

Massy United Insurance Aruba N.V.

Financial Statements as per December 31, 2021

Registered in the Trade Register of the Chamber of Commerce and Industry of Aruba under number, 36894.0. A member of Massy United Insurance Ltd. with agents and offices, throughout the Caribbean.

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The logo for Ernst & Young, featuring the company name in a bold, blue, sans-serif font. Below the name, the words "FOR IDENTIFICATION" and "PURPOSES ONLY" are written in a smaller, blue, sans-serif font. To the right of the text is a stylized blue graphic element consisting of several overlapping, curved lines that form a shape reminiscent of a globe or a network.

Massy United Insurance Aruba N.V.

Index to the Financial Statements

For the year ended December 31, 2021

	Page
Corporate Information	3
Management Report	4
Balance Sheet	6
Statement of Income	7
Statement of Cash Flow	8
Notes to the Financial Statements	9
Notes to the Balance Sheet	14
Notes to the Statement of Income	17
Other Information	20

Registered in the Trade Register of the Chamber of Commerce and Industry of Aruba under number, 36894.0. A member of Massy United Insurance Ltd. with agents and offices, throughout the Caribbean.

Massy United Insurance Aruba N.V.

Corporate Information

Director: A. Nemecek

Members of Supervisory Board: M.R. Sommerville

H.M. Koolman

M.G.M. Schwengle (as per December 8th, 2021)

Massy United Insurance Aruba N.V.

Management Report

It is our pleasure to present you the management report of 2021. This report highlights achievements in 2021 including the financial condition of the company.

Achievements

The gross premium for 2021 increased across all classes of insurance. The change per class is as follows:

Accident & Health	299%
Property & Fire	13%
Motor Vehicle	15%
Marine Transport & Aviation	68%

Accident & Health increased significantly, mostly due to the Company's participation in the Aruba Visitors Insurance program. This was a request from the Government of Aruba to all local medical insurance companies to cover local medical expenses for tourists infected with Covid-19 in order to avoid unpaid local bills (primarily at the hospital). This was a very difficult request, as the pandemic had just started with additional waves expected, yet no loss data was available to assess the risks involved. Some companies declined participation. Our company did participate, however with over 85% of our participation reinsured through a facultative reinsurer abroad. With sufficient loss data in hand, the reinsurance was canceled per July 1st, 2021.

Property & Fire has increased in part due to increasing rates, particularly on the very large commercial accounts, and the addition of a few large corporate accounts. The motor segment continues to increase, particularly in the Third-Party Liability segment. The Marine segment has increased mainly due to the resumption of business in the tourism sector.

Operating expenses amounted to AWG. 10,568,503. The increase is in large part due to increase in commissions, fees and taxes associated with the increase in premium. The resulting operating profit before taxes for 2021 is AWG. 339,779.

Regulatory requirements

Technical provisions

The technical provisions as at December 31, 2021 is appropriated in accordance to section 13 of the Legislation of Insurance Companies, which states that the insurer shall maintain adequate technical provisions, which are fully covered by admissible assets.

Solvency requirements

Massy United Insurance Aruba N.V. complies with the solvency requirements as at December 31, 2021 according to section 14 of the Legislation of Insurance Companies.

The 40 - 60 % Investment Rule

In our opinion this rule is irrelevant to the company, as the company has no investments abroad.

Financial Statements

Massy United Insurance Aruba N.V.

Balance Sheet

For the year ended December 31, 2021 before profit appropriation

	Notes	2021 AWG.	2020 AWG.
ASSETS			
Investments			
Term deposits	1	3,500,000	3,500,000
		<u>3,500,000</u>	<u>3,500,000</u>
Receivables			
Due from related parties	2	390,641	390,641
Accounts Receivable	3	4,602,310	4,542,024
Technical provision ceded to reinsurers	4	11,929,721	8,798,175
		<u>16,922,672</u>	<u>13,730,840</u>
Other Assets			
Prepaid expenses & other receivables	5	2,148,100	569,708
Cash & cash equivalents	6	13,108,328	5,214,443
		<u>15,256,428</u>	<u>5,784,151</u>
Total assets		<u>35,679,100</u>	<u>23,014,991</u>
EQUITY AND LIABILITIES			
Shareholder's equity			
Share Capital	7	200,000	200,000
Additional paid-in capital	8	5,500,000	3,500,000
Accumulated surplus		722,051	553,977
Result for the year		256,454	168,074
	9	<u>6,678,505</u>	<u>4,422,051</u>
Liabilities			
Technical Provision			
Unearned premium reserve	10	9,118,985	6,736,175
Claims reserve	10	2,810,736	2,062,000
		<u>11,929,721</u>	<u>8,798,175</u>
Other Liabilities			
Due to related parties	11	11,491,597	7,715,735
Other liabilities	12	5,579,277	2,079,030
		<u>17,070,874</u>	<u>9,794,765</u>
Total liabilities and shareholder's equity		<u>35,679,100</u>	<u>23,014,991</u>

The accompanying notes form part of the financial statements

Massy United Insurance Aruba N.V.

Statement of Income

For the year ended December 31, 2021

	Notes	2021 AWG.	2020 AWG.
Income			
Gross premiums	13	38,750,929	26,365,995
Facultative reinsurance	14	<u>(14,792,050)</u>	<u>(12,028,523)</u>
		23,958,879	14,337,472
Change in provision for unearned gross premium	15	(2,382,809)	247,829
Change in provision for reinsurer's share of unearned	16	<u>(1,156,528)</u>	<u>499,635</u>
Change in provision for unearned net premium	17	(1,226,281)	(251,806)
Earned premium	18	22,732,598	14,085,666
Gross losses Incurred	19	<u>(5,367,925)</u>	<u>(3,545,811)</u>
		17,364,673	10,539,855
Technical result for reinsurers	20	(17,364,673)	(10,539,855)
Reinsurance commission	21	9,788,867	5,018,115
Other income	22	1,029,483	799,051
Investment income	23	<u>89,932</u>	<u>69,888</u>
Total Income		10,908,282	5,887,054
Operating Expenses			
Fees and commission	24	6,762,732	4,275,260
General and administrative expenses	25	3,680,206	1,291,240
Professional and regulatory fees	26	<u>125,565</u>	<u>99,480</u>
Total Expenses		10,568,503	5,665,980
Result for the year before tax		339,779	221,074
Income tax	27	<u>(83,325)</u>	<u>(53,000)</u>
Result for the year after tax		256,454	168,074

The accompanying notes form part of the financial statements

Massy United Insurance Aruba N.V.**Statement of Cash Flow**

For the year ended December 31, 2021

	2021	2020
	AWG.	AWG.
Cash flows from operating activities		
Net result for the year	256,454	168,074
Adjustments to reconcile net result to net cash provided by operating activities:		
Operating income before working capital changes	-	-
Changes in operating assets and liabilities:		
(Increase) in prepaid expenses and other receivables	(4,770,224)	(505,486)
Increase in due to related parties	3,775,862	1,051,265
Increase / (decrease) in other liabilities	6,631,793	1,012,110
	<u>5,637,431</u>	<u>1,557,889</u>
Cash flows provided by operating activities	5,893,885	1,725,963
Cash flows from investing activities:		
(Increase) in long term deposits	-	-
Cash flows provided by investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities:		
Increase in paid-in capital	2,000,000	1,200,000
Cash flows provided by financing activities	<u>2,000,000</u>	<u>1,200,000</u>
Net change in cash and cash equivalents	7,893,885	2,925,963
Cash and cash equivalents at the beginning of the year	5,214,443	2,288,480
Cash and cash equivalents at the end of the year	<u>13,108,328</u>	<u>5,214,443</u>

Massy United Insurance Aruba N.V.

Notes to the Financial Statements

For the year ended December 31, 2021

GENERAL INFORMATION

Massy United Insurance Aruba N.V. (the 'Company') was established on December 14, 2007. The Company is a 100% subsidiary of Massy United Insurance Limited of Barbados. The name of the Company was changed from United Insurance Company N.V. to Massy United Insurance Aruba N.V. in May 2015.

Solvency

In order to meet obligations to policyholders at all times, the insurance companies must have additional guarantees in place, in addition to the existing technical provisions.

The minimum amount of the guarantee is translated into a so-called solvency margin, which is determined and monitored by the Central Bank of Aruba (CBA). The CBA is the supervisor of the insurance sector.

The Company constantly strives to maintain a solvency margin that is higher than what the CBA has set as standard. The CBA requires a solvency amount of 15% of the previous year's gross premium with a minimum of AWG. 300,000.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the Netherlands (Dutch GAAP).

The preparation of the financial statements in conformity with Dutch GAAP requires the use of estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current event and actions, actual results ultimately may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the summary of significant accounting policies.

Basis of presentation of the financial statements

The financial statements have been prepared under the historical cost convention.

Massy United Insurance Aruba N.V.

Notes to the Financial Statement (Continued)

For the year ended December 31, 2021

Foreign currency transactions

The functional and presentation currency of the Company is the Aruban Florins ("AWG."). Transactions in foreign currencies are translated into the functional currency at the exchange rate ruling at the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rate of exchange ruling at the balance sheet date. All resulting differences are taken into the statement of income.

Long-term deposits

Time deposits with fixed or determinable payments and fixed maturity dates that the Company has the positive intent and ability to hold to maturity are classified as long term deposits. Long term deposits are initially recorded at nominal value. After initial measurement long term deposits are measured at amortized cost using the effective interest method. Gains and losses are recognized in the statement of income when the deposits are derecognized or impaired, as well as through the amortization process.

Furniture and equipment

Furniture and equipment are stated at cost less accumulated depreciation and any impairment in value. The initial cost of property, plant and equipment consists of its purchase price, import duties, taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Receivables

Receivables are recognized and carried at original invoice amount less a provision for any uncollectible amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Related parties

The Company had transactions or balances with its shareholder Massy United Insurance Limited in Barbados and with Unirisk N.V. (Aruba). Unlike the relationship with Massy United Insurance Limited, there is no (direct or indirect) shareholder's interest between the Company and Unirisk N.V. The relationship between the Company and Unirisk N.V. is exclusively based on commercial interests.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprises of cash at bank and short-term deposits with a maturity equal to or less than 12 months after balance sheet date.

Acquisition costs

Acquisition costs are recognized directly in the Statement of Income.

Massy United Insurance Aruba N.V.

Notes to the Financial Statement (Continued)

For the year ended December 31, 2021

Other assets and liabilities

Unless stated otherwise, all assets and liabilities are valued at their face value.

Technical provision

Written premiums are reflected in the financial statements evenly over the terms of the insurance policies. Unearned premiums represent the unearned portion of the net premiums written on the policies in force at the end of the year. Unearned premiums are calculated based on the 24th method.

Outstanding claims consist of estimates of the ultimate cost of settling claims in respect of notified incidents that have occurred up to the balance sheet date, as well as estimates for claims that have been incurred but not reported at that date. Estimates, net of insurance recoveries are calculated using methods and assumptions considered to be appropriate to the circumstances of the branch and the business undertaken. The provision, while believed to be adequate to cover the ultimate cost of losses incurred, may ultimately be settled for a different amount. It is continually reviewed and any adjustments are recovered in operations in the period in which they are determined.

Income and Expenses

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received.

Expenses are charged to the statement of income taking into consideration the before mentioned accounting principles and in the period in which the related revenues are recognized. Losses expected on the balance sheet are accounted for in the current financial year. Depreciation on fixed assets is accounted for and charged to the statement of income from the moment the investments are used.

Profit tax

Profit tax is calculated on the basis of the reported profit, taking into consideration tax facilities.

Cashflow Statement

The cashflow statement is compiled according to the indirect method. The cashflow statement gives details of the source of cash, which became available during the year and the use to which these funds were applied. Sources and application of cash are categorized into the activities they are related to.

Massy United Insurance Aruba N.V.

Notes to the Financial Statement (Continued)

For the year ended December 31, 2021

Insurance risk

The Company principally issues the following types of non-life insurance contracts: accident & health, property, motor and marine insurance. For non-life insurance contracts, the most significant risks arise from accidents and natural disasters.

The objective of the Company is to ensure that sufficient reserves are available to cover the liabilities associated with the insurance contracts that it issues. The risks are managed by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance held arrangements. Furthermore, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are established to reduce the risk exposure of the Company. The Company further enforces a policy of actively managing and promptly settling claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities and pricing appropriately.

The Company purchases reinsurance as part of its risk mitigation programme. Reinsurance held is usually placed on a proportional basis. Proportional reinsurance is quota-share reinsurance which is taken out to reduce the overall exposure of the Company in all segments. Amounts recoverable from reinsurers are estimated in a manner consistent with the underlying insurance contract liabilities and in accordance with the reinsurance contracts. Although the Company has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to reinsurance held, to the extent that any reinsurer is unable to meet its obligations. This risk is mitigated by using only a select number of highly rated and reputable reinsurance companies.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with insurance liabilities that are settled by delivering cash or another financial asset. In respect of catastrophic events, there is also a liquidity risk associated with the timing differences between gross cash outflows and expected reinsurance recoveries. The Company maintains a portfolio of highly liquid financial assets in the event of an unforeseeable interruption of cash flow.

Credit risk

Credit risk relating to financial instruments is monitored by the Company. It is the Company's policy to invest in local high-quality financial instruments with a low risk of default. The credit risk in respect of customer balances incurred on non-payment of premiums will only persist during the grace period specified in the policy document.

Massy United Insurance Aruba N.V.

Notes to the Financial Statement (Continued)

For the year ended December 31, 2021

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument, insurance contract assets and/or liabilities will fluctuate because of changes in foreign exchange rates. The Company's principal transactions are carried out in Aruban florins and its exposure to foreign exchange risk arises primarily with respect to the US dollar which is pegged to the Aruban florins. The Company's currency risk is minimal.

Massy United Insurance Aruba N.V.

Notes to the Balance Sheet

For the year ended December 31, 2021

	2021	2020
	AWG.	AWG.
1 Investments		
<i>Time Deposits (by maturity)</i>		
<i>Short term Deposits (< 1 year)</i>		
RBC 1 year - Jul 2021	-	1,000,000
BdC 5 years - May 2022	200,000	-
	<u>200,000</u>	<u>1,000,000</u>
<i>Long term Deposits (> 1 year)</i>		
BdC 5 years - May 2022	-	200,000
RBC 5 years - Oct 2023 Pledged to CBA	300,000	300,000
CIBC 5 years - May 2024	1,000,000	1,000,000
RBC 5 years - Jun 2025	1,000,000	1,000,000
CIBC 5 years - Sep 2026	1,000,000	-
	<u>3,300,000</u>	<u>2,500,000</u>
	<u><u>3,500,000</u></u>	<u><u>3,500,000</u></u>
2 Due from related parties		
<i>Unirisk Aruba</i>		
<i>Opening balance</i>	390,641	390,641
	<u>390,641</u>	<u>390,641</u>
3 Accounts Receivable		
Cash brokers & direct	261,330	364,407
Current account brokers	4,340,980	4,177,617
	<u>4,602,310</u>	<u>4,542,024</u>
4 Technical provision (ceded to reinsurers)		
Provision for unearned premium ceded to Massy United Insurance Ltd.	6,239,478	5,013,195
Claims provision ceded to Massy United Insurance Ltd.	2,294,996	1,439,012
	<u>8,534,474</u>	<u>6,452,207</u>
Provision for unearned premium ceded to other reinsurers	2,879,507	1,722,980
Claims provision ceded to other reinsurers	515,740	622,988
	<u>3,395,247</u>	<u>2,345,968</u>
	<u><u>11,929,721</u></u>	<u><u>8,798,175</u></u>

Massy United Insurance Aruba N.V.

Notes to the Balance Sheet (continued)

For the year ended December 31, 2021

	<u>2021</u> <u>AWG.</u>	<u>2020</u> <u>AWG.</u>
5 Prepaid expenses and other receivables		
Profit tax return	24,643	24,643
Accrued interest	18,000	18,000
Other receivables	2,105,457	527,065
	<u>2,148,100</u>	<u>569,708</u>
6 Cash and cash equivalents		
Banco di Caribe N.V. (AWG. Account)	3,037,211	2,031,939
Banco di Caribe N.V. (USD. Account)	5,260,845	1,260,389
RBC Aruba N.V.	4,677,752	1,712,653
CIBC FirstCaribbean	122,860	198,536
Cash	531	750
Clearance Deposit	7,922	3,514
Suspense Account	1,207	6,662
	<u>13,108,328</u>	<u>5,214,443</u>

7 Share capital

The authorized capital of the company is one million aruban florins (AWG.1,000,000) consisting of one thousand (1,000) shares of one thousand aruban florins (AWG.1,000) each. At December 14, 2007 there were two hundred (200) shares issued and fully paid.

8 Additional paid-in capital

In a shareholder's meeting dated December 30th, 2021, Massy United Insurance Ltd., the parent company, has taken the decision to convert AWG. 2,000,000 of reinsurance premium owed by Massy United Insurance Aruba N.V. into equity. This will significantly strengthen Massy United Insurance Aruba N.V.'s equity position and solvency margin.

9 Equity schedule

Balance as per January 1st	4,422,051	3,053,977
Changes in Share Capital	-	-
Changes in Paid-in Capital	2,000,000	1,200,000
Result for the current year	256,454	168,074
Dividend payments	-	-
	<u>6,678,505</u>	<u>4,422,051</u>

Massy United Insurance Aruba N.V.

Notes to the Balance Sheet (continued)

For the year ended December 31, 2021

	<u>2021</u> <u>AWG.</u>	<u>2020</u> <u>AWG.</u>
10 Technical provision		
Provision for unearned premium ceded to Massy United Insurance Ltd.	6,239,478	5,013,195
Claims provision ceded to Massy United Insurance Ltd.	<u>2,294,996</u>	<u>1,439,012</u>
	<u>8,534,474</u>	<u>6,452,207</u>
Provision for unearned premium ceded to other reinsurer's	2,879,507	1,722,980
Claims provision ceded to to other reinsurer's	<u>515,740</u>	<u>622,988</u>
	<u>3,395,247</u>	<u>2,345,968</u>
	<u>11,929,721</u>	<u>8,798,175</u>

Claims Development Table

Year of Loss	Claims Provision Prior Year	Claims Paid Current Year	Claims Provision Current Year	Redemption Result
2017 & prior	121,950	(86,096)	69,013	33,159
2018	467,410	(37,573)	470,853	41,016
2019	298,067	(52,438)	176,432	(69,197)
2020	1,079,574	(1,786,136)	707,529	1,414,090
2021	-	(4,350,267)	1,296,911	5,647,177
	<u>1,967,001</u>	<u>(6,312,509)</u>	<u>2,720,737</u>	<u>7,066,245</u>

11 Due to related parties

Massy United Insurance Ltd. (Barbados)	<u>11,491,597</u>	<u>7,715,735</u>
	11,491,597	7,715,735

Massy United Insurance Ltd., is the main reinsurer for Massy United Insurance Aruba N.V. Amounts due are for reinsurance premiums owed less reinsurance commissions earned and reimbursement for claims paid.

12 Other liabilities

<u>Claim payments</u>	253,303	50,930
<u>Accounts payable</u>	1,481,272	591,306
<u>Other payables</u>		
Accounting and audit fees	55,000	50,000
Road service	47,815	34,035
Service fees	1,858,544	615,928
Profit taxes	85,782	55,457
BBO / BAZV taxes	1,797,561	673,673
Other payables	-	7,701
	<u>5,579,277</u>	<u>2,079,030</u>

Massy United Insurance Aruba N.V.

Notes to the Statement of Income

For the year ended December 31, 2021

	<u>2021</u> <u>AWG.</u>	<u>2020</u> <u>AWG.</u>
13 Gross premium		
Accident & Health	24,744,880	14,629,638
Property & Fire	6,578,630	5,506,273
Motor Vehicle	6,575,262	5,723,749
Marine Transport & Aviation	852,157	506,335
	<u>38,750,929</u>	<u>26,365,995</u>
14 Facultative reinsurance ceded		
Accident & Health	(11,722,788)	(9,471,233)
Property & Fire	(2,981,660)	(2,498,422)
Motor Vehicle	-	-
Marine Transport & Aviation	(87,602)	(58,869)
	<u>(14,792,050)</u>	<u>(12,028,523)</u>
15 Change in provision for unearned gross premium		
Accident & Health	(1,329,761)	383,106
Property & Fire	(305,881)	33,731
Motor Vehicle	(515,535)	(305,771)
Marine Transport & Aviation	(231,632)	136,763
	<u>(2,382,809)</u>	<u>247,829</u>
16 Change in provision for reinsurer's share of unearned gross premium		
Accident & Health	(863,015)	267,998
Property & Fire	(280,495)	200,244
Motor Vehicle	-	-
Marine Transport & Aviation	(13,018)	31,394
	<u>(1,156,528)</u>	<u>499,635</u>
17 Change in provision for unearned net premium		
Accident & Health	(466,746)	115,108
Property & Fire	(25,386)	(166,512)
Motor Vehicle	(515,535)	(305,771)
Marine Transport & Aviation	(218,614)	105,370
	<u>(1,226,281)</u>	<u>(251,806)</u>
18 Earned premium		
Accident & Health	12,555,346	5,273,513
Property & Fire	3,571,584	2,841,339
Motor Vehicle	6,059,727	5,417,978
Marine Transport & Aviation	545,941	552,836
	<u>22,732,598</u>	<u>14,085,667</u>

Massy United Insurance Aruba N.V.

Notes to the Statement of Income (continued)

For the year ended December 31, 2021

	<u>2021</u> <u>AWG.</u>	<u>2020</u> <u>AWG.</u>
19 Gross losses incurred		
Gross Claims Paid		
Accident & Health	(3,312,061)	(1,867,424)
Property & Fire	(314,049)	(417,412)
Motor Vehicle	(2,100,634)	(1,822,940)
Marine Transport & Aviation	(585,765)	3,330
	<u>(6,312,510)</u>	<u>(4,104,447)</u>
Change in claims provision		
Accident & Health	270,944	(58,441)
Property & Fire	(47,674)	576,176
Motor Vehicle	458,296	(23,697)
Marine Transport & Aviation	72,170	16,500
	<u>753,736</u>	<u>510,538</u>
Net reinsurance claim recoveries		
Accident & Health	12,582	119,987
Property & Fire	102,518	181,751
Motor Vehicle	-	-
Marine Transport & Aviation	-	-
	<u>115,100</u>	<u>301,738</u>
Change in outstanding recoveries		
Accident & Health	(19,441)	77,685
Property & Fire	95,190	(331,325)
Motor Vehicle	-	-
Marine Transport & Aviation	-	-
	<u>75,749</u>	<u>(253,640)</u>
	<u>(5,367,925)</u>	<u>(3,545,811)</u>
20 Technical result for reinsurers		
Premiums ceded to reinsurers	38,750,929	26,365,995
Facultative reinsurance premium	(14,792,050)	(12,028,523)
Change in provision for unearned premium ceded to reinsurers	(1,226,281)	(251,806)
Earned gross premium ceded to reinsurers	22,732,598	14,085,666
Claims ceded to reinsurers	(6,197,410)	(3,802,709)
Change in claims reserves ceded to reinsurers	829,485	256,898
	<u>17,364,673</u>	<u>10,539,855</u>
21 Reinsurance commission		
Accident & Health	5,960,991	1,805,442
Property & Fire	1,258,940	1,052,748
Motor Vehicle	2,301,342	2,003,312
Marine Transport & Aviation	267,594	156,613
	<u>9,788,867</u>	<u>5,018,115</u>

Massy United Insurance Aruba N.V.

Notes to the Statement of Income (continued)

For the year ended December 31, 2021

22 Other income

Other income is BBO, BAVP and BAZV of 6% on insurance premium charged to clients as of July 1st, 2018. The third-party liability on motor insurance ("WA") is still exempt from these taxes.

23 Investment income

The investment income comprises of interest income on the time deposits.

24 Fees and commission

Commission to brokers	3,187,722	2,202,647
Service fee	3,575,010	2,072,613
	<u>6,762,732</u>	<u>4,275,260</u>

25 General and administrative expenses

Contributions	321,747	234,605
Bank fees	78,330	84,987
Office expenses	11,994	17,531
BBO / BAZV taxes	1,514,510	903,014
Logistical Expenses	1,734,808	-
Write-off/Provision bad debt	18,817	51,103
	<u>3,680,206</u>	<u>1,291,240</u>

26 Professional and regulatory fees

Accounting and audit fees	87,080	57,564
Professional fees	7,642	3,696
Tax advisors	14,143	12,412
Supervision charges CBA	5,000	5,000
Board expenses	11,700	20,808
	<u>125,565</u>	<u>99,480</u>

27 Profit Tax

For the year ended December 31, 2021, the Company had a profit tax recorded of AWG. 83,325 (in 2020: AWG. 53,000). The effective tax rate for 2021 is slightly lower than the actual tax rate of 25%. The tax authorities are temporarily allowing certain costs to be expensed twice as an incentive to increase economic activity.

Events after balance sheet date

In May 2022, the Coralisle Group acquired 100% of the outstanding shares of Massy United Insurance Ltd., the parent company of Massy United Insurance Aruba N.V. The Coralisle Group ("CG") is a Bermuda based insurance company operating primarily in the northern Caribbean islands. The acquisition was approved by regulators in all relevant territories, including the CBA for Aruba.

Massy United Insurance Aruba N.V.

Other Information

For the year ended December 31, 2021

Articles of incorporation provisions governing result appropriation

Result of the year is appropriated in accordance with Article 27 of the Articles of Association, which states that the profit shall be entirely at the disposal of the General Meeting of Shareholders, after reservations necessary for the continuity and/or expansion have sufficiently been taken into account.

Proposed appropriation of 2021 result

The 2021 result of AWG. 256,454 will be appropriated to the accumulated surplus as presented in the Shareholder's Equity.