
Association d'Assurance Mutuelle
BALANCE SHEET

As at December 31, 2013

(in EUR)

- continued -

Liabilities

	<u>Note(s)</u>	<u>31.12.2013</u>	<u>31.12.2012</u>
Capital and reserves	5		
Subscribed capital		3.400.000,00	3.200.000,00
Equivalent funds		3.320.000,00	3.520.000,00
Profit brought forward		35.060,40	0,00
Profit for the financial year / period		17.909,36	35.060,40
		6.772.969,76	6.755.060,40
Creditors	3.3., 6		
Other creditors, including tax and social security		134.478,26	222.084,35
		134.478,26	222.084,35
Accruals and deferred income	5	177.250,00	19.750,00
Total liabilities		7.084.698,02	6.996.894,75

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

BlueRe m.a.
 Association d'Assurance Mutuelle
PROFIT AND LOSS ACCOUNT
For the year ended December 31, 2013
 (in EUR)

TECHNICAL ACCOUNT - NON-LIFE INSURANCE BUSINESS

	Note(s)	31.12.2013	From June 17, 2011 to December 31, 2012
Allocated investment return transferred from the non-technical account	12	22.205,97	61.522,30
Net operating expenses :			
Administrative expences	10, 11	(35.296,57)	(194.196,70)
		-----	-----
		(35.296,57)	(194.196,70)
Balance on the technical account for non-life business		(13.090,60)	(132.674,40)

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

BlueRe m.a.
Association d'Assurance Mutuelle
PROFIT AND LOSS ACCOUNT

For the year ended December 31, 2013

(in EUR)
- continued -

NON-TECHNICAL ACCOUNT

	Note(s)	31.12.2013	From June 17, 2011 to December 31, 2012
Balance on the technical account for non-life insurance business		(13.090,60)	(132.674,40)
Investment income		23.969,45	61.522,30
Income from other investments	7	22.567,48	17.486,67
Gains on the realisation of investments		1.401,97	44.035,63
Investment charges		(1.763,48)	0,00
Investment management charges, including interest		(1.763,48)	0,00
Allocated investment return transferred to the non-life insurance technical account	12	(22.205,97)	(61.522,30)
Other income	5	52.500,00	210.000,00
Tax on profit on ordinary activities	8	(5.385,04)	(26.265,20)
Profit on ordinary activities after tax		33.574,36	51.060,40
Other taxes not shown under the preceding items	8	(15.665,00)	(16.000,00)
Result for the period		17.909,36	35.060,40
		=====	=====

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

**BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS**

As at December 31, 2013

NOTE 1 - GENERAL

BlueRe m.a. ("the Company"), was incorporated in Luxembourg as a "mutual association" on June 17, 2011 and is governed by the modified Law of December 6, 1991 on the insurance business as amended and the Grand-Ducal Regulation dated December 5, 2007 issued by the Commissariat aux Assurances.

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.

The Company has been authorized by the Minister on December 20, 2011. Nevertheless, the Company has not started to carry out reinsurance activities during the period from June 17, 2011 to December 31, 2013.

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.

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.

BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS

As at December 31, 2013

- continued -

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 and loss account.

3.2. Investments

Shares and other variable-yield transferable securities

Shares and other variable-yield transferable securities and units in unit trusts are valued at their acquisition costs. The incidental costs are expensed as incurred. Unrealized losses are recorded on the income statement 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.

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.

BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS

As at December 31, 2013

- continued -

3.4. Taxes

Taxes are accounted for on an accrual basis.

NOTE 4 - INVESTMENTS

The actual value of investments is as follows:

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
	<u>EUR</u>	<u>EUR</u>
Shares and other variable-yield transferable securities	1.767.124,69	6.764.251,07
Deposits with credit institutions	5.000.000,00	0,00
	-----	-----
	6.767.124,69	6.764.251,07

As at December 31, 2013, 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.

NOTE 5 - SUBSCRIBED CAPITAL AND EQUIVALENT FUNDS

The subscribed capital of the Company amounts to EUR 3.400.000 and has been contributed in 2011 for EUR 3.200.000 by 21 members.

At the Annual General Meeting of Members dated April 25, 2013, it was agreed to reallocate an amount of EUR 200.000 of the equivalent funds to the subscribed capital in order to align the subscribed capital of the Company with the actual requirements in terms of minimum guarantee fund following the Grand-Ducal Regulation of December 5, 2007 as amended.

BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS

As at December 31, 2013

- continued -

The equivalent funds amounting to EUR 3.320.000 consist in additional amounts which were contributed by its 21 members.

As at December 31, 2013, the subscribed capital and the equivalent funds can be split between the members as follows:

	Allocation as at December 31, 2013 EUR	Allocation as at December 31, 2012 EUR
AREVA	320.000,00	320.000,00
British Energy Limited	320.000,00	320.000,00
Bruce Power Inc.	320.000,00	320.000,00
CEZ a.s.	320.000,00	320.000,00
EDF S.A.	320.000,00	320.000,00
Electrabel S.A.	320.000,00	320.000,00
Endesa S.A.	320.000,00	320.000,00
E.ON Sverige AB	320.000,00	320.000,00
EPZ N.V.	320.000,00	320.000,00
Forsmarks Kraftgrupp AB	320.000,00	320.000,00
Fortum Power and Heat OY	320.000,00	320.000,00
KKW Gösgen Däniken AG	320.000,00	320.000,00
OKG Aktiebolag	320.000,00	320.000,00
Ontario Power Generation Inc.	320.000,00	320.000,00
Ringhals AB	320.000,00	320.000,00
SCK•CEN	320.000,00	320.000,00
Svensk Kärnbräns-lehantering AB	320.000,00	320.000,00
Slovenské Elektrárne a.s.	320.000,00	320.000,00
Studsvik AB	320.000,00	320.000,00
SVAFO AB	320.000,00	320.000,00
TVO	320.000,00	320.000,00
	-----	-----
	6.720.000,00	6.720.000,00
	=====	=====

BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS

As at December 31, 2013

- continued -

For the year ended December 31, 2013, each individual member has paid administration fees amounting to EUR 10.000,00 related to the administrative costs of the Company.

The Board of Directors of the Company held on March 25, 2014 has however proposed to refund a part of the contribution for administration fees paid in 2013. This refund amounts to EUR 7.500 for each member and has been accounted for under accruals and deferred income as at December 31, 2013 (EUR 157.500).

As a result, administration fees earned by the Company for the year ended December 31, 2013 amount to EUR 52.500 and have been accounted for in other income in the profit and loss account.

NOTE 6 - CREDITORS

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

NOTE 7 - INCOME FROM OTHER INVESTMENTS

For the year ended December 31, 2013, income from other investments mainly includes interest on deposits with credit institutions, amounting to EUR 22.552,15 (2012: nil).

NOTE 8 - 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.

BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS

As at December 31, 2013

- continued -

NOTE 9 - PERSONNEL EMPLOYED DURING THE PERIOD

For the year ended December 31, 2013, the Company did not employ any staff members (2012: nil).

**NOTE 10 - REMUNERATION GRANTED TO BOARD MEMBERS AND
COMMITMENTS ENTERED INTO IN RESPECT OF
RETIREMENT PENSIONS FOR FORMER BOARD MEMBERS**

The Company did not grant remuneration to members of its supervisory bodies for the services rendered during the year. Previous year nothing was granted either. The Company has no commitments in respect of retirement pensions for former members of those bodies as at December 31, 2013.

For the year ended December 31, 2013, the Company did not grant advances or credits to the members of its supervisory bodies.

NOTE 11 - 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:

	<u>2013</u> EUR	<u>2012</u> EUR
Annual audit fees (VAT excl.)	6.000,00	10.500,00
	-----	-----
	6.000,00	10.500,00
	=====	=====

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

For the year ended December 31, 2013, 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.

BlueRe m.a.
Association d'Assurance Mutuelle
NOTES TO THE ACCOUNTS

As at December 31, 2013

- continued -

NOTE 12 - 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.

NOTE 13 - OTHER REGULATORY REQUIREMENTS

At all times, the Company must have an adequate solvency margin to cover the requirements in respect of the Grand-Ducal regulation dated December 5, 2007, specifying the conditions governing authorisation and pursuit of reinsurance business in Luxembourg, as amended.

Following the prescribed calculation, the solvency margin requirements applicable to the Company at December 31, 2013 amount to EUR 3.400.000.

NOTE 14 - 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 annual accounts under Luxembourg legislation.

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BlueRe m.a.

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