



April 27, 2021

Report of Independent Auditors

To the Board of Directors of Alstead Reinsurance Ltd.

We have audited the accompanying condensed financial statements of Alstead Reinsurance Ltd. , which comprise the condensed balance sheets and condensed statements of capital and surplus as of December 31, 2020 and December 31, 2019, and the related condensed statements of income for the years then ended, and the related notes to the condensed financial statements.

Management's responsibility for the condensed financial statements

Management is responsible for the preparation and fair presentation of the condensed financial statements in accordance with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to condensed general purpose financial statements (the 'Legislation'). Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of condensed financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the condensed financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the condensed financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the condensed financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the condensed financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the condensed financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the condensed financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for adverse opinion on U.S. generally accepted accounting principles

As described in Note 3 of the condensed financial statements, the condensed financial statements are prepared by the Company on the basis of the financial reporting provisions of the Legislation, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the condensed financial statements of the variances between the regulatory basis of accounting described in Note 3 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.



Adverse opinion on U.S. generally accepted accounting principles

In our opinion, because of the significance of the matter discussed in the “Basis for adverse opinion on U.S. generally accepted accounting principles” paragraph, the condensed financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2020 and December 31, 2019, or the results of its operations or its cash flows for the years then ended.

Opinion on regulatory basis of accounting

In our opinion, the condensed financial statements referred to above present fairly, in all material respects, the financial position of Alstead Reinsurance Ltd. as of December 31, 2020 and December 31, 2019, and the results of its operations for the years then ended in accordance with the financial reporting provisions of the Legislation described in Note 3.

A handwritten signature in black ink that reads "PricewaterhouseCoopers Ltd." in a cursive script.

Chartered Professional Accountants

CONDENSED BALANCE SHEET

Aistead Reinsurance Ltd.

As at **December 31, 2020**

expressed in [000s] **United States Dollars**

LINE No.	2020	2019
1. CASH AND CASH EQUIVALENTS	105	68
2. QUOTED INVESTMENTS:		
(a) Bonds and Debentures		
i. Held to maturity		
ii. Other	4,442	4,410
(b) Total Bonds and Debentures	4,442	4,410
(c) Equities		
i. Common stocks		
ii. Preferred stocks		
iii. Mutual funds		
(d) Total equities	-	-
(e) Other quoted investments		
(f) Total quoted investments	4,442	4,410
3. UNQUOTED INVESTMENTS:		
(a) Bonds and Debentures		
i. Held to maturity		
ii. Other		
(b) Total Bonds and Debentures	-	-
(c) Equities		
i. Common stocks		
ii. Preferred stocks		
iii. Mutual funds		
(d) Total equities	-	-
(e) Other unquoted investments		
(f) Total unquoted investments	-	-
4. INVESTMENTS IN AND ADVANCES TO AFFILIATES		
(a) Unregulated entities that conduct ancillary services		
(b) Unregulated non-financial operating entities		
(c) Unregulated financial operating entities		
(d) Regulated non-insurance financial operating entities		
(e) Regulated insurance financial operating entities		
(f) Total investments in affiliates	-	-
(g) Advances to affiliates		
(h) Total investments in and advances to affiliates	-	-
5. INVESTMENTS IN MORTGAGE LOANS ON REAL ESTATE:		
(a) First liens		
(b) Other than first liens		
(c) Total investments in mortgage loans on real estate	-	-
6. POLICY LOANS		
7. REAL ESTATE:		
(a) Occupied by the company (less encumbrances)		
(b) Other properties (less encumbrances)		
(c) Total real estate	-	-
8. COLLATERAL LOANS		
9. INVESTMENT INCOME DUE AND ACCRUED	34	131
10. ACCOUNTS AND PREMIUMS RECEIVABLE:		
(a) In course of collection		
(b) Deferred - not yet due	-	210
(c) Receivables from retrocessional contracts		
(d) Total accounts and premiums receivable	-	210
11. REINSURANCE BALANCES RECEIVABLE:		
(a) Foreign affiliates		
(b) Domestic affiliates		
(c) Pools & associations		
(d) All other insurers		
(e) Total reinsurance balance receivable	-	-
12. FUNDS HELD BY CEDING REINSURERS	511	3,316
13. SUNDRY ASSETS:		
(a) Derivative instruments		
(b) Segregated accounts companies - long-term business - variable annuities		

CONDENSED BALANCE SHEET

Aistead Reinsurance Ltd.

As at

December 31, 2020

expressed in [000s]

United States Dollars

LINE No.		2020	2019
(c)	Segregated accounts companies - long-term business - other		
(d)	Segregated accounts companies - general business		
(e)	Deposit assets		
(f)	Deferred acquisition costs	64	141
(g)	Net receivables for investments sold		
(h)	Prepays	16	15
(i)	Other Sundry Assets (Specify)		
(j)	Other Sundry Assets (Specify)		
(k)	Total sundry assets	80	156
14.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS		
(a)	Letters of credit		
(b)	Guarantees		
(c)	Other instruments		
(e)	Total letters of credit, guarantees and other instruments	-	-
15.	TOTAL	5,172	8,291
	TOTAL INSURANCE RESERVES, OTHER LIABILITIES AND STATUTORY CAPITAL AND SURPLUS		
16.	UNEARNED PREMIUM RESERVE		
(a)	Gross unearned premium reserves	279	324
(b)	Less: Ceded unearned premium reserve		
	i. Foreign affiliates		
	ii. Domestic affiliates		
	iii. Pools & associations		
	iv. All other insurers		
(c)	Total ceded unearned premium reserve	-	-
(d)	Net unearned premium reserve	279	324
17.	LOSS AND LOSS EXPENSE PROVISIONS:		
(a)	Gross loss and loss expense provisions	281	477
(b)	Less : Reinsurance recoverable balance		
	i. Foreign affiliates		
	ii. Domestic affiliates		
	iii. Pools & associations		
	iv. All other reinsurers		
(c)	Total reinsurance recoverable balance	-	-
(d)	Net loss and loss expense provisions	281	477
18.	OTHER GENERAL BUSINESS INSURANCE RESERVES		
19.	TOTAL GENERAL BUSINESS INSURANCE RESERVES	560	801
	LONG-TERM BUSINESS INSURANCE RESERVES		
20.	RESERVE FOR REPORTED CLAIMS		
21.	RESERVE FOR UNREPORTED CLAIMS		
22.	POLICY RESERVES - LIFE		
23.	POLICY RESERVES - ACCIDENT AND HEALTH		
24.	POLICYHOLDERS' FUNDS ON DEPOSIT		
25.	LIABILITY FOR FUTURE POLICYHOLDERS' DIVIDENDS		
26.	OTHER LONG-TERM BUSINESS INSURANCE RESERVES		
27.	TOTAL LONG-TERM BUSINESS INSURANCE RESERVES		
(a)	Total Gross Long-Term Business Insurance Reserves	-	-
(b)	Less: Reinsurance recoverable balance on long-term business		
	(i) Foreign Affiliates		
	(ii) Domestic Affiliates		
	(iii) Pools and Associations		
	(iv) All Other Insurers		
(c)	Total Reinsurance Recoverable Balance	-	-
(d)	Total Net Long-Term Business Insurance Reserves	-	-
	OTHER LIABILITIES		

CONDENSED BALANCE SHEET

Alstead Reinsurance Ltd.

As at

December 31, 2020

expressed in ['000s]

United States Dollars

LINE No.		2020	2019
28.	INSURANCE AND REINSURANCE BALANCES PAYABLE	111	650
29.	COMMISSIONS, EXPENSES, FEES AND TAXES PAYABLE		
30.	LOANS AND NOTES PAYABLE		
31.	(a) INCOME TAXES PAYABLE		
	(b) DEFERRED INCOME TAXES		
32.	AMOUNTS DUE TO AFFILIATES	1	14
33.	ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	68	53
34.	FUNDS HELD UNDER REINSURANCE CONTRACTS:		
35.	DIVIDENDS PAYABLE		
36.	SUNDRY LIABILITIES:		
(a)	Derivative instruments		
(b)	Segregated accounts companies		
(c)	Deposit liabilities		
(d)	Net payable for investments purchased		
(e)	Other sundry liabilities (specify)		
(f)	Other sundry liabilities (specify)		
(g)	Other sundry liabilities (specify)		
(h)	Total sundry liabilities	-	-
37.	LETTERS OF CREDIT, GUARANTEES AND OTHER INSTRUMENTS:		
(a)	Letters of credit		
(b)	Guarantees		
(c)	Other instruments		
(d)	Total letters of credit, guarantees and other instruments	-	-
38.	TOTAL OTHER LIABILITIES	180	717
39.	TOTAL INSURANCE RESERVES AND OTHER LIABILITIES	740	1,518
	CAPITAL AND SURPLUS		
40.	TOTAL CAPITAL AND SURPLUS	4,432	6,773
41.	TOTAL	5,172	8,291
		TRUE	TRUE
		-	-

CONDENSED STATEMENT OF INCOME

Alstead Reinsurance Ltd.
As at December 31, 2020
expressed in ['000s] United States Dollars

LINE No.		2020	2019
	GENERAL BUSINESS UNDERWRITING INCOME		
1.	GROSS PREMIUMS WRITTEN		
	(a) Direct gross premiums written		
	(b) Assumed gross premiums written	461	853
	(c) Total gross premiums written	461	853
2.	REINSURANCE PREMIUMS CEDED		
3.	NET PREMIUMS WRITTEN	461	853
4.	INCREASE (DECREASE) IN UNEARNED PREMIUMS	32	3,350
5.	NET PREMIUMS EARNED	493	4,203
6.	OTHER INSURANCE INCOME		
7.	TOTAL GENERAL BUSINESS UNDERWRITING INCOME	493	4,203
	GENERAL BUSINESS UNDERWRITING EXPENSES		
8.	NET LOSSES INCURRED AND NET LOSS EXPENSES INCURRED	267	802
9.	COMMISSIONS AND BROKERAGE	231	1,832
10.	TOTAL GENERAL BUSINESS UNDERWRITING EXPENSES	498	2,634
11.	NET UNDERWRITING PROFIT (LOSS) - GENERAL BUSINESS	(5)	1,569
	LONG-TERM BUSINESS INCOME		
12.	GROSS PREMIUMS AND OTHER CONSIDERATIONS:		
	(a) Direct gross premiums and other considerations		
	(b) Assumed gross premiums and other considerations		
	(c) Total gross premiums and other considerations	-	-
13.	PREMIUMS CEDED		
14.	NET PREMIUMS AND OTHER CONSIDERATIONS:		
	(a) Life		
	(b) Annuities		
	(c) Accident and health		
	(d) Total net premiums and other considerations	-	-
15.	OTHER INSURANCE INCOME		
16.	TOTAL LONG-TERM BUSINESS INCOME	-	-
	LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES		
17.	CLAIMS - LIFE		
18.	POLICYHOLDERS' DIVIDENDS		
19.	SURRENDERS		
20.	MATURITIES		
21.	ANNUITIES		
22.	ACCIDENT AND HEALTH BENEFITS		
23.	COMMISSIONS		
24.	OTHER		
25.	TOTAL LONG-TERM BUSINESS DEDUCTIONS AND EXPENSES	-	-
26.	INCREASE (DECREASE) IN POLICY RESERVES (ACTUARIAL LIABILITIES):		
	(a) Life		

CONDENSED STATEMENT OF INCOME

Alstead Reinsurance Ltd.

As at **December 31, 2020**
expressed in ['000s] **United States Dollars**

LINE No.		2020	2019
	(b) Annuities		
	(c) Accident and health		
	(d) Total increase (decrease) in policy reserves	-	-
27.	TOTAL LONG-TERM BUSINESS EXPENSES	-	-
28.	NET UNDERWRITING PROFIT (LOSS) - LONG-TERM BUSINESS	-	-
29.	COMBINED NET UNDERWRITING RESULTS BEFORE THE UNDERNOTED ITEMS	(5)	1,569
	UNDERNOTED ITEMS		
30.	COMBINED OPERATING EXPENSE		
	(a) General and administration	207	155
	(b) Personnel cost		
	(c) Other		
	(d) Total combined operating expenses	207	155
31.	COMBINED INVESTMENT INCOME - NET	115	192
32.	COMBINED OTHER INCOME (DEDUCTIONS)	26	159
33.	COMBINED INCOME BEFORE TAXES	(71)	1,765
34.	COMBINED INCOME TAXES (IF APPLICABLE):		
	(a) Current		
	(b) Deferred		
	(c) Total	-	-
35.	COMBINED INCOME BEFORE REALIZED GAINS (LOSSES)	(71)	1,765
36.	COMBINED REALIZED GAINS (LOSSES)	-	
37.	COMBINED INTEREST CHARGES		
38.	NET INCOME	(71)	1,765

CONDENSED STATEMENT OF CAPITAL AND SURPLUS

Astead Reinsurance Ltd.

As at **December 31, 2020**
expressed in ['000s] **United States Dollars**

LINE No.		2020	2019
1.	CAPITAL:		
(a)	Capital Stock		
	(i) Common Shares	120	120
	authorized	120,000	
	value	\$ 1,000	
	fully paid	120,000	
		shares of par	
		each issued and	
		shares	
	(ii)		
	(A) Preferred shares:		
	authorized	400	
	value	\$ 1,000	
	fully paid	400	
		shares of par	
		each issued and	
		shares	
	aggregate liquidation value for –		
	2020	400	
	2019	200	
	(B) Preferred shares issued by a subsidiary:		
	authorized		
	value		
	fully paid		
		shares of par	
		each issued and	
		shares	
	aggregate liquidation value for –		
	2020		
	2019		
	(iii) Treasury Shares		
	repurchased		
	value		
		shares of par	
		each issued	
(b)	Contributed surplus	4,772	4,896
(c)	Any other fixed capital		
	(i) Hybrid capital instruments		
	(ii) Guarantees and others		
	(iii) Total any other fixed capital	-	-
(d)	Total Capital	4,892	5,016
2.	SURPLUS:		
(a)	Surplus - Beginning of Year	1,757	1,073
(b)	Add: Income for the year	(71)	1,765
(c)	Less: Dividends paid and payable	(2,223)	(1,022)
(d)	Add (Deduct) change in unrealized appreciation (depreciation) of investments	77	(59)
(e)	Add (Deduct) change in any other surplus		
(f)	Surplus - End of Year	(460)	1,757
3.	MINORITY INTEREST		
4.	TOTAL CAPITAL AND SURPLUS	4,432	6,773

NOTES TO CONDENSED GENERAL PURPOSE FINANCIAL STATEMENTS

ALSTEAD REINSURANCE LTD.

DECEMBER 31, 2020

(Expressed in thousands of U.S. Dollars)

Matters to set forth in a General Note to the Financial Statements

1. Alstead Reinsurance Ltd., (the “Insurer”) was incorporated under the laws of Bermuda on June 28, 2013 and is registered as a segregated accounts company under the Segregated Accounts Company Act 2000, as amended (the “SAC Act”). The Insurer is licensed as a Class 3A insurance company under the Bermuda Insurance Act 1978, amendments thereto and Related Regulations, (“the Act”). The Insurer is owned by Sirius Bermuda Insurance Company Ltd. (“SBDA”), and its ultimate owner is CM International Holding Pte. Ltd. (“CMIG International”). On April 18, 2016, CMIG International, through its Bermuda holding company, CM Bermuda Ltd., purchased Sirius International Insurance Group, Ltd. and its subsidiaries (including SBDA and the Insurer.) from White Mountains Insurance Group, Ltd (“WTM”).
2. The Company began writing accident and health reinsurance on a quota share basis from affiliated entities, effective October 1, 2015.

3. Significant accounting policies and basis of presentation

The condensed general purpose financial statements have been prepared in conformity with the financial reporting provisions of the Insurance Act 1978, amendments thereto and the Insurance Account Rules 2016 with respect to the condensed general purpose financial statements (the “Legislation”). The condensed general purpose financial statements are based upon accounting principles generally accepted in the United States of America (“US GAAP”) but are in accordance with the reporting requirements of the Legislation, which varies in certain respects from US GAAP. The more significant variances are as follows:

- A statement of cash flows is not included;
- A statement of comprehensive income is not included;
- The presentation and classification of financial statement line items is in accordance with Schedules IX and XI of the Insurance Account Rules 2016 and differ from the expected presentation and classification under US GAAP; and
- The notes included in the condensed general purpose financial statements have been prepared in accordance with Schedule X of the Insurance Account Rules 2016 and exclude certain required under US GAAP.

The presentation of the condensed financial statements in conformity with the Legislation requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements. The most significant item on the balance sheet that involves accounting estimates and actuarial determinants are reserves for losses and loss expenses. The recorded amounts of revenues and expenses during the reporting period are based on information currently available, and actual results could differ from these estimates. Management believes the amounts recorded are reasonable. The significant accounting policies are summarised as follows:

Premiums

Premiums are earned on a pro rata basis over the terms of the policies. Premiums applicable to future periods, if any, are deferred as unearned premium in the balance sheet.

Commissions

Commissions are deferred and amortized over the periods in which the related premiums are earned.

Losses and loss adjustment expenses

The liability for losses and loss adjustment expenses represents estimates of the ultimate cost of all losses incurred but not paid through to the balance sheet date. These estimates are continually reviewed and, as adjustments become necessary, such adjustments are reflected in current operations. Inherent in the estimates of losses are expected trends of frequency, severity and other factors that could vary significantly as claims are settled. Accordingly, ultimate losses could vary from the amounts provided in these financial statements. Any subsequent differences arising are recorded in the period in which they are determined.

Alstead Reinsurance Ltd.
Notes to the Condensed General Purpose Financial Statements
December 31, 2020

Funds withheld

Under the terms of the reinsurance agreements, the ceding reinsurer retains a portion of the net premiums to provide security against future loss payments. The funds withheld are generally invested by the ceding reinsurer and attract interest credits. Interest earned on funds withheld is recorded as other income.

Investments

Investments at December 31, 2020 consist of fixed maturity investments. The Insurer's portfolio of fixed maturity investments held for general investment purposes are classified as trading and are reported at fair value as of the balance sheet date. Changes in unrealized gains and losses are recorded as change in unrealized appreciation (depreciation) of investments as a separate component of statutory surplus.

Premiums and discounts on all fixed maturity investments are amortized and/or accreted over the anticipated life of the related investment. Interest income is recognized when earned in combined investment income - net on the Condensed Statement of Income. Realized gains and losses are included in combined realized gains (losses) on the Condensed Statement of Income and are derived using the specific identification method for determining the cost of investments sold.

Cash and cash equivalents

Cash and cash equivalents comprise of amounts held at banks.

4-5. See Note 3 above.

6. Translation of foreign currencies

The reporting and functional currency of the insurer is USD. Monetary assets and liabilities denominated in currencies other than the functional currency are revalued at period end rates of exchange, with resulting gains and losses included in income. Revenues and expenses denominated in foreign currencies are translated at average rates of exchange for the period. Gains and losses resulting from foreign currency transactions are recorded on line 32, combined other income/ (deductions).

7. There are no foreign exchange control restrictions affecting any of the Insurer's assets.

8-12. N/A

13. Fair Value of Investments

Fair value measurements are categorized into a hierarchy that distinguishes between inputs based on market data from independent sources ("observable inputs") and a reporting entity's internal assumptions based upon the best information available when external market data is limited or unavailable ("unobservable inputs"). Quoted prices in an active markets for identical assets or liabilities have the highest priority ("Level 1"), followed by observable inputs other than quoted prices, included prices for similar but not identical assets or liabilities ("Level 2") and unobservable inputs, including the reporting entity's estimates of the assumptions that market participants would use, having the lowest priority ("Level 3").

Alstead Reinsurance Ltd.
Notes to the Condensed General Purpose Financial Statements
December 31, 2020

The following tables summarize the Insurer's fair value measurements for investments as of December 31, 2020 by level.

	Quoted prices in active markets for identified assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Fixed maturity securities:				
Asset-backed securities	\$ —	\$ 3,977	\$ —	\$ 3,977
Short-term investments	465	—	—	465
	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 465	\$ 3,977	\$ —	\$ 4,442
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

14. The fair value amounts for fixed maturity securities held at December 31, 2020 are shown below by contractual maturity. Actual maturity may differ from contractual maturity because certain borrowers have the right to call or prepay certain obligations with or without call or prepayment penalties.

	<u>Fair Value</u>
Within one year	\$ 465
One to five years	—
Five to ten years	—
10+ years	<hr/> 3,977
	\$ 4,442
	<hr/> <hr/>

15. SBDA provides general management services to the Insurer. The Insurer incurred management fees of \$75 in 2020 (2019 - \$75). As of December 31, 2020, the Insurer owed \$nil to SBDA under this arrangement.

Sirius Investment Advisors ("SIA"), a Sirius Group company, provides investment advisory and management services to the Insurer under an Investment Advisory Services Agreement. The Insurer incurred \$4 of investment fees during 2020 (2019 -\$3) for services provided directly by SIA. As of December 31, 2020, the Insurer owed \$1 to SIA under this arrangement.

16-17. N/A

Matters to be set forth in Notes to the Statement of Capital and Surplus

1(a) Capital Stock

Authorized:	1,200,000 voting common shares of \$1 each
	400 preferred redeemable non-voting shares of \$1 each
Issued:	120,000 voting common shares of \$1 each \$120,000
	400 preferred redeemable non-voting shares of \$1 each \$400

Alstead Reinsurance Ltd.
Notes to the Condensed General Purpose Financial Statements
December 31, 2020

The Preference Shareholder, as an account owner of the Segregated Account, is entitled to receive, subject to and in accordance with the Subscription Agreement and provisions of Bermuda law, including without limitation the Insurance Act and the SAC Act, distributions out of the assets of the Segregated Account legally available therefor, only as declared by the Board (or the officers to whom the Board lawfully delegates such power) from time to time in accordance with the By-Laws, the Insurance Act, the SAC Act and the Subscription Agreement.

1(b) Contributed surplus

(i) Preferred Redeemable Shares

The Preference Shareholders contributed \$61 to the Insurer during 2020 (2019 - \$Nil).

The Insurer made capital distributions of \$185 during 2020 (2019 - \$Nil).

2(c) Dividends paid and payable

The Insurer paid dividends of \$2,223 in 2020 (2019 - \$1,022) to qualifying Preference Shareholders.

In 2020, the Insurer did not issue or redeem any shares.

Alstead Reinsurance Ltd.
Notes to the Condensed General Purpose Financial Statements
December 31, 2020

Matters to be set forth in Notes to the Balance Sheet

1. N/A
2. There is no encumbrances on quoted investments. See note 3 of the Matters to be set forth in a General Note to the Financial Statements for details of method of valuation.
- 3-8. N/A
9. Accrued investment income relates to interest due on investments and funds withheld.
10. Accounts and premiums receivable all relate to balances due from affiliates and are not collateralised.
11. N/A
12. Under the terms of the reinsurance agreements, the ceding reinsurers retain a portion of the net premiums to provide security against future loss payments. An amount of \$511 is due from affiliates.
13. Sundry assets relate to deferred acquisition costs (\$64) and prepaid general and administration expenses (\$16).
14. N/A
16. Unearned premium reserves represent the portion of premiums written that are applicable to future reinsurance coverage provided by policies in force, and are calculated on a pro-rata basis.
17. Loss and loss expense provisions
 - (a) The reconciliation of unpaid loss and loss expense provision for the year ended December 31, 2020 is as follows:

	2020	2019
Gross loss and loss expense provisions at beginning of period	477	4,570
Less: Reinsurance recoverable at beginning of year	-	-
Net loss and loss expense provisions at beginning of year	477	4,570
Net losses incurred and net loss expenses incurred related to:		
Current year	61	2,198
Prior years	206	(1,396)
Total net incurred losses and loss expenses	267	802
Net losses and loss expenses paid or payable related to:		
Current year	(14)	(2,112)
Prior years	(451)	(2,796)
Total losses and loss expenses paid or payable	(465)	(4,908)
Foreign exchange and other	2	13
Net loss and loss expense provisions at end of year	281	477
Add: Reinsurance recoverable at end of year	-	-
Gross loss and loss expense provisions at end of year	281	477

(b) N/A

Alstead Reinsurance Ltd.
Notes to the Condensed General Purpose Financial Statements
December 31, 2020

(c) In 2020, there were \$511 funds held by ceding reinsurers as collateral against liabilities. The amount of the gross loss and loss expense provision which is unsecured is \$Nil.

20-27. N/A

28. The reinsurance balance due to affiliates in 2020 was \$1.

29-31. N/A

32. Amounts due to affiliates are non-collateralised, payable on demand, and non- interest bearing.

33. Accounts payable and accrued liabilities relate to audit fees.

34-37. N/A

Matters to be set forth in Notes to the Statement of Income

6. N/A

15. N/A

32. Other deductions relate to the net unrealized losses on the translation of foreign currencies

36. N/A