



PRIVATE LIFE INSURANCE GUARANTEE FUND

**Private Life Insurance Guarantee Fund
Legal Entity in Private Law
Law 3867/2010 (Government Gazette A 128/3.8.2010)**

**Annual Report
2021**

May 2022



MANAGEMENT COMMITTEE

Kontovazainitis Theodoros	Chairman*
Apostolou Ilias	Vice - Chairman
Kougioumoutzis Konstantinos	Member
Mamoulakis Georgios	Member
Alberto Berti	Member

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*Appointed based on the Bank of Greece Governor's Act in replacement of the outgoing Chairman, Mr. Vaios Karagiannis.



List of the Register of Member–Insurance Undertakings participating in the Private Life Insurance Guarantee Fund as at 31.12.2021

I. INSURANCE COMPANIES REGISTERED IN GREECE	
1	ALLIANZ HELLAS SA
2	ALPHALIFE SA
3	ATLANTIC UNION SA
4	GENERALI HELLAS I INSURANCE COMPANY SA ****
5	ETHNIKI HELLENIC GENERAL INSURANCE CO. SA
6	EUROLIFE FFH LIFE INS. CO. SA
7	CREDIT AGRICOLE SA
8	INSURANCE MINETTA
9	EUROPEAN RELIANCE GENERAL INSURANCE COMPANY SA
10	GENERALI HELLAS INSURANCE COMPANY SA
11	GROUPAMA PHOENIX SA
12	NN HELLAS SINGLE MEMBER SA
13	INTERAMERICAN HELLENIC LIFE INS.CO.SA
14	INTERSALONICA SA
15	CNP ZOIS S.M. SA
16	HORIZON INSURANCE COMPANY LTD
17	SYNETERISTIKI INSURANCE COMPANY INC
18	ERGO INSURANCE COMPANY SINGLE MEMBER SA
19	METLIFE LIFE INSURANCE SA***
II. INSURANCE COMPANIES ACTIVE IN GREECE UNDER THE FREEDOM OF SERVICES	
20	METLIFE EUROPE LTD*
21	THE ONE LIFE COMPANY S.A.*
22	PRUDENTIAL INTERNATIONAL ASSURANCE PLC
23	CNP CYPRIALIFE LTD
24	UNIQA OSTERREICH VERSICHERUNGEN AG
25	SWISS LIFE LUXEMBURG SA
26	CARDIF LUX VIE
27	RED SANDS LIFE ASSURANCE COMPANY LTD
28	UTMOST PANEUROPE DESIGNATED ACTIVITY COMPANY
29	REALE MUTUA SOCIETA **
30	ANCORIA INSURANCE PUBLIC LIMITED**
III. BRANCHES OF INSURANCE COMPANIES OF EU AND EEA COUNTRIES IN GREECE	
31	ALLIANZ GLOBAL LIFE DESIGNATED ACTIVITY COMPANY
32	EUROLIFE Limited. -CYRPUS LIFE*

Notes: * Companies that based on their disclosed documents did not present written premiums for the year 2021.

**New member, joined in December 2021.

*** Change of trade name from February 2022 into 'NN II SINGLE MEMBER SA'.

**** Change of trade name from May 2021 from 'AXA INSURANCE SA.' into 'GENERALI HELLAS I INSURANCE SA.'

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A. ANNUAL REPORT 2021

Introduction

The period from 01.01.2021 to 31.12.2021 constitutes the twelve (12th) fiscal year of Private Life Insurance Guarantee Fund (Guarantee Fund).

In 2021, the Greek economy, having satisfactorily coped with the effects of the recent health crisis, rapidly bounced back with a high GDP growth rate in the order of 8.3%. Positive developments, related to the development of know-how, combined with effective supervision within Solvency II, enabled the domestic insurance industry to maintain high solvency levels while taking on a substantial growth role. However, the new challenges in the area of private insurance, due to the health crisis, brought about new ways and methods of business operation, while the need to cover different risks (cyberspace, climate change) increases the demand for new insurance products.

However, the recent geopolitical tensions and in particular the war in Ukraine are creating a novel outlook of economic uncertainty at European level, thereby increasing the likelihood that insurance companies will be exposed to new risks in the long term, making imperative the need to review their business models.

Furthermore, in 2021, the domestic insurance market strengthened, through takeovers, the characteristic of the significant concentration of the sector, the increase in sales of insurance investment products and the reduction, due to the evolution of interest rates, of the marketing of insurance products incorporating profit participation clauses.

Developments and facts regarding the Guarantee Fund

a) Institutional Framework

The Legal entity of Private Law operation is governed by L.3867/2010 (Law) as in force, as well as by the Bank of Greece decisions issued based on the enabling provisions of the above-mentioned law in the context of its supervisory role.

During 2021, by a decision of the General Meeting of the Guarantee Fund members, article 92 of L.4714/2020 (Government Gazette A'148/31.7.2020) was applied. In particular, an advance payment of twenty million EUR was granted (€20 million.) to the liquidator of the company under insurance liquidation Aspis Pronia General Insurance S.A, which fulfilled the criteria of L.4714/2020.

By virtue of the above provision, the Guarantee Fund may grant, under conditions, a lump sum advance payment of up to € 20 million to satisfy the claims of insurance companies, whose license was revoked prior to the establishment of the Guarantee Fund and before their liquidation expiry. For these cases, this is a precondition to involve the Guarantee Fund. This fact highlights the role of the Guarantee Fund as a pillar supporting the insurance market and recovering the confidence of policyholders who sustained financial damage due to the insurance company license revocation.

Besides the above, no other legislative intervention has been enacted affecting the Guarantee Fund.

b) Information on the existing insurance undertakings under liquidation proceedings

b1) International Life SA under insurance liquidation proceedings

The insurance liquidation of International Life SA in 2021 goes through its fourth (4th) year of operation. It should be recalled that the company's operation license was revoked by a decision of the Credit and Insurance Committee of the Bank of Greece, no.230/15.05.2017 and the company is under insurance liquidation as of



15.05.2017. Moreover, in 2019 the Guarantee Fund was notified by the insurance liquidator of ¹ detailed statements with the certified claims from life insurance (Delivery-Acceptance Protocol,) as well as the list of persons falling under article 8, Law 3867/201. The Guarantee Fund determined the claims from life insurance following the procedure of compilation of reports and data, both from the liquidator as well as from an external associate of recognized validity. By 31.12.2021, based on the Delivery-Acceptance Protocol, as updated and in force, the Guarantee Fund were delivered 5,002 single certified life insurance claims for compensation that amounted, at the time of liquidation, to €24.082 million (amount verified by liquidation). Finally, the Guarantee Fund, paying compensations at very satisfactory rates, has covered the largest part of the recognized liability, paying, by 31.12.2021 in total € 23.419 million corresponding to 4,780 claims from life insurance and at coverage ratio of the total recognized liability 97%.

It is underscored that the Delivery-Acceptance Protocol is regularly updated by the liquidator, mainly with the addition of claims due to the issuing of final court judgments on appeals against the Table of Beneficiaries of Insurance Liquidations. The appeals pertain to cases of claims by beneficiaries that either had not been included in the Table of Beneficiaries of Insurance Liquidations or had been included in this Table but under a different amount which was the point of contestation and had not been delivered to the Guarantee Fund with the initial Delivery-Acceptance Protocol. For these claims, the Fund has formed a relevant provision standing at the end of the financial year at €1.4 million.

b2) VDV Leben International SA under insurance liquidation proceedings

The insurance liquidation proceedings of VDV Leben International SA (VDV) go through the eleventh (11th) year of its operation². By 31.12.2021, a total amount of €30.237 million was paid by the Guarantee Fund as compensation for the largest part of claims, corresponding to a total of 5,807 life insurance policies of recognized life insurance beneficiaries' claims, as resulted from the company's files and were calculated pursuant to the Law and the relevant delegation decisions and at 99% coverage ratio of the total recognized liability. As to the liquidation proceedings, significant delays are observed due to scarcity of financial resources pertaining mainly to the completion of the scrutiny on the lodgment of claims and the compilation of a Table of Beneficiaries of insurance liquidations. Upon completion of this procedure, new liabilities may arise for the Guarantee Fund.

Claims against the Insurance undertakings under liquidation

The Guarantee Fund has claims against the above companies b1 and b2 under insurance liquidation for the amounts paid to their policyholders, because pursuant to para. 1, article 7, L.3867/2010 it is substituted in their rights versus the existing assets of liquidations. The claim is notified to the liquidation proceedings, so that the Guarantee Fund be included in the symmetrical distribution of their existing assets, whenever such occurs. The privileged ranking applying for policyholders, according to article 240, L.4364/2016 applies for the Guarantee Fund.

In particular for International Life SA under insurance liquidation proceedings in 2021 the Guarantee Fund collected an amount of €44 thousand, versus a total amount of €1.962 million, corresponding thereto, in the context of provisional distribution deriving from its assets liquidation ³ amount. Therefore, the uncollected (remaining) receivable of the claim stands at € 59 thousand due to provisional distribution. The amount of € 1.962 million corresponds to 8.15% of the entire amount paid by the Guarantee Fund versus certified life insurance claims, keeping though unchanged the estimate for additional recoverable amount at € 5.7 million.

¹ In application of article 3 of decision 262/3/23.2.2018 by the Credit and Insurance Committee of the Bank of Greece that abrogated and replaced the decision no.12/3/13.7.2011 by the Credit and Insurance Committee of the Bank of Greece.

² The Credit and Insurance Committee of the Bank of Greece, at the meeting held on 2/05.01.2011 decided the final operation license revocation of the insurance company trading as 'VDV LEBEN INTERNATIONAL SA.' and its being placed under liquidation proceedings, pursuant to the provisions of the Legislative Decree 400/1970 (the revocation is effective as of 10.01.2011).

³ By virtue of decision no. 366/4/30.07.2020 by the Credit and Insurance Committee of the Bank of Greece, the unfreezing and liquidation of the company's assets of € 2.555 million value was approved for the partial and symmetrical satisfaction of life insurance beneficiaries.

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As regards the VDV Leben International Life Ins.CO.SA under liquidation, so far, no distribution of liquidation product has occurred. The company's assets related to deposits and shares are under seizure in Germany and it is probable that they will be unblocked, once the proceedings that are in progress before the German authorities are finalized. Due to the slow progress in liquidation, attributed to shortage of cash balances and mainly due to uncertainty in the assets unfreezing after the ending of legal proceedings in Germany, the Guarantee Fund has not formed provision for the recoverable amount.

b3) Developments regarding the enterprises Aspis Pronia General Insurance S.A and Commercial Value SA under insurance liquidation

By virtue of decisions no. 156/21.9.2009 and no. 176/25.2.2010 by the Private Insurance Supervision Committee (PISC), the incorporation and operation license of the companies Aspis Pronia General Insurance S.A and Commercial Value SA respectively were withdrawn and the companies were placed under liquidation proceedings status, as it was foreseen in the erstwhile applicable Legislative Decree 400/1970, characterizing all their assets as insurance reserves placement resulting in freezing those assets.

In order to determine the Guarantee Fund liability, for the payment of a 70% of the claim that will not be satisfied by the liquidation product, the liquidation agent of the companies under liquidation shall unwind their assets and symmetrically satisfy the beneficiaries from the liquidation product. As regards the progress of winding up proceedings, it should be mentioned that on 20.11.2015 the Statements of Insurance Beneficiaries were published, recognizing the Companies' policyholders' claims.

Moreover, in accordance with the insurance legislation, the interested parties contest the Statements of Insurance Beneficiaries by lodgings appeals. Once the appeals are finalized, the Statements of Insurance Beneficiaries will also be finalized and the final liability of Companies vis-a-vis the policyholders will arise. The Guarantee Fund has intervened in the hearing of the appeals whereto it was invited by the Companies.

In application of article 92, L.4714/2020, in January 2021, the General Assembly Meeting of Members the Guarantee Fund was convened; having examined whether the prerequisites of Law 4714/2020 are met, it unanimously approved the granting of one-off down payment of €20 million and the transfer of this amount to a special account of Aspis Pronia General Insurance S.A under liquidation, reducing by equal amount the Guarantee Fund's future liability, when such will arise. This amount is distributed by the liquidator on own responsibility, as laid down by the law, to satisfy the life insurance claims against the above company, for which there is no court contestation against the Statement of Life Insurance Claims Beneficiaries or was resolved by way of a court ruling not subject to any legal remedy. It is noted that, in accordance with the disclosed data from the liquidation to the Guarantee Fund, withing the closing of the financial year, out of a total amount of the granted advance payment, a total amount of € 14.071 million was used for the payment of compensations, while for the unallocated balance, still the beneficiaries have not been certified. It is recalled that the down payment does not create any other obligation on the Guarantee Fund to cover the company's claims at this point in time and before the completion of the insurance liquidation, as it only exhausts its obligation at this stage without this affecting anyhow the works or in general the pending issues of the liquidation.

Finally, the Guarantee Fund, taking into account the information disclosed and the data from the liquidations, starting in 2020, recognized in its financial statements a relevant provision account that updates on annual basis to reflect the amount of its liability.

b4) Management of healthcare bodies claims repayment procedure resulting from the hospitalization of policyholders insured by the undertakings Aspis Pronia General Insurance S.A and Commercial Value SA (Companies).

The Guarantee Fund, in the context of implementing decision no. 2/38576/0026/10.08.2012 by the Ministry of Finance as in force (Decision), whereby was appointed administrator of the public revenue made available for the payment of claims by healthcare services providers (hospitals and doctors) for the hospitalization of the



policyholders insured under the Companies under liquidation, continued the relevant procedure submitting to the competent Ministry of Finance service a request for the issuing of a decision to earmark a budget appropriation amounting to € 61.3 thousand for the fiscal year 2021. However, within 2021, no funding request was submitted and no claims repayment occurred, because no certification documentation was submitted to the Guarantee Fund by any beneficiary (healthcare provider).

It is underlined that in total the Guarantee Fund has paid to beneficiaries € 3,847.7 thousand corresponding to 98% of total claims as such have been confirmed by liquidations of the Companies.

Moreover, the funding amount and the payment of beneficiaries shall not be considered as a resource nor as an expense for the Guarantee Fund and therefore its financial figures are not affected.

In the course of the year 2021, by a decision of the Management Committee, the Guarantee Fund updated the beneficiaries/healthcare providers' data drawing recent information on beneficiaries/healthcare providers from the Ministry of Finance competent department, in order to investigate the possibility of satisfying the rest of the beneficiaries/healthcare providers.

c) Internal procedures

The Guarantee Fund, after lifting the restrictive travel measures, adapted its operation to a remote work regime for a specific percentage of employees at a time, with the support of the Bank of Greece's competent IT Department, ensuring the smooth running of its daily operations. In addition, it preserved the individual measures that had been adapted in the previous year for the personnel safety and health protection.

Within 2021, the Guarantee Fund cooperated with an external contractor of high acclaim for the drafting of Internal Rules of Operation that are approved by the Bank of Greece and published in the Government Gazette, pursuant to article 11, L. 3867/2010. The project is expected to be completed within 2022.

At the end of the closing year, the Guarantee Fund concluded with the Bank of Greece a new five-year concession agreement for property use, remaining under the Bank's auspices and hospitality.

d) Investment policy

The Guarantee Fund aimed at sound and safe management of funds available for investment and having fully repaid a large part of compensations liability to life insurance beneficiaries, revisited its investment policy in cooperation with the Bank of Greece, serving as the administrator. In the light of the unfavorable financial environment of negative returns on European sovereign securities, being accepted in accordance with the investment policy of the Guarantee Fund for the placement of its assets, it taken advantage of its cooperation with domestic financial institutions choosing to place most of its available funds on short-term deposit accounts with marginal positive returns, offsetting the impact of negative yields of the portfolio's securities.

f) Members

The number of insurance companies-Members of the Guarantee Fund changed by the addition of one member trading as "ANCORIA INSURANCE PUBLIC LIMITED", in December 2021, operating as a company under the freedom of services; therefore, the number of insurance companies-Members is thirty-two (32) of which nineteen (19) insurance companies, with registered seat in Greece, eleven (11) companies operating in Greece under the Freedom of Services and two (2) companies constituting branches of insurance companies with registered seat in an EU country and active in Greece.

It should be noted that in December 2020 the acquisition of 'AXA INSURANCE SA' by 'GENERALI HELLAS S.A' was announced, while in May 2021 the former was renamed into 'GENERALI HELLAS I S.A.'. The trade name is provisional, until the end of its absorption, which was completed in early 2022.

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Furthermore, in June 2021, the acquisition of ‘METLIFE LIFE INSURANCE SA’ by ‘NN HELLAS SINGLE MEMBER S.A.’ was announced, while the acquisition process is expected to be completed in 2022.

A list of Members participating in the Guarantee Fund is presented in page 3 of the Annual Report.

g) International cooperation

Since 2012, the Guarantee Fund has been active member of the International Forum of Insurance Guarantee Schemes (IFIGS), which numbers representatives from Insurance Guarantee Schemes across 29 countries around the world. The aim of IFIGS is to exchange experiences on issues pertaining to protection offered to policyholders in case the insurance company's operation license is revoked.

The primary goal of the Guarantee Fund's participation in the IFIGS operations is to become an active interlocutor between the institutional bodies at European level, thus ensuring access to know-how and to participate in research for the establishment of the institutional framework, thus enhancing its effectiveness and improving its operation.

Since December 2021, IFIGS has been chaired by the Malaysian Insurance Guarantee Scheme Representative; the representatives of the Canadian and South Korean Insurance Guarantee Schemes serve duties of first and second Vice-Presidents respectively.

The Guarantee Fund participated for a second year in the Working Group “Profile Enhancement Working Group”, geared towards boosting the reputation of IFIGS and overall, of the Insurance Guarantee Schemes before the supervisory authorities and bodies likely to be involved in the development of new Insurance Guarantee Schemes.



Revenues, Expenses and Financial Results

The Guarantee Fund financial data are mainly determined by the evolution of certain factors, such as the following:

- The amount of gross written premiums, constituting the basis of calculation of insurance companies' annual contribution in favor of the Guarantee Fund,
- The return on investments whereto the Guarantee Fund's cash balances are placed and the negative interest rate applying in its current account at the Bank of Greece,
- The conservative investment policy to minimize risks and ensure liquidity serving to invest the cash balances,
- The operating expenses of the Guarantee Fund,
- The income tax that encumbers the Guarantee Fund's cash balances,
- the recognition of a provision to cover beneficiaries of life insurance from insurance companies that had entered into liquidation before the Guarantee Fund establishment,
- the liquidation distribution and the estimates regarding the anticipated liquidation product of assets of undertakings under insurance liquidation.

In particular, during the year 2021, the Guarantee Fund financial figures development compared to the respective accounts of the previous year are as follows:

Revenues from contributions

1. A 16% increase of gross written premiums was ascertained versus the corresponding amount in 2020; such a fact is mainly attributed to the change of the gross registered premiums under Class III and Class VII (Table 7b). In particular, the written premiums of Class III policies increased by 55% of Class VII by 1.5%, while for Class I, a 9.4% production decrease was registered. The increased total production of gross premiums in 2021 resulted in increased annual income from contributions and an amount standing at €14,080.7 thousand versus € 12,679.8 thousand in 2020, posting a progress by 11% (Tables 1,4, & 8). For information purposes, the annual contribution rate to gross written premiums was 0.77%, compared to 0.80% in 2020 (Table 8^a).

Capital revenue

2. The capital revenue pertaining mainly to interest on the placement of capital available for investment stood at the negative amount of €0.431 thousand versus a positive amount of € 14.2 thousand in 2020. It is underscored that within 2021, the returns on European sovereign securities foreseen in the reference framework (barring the Greek securities) were negative, standing at a lower notch compared to the previous year. As an offset, the Guarantee Fund restructured its investment policy based on which a part of its cash balance is invested in Treasury Bills and in deposit accounts in credit institutions on a marginally positive interest rate; in this way, the impact from the application of a deposit facility rate, set by the European Central Bank (-0.50%) and applied on the Guarantee Fund's deposits kept at the Bank of Greece, is significantly limited.



Operating expenses and offered coverage to fulfill the Guarantee Fund purpose

3. The total operating expenses (operating expenses and costs to fulfill the Guarantee Fund purpose) stand at € 296 thousand versus an amount of € 314 thousand in 2020, posting a decrease in the order of 6% (Tables 1 & 5). In particular:
 - i. The operating expenses (personnel and third-party remuneration, benefits to third parties, other operating expenses, banking charges, depreciations and provisions) stood at € 292.9 thousand and posted an increase by 5% versus an amount of € 279.0 thousand in 2020. This development relates both to the external consultant's remuneration account for the oversight and drafting of the rules of operation and to the costs of health and safety measures to protect the staff from the transmission of Covid-19 disease.

It is noted that the Guarantee Fund is not encumbered with any property use expenses (e.g. rents, shared charges and Public Utilities bills) due to the concession of offices owned by the Bank of Greece.
 - ii. The coverage offered (compensation to beneficiaries under article 7, L.3867/2010) and related expenses in 2021 stood at €3.5 thousand and regard the costs for the management of court cases and in general the management costs to fulfill the Guarantee Fund's purpose. The account posts a significant decline by 90% versus an amount of € 35 thousand in 2020 due to non-occurrence of events that could lead to expenses to fulfill the Fund's purpose.

Income tax

4. There was no income tax calculation for the year 2021, as the interest losses on the securities covered the positive interest on term deposits. Last year, the income tax stood at € 10.9 thousand, appearing as a decrease in the final result and is calculated at the taxable results of the fiscal year, based on the transactions and events recognized in the financial statements.

Extraordinary income

5. The account for extraordinary income amounts to € 0.4 thousand and regards mainly arrangements of previous years, mainly contributions for the production of written premiums that were disclosed by an insurance company/member of the Guarantee Fund with delay.

Provisions for offered coverage

6. The account 'Provisions for offered coverage' regards the formed provision to satisfy beneficiaries of life insurance from insurance companies, according to article 2, para. 5, L.3867/2010, that had entered into liquidation before the Guarantee Fund establishment (it regards the companies Aspis Pronia General Insurance S.A and Commercial Value SA under insurance liquidation). It is underlined that starting in 2020, year when, in application of article 92, L. 4714/2020, data and information were disclosed by the liquidators regarding the relevant Compensation Beneficiaries Statements and estimates on the liquidation value of their assets, the Guarantee Fund formed provision of €153 million (in current value) encumbering equally its results. In the closing fiscal year (2021), an additional provision of € 16 million was recognized in total for both companies. Moreover, based on the aforementioned provision of the closing the year 2021, an one-off down payment was made of € 20 million for distribution, exclusively on the insurance liquidator's responsibility, to satisfy the

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claims from life insurance of the above insurance companies under liquidation. The Guarantee Fund, keeping abreast with the developments and the course of liquidations, each year will proceed to reassessment of the provision account, so that the latter matches the level of the Fund's liability.

Readjustment of provision of recoverable amount

7. The account of readjustment of provision of recoverable amount regards the reversal of the initial provision of non recoverable claims against International Life AEAZ under liquidation; it was formed based on disclosed financial data and relates to the possibility of distributing an amount to the Guarantee Fund from its assets liquidation amount. It is reminded that the readjustment of the recoverable amount provision, in 2020, stood at € 7.56 million and is considered income from impairment provisions reversal. Against the above claim and in the context of the Bank of Greece decision implementation for assets liquidation of the company International Life Ins.CO.SA under insurance liquidation, to be distributed to beneficiaries, the Guarantee Fund recovered by the end of 2021 the amount of € 1.962 million (€ 1.858 million and € 44 thousand that it collected in 2020 and 2021 respectively).

Financial Result-Accumulated Capital

8. The fiscal year's financial result posted a deficit of €-2,215.7 thousand versus a deficit of € - 133,024.7 thousand in 2020.
9. The accumulated capital (accounting depiction of Equity), which includes the founding capital, the deficit of the current fiscal year plus the difference of the fair value and the accumulated result of previous years, corresponds to a deficit of € -77,407 thousand (Table 3) versus an accumulated deficit of € -75,160.6 thousand in 2020.

Available capital

10. The capital available to investment at the end of 2021 stood at € 65.906 million and is allocated by 24% to placements in short-term European sovereign securities and by 76% to deposit accounts (term deposits, sight deposits and a current account at the Bank of Greece). In 2020, the available capital was reduced by 6% compared to 2020 (Table 2), a shift that incorporates on the one hand the disbursement and down payment of € 20 million to Aspis Pronia General Insurance S.A and Commercial Value SA under insurance liquidation and, on the other hand, the continuation of payments for life insurance beneficiaries of the International Life AEAZ under liquidation.

The difference between the amount of accumulated capital and the available capital for investment is mainly due to the temporal mismatch between the accounting depiction and the collection of contribution-derived revenue. It is also due to the formation of provisions for offered coverage set to be settled midterm and long term. In addition, it is also due to the accounting recognition of the total liability for compensation at the time of its occurrence, which happens to differ from their certification and payment time.



TABLES OF ANNUAL REPORT 2021
(Compared to the figures 2020)

Amounts in euro

TABLE 1: FINANCIAL RESULT			
	2020	2021	
	Realizations		Changes (%)
i. Income	12,694,079	14,080,284	11
ii. Expenses	(314,063)	(296,477)	(6)
Operating Costs	279,035	292,958	5
Offered coverage, related expenses and provisions	35,027	3,519	-
iii. Income tax	(10,965)	-	-
iv. Extraordinary income	46,182	432	-
v. Provisions for offered coverage*	(153,000,000)	(16,000,000)	-
vi. Readjustment of provision of recoverable amount from insurance undertakings under liquidation **	7,560,000	-	
Financial Result (i+ii+iii+iv+v+vi)	(133,024,767)	(2,215,761)	-
	deficit	deficit	

Notes:

*The account "Provisions for offered coverage" regards the recognition, in 2020, of a provision for the coverage of beneficiaries from life insurance of insurance companies under liquidation before the Guarantee Fund establishment

**The account "Readjustment of provision of recoverable amount from insurance undertakings under liquidation" regards the positive readjustment of the provision, in 2020, of recoverable amount from the liquidation of International Life Ins.CO. SA

TABLE 2: ANALYSIS OF CASH BALANCES & INVESTMENTS (end of the financial year)			
	2020	2021	
	Realizations		Changes (%)
Portfolio securities	33,883,962	15,708,585	(54)
Deposit accounts (term/sight deposits)	38,582,290	50,198,038	30
Total	72,466,252	65,906,623	(9)

TABLE 3: ACCUMULATED CAPITAL			
	2020	2021	
	Realizations		Changes (%)
i. Previous balance	57,826,767	(75,160,621)	-
ii. Economic result for the fiscal year	(133,024,767)	(2,215,761)	-
iii. Fair value differences	37,379	(30,625)	-
New Balance (i+ii+iii)	(75,160,621)	(77,407,007)	3

*Any deviations from the financial statements' figures are due to rounding up.

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Amounts in euro

TABLE 4: ANALYSIS OF RESOURCES

	2020	2021	
	Realizations		Changes (%)
INCOME	12,694,079	14,080,284	11
Members' contributions	12,679,858	14,080,715	11
Capital revenue	14,221	(431)	-
Income from securities management	(42,748)	(20,174)	-
Interest on deposit accounts (term/sight deposits)	56,969	19,743	-

TABLE 5: ANALYSIS OF EXPENSES

	2020	2021	
	Realizations		Changes (%)
Expenses	314,062	296,477	(6)
<i>Operating Costs</i>	<i>279,035</i>	<i>292,958</i>	<i>5</i>
Personnel remuneration and expenses	164,834	153,128	(7)
Fees and expenses of third parties	55,749	83,719	50
Third party benefits	35,253	38,391	9
Other operating expenses	10,425	9,140	(12)
Bank operations	6,924	3,517	(49)
Asset depreciations	5,850	-	-
Provisions (excluding indemnities)	-	3,800	-
Taxes/Stamp duty fees	-	1,263	-
<i>Offered coverage-related expenses and provisions</i>	<i>35,027</i>	<i>3,519</i>	<i>(90)</i>

TABLE 6: CREDIT MANAGEMENT DECISION 2/38576/0026/10.08.2012

	2020	2021	
	Realizations		
Funding by the Ministry of Finance	-	-	
Payments to healthcare bodies beneficiaries	-	-	
Balance	-	-	

*Any deviations from the financial statements' figures are due to rounding up.

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Table 7a:

Percentages by class of life insurance based on the Bank of Greece Governor's Act 2636/24.11.2010

Life Insurance Class	Insurance Business	Contribution Rate Percentage % (periodical & lump sum payments)
I1.	Survival, Death, Mixed	1.50
I2.	Annuities	1.00
I3.*	Supplementary insurance in addition to I1,I2,I1,I3	1.50
II.	Marriage & Birth Assurance	1.50
III.	Life insurance linked to investments fund	0.80
IV.	Permanent health insurance	1.50
V.	Tontines	1.50
VI.	Capital Redemption Operations	1.50
VII.	Management of Group Pension Funds	0.30
VIII.	Of the French 'Code des Assurances'	1.50
IX.	Social security	1.50

*It regards non additional hospital care coverage.

It is noted that, in accordance with article 5 of Law 4364/2016, the insurance business being included in the life insurance class IV.2 is by now classed in the non-life insurance activity (article 4 L.4364/2016) and not in life business. Therefore, the Guarantee Fund does no longer cover the insurance works of until recently class IV.2 that is hereinafter classified in non-life insurance activity and therefore does not collect contributions for said business.



Table 7b:

Evolution of gross written premiums per life class
(last 5 years)

(Amounts in euro

thousands)

Year s	Class I1	Class I2	Class I3	Class III	Class IV	Class VI	Class VII	Total
2017	668,779	148,780	72,726	313,239	155	13	208,307	1,411,999
2018	503,422	223,924	72,187	338,497	-	11	265,228	1,403,269
2019	808,440	88,018	70,889	380,262	-	8	349,097	1,696,714
2020	547,703	78,346	72,060	590,329	-	3	287,648	1,576,089
2021	490,880	71,159	70,226	914,434	-	0.4	291,887	1,838,586
Change (%)	- 10.4%	- 9.2%	- 2.5%	- 54.9%	-	- 88.1%	+1.5%	16.7%

Change of Class - 9.4 %

Table 8:

Evolution of annual contributions per life class (last 5 years)

(Amounts in euro thousands)

Year s	Class I1	Class I2	Class I3	Class III	Class IV	Class VI	Class VII	Total
2017	8,035	1,234	1,080	1,691	2	0.215	626	12,668
2018	6,283	1,736	1,090	1,922	-	0.160	781	11,812
2019	8,966	760	1,063	2,251	-	0.120	1,048	14,088
2020	6,569	687	1,048	3,514	-	0.052	861	12,679
2021	6,107	620	1,052	5,425	-	0.006	876	14,081
Change (%)	- 7%	- 9.8%	0.4%	- 54.4%	-	- 88.2%	1.8%	11%

Change of Class I- 6.3%

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Table 8a:

Evolution of contributions rate towards gross written premiums (last 5 years)

Year	2017	2018	2019	2020	2021
Percentage	0.90%	0.84%	0.83%	0.80%	0.77%

Athens, May 17, 2022

THE CHAIRMAN OF THE
MANAGEMENT COMMITTEE

VICE-CHAIRMAN OF THE
MANAGEMENT COMMITTEE

HEAD OF
ACCOUNTING DEPARTMENT

THEODOROS CH. KONTOVAZAINITIS
ID AH 623617

ILIAS N. APOSTOLOU
ID AB 511644

DIMITRIOS I. THOMAS
ID AK 147757
LICENSE NO. 14176
A' CLASS

CERTIFICATION

It is hereby certified that this Annual Report of the Management Committee consisting of 44 pages is the same one mentioned in my Audit Report dated May 18, 2022.

Athens, Wednesday, May 18, 2022

The Certified Auditor Accountant

Ilias Kalinderis

SOEL (Institute of Certified Public Accountants of Greece) Reg. No 36951

SOL SA



Associated certified auditors SA

Member of Crowe Global

3, Fok. Negri Str, GR-11 257 Athens

SOEL Reg. No 125



PRIVATE LIFE INSURANCE GUARANTEE FUND

**PRIVATE LIFE INSURANCE GUARANTEE FUND,
Private Law Entity L.3867/2010
Tax Registration no: 997866734**

B. FINANCIAL STATEMENTS

**OF THE 12TH FISCAL YEAR 01.01.2021 -31.12.2021
in accordance with the Greek Accounting Standards
(L.4308/2014 Government Gazette 251/24.11.2014)**

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1) INDEPENDENT AUDITOR'S REPORT

To the members of the Private Life Insurance Guarantee Fund

Audit Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the Private Law Entity 'Private Life Insurance Guarantee Fund' ('Guarantee Fund'), which comprise the statement of financial position dated 31st December 2021, the income statement and the statement of changes in equity for the year ended on that date, as well as the Notes section annexed thereto.

In our opinion, the accompanying financial statements give, in all material respects, a true and fair financial position of the Private Law Entity 'Private Life Insurance Guarantee Fund' as of 31st December 2021 and its financial performance and cash flows for the year then ended, in compliance with the applicable provisions of Law 4308/2014.

Basis for Opinion

We conducted our audit, pursuant to the International Audit Standards (IAS), as transposed in Greek legislation. Our responsibilities, according to such standards are further described in the paragraph hereof entitled of our report "Auditor's responsibilities for the Audit of Financial Statements". We are independent of the Company, pursuant to the Code of Ethics for Professional Auditors of the International Ethics Standards Board for Accountants, as transposed in Greek legislation, and the ethics requirements relating to the audit of financial statements in Greece, and we have fulfilled our ethical obligations according to the requirements of applicable laws and the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of matters

We draw attention to the following issues: 1) Note 10 of the appendix 'Equity' mentions that despite the existence of negative equity, the Guarantee Fund going concern is not affected given that the determination and collection of annual contributions from its companies - members are defined by the establishment act, therefore preserving a continued inflow of resources. Furthermore, according to the possibilities allowed by virtue of the establishment act (last sections of case h', para. 3 of article 2, L.3867/2010), there is a relevant provision for possible ways of additional funding. It is also highlighted that the working capital on 31.12.2021 amounts to € 68.272 million and is sufficient to cover the Guarantee Fund's short-term liabilities. 2) Note 12 of the appendix 'Provisions for beneficiaries' claims from life insurance of insurance companies under liquidation'; it is thereby mentioned that the provision of a total amount of € 149 million for claims to life insurance beneficiaries from companies whose license had been revoked prior to the Guarantee Fund's establishment act publication was calculated after subtracting the down payment amount of twenty million Euro (€20 million), in application of article 92, Law 4714/31.7.2020. This provision was determined considering the submitted data from the liquidations, in application of article 92, Law 4714/31.7.2020, as well as article 2, para. 5, L. 3867/2010 where it is laid down that the Life Guarantee Fund shall pay to policyholders 70% of the claim from insurance that is not satisfied by the product of liquidation. 3) In note 32 of the appendix "Other legal issues", which describes the existence of pending court cases against the Guarantee Fund, for claims of approximately €9 million, by policyholders mainly in an insurance company under liquidation, for the outcome there can be no safe forecast. According to the legal service and its external

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partners, third party lawsuits are unlikely to succeed. It is noted that claims of an amount of approximately €3.0 million, from the above, have been rejected at first instance.

Our opinion is not qualified in respect of these matters.

Other information

The management is responsible for other information. Other information is comprised in the Annual Report of the Management Committee, of which a relevant reference is made in the "Report on other Legal and Regulatory Requirements".

Our opinion on the financial statements does not cover other information and we do not hereby express any assurance conclusion thereon.

Concerning our audit of financial statements, our responsibility is to read other information and thereby examine whether such other information is substantially inconsistent with the financial statements or the knowledge we acquired during the audit or appear otherwise substantially wrong. If, on the basis of our work, we conclude that there is a substantial error in such other information, we are obliged to report such fact. We have nothing to report on this matter.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the applicable provisions of Law 4308/2014, as well as for those internal controls that the Management deems necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In the preparation of the financial statements, management is responsible for evaluating the ability of the NPID to continue its activity, disclosing, when necessary, matters relating to going concern and the use of the accounting principle of going concern.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objective is to obtain fair assurance as to whether the financial statements, in their entirety, are free from material misstatement due to fraud or error and issue an auditor's report comprising our opinion. Fair assurance is high level assurance but does not amount to a guarantee that the audit conducted according to the International Accounting Standards, as transposed in Greek legislation, will always identify material misstatements, if any. Misstatements may be due to fraud or error and are considered material when, individually or cumulatively, could be reasonably expected to affect the financial decisions of the users, made on the basis of such financial statements.

In our audit, pursuant to the IAS, as transposed in Greek legislation, we apply professional judgment and maintain professional skepticism throughout the audit. Moreover:

- We identify and evaluate risks of material misstatement in the financial statements due to fraud or error, planning and conducting audit procedures in response to such risks and we obtain audit evidence that are sufficient and suitable to provide a basis for our opinion. The risk of non-identification of a material misstatement due to fraud is higher than the risk due to error, since fraud can involve collusion, forgery, intentional omissions, false assurances or circumvention of the internal control.
- We comprehend the audit-relevant internal control with an aim to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of NPID's internal control.



- We evaluate the appropriateness of accounting principles and methods used and the reasonableness of accounting estimates and relevant disclosures made by the Management.
- We rule on the appropriateness of the management's use of the accounting principle of going concern and, on the basis of audit evidence obtained, on whether there is material uncertainty about facts or conditions that may indicate material uncertainty as to the ability of the NPID to continue its activities. If we conclude that there is material uncertainty, we are obliged in our auditor's report to draw attention to such disclosures in the financial statements or, if such disclosures are insufficient, to differentiate our opinion. Our conclusions are based on audit evidence obtained by the date of the auditor's report. However, future events or conditions may result in the NPID ceasing to operate as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements reflect the underlying transactions and facts in a manner achieving fair presentation.

Among other matters, we notify the management of the planned extent and schedule of the audit, as well as significant audit findings, including any substantial deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

Taking into consideration that the Management is responsible for the preparation of PLIGF's Annual Report, in accordance with the provisions of paragraph 5 of Article 2 (Part B) of Law 4336/2015, we note the following:

- a) In our opinion, the Annual Report of PLIGF has been prepared in accordance with the applicable legal requirements of articles of Law 3867/2010 and its content corresponds to the attached financial statements of the fiscal year ended on 31/12/2021.
- b) On the basis of the knowledge we have acquired during our audit on the Private Life Insurance Guarantee Fund (PLIGF) and its environment, we have not identified any material misstatements in the Annual Report of its Management Committee.

Athens, May 18, 2022

The Certified Auditor Accountant

Ilias Kalinderis

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2) FINANCIAL POSITION STATEMENT

**PRIVATE LIFE INSURANCE GUARANTEE FUND, Private Law Entity
BALANCE SHEET dated 31st DECEMBER 2021
12TH FISCAL YEAR (01.01.2021 - 31.12.2021)**

PRIVATE LIFE INSURANCE GUARANTEE FUND, Private Law Entity					
BALANCE SHEET dated 31st DECEMBER 2021					
12TH FISCAL YEAR (01.01.2021 - 31.12.2021)					
ASSETS			LIABILITIES		
	Note	2021	2020		2020
			Amounts in euro		
Non current assets				Equity	
Assets				Primary Insurance Cover Fund Equity	
Fixed Assets		0.07	0.07	Start up capital	
	Sub-total 4	0.07	0.07		
Other non-current assets					
Claims from insurance companies under liquidation	5	8,884,934.33	5,701,245.60	Results carried forward (Surplus/(Deficit) from previous financial years in the current year	
	Sub-total	8,884,934.33	5,701,245.60	Fair value reserve	
Total non-current assets		8,884,934.40	5,701,245.67		
Current assets				Total equity	
Financial and other assets					
Claims from insurance companies under liquidation	5	2,700,000.00	0.00		
Claims from contributions	6	2,291,265.31	2,388,006.50		
Other claims	7	120,833.71	118,133.80		
Debt securities	8	15,708,584.71	33,883,962.12		
	Sub-total	20,820,683.73	36,390,102.42		
Financial assets and down payments					
Accrued income/expenses of the period		5,078.45	612.99		
Cash and cash equivalents	9	50,198,037.97	38,582,290.01		
	Sub-total	50,203,116.42	38,582,903.00		
Total current assets	Total	71,023,800.15	74,973,005.42		
				Provisions	
				Provisions for employees benefits	11 17,574.12 13,773.66
				Provisions for benefits coverage to beneficiaries under L.3867/2010	12 151,318,251.18 135,796,733.15
					0.00 0.00
				Total provisions	151,335,825.30 135,810,506.81
				Liabilities	
				Long term liabilities	13 3,228,293.70 0.00
				Short term liabilities	
				Suppliers	148.70 2,983.63
				Income tax	15 0.00 737.24
				Other taxes and duties	14 4,023.24 4,146.24
				Social security organizations	16 6,509.13 6,380.22
				Beneficiaries of offered coverage under para. 5 article 2, L.3867/2010	12 2,700,000.00 20,000,000.00
				Accrued financial year expenses	17 40,939.07 10,115.85
					Total 2,751,620.14 20,024,363.18
				Total liabilities	5,979,913.84 20,024,363.18
TOTAL ASSETS		79,908,734.55	80,674,251.09	TOTAL EQUITY, PROVISIONS AND LIABILITIES	79,908,734.55 80,674,251.09

*The notes and tables on pages 24 up to 44 constitute an integral part of the y-o-y financial statements.

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**3) INCOME STATEMENT****INCOME STATEMENT dated 31st DECEMBER 2021
(01.01.2021 - 31.12.2021)**

INCOME STATEMENT dated 31st DECEMBER 2021 (01.01.2021 to 31.12.2021)			
	Note	2021	2020
Contribution	18	14,080,715.36	12,679,858.32
Other income	19	418.54	46,181.96
Staff Benefits	20	(156,928.64)	(164,833.96)
Depreciations	4	0.00	(5,849.58)
Other expenses and losses	21	(136,011.52)	(136,454.75)
Reversal of impairment claims from an insurance company under liquidation	22	0.00	7,560,000.00
Provision for beneficiaries' claims coverage	12	(16,000,000.00)	(153,000,000.00)
Earnings Before Interest and Taxes, (EBIT)		(2,211,806.26)	(133,021,098.01)
Credit interest & similar income	23	(431.01)	14,220.40
Debit interest & similar expenses	24	(3,523.37)	(6,924.31)
Results before tax		(2,215,760.64)	(133,013,801.92)
Income tax	15	0.00	(10,964.67)
Results of the period after tax	27	(2,215,760.64)	(133,024,766.59)

*The notes and tables on pages 24 up to 44 constitute an integral part of the y-o-y financial statements.



4) STATEMENT OF CHANGES IN EQUITY

Statement of Changes in Equity for the period

	Start up capital	Results carried forward	Fair value differences	Total
Balance on 01.01.2020	1,505,431.37	56,321,337.32	0.00	57,826,768.69
Changes of assets in the period	0.00	0.00	37,379.00	37,379.00
Results (Surplus/(Deficit)) of the period		(133,024,766.59)	0.00	(133,024,766.59)
Changes in accounting policies	0.00	0.00	0.00	0.00
Balance on 31.12.2020	1,505,431.37	(76,703,429.27)	37,379.00	(75,160,618.90)
Changes of assets in the period	0.00	0.00	(30,625.05)	(30,625.05)
Results (Surplus/(Deficit)) of the period		(2,215,760.64)	0.00	(2,215,760.64)
Balance on 31.12.2021	1,505,431.37	(78,919,189.91)	6,753.95	(77,407,004.59)

*The notes and tables on pages 24 up to 44 constitute an integral part of the y-o-y financial statements.



**5) APPENDIX-NOTES ON THE FINANCIAL STATEMENTS
for the period that ended on 31st December 2021**

Note 1 General information

The Private Law Entity 'PRIVATE LIFE INSURANCE GUARANTEE FUND', briefly (distinctive title) 'Life Guarantee Fund' was incorporated in August 2010, pursuant to the provisions of L.3867/2010 as in force (Law); it is a non-profit, private law entity, under the supervision and monitoring of the Bank of Greece and not any Greek State body. **The Guarantee Fund is** headquartered in Athens (Bank of Greece building, 2-4 Sina Street, 7th floor, GR-10672).

The dissolution of the legal entity, pursuant to article 13 of the Law may take place by law which shall specify the procedure of liquidation and distribution of its property.

The members of the Life Guarantee Fund shall be, mandatorily and automatically, as of the law effective date, the following:

- a) all insurance companies having their registered office in Greece and operating on life insurance according to article 13, para. 2, Legislative Decree 400/1970, as substituted and in force, pursuant to L.4364/2016, on life insurance,
- b) the branches in Greece of third country insurance undertakings, operating on life insurance pursuant to article 13, para. 2, Legislative Decree 400/1970, as substituted and in force, pursuant to L.4364/2016, on life insurance,
- c) the branches in Greece of EU and EEA insurance undertakings, operating on life insurance pursuant to article 13, para. 2, Legislative Decree 400/1970, as substituted and in force, pursuant to L.4364/2016, on life insurances, provided that they are not already covered by similar guarantee funds in their country of establishment,
- d) the companies operating in Greece under the freedom to provide services, if they are not already covered by the respective guarantee funds in their country of establishment.

The Guarantee Fund, as laid down by Law, takes action in case of license revocation regarding an insurance undertaking in life insurance class. The Fund's mission is to offer coverage versus outstanding losses and payable benefits and to manage this effort of transferring the entire or part of the enterprise's portfolio, whose license has been revoked, to another or other insurance companies. If the transfer is not possible, the Life Guarantee Fund pays the pecuniary amounts against the claims of the non-transferred life portfolio. The compensation is equal to 100% of the claim from life insurance policies up to the amount of € 30 thousand for benefits at maturity and acquisitions up to the amount of 60 thousand in the cases of death and total and permanent disability. The coverage is extended to all life classes, except for the claims regarding a) additional hospital care coverage and b) persons explicitly stipulated in article 8 of the Law.

In addition, the Law institutionalizes the coverage of beneficiaries of life insurance from insurance companies that had entered into liquidation before the Fund establishment. In particular, the article 2 of L.3867 Law regulates the cases of insurance companies whose license was revoked, before the publication of the aforementioned law, namely Aspis Pronia General Insurance S.A and Commercial Value SA. In particular, it is foreseen that by completing the liquidation of the above companies, the Guarantee Fund shall pay to policyholders a 70% of the claim balance from insurance policies that will not be satisfied by the production of liquidation.



The Management Committee composition of the Life Guarantee Fund is the following:

The Chairman, Mr. Kontovazainitis Theodoros, Lawyer at the Bank of Greece, pursuant to Article 12, para. 2, L.3867/2010, was appointed by the Bank of Greece, based on the Governor's Act no. 51/31.01.2022 and his three-year term of office began on 01.02.2022.

The Vice-Chairman, Mr. Apostolou Ilias, coming from EUROLIFE FFH LIFE INS. CO. SA.

The members, Messrs Kougioumoutzis Konstantinos, who came from the NN HELLAS SINGLE MEMBER SA, Mamoulakis Georgios, from the THE ETHNIKI HELLENIC GENERAL INSURANCE COMPANY S.A., and Alberto Berti, from INTERAMERICAN HELLENIC LIFE INS.CO.SA

It should be noted that the tenure of the elected members expires on 16.10.2022.

Note 2 Framework for the preparation of financial statements

The financial statements dated 31st December 2021 referring to the period between 1st January 2021 until 31st December 2021 have been prepared by the Guarantee Fund Management Committee, in full compliance with the Greek Accounting Standards (L.4308/2014) adhering to the principle of historic cost excluding the financial assets that are recognized at fair value through equity and its classification in middle entities. Furthermore, the form, content and nomenclature of the financial statements' accounts have been duly adjusted to reflect the special nature of the Life Guarantee Fund activity and purpose.

For the financial statements preparation dated 31st December 2021, the Life Guarantee Fund was based on the going concern principle. For the application of said principle, the institutional framework is taken into consideration that determines its purpose and functioning as well as current developments in the insurance market and overall economic environment in Greece.

In brief, the accounting policies followed by the Life Guarantee Fund for the preparation of the financial statements are the following:

Note 3 Summary of significant important accounting principles

3.1. Tangible Intangible fixed assets

Those assets are initially valued at the acquisition cost and posteriorly measured at the amortized acquisition cost. The depreciation starts when the asset is available for the use it is intended for and is calculated on the basis of its estimated useful life. The land, pieces of art, antiques, jewelry and other fixed assets not being subject to wear or uselessness, are not depreciated. However, improvements on land with a limited useful life are subject to depreciation.

The fixed assets are subject to an impairment test of their value when the relevant indications are in place. Impairment losses arise when the asset's recoverable value becomes lower of its book value. The impairment loss is recognized when it is estimated that the impairment is of permanent character. Impairment losses are recognized in the profit and loss account as expenses and are reversed when the conditions having given rise to such losses cease to apply. Impairment losses relevant to goodwill are not reversed. There were no impairment losses.

A fixed asset ceases to be recognized in the balance sheet on disposal or when no future economic benefits are expected from its use or disposal.

Depreciations are calculated with the straight-line method based on the applicable tax rates, which correspond, in the Management's judgment, to the asset's estimated useful economic life; such tax rates are the following:

Description	Depreciation rate (%)
-------------	-----------------------

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-Main and peripheral computer hardware and software.	20
Equipment excluding PC and software	10
Other fixed assets	10

3.2. Advance payments-other non-financial assets

Advance payments are initially recognized at acquisition cost. Posteriorly they are measured at the initial acquisition cost, less the used amounts based on the accruals principle and minus impairment losses.

The other non-financial assets are initially recognized at the acquisition cost. Subsequently, they are measured at the lowest value between the acquisition cost and the recoverable value.

3.3. Financial Assets

Financial assets are classified in the balance sheet as current assets or as non-current assets, considering the Management's intentions and the contractual or estimated time for their settlement.

Those financial assets are initially recognized at cost. After the initial recognition, the financial assets are measured at the acquisition cost less the impairment losses in cases the relevant indications are in place along with the estimate that impairment is permanent (if they are classified as non-current assets).

The impairment losses are recognized in the profit and loss account and are reversed as profits when the conditions having given rise to such losses cease to exist. The reversal is carried out up to the value the asset would have, if an impairment loss had not been recognized.

A financial asset ceases to be recognized when and only when: a) Contractual rights on the asset's cash flows expire, or b) practically all risks and benefits arising from ownership of such asset are transferred. A financial asset is recognized as profit or loss in the results when it ceases to be recognized.

3.4. Measurement of financial assets

The interest-bearing financial assets are measured at the amortized cost using the effective rate or the straight-line method, if the application of such method has a significant impact on the financial statements amounts. In particular:

Claims from contributions are measured at their initial recognition, to the anticipated collection amount being the claim's nominal amount on the claim's recovery dates.

Cash and cash equivalents regard the deposit accounts balances in credit institutions. Cash and cash equivalents in general are kept, by a Management Committee decision, in deposit accounts or are placed in low-risk financial assets.

3.5. Financial assets measured at fair value

A financial asset is measured at fair value if it is characterized as 'Available for sale portfolio' or as an asset of trading portfolio.

In 2021, the Guarantee Fund, in application of its investment policy, owns financial assets classified as 'Available for sale'. The financial assets classified in this category regard securities of stable yield.

The fair values of the securities being traded in reliable active markets are determined by the current market prices, on the financial statements' compilation date.

Posterior to the initial recognition, the financial assets are recognized at fair value in the statement of financial position and the unrealized profit or loss, deriving from the fair value, is recognized as equity difference in the period they occur. At derecognition, the accumulated profit or loss that had previously been recognized at equity, are carried over to the results and the account 'Credit interest and related income'.

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3.6. Equity

The paid founding capital and the relevant profits (surpluses) or losses (deficits), accumulated and periodical are recognized in the equity account; the differences from the measurement of the available for sale portfolio are recognized at fair value.

3.7. Provisions

- Provisions for employees' benefits

The provisions for benefits to employees after retirement are recognized and measured at the nominal amounts that derive from the legislation on the balance sheet date. In particular, the above provisions are measured, by virtue of L.2112/1920 and L.3198/1955, combined with the L.3899/2010, L.4093/2012 and L.4194/2013 (Code of Lawyers) and amount to 40% of the entitled compensation on the balanced sheet date.

- Other provisions

The Guarantee Fund carries out provisions for risks and contingent liabilities when it holds a current commitment (legal or imputed), deriving from past events, and is probable that resources should be made available for the commitment settlement.

The provisions are initially recognized and posteriorly measured at their nominal amount that is expected to be required for their settlement, unless the measurement at the present value is expected to have a significant impact on the financial statements amounts, versus the measurement based on the nominal amount. In this case, the initial recognition and the posterior measurement occur at the present value.

Any differences occurring either at reestimate or during the settlement of provisions are recognized as profits or losses for the period they arise.

3.8. Income tax and deferred taxation

The income tax posted on the income statement is calculated at the taxable results of the fiscal year, based on the transactions and events recognized on the financial statements. The Life Guarantee Fund, as a non-profit legal entity, is subject to tax, pursuant to the provision of article 45, para.c, L.4172/2013, did not recognize a deferred income tax in the financial statements.

3.9. Liabilities (analysis of financial and non-financial liabilities)

- Financial liabilities

Financial liabilities are initially and posteriorly recognized at the amount due. The interest arising from financial liabilities is recognized as expense in the results unless they encumber the cost of financial assets.

A financial liability ceases to be recognized if and only if the contractual commitment is fulfilled, canceled, or expires. A modification of the terms of the existing financial liability, whether due to the debtor's economic distress or not) is dealt with as repayment of the initial liability and as recognition of the new financial liability.

- Non-Financial liabilities

Non-financial liabilities are initially recognized and measured posteriorly to the nominal amount expected to be required for their settlement. Any differences occurring either at reestimate or during the settlement of non-financial liabilities are recognized as profits or losses for the period they arise.

3.10. Revenue-Expenses Recognition

Revenue and expenses are recognized in the economic year in which they occur, regardless of their collection or payment time. The revenue from contributions is recognized, within they period it becomes accrued, namely at the time it occurs and not when it is cash-settled.

Interest income and expenses are recognized in the results on an accrued basis.



3.11. Fair value

Fair value is the amount that an asset can be exchanged with or a liability to be settled in the context of a bilateral transaction, on a commercial basis, between the parties that are fully cognizant of the object and act on their will.

In particular, a reliable indication of the fair value is the financial assets stock exchange value, being traded in active markets. Therefore, the fair value is determined by the published market prices, on the financial statements' compilation date.

The securities of stable yield owned by the Guarantee

3.12. Claims from insurance undertakings under liquidation

On the basis of article 7, para.1, L.3867/2010, the Life Guarantee Fund has become subrogated into the rights of policyholders for the amounts paid to them, having claims for these amounts against the undertakings under insurance liquidation. The above claims are under absolute preferential treatment versus any other claim against the insurance undertaking, pursuant to article 240, L.4364/2016. The insurance liquidators are appointed by the Bank of Greece and are subject to scrutiny and its supervision. Therefore, the Guarantee Fund has no involvement or possibility to control the liquidation proceedings and is limited to monitoring the progress of winding up in order to be informed about the estimates regarding the anticipated product of liquidations. In this context, the Guarantee Fund proceeds to an estimate of the recoverability of its claims against the liquidations, recognizing claims from the insurance undertakings under liquidation and the estimated recoverable amount corresponding to these claims. The methodology and the assumptions used to estimate the amounts are reviewed on any compilation date of the financial statements. The estimates are based on reliable information that the Life Guarantee Fund became knowledgeable of or on objective indications resulting from one or more events having occurred and their impact can be reliably assessed.

Impairment of claims from insurance undertakings under liquidation

On each compilation date of financial statements, the Guarantee Fund examines whether there are any objective indications that the claims from a company under insurance liquidation have been impaired. A claim is assumed to have been impaired if there is an objective indication resulting from one or more events that have occurred and affect the estimated future cash flows and the impact may be reliably estimated. An objective indication that the claims from a company under insurance liquidation have been impaired is any observable information that the Guarantee Fund becomes cognizant of in relation to loss-incurring events, such as indicatively, a) an adverse economic and financial development of the insurance liquidation of the insurance company, b) the liquidation's financial life cycle, c) the current financial conditions, d) the existence of any remarks on certified auditor's certificate regarding the companies under insurance liquidation, likely to have a negative impact on said claim and e) the changes in the legal framework that are likely to affect the recoverable amount from the liquidations in progress.

The impairment provisions are recognized in the profit and loss statement by debiting the account 'Impairment of claims from a company under insurance liquidation'.

Reversal of impairment provisions of the claims from the companies under insurance liquidation

Should the impairment provision amount be reduced posteriorly and such a decrease can be objectively related to an incident that occurred after the impairment recognition, the previously recognized impairment provision is offset by this amount and therefore the provision amount is reconfigured. The offset amount is recognized in the results, crediting the profit and loss account 'Reversal of impairment claims from the companies under insurance liquidation'.

**Note 4 Fixed Assets**

The unamortized balance at the end of the fiscal year stands at € 0.07. It is noted that Guarantee Fund does not own any property as it is housed in premises that were offered by the Bank of Greece.

Table of Fixed Assets Changes

	Intangible assets	Tangible assets Furniture, electronic and other equipment
<u>Acquisition cost</u>		
Balance, on 1/1/2021	1,949.55	6,709.51
Additions	0.00	0.00
Balance, on 31/12/2021	1,949.55	6,709.51
<u>Accumulated depreciations</u>		
Balance on 1/1/2021	(1,949.55)	(6,709.44)
Depreciation for the period	0.00	(0.00)
Balance, on 31/12/2021	(1,949.55)	(6,709.44)
<u>Unamortized value</u>	0.00	0.07

Note 5 Claims from an insurance company under liquidation

	2021	2020
I. Claims from International Life Ins.CO.SA under insurance liquidation proceedings	5,656,640.63	5,701,245.60
II. Claims from Aspis Pronia General Insurance S.A under insurance liquidation	5,928,293.70	0.00
<i>Aspis Pronia General Insurance S.A under insurance liquidation (settlement within the following year)</i>	2,700,000.00	0.00
<i>Claims from Aspis Pronia General Insurance S.A under insurance liquidation (settlement in the future)</i>	3,228,293.70	0.00
III. Claims from VDV Leben International Life Ins.CO.SA under insurance	0.00	0.00
Total (I+II+III)	11,584,934.33	5,701,245.60

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In detail:

- Claims of recoverable amount against Life Guarantee Fund claims from the insurance undertakings under liquidation. The recoverable amount which is estimated to be collected by the Guarantee Fund includes impairments and collections.
- Claims associated with the granting of an advance payment to an undertaking under insurance liquidation. In particular, it regards the unallocated balance of its one-off capital, an advance payment of 20 million carried over to the Aspis Pronia General Insurance S.A liquidator at the beginning of 2021 and kept in a special bank account of liquidation for the purpose of paying compensations to life-assurance beneficiaries. It is noted that the amounts are classified separately into non-current and current assets on the basis of settlement time according to the liquidation estimates. The funds regard cash balances.

Change in the amount of the claim due to the one-off payment of €20 million advance payment.

Date	Description	Amounts in euro
1.2.2021	One-off advance payment based on article 92 of Law 4714/2020	20,000,000.00
1.2.2021-31.12.2021	Use of advance payment funds for payments of compensations/offered coverage of life insurance beneficiaries	-14,071,706.30
31.12.2021	Unallocated balance*	5,928,293.70

*Part of the balance is estimated at about *€2.7 million to be settled within 2022.



Note 6

Claims from contributions

Analysis of claims from contributions per insurance company on 31.12.2021

Insurance company		
1.	ALLIANZ HELLAS S.A	52,225.50
2	ALPHALIFE SA	158,072.00
3	ATLANTIC UNION SA	1,617.57
4	GENERALI HELLAS I S.A.	60,846.94
5	ETHNIKI HELLENIC GENERAL INSURANCE CO.SA	332,728.86
6	EUROLIFE FFH LIFE INS. CO. SA	627,024.64
7	CREDIT AGRICOLE SA	16,837.07
8	INSURANCE MINETTA	737.28
9	EUROPEAN RELIANCE GENERAL INSURANCE COMPANY SA	83,404.61
10	GENERALI HELLAS INS. CO. SA	69,840.08
11	GROUPAMA PHOENIX SA	41,491.94
12	NN HELLAS SA	597,605.99
13	INTERAMERICAN HELLENIC LIFE INS.CO.SA	46,592.67
14	INTERSALONICA SA	1,165.21
15	CNP ZOIS S.M. SA	2,181.64
16	HORIZON INSURANCE COMPANY LTD	1.36
17	SYNETERISTIKI INSURANCE CO.INC	6,598.98
18	ERGO INSURANCE COMPANY SINGLE MEMBER SA	22,478.09
19	METLIFE LIFE INSURANCE SA	167,009.63
20	EUROLIFE Ltd (CYPRUS LIFE)	0.00
21	METLIFE EUROPE LTD	0.00
22	CNP CYPRIALIFE LTD	205.66
23	PRUDENTIAL INTERNATIONAL ASSURANCE PLC	3.04
24	SWISS LIFE LUXEMBURG S.A.	1,437.63
25	UNIQA OSTERREICH VERSICHERUNGEN AG	0.00
26	THE ONE LIFE COMPANY S.A.	0.00
27	CARDIF LUX VIE	0.00
28	RED SANDS LIFE ASSURANCE COMPANY Ltd	702.13
29	ALLIANZ GLOBAL LIFE DESIGNATED ACTIVITY	447.99
30	UTMOST PANEUROPE DESIGNATED ACTIVITY	5.64
31	REALE MUTUA SOCIETA **	0.00
32	ANCORIA INSURANCE PUBLIC LIMITED	3.15
	Total	2,291,265.31

The payment of the above claims relates mainly to the f installment of contribution for the year 2021 by the insurance companies-members of the Guarantee Fund of the last two months of the

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year, to be settled during the first two months of the following calendar year.

Note 7 Other claims

	2021	2020
Other claims from an insurance company under liquidation	117,241.00	117,241.00
Greek Treasury (Tax withheld)	2,649.23	0.00
Deferred contributions	943.48	892.80
Balances on December 31st	120,833.71	118,133.80

Note 8 Debt securities

Pursuant to para. 2, article 10 of the Life Guarantee Fund establishment act (L.3867/2010, the investment policy being applied adheres to the provisions of article 73 of L.2533/1997.

The available capital of a total value of € 15.7 million on 31.12.2021 being invested in short term European sovereign securities is analyzed as follows:

Portfolio Reference Framework on 31st December	2021	2020
Interest-bearing T-bills by international bodies ESM	0.00	5,504,963.30
Interest-bearing Greek Treasury bills.	15,708,584.71	15,779,140.53
T-bills of Eurozone countries	0.00	9,445,225.33
T-bills of Eurozone core countries	0.00	3,154,632.96
Total	15,708,584.71	33,883,962.12

The balance of debt securities is measured at fair value.

Note 9 Cash and cash equivalents

	2021	2020
Treasury	3,181.93	1,399.23
Deposit account in the Bank of Greece	5,957.52	82,489.54
Deposit accounts in credit institutions		
• Current accounts/sight accounts	10,628,898.52	28,358,401.24
• Term deposits	39,560,000.00	10,140,000.00
Balances on December 31st	50,198,037.97	38,582,290.01

Note 10 Own Funds (Equity)

(a) Start-up capital

The start up capital of €1,505,431.37 derived, by virtue of L.3867/2010 (para.7, article 1) from a part of (1/10) the capital that derived from the Private Insurance Supervision Committee (PISC) liquidation.

(b) Results Surplus /(Deficit) carried forward

The accumulated result stands as follows:

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	2021	2020
Surplus from previous years	76,703,429.27	56,321,337.32
Surplus /(Deficit) of the current year	(2,215,706.64)	(133,024,766.59)
Reserve (differences) of fair value*	6,753.95	37,379.00
Total Results Carried Forward	(78,912,435.96)	(76,666,050.27)
	<i>deficit</i>	<i>deficit</i>

* The amount of differences between the amortized cost and the fair value of debt securities being classified as available for sale is recognized as fair value difference in equity.

The financial result of the fiscal year 2021 posts a negative amount (deficit) standing at €- 2.215 million versus a deficit of € 133,024 million in the previous year (2020), due to formation of additional amount of provisions for compensations, amounting to €153 million in the current fiscal year by virtue of article 2 para. 5, L.3867/2010 .

The Equity amount includes the result of previous fiscal years; the financial result of the closing year and the account 'fair value differences' is formed on 31.12.2021, with a negative figure (accumulated deficit) at € - 77.407 million versus a negative figure of € -75.160 million on 31.12.2020.

The working capital on 31.12.2021 (Current assets at € 71.023 million less short-term liabilities of € 2.751 million) stands at a positive figure of € 68.272 million and is deemed sufficient to cover the Guarantee Fund's short-term liabilities.

Furthermore, the finalization of provisions to cover compensations versus beneficiaries of the Aspis Pronia General Insurance S.A company under liquidation, is set to occur, according to the liquidations, mid-long term.

For the following fiscal year (2022), there are no current liabilities that the Life Guarantee Fund should immediately satisfy and for which funding needs to be raised.

Finally, the Life Guarantee Fund going concern is not affected given that the determination and collection of annual contributions from its companies - members is defined by the Law, therefore preserving a continued inflow of resources. Furthermore, according to the possibilities allowed by virtue of the establishment act (last sections of case h', para. 3 of article 2, L.3867/2010), there is a relevant provision for possible ways of additional funding.

Note 11 Provisions for employees' benefits

	2021	2020
Balances on January 1st	13,773.66	16,110.26
Change of the period	3,800.46	(2,336.60)
Balances on December 31st	17,574.12	13,773.66

The Guarantee Fund has not adapted the provision for personnel exit compensation from the service in application of the Hellenic Accounting and Auditing Standards Oversight Board (ELTE) Directive 'for the Allocation of Cost of Defined Benefit Plans in accordance with the Interpretation of IAS 19 of the IFRS Interpretations Committee' (ELTE Board decision 211/1/27.12.2021), having assessed that the non-application of the above Decision has no material impact on its financial statements.

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Note 12

Provisions for beneficiaries' claims from life insurance of insurance companies under liquidation

Category	Justification	2021	2020
Provisions for compensations to beneficiaries (VDV)*	Compensations to beneficiaries who have not submitted supporting documents up to the end of reporting fiscal year and therefore have not been certified.	237,980.00	237,980.00
Provisions for compensations to beneficiaries (International Life)*	Compensations to beneficiaries who have not submitted supporting documents up to the end of reporting fiscal year and therefore have not been certified.	2,080,271.18	2,558,753.15
Provisions for compensations to beneficiaries under article 2, para 5, L.3867/2010**	Provision (cumulative and impaired by the total amount, €20 million, of the advance payment referred to in article 92 of Law 4714/2020) for compensations/satisfaction of beneficiaries of life insurance claims from insurance liquidation of Aspis Pronia General Insurance S.A and Commercial Value SA.	149,000,000.00	133,000,000.00
Balances on December 31st		151,318,251.18	135,796,733.15

* the provisions for the companies VDV Leben International Life Ins.CO.SA and International Life Ins.CO.SA under insurance liquidation were formed pursuant to article 7, L.3867/2010.

** the provisions for the companies Aspis Pronia General Insurance S.A and Commercial Value SA under insurance liquidation were formed pursuant to para.5, article 2, L.3867/2010.

The Life Guarantee Fund, keeping abreast with the developments of liquidations, it will proceed to reassessment of the provision account, envisaging the possibility of readjustment in the future.

In particular:

- The account amounting to €237,980.00 regards the coverage of compensations of the company VDV Leben International Life Ins.CO. SA under insurance liquidation and, relates to sixty-one life insurance policies whose claims had not been certified until 31.12.2021 (they are included in the outstanding court cases).

Claims of beneficiaries from life insurance of the company VDV Leben International SA under insurance liquidation proceedings are likely to arise from outstanding court cases of policyholders against the Life Guarantee Fund; no safe provision can be formed regarding the outcome of those cases.

The verification procedure of the claims announced by the policyholders to the liquidator of VDV Leben International Life Ins.CO.SA, in order to prepare the Compensation Beneficiaries Statement,

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pursuant to the insurance legislation, has not been completed to this day. Following the drawing up of the Compensation Beneficiaries Statement, new claims are likely to be recognized from the liquidation for which the Life Guarantee Fund shall be called upon to pay compensation. Currently, no provision can be formed for as long as the finalization of the Compensation Beneficiaries Statement is in progress. Moreover, it is possible that the Life Guarantee Fund be notified of court judgments whereby claims are recognized from VDV life insurance policies before its operation license was revoked and had not been disclosed to the Life Guarantee Fund by the liquidation. Once these court judgments become final, the Legal Entity shall proceed to determination and payment of compensation for said claims.

- The account of € 2.080 million regards a formed provision for compensations to the beneficiaries of the International Life Ins.CO. SA, under insurance liquidation. The provision amount was formed taking into consideration the information submitted to the Guarantee Fund initially by the liquidator and is monitored every year as to the height of the required future coverage of cases by the Guarantee Fund. It is noted that in application of the updating process of the Acceptance-Delivery Protocol, in 2021, claims amounting to €143 thousand were added. Subsequently, by applying the procedure for collecting and checking the supporting documentation completeness, aimed at certification, the relevant provision amount is carried over to the liabilities in order to be paid to the beneficiary. It is underlined that for 2021, the transferred amount stood at € 478 thousand. Moreover, it is mentioned that the following cases of claims are not delivered by the liquidator for which an appeal against the Statement of Life Insurance Claims Beneficiaries was lodged and regard a) cases of contestation of the recognized amount and b) claims that had not been recognized and there is a request to be included in the Statement of Life Insurance Claims Beneficiaries. Such cases shall be disclosed to the Life Guarantee Fund only upon a final judgment issuing and shall update the initial Acceptance-Delivery Protocol delivered. Based on information from the liquidation, currently the recognition or not of claims amount up to EUR 2.1 million before the courts is pending. No data or valid information is available to form a provision for this amount. However, as of 2018, when the Guarantee Fund initially recognized the relevant provision for liabilities towards International Life SA, it has been keeping an unused amount of €1.4 million.

Development of the provision for compensation to International S.A. beneficiaries.

	2021	2020
Provision 01.01	2,558,753.15	12,520,938.49
Transfer of amount to a liabilities account	-478,481.97	-9,962,185.34
Provision 31.12	2,080,271.18	2,558,753.15

- Within 2021 a provision of a total of €16 million (in current value) was formed for claims to life insurance beneficiaries from companies whose license had been revoked prior to the Guarantee Fund's establishment act publication; in particular, these claims regard the company Aspis Pronia General Insurance S.A under insurance liquidation and the company Commercial Value SA under insurance liquidation. The provision was determined, taking into account the updated information submitted by the liquidators in application of Article 92, Law 4714/31.7.2020, the down payment of €20 million granted in application of the above-mentioned law to the liquidator of the insurance company under liquidation, Aspis Pronia General Insurance

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S.A, as well as the provisions of article 2, para. 5, L.3867/2010 where it is laid down that the Life Guarantee Fund shall pay to policyholders 70% of the claim from insurance that is not satisfied by the product of liquidation. It should be mentioned that on 20.11.2015 the Compensation Beneficiaries Statements were published, recognizing the Companies' policyholders' claims. Moreover, in accordance with the insurance legislation, the interested parties may contest the Statements of Insurance Beneficiaries by lodgings appeals. Therefore, once the appeals are finalized, the Compensation Beneficiaries Statement will also be finalized and after the distribution of insurance liquidation product, a final liability of Life Guarantee Fund vis-a-vis the policyholders will arise. The Life Guarantee Fund has intervened in the hearing of certain appeals whereto it was invited by the Companies. In the meantime and following an agreement by the competent Bank of Greece Department, the liquidations of Companies have proceeded to down payments against the amount recognized as claim in the Statements of Life Insurance Claims Beneficiaries. The amount of the down payments is formed in relation to the available assets of Companies and taking into account the outstanding cases before the courts.

Development of the provision account

	2021	2020
Provision 01.01	133,000,000.00	0.00
Readjustment of the account	16,000,000.00	153,000,000.00
One-off granting of a down payment by virtue of article 92, L.4714/2020 to Aspis Pronia General Insurance S.A under insurance liquidation.	0.00	-20,000,000.00
Provision 31.12	149,000,000.00	133,000,000.00

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Note 13 Liabilities for claims from life insurance beneficiaries of companies under insurance liquidation

Category	Justification	2021	2020
Long term liabilities - provisions for compensations to beneficiaries under article 2, para. 5, L.3867/2010**	Granting, on conditions, a total one-off advance payment up to € 20 million, pursuant to article 92, L.4714/2020, as part of the formed provision, under article 2, para. 5, L. 3867/2010 for Aspis Pronia General Insurance S.A.	3,228,293.70	
Short term liabilities - provisions for compensations to beneficiaries under article 2, para. 5, L.3867/2010**	Granting, on conditions, a total one-off advance payment up to € 20 million, pursuant to article 92, L.4714/2020, as part of the formed provision, under article 2, para. 5, L. 3867/2010 for Aspis Pronia General Insurance S.A.	2,700,000.00	20,000,000.00
Balances on December 31st		5,928,293.70	20,000,000.00

The liabilities accounts (long term-/short term) relate to the unallocated balance of the €20 million down payment transferred to the liquidator of Aspis Pronia General Insurance S.A., in the beginning of 2021, in accordance with Article 92, L.4714/2020, which is held in a special bank account of the liquidation for the purpose of paying compensation. It is noted that the amounts are depicted separately based on the settlement time, according to the liquidation estimates.

Note 14 Other Taxes and Duties

	2021	2020
Payroll tax on personnel remuneration	3,290.12	3,181.01
Solidarity contribution, article 29 L.3986/2011 (Deductible amount as specified in paragraph 50 of article 72	0.00	256.43
Third party taxes (revenue from business activity article 64 L.4172/2013)	224.00	200.00
Stamp duty & Farmers Fund (OGA) (third party	28.80	28.80
Stamp duty & Farmers Fund OGA (interest)	0.32	0.00
Tax on third party remuneration	480.00	480.00
Balances on December 31st	4,023.24	4,146.24

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Note 15 Income Tax

The Guarantee Fund, as a non-profit legal entity, is subject to income tax pursuant to the provision of article 45, para.c, L.4172/2013. This account regards the income tax deriving on the basis of the provisions of the applicable tax law, stemming from income from securities and deposits interest and income deriving from goodwill from securities transfer. By Law 4646/2021, para. 1, article 58, L. 4172/2013 was reviewed; this paragraph regarded the tax rate of profits from a business activity acquired by legal persons and legal entities that keep records with a double-entry system, by 22% for the revenues of the tax year 2021 and thereafter. For the closing fiscal year, no income tax due to loss was generated from the investment portfolio and the generally negative interest rates.

Note 16 Social security organizations

	2021	2020
EFKA (Single Social Security Entity) (IKA-ETAM)	5,197.33	5,068.42
EFKA (Single Social Security Entity) (Contributions of salaried lawyers)	1,311.80	1,311.80
Balances on December 31st	6,509.13	6,380.22

Note 17 Accrued Financial Year Expenses

	2021	2020
Expenses for Decision	3.85	3.85
Accrued remuneration of Bank of Greece	1,813.22	4,532.00
Accrued remuneration of certified auditor	5,580.00	5,580.00
Data Protection Officer accrued remuneration	3,100.00	0.00
Consultant's accrued remuneration for drafting the internal rules of operation	30,442.00	0.00
Balances on December 31st	40,939.07	10,115.85

Note 18 Annual Income Contribution

	2021	2020
Annual contribution by insurance undertakings - members of the Guarantee Fund. The contributions are calculated in accordance with para. 1, article 10 of the Law, Based on the percentages per insurance class (Act no.2636/24.11.2010 by the Governor of the Bank of Greece), while they are paid every two months with the 6th installment being collected at the end of January in the following year.	14,080,715.36	12,679,858.32
Total	14,080,715.36	12,679,858.32

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**Note 19 Other income**

It relates to inflows from the following categories.

	2021	2020
Deduction from income tax	141.65	0.00
Members' contributions from previous years	9.40	38,890.76
Default interest	9.15	4,954.60
Personnel compensation provision	0.00	2,336.60
Grant from OAED-LAEK (Manpower Employment Organization) training program	322.95	0.00
Settlement of previous financial year	(64.61)	0.00
Balances on December 31st	418.54	46,181.96

Note 20 Benefits to employees

The number of salaried personnel stands at six (6) employees:

- four (4) employees on private law indefinite term employment relationship.
- One (1) employee on private law fixed term employment relationship.
- One (1) legal advisor working under the status of fixed monthly salary.

The relevant expenses, per category, are reflected on the following table:

	2021	2020
Earnings and employers' contributions for salaried employees	148,586.38	158,033.64
Hospital care expenses & a policy for hospital care of the indefinite term personnel	4,541.80	6,800.32
Provision for personnel withdrawal compensation	3,800.46	0.00
Balances on December 31st	156,928.64	164,833.96

Note 21 Other expenses and losses

	2021	2020
Telecommunications and postal fees	810.78	1,089.35
Civil liability policy premiums for Management executives	37,580.01	34,164.00
Self-employed professionals' remuneration & third-party remuneration	46,093.36	44,096.70
Third party remuneration (Management Committee	41,124.80	41,100.00
Other operating expenses	10,402.57	16,004.70
Balances on December 31st	136,011.52	136,454.75

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**Note 22 Reversal of impairment provision of claims from a company under insurance liquidation**

The reversal of impairment provision of claims (column 2020) regards the company International Life Ins.CO.SA under insurance liquidation which was formed in accordance with the disclosed data from the liquidation in the last semester of the year this.

Further information is presented in detail in Note 30.

Note 23 Credit interest and related income

	2021	2020
Interest on deposits kept in domestic credit institutions	19,742.61	56,968.68
Portfolio securities interest	(20,173.62)	(42,748.28)
Balances on December 31st	(431.01)	14,220.40

Note 24 Debit interest and related expenses

	2021	2020
Portfolio administrator remuneration (Bank of Greece)	1,813.22	4,532.00
Bank fees	1,710.15	2,392.31
Balances on December 31st	3,523.37	6,924.31

Note 25 Related parties

Any member from the Management Committee assuming duties in the context of the Life Guarantee Fund by participating in the meetings and exercising management duties, pursuant to L.3867/2020 shall be awarded remuneration. The total remuneration paid in this context amounts to € 41,124.80.

Based on a decision dated 16.10.2019 by the Guarantee Fund Meeting of Members, a monthly compensation is granted to the Management Committee's elected members for their presence at the meetings, starting in October 2019.

There are no requirements and obligations by or to members of the Management Committee.

The annual audit on the financial management and the Balance Sheet is assigned, based on article 11, para.3, L.3867/2010, by way of Members Meeting decision to two certified-auditors or to a recognized audit firm that submits a corresponding report; said report is announced to the Minister of Finance, the Bank of Greece and the Hellenic Association of Insurance Companies. For the current fiscal year, by a Meeting of Members decision dated 28.05.2021, the annual audit was assigned to the audit firm COOPERATING CERTIFIED AUDITORS-ACCOUNTANTS SA against a fee standing at € 4,500 (VAT 24% not included).

Note 27 Results of the year

The fiscal year results formed a surplus amounting to a deficit of € 2,215,760.64 which was carried over to the Equity account 'Current fiscal year deficit'.

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Note 28 Income & expenses or particular amount or particular frequency or importance

Besides the ordinary income from insurance companies' contributions and the compensation granted to the life insurance policies beneficiaries, based on the procedures set out in L.3867/2010 and the decision by the Credit and Insurance Committee of the Bank of Greece no.262/23.2.2018, there does not exist any other income or expenses of particular importance.

Note 29 Revenue-Expenses Offsetting

Not carried out.

Note 30 Developments in claims by the Guarantee Fund against insurance companies under liquidation proceedings

a) International Life SA under insurance liquidation

The Guarantee Fund has a claim, subject to payment, versus the company International Life Ins.CO. SA, under liquidation. This claim amounts to € 23,419 million in 31.12.2021, relating to the total claims by the beneficiaries and the amount of withheld tax.

The Life Guarantee Fund for these claims, taking into account observable information, estimates that the total recoverable amount from the liquidation process is € 7.560 million. The Life Guarantee Fund from the total claim from the International Life Ins.CO. SA under liquidation, has cumulatively received €1.903 million; therefore, the percentage corresponding to it by the distribution deriving from its assets liquidation, versus the amounts already paid to beneficiaries, stand at 8.15%. The cumulative amount is € 1.962 million, equally reducing the provision for the recoverable amount, which, at the end of the closing financial year, amounts to € 5.656 million. The most significant part of the distribution corresponding to the Guarantee Fund, namely € 1.858 million, was paid to the Guarantee Fund in 2020, while in 2021 the remaining part of € 44.6 thousand was paid because the process follows the progress of compensations payment.

Table with the evolution of compensations of VDV Leben International Life Ins.CO.SA under liquidation (operation license revocation date 15.5.2017):

Date of reference	Recognized claims of compensations beneficiaries		Related expenses**	Amounts paid for compensations		Coverage on the amount
	Number of claims	Amount in claims denominated in €*		Number of claims	Value of claims in euro*	
31.12.2019	4,971	23,824,652.70	19,173.18	2,446	12,974,535.55	55%
31/12/2020	4,988	23,938,776.26	19,235.49	4,612	22,941,246.86	95%
31/12/2021	5,002	24,082,321.68	19,242.06	4,780	23,419,728.83	97%

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• *Figures are displayed on accumulated basis.*

It does not include the amount of the formed provision, amounting to €1.5 for compensations to the beneficiaries of the International Life Ins.CO. SA, under insurance liquidation.

*** The related expenses regard remuneration to external specialized consultants.*

b) VDV Leben International SA under insurance liquidation proceedings

The Guarantee Fund has announced a claim subject to payment versus the company VDV Leben International Life Ins.CO.SA under liquidation amounting to € 35.7 million; after the prescription of claims amounting to € 5.2 million and the addition of a claim from a final court judgment in a past fiscal year stood at € 30.5 million at the end of the closing year. Until the preparation of financial statements a total amount of €30.2 million and has been paid and therefore, for this amount, the condition of payment is fulfilled. According to the Balance Sheet of the above insurance company under liquidation that the Life Guarantee Fund has at its disposal (year 2015), its total Assets amount to €60.2 million. It is also highlighted that, according to the liquidator's notes, inter alia, no provisions have been formed in the balance sheet to depreciate the accounts participations, debtors and assets from direct insurance activities with a total balance at € 56.9 million. Moreover, the company's assets (transferable securities and deposits) are under seizure and are blocked in Germany; due to the shortage of financial resources, claiming those assets at German courts becomes particularly difficult. It is noted that so far, VDV Leben International Life Ins.CO.SA under liquidation, has not distributed any liquidation product.

Table with the evolution of compensation in VDV Leben International Life Ins.CO.SA under liquidation (operation license revocation date 10.1.2011):

Date of reference	Recognized claims of compensations beneficiaries		Related expenses**	Amounts paid for compensations		Cover age on the amount
	Number of policies	Value in euro*		Number of policies	Value in euro*	
31.12.2011-31.12.2019	5,868	30,475,415	232,719.23	5,806	30,218,902	99%
31/12/2020	5,868	30,475,415	266,384.13	5,807	30,237,435	99%
31/12/2021	5,868	30,475,415	269,223.73	5,807	30,237,435	99%

• *Figures are displayed on accumulated basis.*

** It does not include an amount for compensations to beneficiaries of the life insurance class of VDV Leben International Life Ins.CO.SA; the claims are prescribed in application of the ad hoc decision by the Guarantee Fund Management Committee based on a relevant opinion and as there was no relevant provision on prescription in the Law 3867/2010.*

*** The related expenses regard mainly remuneration to external advisors and lawyers for the hearing of court cases.*



PRIVATE LIFE INSURANCE GUARANTEE FUND

Table with the development of the prescription of claims from offered coverage under article 7, L. 3867/2010 for VDV Leben International Life Ins.CO.SA beneficiaries:

Year of prescription	Number of policies	Beneficiaries' claims
2017-2019	2,508	5,252,314.00
2020-2021	0	0.00
Total	2,508	5,252,314.00

The movement of Life Guarantee Fund claims in the current financial year from insurance companies under liquidation, including impairments and recoveries from insurance undertakings under liquidation during the financial year ended 31.12.2021 is shown in the following table:

Claims from insurance undertakings under liquidation							
Company under insurance liquidation	Claims	Additions	Impairment provisions	Reversal of impairment	Collections/Distributions	Closing balance	Year
International Life Ins.CO. SA	23,938,776.26	0.00	(23,938,776.26)	7,560,000.00	(1,858,754.40)	5,701,245.60	31.12.2020
	23,938,776.26	143,545.34	(24,082,321.60)	7,560,000.00	(1,903,359.37)	5,656,640.63	31.12.2021
VDV Leben International AEAZ	30,475,415.00	0.00	(30,475,415.00)	0.00	0.00	0.00	31.12.2021
Total	54,414,191.26	143,545.34	(54,557,736.60)	7,560,000.00	(1,903,359.37)	5,656,640.63	

In the year ended 31.12.2021, Life Guarantee Fund did not find that there are impairment or impairment reversal conditions for the claims from undertakings under liquidation. However, the provision for the evolution of recoverable amounts may be different from the final liquidation product, as this depends on the course of the liquidations and on external factors such as the economic environment.

Note 31 Coverage of liabilities with collaterals, indicating the nature and form of collaterals

As there are no debts, no collaterals were given accordingly.

Note 32 Other legal issues

There exist outstanding court cases until 31.12.2021 against the Life Guarantee Fund by policyholders of mainly one insurance company under liquidation; such claims amount to approximately € 9 million; no safe provision can be formed regarding the outcome of those cases. Pursuant to the legal department and its external associates' opinion, the third-party lawsuits are quite unlikely to succeed. It is noted that, claims of an amount of approximately €3 million, out of the above-mentioned ones, have been rejected at second instance.

Note 33 Amounts of the Legal Entity's liabilities becoming payable after five years from the balance sheet date.

There are no liabilities that become payable after five (5) years.

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