ARISA Assurances S.A.

Solvency and Financial Condition Report

for the financial year ended December 31, 2021

DARAG
The origin of value

Introdution

ARISA Assurances S.A. belongs to the DARAG Group Ltd. as a holding company.

The SFCR report is prepared on the basis of Chapter XII of Title I of Delegated Regulation (EU) 2015/35 and the Guidelines on reporting and publication European Insurance and Occupational Pensions Authority (EIOPA)-BoS-15/109.

SCR ratio: **180%**

Volume of

Reserves: **52.903 K €**

List of abbreviations

AF	Actuarial Function
AG	Stock Corporation
ARISA	ARISA Assurances S.A.
BaFin	Federal Financial Supervisory Authority
CAA	Commissariat aux Assurances
DAG	DARAG Deutschland AG, trading as "DARAG Deutsche Versicherungs- und Rückversicherungs-AG" until December 23, 2020
DGL	DARAG Group Limited
GAAP	Generally Accepted Accounting Principles
ICS	Internal Control System
Ltd.	Limited company
MCR	Minimum Capital Requirement (MCR)
ORSA	Own Risk and Solvency Assessment (ORSA)
QRT	Quantitative Reporting Templates (QRT)
S.A.	Société Anonyme
SCR	Solvency Capital Requirement (SCR)
SFCR	Solvency and Financial Condition Report (SFCR)
Solvency II Directive	Directive 2009/138/EC of the European Parliament and of the Council of November 25, 2009 on the taking-up and pursuit of the business of insurance and reinsurance; Solvency II

List of tables

List of Figures

Summary

This report on the solvency and financial condition of ARISA Assurances S.A. (Solvency and Financial Condition Report, or SFCR for short) relates to the 2021 financial year and is part of the qualitative (descriptive) reporting system for insurance companies under Solvency II. Its content structure and the information to be reported are prescribed by supervisory law.
The purpose of the company is the operation of insurance in Lxembourg and abroad and the operation of reinsurance of risks in all insurance lines. Until December 31, 2017, the products of ARISA were distributed mainly in France, Germany and Italy under the freedom to provide services.
Due to the restructuring and strategic realignment of the ADAC Group, it was intended to discontinue the participation of ADAC Versicherung AG in ARISA. In 2017, it was decided to terminate all agency and insurance contracts on the respective next possible dates and to initiate the run-off of the company. As a result, ARISA is in run-off since 2018.
The financial year 2021 is significantly characterized by various transactions due to the change of shareholders from ADAC Versicherungs AG, Munich (hereinafter ADAC AG) to DARAG Deutschland AG, Hamburg (hereinafter DAG), which was agreed by purchase agreement dated August 5, 2020 and completed on December 22, 2020.

It was decided on March 25, 2022 to pay a dividend of €7,000 thousand and a withdrawal from free reserves of €7,000 thousand to DAG AG, all figures in this report are disclosed acordingly.
Under the principles of Solvency II, insurance companies are required to recognize their assets and liabilities close to market value. The main differences in accounting under Solvency II and local law are explained in chapter D Valuation for solvency purposes.
ARISA is adequately capitalized and fully complied with the solvency capital and minimum capital requirements in the reporting year. The company uses the standard formula for determining capital adequacy. (Chapter E Capital Management)
Descriptive, qualitative reporting is supplemented by number-based, quantitative reporting. Quantitative reporting includes the reporting forms (Quantitative Reporting Templates, or QRT), which must be submitted to the regulatory authorities annually. The appendix to this report contains selected QRTs with information on the 2021 financial year.

Contents

Business activities and performance

The financial year was dominated by various transactions following the change in shareholders from ADAC Versicherungs AG, Munich to DARAG Deutschland AG, Hamburg, which was agreed by purchase agreement dated August 5, 2020 and completed on December 22, 2020

A

A. Business activity and performance

A.1 Business activity

Name and Legal Form

Name of the company: ARISA Assurances S.A.

Legal Form: Société Anonyme

National Financial Supervision

Authority responsible for the financial supervision of the company:

Commissariat aux Assurances,

7, Boulevard Joseph II,

L-1840 Luxembourg

Luxembourg

Group Supervision

Supervisory authority responsible for the supervision of the group to which the company belongs, national supervision:

Federal Financial Supervisory Authority (BaFin),

Germany,

Graurheindorfer Str. 108,

D-53117 Bonn.

Supervisory authority responsible for the supervision of the group to which the company belongs: DARAG Deutschland AG belongs to an insurance group. This is supervised by the MFSA: Malta Financial Services Authority, Triq l-Imdina, Zone 1, Central Business District, Birkirkara, CBD 1010, Malta.

Auditors

PwC Luxembourg, 2, rue Gerhard Mercator L-2182 Luxembourg

Holder of qualifying participations and significant affiliated companies

ARISA Assurances S.A. is a subsidiary of DARAG Group Limited (DGL). ARISA Assurances S.A. is wholly owned by DARAG Deutschland AG, which is domiciled in Germany. This is wholly owned by DGL, which is the insurance holding company and parent company of the DARAG European Insurance Group. At the reporting date, DGL was wholly owned by DARAG Guernsey Limited (via DARAG Holding Guernsey 1 Limited and DARAG Holding Guernsey 2 Limited). DARAG Guernsey Limited is in turn owned by private equity funds managed by three private equity firms: Keyhaven Capital Partners Limited ("Keyhaven"), Aleph Capital Partners LLP ("Aleph") and Crestview Advisors, L.L.C. ("Crestview"). Keyhaven is an independent firm based in London specializing in financial investments. Aleph is an independent London-based firm specializing in investments. Crestview is a New York-based independent firm specializing in investments. The private equity funds have only an indirect economic interest in the company, but control is held by the private equity firms.

ARISA Assurances S.A. does not own any shares in other companies.

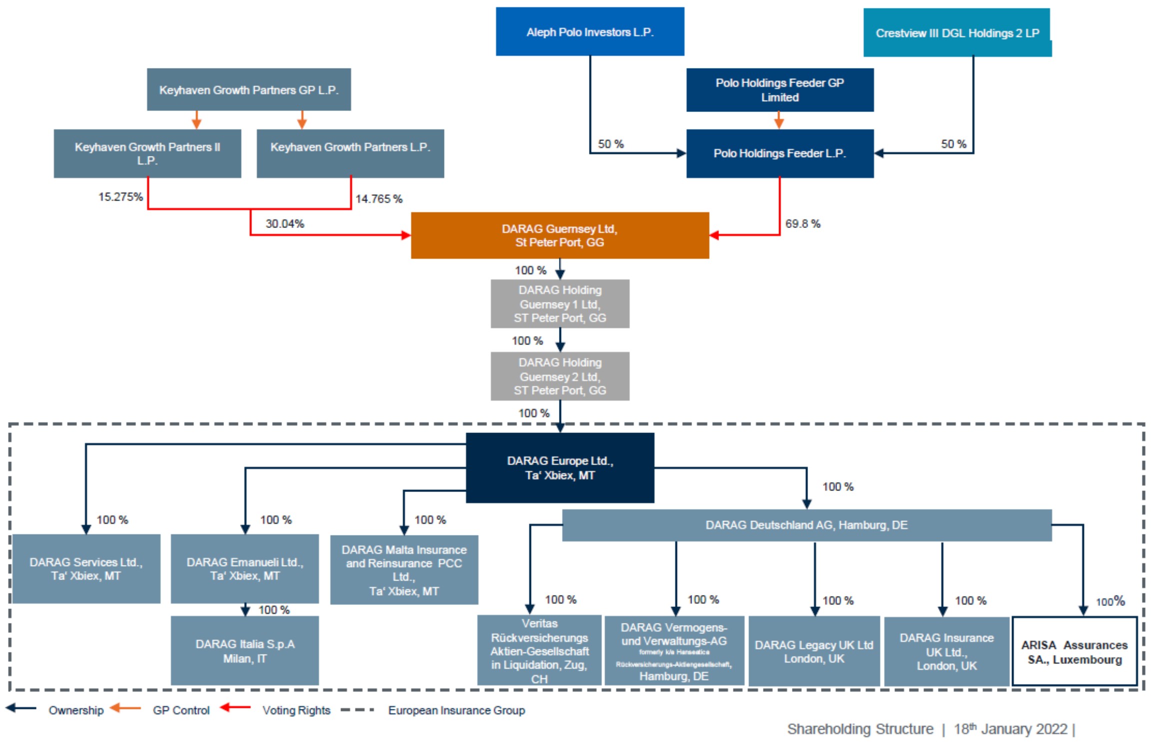

Figure 1: Organizational chart (shareholder structure).

Major business areas: Motor business, general liability, assistance, travel insurance.

A.2 Underwriting performance

The underwriting result for the 2021 financial year amounts to EUR 2,502 million (2020: EUR - 6 million) after reinsurance and technical interest income. Due to the run-off and the discontinuation of new business, the company will not generate any significant gross premiums in the future and will exclusively handle the settlement of existing claims.

Claims incurred, net of reinsurance	
Claims paid	
Gross amount	(9.414)
Reinsurers' share	14.310
Change in the provision for claims	
Gross amount	12.787
Reinsurers' share	(15.181)

	(2.502)

Table 1: Overview of underwriting benefits.

A.3. Net investment income

The net financial result in 2021 amounts to EUR 82 thousand (2020: EUR 28,226 thousand). With fixed assets of EUR 69,971 thousand (2020: € 59,065 thousand) in fixed-income securities, interest income of € 389 thousand was realized (2020: €283 thousand). Investment management expenses (EUR 257 thousand 2020: EUR 373 thousand). In line with the valuation methods for securities, impairment losses of EUR 147 thousand were recognized at year-end (2020: EUR 60 thousand).

A.4. Development of other activities

The Company's result is only due to the insurance business and investments.

A.5. Other disclosures

The financial year was mainly characterized by a commutation of the reinsured business with Arisa Ré and Swiss Ré.

It was resolved on March 25, 2022 to pay a dividend of € 7,000 thousand and a withdrawal from free reserves of € 7,000 thousand to DAG, all figures in this report are disclosed acordingly.

Contents

Governance system

Chapter B presents the Supervisory Board, Management Board and key functions as well as the remuneration system of ARISA.

B

B. Governance system

B.1 General information on the governance system

The governance system forms the basis for the implementation of ARISA's business strategy. It also serves to ensure the appropriate monitoring and management of business risks and compliance with legal requirements.

At ARISA, the organization for managing the company lies with the Board of Directors (strategic steering, setting guidelines, etc.).

The management has established key functions to support it. These monitor the actuarial calculations as well as the risk situation of the company, work towards compliance with internal and external regulations and monitor internal processes. The personal and professional qualifications of the holders of key functions, the management of outsourcing of essential processes and an internal control system are ensured.

As a stock corporation under Luxembourg commercial law, the General Meeting of Shareholders is a further body in addition to the Board of Directors and Management. The shares are fully owned by DARAG Deutschland AG.

General Meeting of Shareholders

The General Meeting of Shareholders is convened by the Board of Directors at least once a year. The following powers of the General Meeting are laid down in the Articles of Association: amendment of the Articles of Association, election and dismissal of the members of the Board of Directors, appointment of the auditor, resolution on the discharge of the management and the Board of Directors as well as on the appropriation of profits and capital measures.

Board of Directors

The Board of Directors consists of three persons. It manages the company on its own responsibility, is committed to the company's interests with the aim of successfully guiding the company through the run-off process. The Board of Directors supervises the management of the company.

All members of the Board of Directors are responsible for the functioning of the governance system. This is ensured by an annual review in close consultation with the key functions.

In accordance with the Rules of Procedure, business decisions are taken at regular meetings of the Board of Directors or by way of written resolutions. The content of the meetings is recorded in minutes. The implementation of the resolutions is monitored.

In 2021, the Board of Directors met once and via video meetings as face-to-face meetings could not take place due to the Corona pandemic. In addition, the Board of Directors made decisions by written circular.

Management

The management of the day-to-day operations of the Company may be delegated by the Board of Directors to an executive management team and was performed by an executive director during the reporting period. Since April 2019, the Company has been managed by an Administrateur Déléguéé.

Key functions

The key functions referred to in B.1. above consist of the Risk Management, Compliance and Actuarial functions and Internal Audit. The key functions have unrestricted rights of information, inspection and audit within the scope of their duties. They act independently and have direct reporting lines to the Board of Directors.

With the takeover of the company by DAG, the key functions were reorganized.

The risk management function is responsible for the risk management system. It provides support in identifying and managing risks.

The compliance function advises the Executive Board on identifying and complying with laws and administrative regulations applicable to the operation of the insurance business. It also assesses the potential impact of changes in the legal environment and identifies and assesses risks associated with the violation of legal regulations.

The Internal Audit function reviews the entire business organization of ARISA, in particular the internal control system, for adequacy and effectiveness.

The technical provisions calculated by the actuarial department are validated by the actuarial function (AF). The AF ensures the appropriateness of the models used, the underlying models and the assumptions made. It also assesses the quality of the underlying data and compares the estimates with empirical values. Furthermore, the AF informs the Executive Board about the accuracy and appropriateness of the calculations and reviews the calculations. It also gives an opinion on the general underwriting policy and the adequacy of the reinsurance arrangements. The AF was outsourced to DAG.

The powers of the key function holders included - to the extent necessary to fulfill the tasks of the respective key function - the right to information at any time vis-à-vis all employees of ARISA, DAG and sub sontractors. The key function holders were operationally independent, and they reported directly to the Board of Directors of ARISA.

A detailed description of the duties and design of the key functions is provided in sections B.2 to B.7 below.

Significant changes in the governance system

When the Company was acquired by DAG, the governance system was aligned with the concerns of DAG.

Compensation of the Board of Directors

In accordance with the Articles of Association, the members of the Board of Directors hold this office free of charge.

Significant transactions with shareholders, persons exercising significant influence over the company and members of the Board of Directors

The Company did not enter into any material transactions with members of the Board of Directors, shareholders or persons exercising significant influence on the Company during the reporting period.

Adequacy of the governance system

The governance system is adequate in nature, scope and complexity of the risks inherent in ARISA's business. With the involvement of various functions as well as the Board of Directors, it allows for appropriate risk identification and mitigation.

B.2 Requirement of professional qualification and personal reliability

All persons who effectively manage ARISA or have responsibility for other key functions such as compliance, risk management, internal audit or actuarial must at all times meet the requirements of professional qualification and personal reliability in accordance with the relevant legislation.

In this sense, ARISA considers the following criteria when assessing professional suitability and reliability.

Ensuring personal reliability

Regardless of the requirement for professional suitability, individuals in key roles must be reliable. ARISA considers an employee to be "personally reliable" if character, conduct and business practices, including criminal, financial and regulatory issues, give no reason to doubt honesty or financial independence. This is not the case if personal circumstances, based on general life experience, justify the assumption that the diligent and proper performance of key duties may be impaired. Criminal offenses or misdemeanors in connection with activities at companies are of particular relevance here.

Prior to the new appointment of an individual to a key task or key function, personal reliability is verified by obtaining a personal statement of reliability in accordance with the DAG Guideline "Fit and Proper". After successful verification, the new appointment is reported to the responsible supervisory authority.

To ensure ongoing personal reliability, it is mandatory for persons with key responsibilities to submit a renewed personal statement of reliability on an annual basis. There is also an obligation to report changes with regard to personal reliability during the year. Compliance with the requirements is monitored and documented centrally.

Ensuring professional suitability

In accordance with ARISA's internal guideline "Fit and Proper", professional suitability requires sufficient theoretical and practical knowledge of the company's business as well as management experience. Professional suitability must be commensurate with the size, systemic relevance of the company, as well as the nature, scope, complexity and risk content of the company's business activities.

The fulfillment of the requirements for professional suitability is generally assessed before a person is appointed to a key function by the body responsible for the appointment (i.e. the Annual General Meeting for suitability of members of the Board of Directors, the Board of Directors for suitability of managing directors). The basis for the assessment of professional suitability is a detailed curriculum vitae, references, proof of further training and, if necessary, other documents in accordance with the "Fit and Proper" guideline.

Evidence of further training is tracked and documented centrally. When outsourcing key tasks and functions, the same requirements apply in accordance with the ARISA "Fit and Proper" guideline. The outsourcing company is responsible for compliance with and verification of these requirements.

Requirement for the professional qualification of the management

Each individual member of the Board of Directors must have sufficient theoretical and practical knowledge of the company's business, company-specific risk management and management experience to be able to perform a management function. In particular, this includes knowledge of insurance and financial markets, business strategy and business model, governance, financial and actuarial analysis, and knowledge of the regulatory framework and regulatory requirements.

Requirements for the professional qualification of key functions

The requirements for professional suitability as the responsible holder of a key function in terms of qualifications and expertise are derived from the requirements of the "Fit and Proper" guideline. In general, all key functions require, in addition to function-specific expertise, a university degree (preferably in law or economics), many years of relevant professional experience, preferably in the insurance industry, as well as social and personal competence.

B.3 Risk management system, including the company's own risk and solvency assessments

General

The task of risk management is to identify, assess and manage risks in order to ensure that ARISA can meet its obligations to policyholders at all times. Risk Management is defined as a key function at the company, independent and reporting directly to the Board of Directors as a staff unit.

Risk strategy

At ARISA, the risk appetite is determined within the framework of the business strategy, which is defined by the Board of Directors and reviewed annually. General workflows and processes are defined by the internal guideline "Risk Management". This defines measures for managing and avoiding risks for each risk category.

Together with the risk management function, the Board of Directors derives a risk strategy for the following fiscal year based on the business strategy. As part of defining the risk strategy, a risk appetite is set for the company to ensure that the following objectives continue to be achieved:

1. Compliance with an SCR coverage ratio of at least 122% according to the Solvency II standard model (continuously) and ORSA model (at least annually as part of the ORSA process).

2. Securing the financing and liquidity of the company and ensuring that obligations to policyholders can be met on a permanent basis even in the event of stress scenarios in underwriting, market or counterparty default risk.

3. Maintaining a high level of investor confidence by avoiding undesirable reputational, regulatory, legal and operational risks.

Risk Governance

ARISA's Board of Directors is responsible for risk management within the company. It is responsible for defining and approving the business and risk strategy, defining the limits for risk appetite and risk tolerance, and ensuring that risk-bearing capacity is maintained on an ongoing basis.

In addition, the Board of Directors has the following responsibilities in the context of risk management:

1. overseeing the Company's risk governance and management of strategic risks;

2. implementing an appropriate risk management process; and

3. reviewing the effectiveness of the risk management system on an annual basis.

Risk management process

Risks are identified through two processes. First, the risk situation is quantified on a quarterly basis through the standard formula. Secondly, ARISA's risks are recorded annually by a central risk inventory. In this process, the risk officers of each division are asked about the risks within their area of responsibility. Since this process also covers those risks that are not included in the standard formula, this completes ARISA's risk profile. The risks queried in the risk inventory are documented, with measures for monitoring, control and avoidance being recorded. Risks assessed by the standard formula can then be managed, for example, by reallocating investments or changing the insurance business.

With the transition to run-off, the focus has shifted. The focus is now on the settlement of open claims, subrogation and external audits (of brokers and claims adjusters).

In 2021, internal risk management was unable to identify any inadequate liquidity risks or other operational or disproportionate risks. Reinsurance contracts limit the underwriting risk. The functionality of the internal control system is regularly reviewed and adjusted as necessary. No reputational risk is currently emerging.

Interaction between capital management and risk management system

The overall solvency target of 122% is applied in the risk management process. Based on the solvency ratio, risk reports are prepared and corporate management measures are derived. A company-wide risk survey is carried out to determine the company's own solvency requirements and to set risk limits. If the target ratio is not met, a three-stage plan is drawn up to restore and maintain the company's solvency.

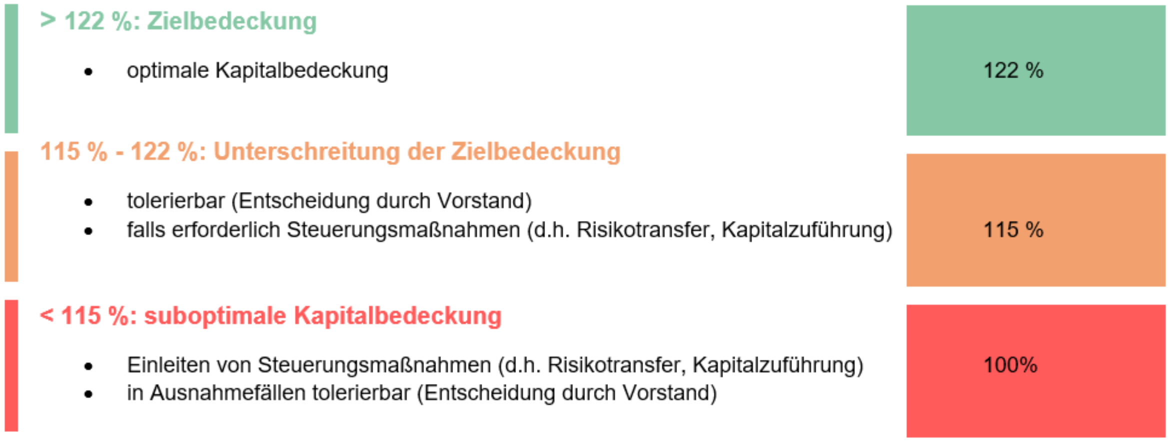

Figure 2: Illustration of the three-tier capital management plan based on the solvency ratio.

The capital management policy of DARAG Deutschland AG and its subsidiaries defines the strategy, objectives, responsibilities, processes and reporting procedures applicable to capital management. Distributions/capital reductions are part of the capital management process. Due to the nature of a run-off insurer, a fungible capital model is operated. Capital is injected into a company when necessary to maintain the company's target solvency or when considered as part of a capital recovery plan (along with other measures being considered). Capital withdrawals, either through dividends or capital reductions, are assessed on an ongoing basis using forward-looking projections of a company's solvency needs. If a company's solvency ratio is deemed to be above requirements and there is no projected need (i.e., future business) for that capital, the Board of Directors considers recommending a distribution to the upstream capital to make it available for use in the broader group. Under the run-off business model, the solvency ratio is often lowest immediately after the deal is closed and gradually increases over the life of the contract. The target solvency ratio for ARISA has been set at 122%, which is also consistent with the Group's risk appetite.

B.4 Internal control system

ARISA has an internal control system (ICS) which supports and ensures the effectiveness and efficiency of its business operations.

The aim is to identify risks arising from operational processes and to implement suitable preventive controls. This control system covers all operational risks in order to limit potential losses from inadequate or failed internal processes, employee or system-related incidents. Operational risks also include legal risks that may result, for example, from changes in legal regulations. As in previous years, both interim results and forecasts for the annual results were prepared for analysis in the fiscal year so that potential risks can be limited in good time if necessary.

Compliance function

The compliance risk situation is updated annually and reported to the Board of Directors. In view of the staffing and quality requirements for the compliance function. The Compliance function was performed by a Compliance Officer. This officer reported directly to the Board of Directors. Since December 22, 2020, the function has been outsourced to DAG.

B.5 Internal audit function

Implementation within the company

In view of the personnel and quality requirements in connection with the Internal Audit function, the Board of Directors has decided to outsource this function. In 2016, this function was performed by ADAC e.V. for ARISA. Since 01.01.2017 and until 22.12.2020, the function of Internal Revsion was performed by ADAC SE. In order to ensure proper performance of the Internal Audit function, an Audit Officer (Board member responsible for the department) was appointed and reported to the CAA. Since December 22, 2020, the Internal Audit function has been outsourced to DAG.

The general requirements for internal auditing are set out in the "Audit" guideline adopted by the Board of Directors. This contains the current statutory and regulatory minimum requirements.

Internal Audit is responsible for auditing the entire business organization (including outsourced areas and processes) for appropriateness and adequacy as well as the effectiveness of the internal control system. The activities of Internal Audit are based on a comprehensive audit plan which it updates annually. Audit planning is risk-oriented and carried out in consultation with the Board of Directors. The Board of Directors is informed promptly of all audit assignments.

Audit findings and recommendations are reported directly to the Board of Directors. The latter decides what measures are to be taken and, if necessary, ensures that these measures are implemented.

Internal Audit monitors the timely remediation of deficiencies identified during the audit by reviewing and reporting on the implementation of agreed actions. In the event that deficiencies are not remedied on time, an escalation procedure to the Board of Directors is provided for.

In order to fulfill its key function, Internal Audit maintains sufficient staff capacity qualified to audit insurance companies. To this end, Internal Audit undertakes to maintain a quality assurance system in line with professional practice and provides evidence of this. The requirements for the professional qualifications and experience of the audit staff and the

The requirements for the professional qualifications and experience of the auditing staff and the Board member responsible for the department are defined in the internal guideline "Audit", compliance with which is monitored by the company.

Ensuring objectivity and independence

In accordance with the internal guideline "Internal Auditing," Internal Auditing is not subject to any instructions with regard to planning, conducting audits, and reporting, and is not subject to any restrictions. Advisory activities are only performed if the independence of Internal Audit remains guaranteed.

The Board of Directors is responsible for monitoring Internal Audit and ensuring its independence.

Internal Audit is qualified and equipped in such a way that its resources and auditing techniques keep pace with the complexity and scale of the business and developments in the course of the digitalization of business processes.

B.6 Actuarial Function

The technical provisions in accordance with International Financial Reporting Standards (IFRS) are prepared by the actuarial department, discussed in the Reserving Committee and approved by the Board of Management. The Group Chief Actuary chairs the Reserving Committee.

The QRT process follows the reserving process. The Solvency II technical reserves are derived from the IFRS technical best estimate reserves. Subsequently, the Solvency II reserves are discussed in the QRT Committee and approved by the Board.

The actuarial function report includes an overview of the activities carried out by the actuarial function (AF) in each of its areas of responsibility during the reporting period and a presentation of its contribution to the effective implementation of the risk management system in the company. In particular, the AF confirms in it the appropriateness of the methods, parameters, data quality and a comparison of empirical values with modeled values is made. Furthermore, sensitivities and alternative models were calculated, and a range was defined in which the best estimate should lie. In addition, the remaining risks are addressed as to how they are minimized, e.g., through management actions.

Regarding data quality and the choice of parameters, a validation report is prepared annually by the AF. This deals with technical provisions and the reserving and Solvency II process. This process and the associated controls are traceable in the process manual, data register and control overview, including materiality thresholds. The Data Policy describes that there must be controls for accuracy, completeness, and adequacy. These are documented in the control overview which is part of the internal control system. In addition, a sign-off has been established for data originating from sources other than the actuarial department.

There is a regular exchange between Risk Management, AF, Compliance and Internal Audit.

Through the above activities, the AF contributes to the effective implementation of the risk management system.

B.7 Outsourcing

The outsourcing of activities and processes to external service providers is determined at ARISA after careful analysis.

ARISA has outsourced the tasks or the functions of investment management, claims processing, internal audit, the actuarial function, risk management, compliance as well as legal department.

Corresponding agreements ensure that ARISA has the necessary information and instruction powers on the part of the respective service provider. The outsourced functions and transferred tasks are included in ARISA's risk management.

B.8. Other disclosures

No disclosures.

Contents

Risk Profile

Risk is measured and managed using the standard formula. The resulting risk profile provides an overview of the risks to which the company is exposed and determines the SCR.

C

C. Risk profile

Risks are quantified on the basis of the standard formula. i.e. risks are determined in such a way that it approximates that loss which will not be exceeded within the next year with a probability of 99.5%. In addition, ARISA is exposed to risks that are not covered by the standard formula. These are recorded as part of a risk inventory and, together with the risks in the standard formula, complete the risk profile.

Risk Modules in € 000's	2020	2021
Market Risk	3.236	3.207
Counterparty default risk	914	479
Life underwriting risk	0	0
Health underwriting risk	0	0
Non-life underwriting risk	11.164	11.819
Diversification	-2.442	-2.254
Intangible asset risk	0	0
Basic Solvency Capital Requirement	**11.648**	**12.065**
Adjustment due to RFF/MAP nSCR aggregation	0	0
Operational Risk	1.874	1.587
Solvency Capital Requirement	**14.747**	**14.838**
SCR Ratio	**183%**	**180%**
Minimum Capital Requirement	**3.700**	**3.734**
MCR Ratio	**730%**	**703%**

C.1 Underwriting risk

The underwriting risk describes the risk that the number or amount of claims for which the insurance company is liable will be unexpectedly high. In ARISA, the underwriting risk can be divided into the underwriting risk damage and the underwriting risk health according to the type of damage insurance.

Underwriting risk is the largest risk for ARISA.

C.2 Market risk

ARISA pursues a very conservative investment strategy with a focus on investment security and issuer creditworthiness over yield, so that it is currently only exposed to interest rate risk and credit risk. The credit risk is taken into account by investing in public sector bonds, top quality corporate bonds and other collateralized securities. By not investing in equities or foreign currency positions, exchange rate and securities price risks are eliminated.

Asset management is outsourced to a specialized professional service provider responsible for implementing the investment policy set by the Board of Directors ("Strategic Asset Allocation ARISA").

In accordance with the requirements of the "Strategic Asset Allocation ARISA", the use of financial derivatives was also dispensed with in 2021.

Market risk is the second largest risk for ARISA. Due to the Company's run-off, this risk is becoming increasingly significant.

C.3 Credit risk

In a narrower sense, credit risk comprises default risk, i.e. the risk that our debtors are unable to meet their payment obligations in full. Due to our very conservative investment strategy, credit risk can be considered to be well manageable.

The risk is determined on the one hand by the reinsurance existing between ARISA and reinsurers and on the other hand by ARISA's cash position including deposits with credit institutions.

C.4 Liquidity risk

Liquidity risk is the risk of not being able to raise the funds required or only being able to do so at increased cost. This risk is countered by asset-liability management, which ensures that future disbursements are always covered by sufficient income or available liquid funds.

In the event of unforeseen liquidity needs and bottlenecks, apart from the demand for any loss recoveries by reinsurers, provision is first made for the sale of securities and, if this is not sufficient, for loans to be taken out within the DARAG Group and, on a subordinate basis - to the extent permitted by law - for loans to be taken out from banks.

The assets to be invested must be managed in accordance with the principle of risk diversification while maintaining the greatest possible security and profitability and, at the same time, adequate liquidity.

C.5 Operational risk

Operational risk refers to the risk of loss resulting from the inadequacy or failure of people, processes or systems and structures, or from external events. Operational risk is assessed using the standard formula. The amount of operational risk is determined in proportion to the premiums earned or the technical provisions.

C.6 Other significant risks

The risks listed in C.1 to C.5 are standard risks and, with the exception of liquidity risk, are included in the standard formula. However, ARISA is also exposed to risks that are not captured by the standard formula. These risks are identified and assessed through the so-called risk inventory.

C.7. Concentration risk

No information is provided.

C.8. Other disclosures

No disclosures.

Contents

Valuation for solvency purposes

This chapter provides information on the valuation approaches of all balance sheet items of ARISA (assets and technical provisions).

D

D. Valuation for solvency purposes

D.1. Assets

In accordance with Article 75 (1) of Sovency II Directive 2009/138/EC, assets are measured at the amount for which they could be exchanged between knowledgeable, willing parties in an arm's length transaction, i.e. at fair value.

In addition to the differences in the measurement of individual balance sheet items, the structure of the balance sheet under Solvency II also differs from the balance sheet under Lux GAAP.

The overview of assets according to Solvency II and Lux GAAP as of December 31, 2021 can be seen in appendix.

Investments

In the Solvency II financial statements, investments are measured at fair value. In the local financial statements, investments in affiliated companies are measured at cost and impaired in the event of permanent impairment. In Lux GAAP, bonds and other fixed-income securities are valued at their respective acquisition costs. If the acquisition cost is higher than the nominal value, the difference (premium) is amortized over the life of the security.

Reinsurance

Under Lux GAAP, this item includes the loss reserve for ceded insurance business. The reinsurance item includes the reinsurers' share of the underwriting reserves (premium and claims). While the amount of €10,232 thousand was valued according to LuxGAAP, the value according to Solvency II in the amount of € 9,025 thousand is based on the best estimate calculation.

For the other asset items, no different valuation approaches were used between the local balance sheet and the Solvency II balance sheet.

D.2 Technical provisions

Underwriting reserves serve to ensure that the obligations entered into by the insurance company vis-à-vis policyholders can be met at all times.

The underwriting reserves mainly include loss reserves. It is not possible to replicate the underwriting cash flows by using financial instruments and thus to measure them as a whole.

As of December 31, 2021, ARISA holds the following technical provisions under Solvency II:

Technical provisions in € thousand	Gross premium provisions	Gross loss reserves	Gross total	Net premium provisions	Net loss reserves	Net total	Risk margin	Reinsurance
Medical expenses	0	0	0	0	0	0	0	0
Income security	0	0	0	0	0	0	0	0
Accident insurance (by type of damage)	0	0	0	0	0	0	0	0
Motor vehicle liability insurance	0	52.679	52.679	0	43.654	43.654	2.664	9.025
Other motor insurance	0	7	7	0	7	7	0	0
Transport and aviation insurance	0	0	0	0	0	0	0	0
Fire and property insurance	0	0	0	0	0	0	0	0
General liability insurance	0	162	162	0	162	162	12	0
Legal expenses insurance	0	56	56	0	56	56	2	0
Non-proportional casualty reinsurance	0	0	0	0	0	0	0	0
Non-proportional property reinsurance	0	0	0	0	0	0	0	0
Non-proportional marine, aviation and transport reinsurance	0	0	0	0	0	0	0	0
HUK pensions	0	0	0	0	0	0	0	0
Total Non-Life	**0**	**52.903**	**52.903**	**0**	**43.878**	**43.878**	**2.678**	**9.025**

Table 2: Overview of technical provisions under Solvency II

Since there is no liquid market on which technical provisions are traded, actuarial provisions must be divided into a best estimate and a risk margin in order to determine the market value under Solvency II.

Best Estimate

The best estimate consists of the loss reserve and the premium reserve. The loss reserve records all cash flows for claims that have already occurred but have not yet been settled, while the premium reserve shows all cash flows for claims that will occur in the future. ARISA determines the loss reserve using actuarial methods (e.g., Chain Ladder, Bornhuetter-Ferguson). In this process, the expected future cash flows are inferred from the past settlement behavior of the claims incurred.

Risk margin
The risk margin is a premium on top of the best estimate of the technical provisions and corresponds to the cost of capital that another insurance company would require over and above the pure best estimate in order to assume and meet the obligations.

For the calculation of the risk margin, the future development of the corresponding SCR is approximated in proportion to the run-off pattern of the respective portfolio. The allocation to the individual business areas is proportional to the SCR. A cost of capital rate of 6% is applied.

Reinsurance
The reinsurance contracts concluded by ARISA are differentiated according to quota share reinsurance and excess of loss. Through the "Commutation Agreement", the existing reinsurance contracts between the Company and ARISA RE and SWISS RE were commuted in 2021. This includes quota share and excess of loss reinsurance contracts for the period from January 1, 2011 to December 31, 2013.

The illimité risk (unlimited coverage) in motor liability insurance is covered by excess of loss reinsurance (losses in excess of EUR 2.5 million) with A-rated reinsurers.

Degree of uncertainty regarding the amount of technical provisions
In the context of technical provisions, the term uncertainty is used to describe possible deviations of actual future expenses from those projected today. The bases, methods and main assumptions used to determine the best estimate of the technical provisions by type of non-life insurance are essentially based on historically observed information and contribute decisively to the degree of uncertainty.

The amount of technical provisions contains uncertainties resulting from the following:

- missing or erroneous data,
- modeling errors or simplifications, and
- the underlying assumptions

Missing or incorrect data
The technical provisions could be affected by missing or erroneous data. This could be data maintained in or extracted from the data warehouse (or other systems). In accordance with the guideline on data quality, the data are checked for adequacy, completeness and accuracy. Accordingly, the data quality is suitable for ensuring reliable results of the Solvency II calculation as of the reporting date.

Modeling errors or simplifications
The models used to calculate technical provisions are subject to a strict governance process. As part of the internal control system, the models are carefully checked and deemed suitable.

Underlying assumptions
The assumptions are based as far as possible on historical data, if available and plausible, otherwise on expert opinion. Checks and plausibility analyses are carried out as part of the internal control system. In principle, there is a risk that events occurring in the future may deviate from the assumptions. However, no systematic distortions occur as a result of the process of deriving assumptions.

D.3 Other liabilities
The following table shows the other liabilities as of December 31, 2021 (in € thousand):

Liabilities in kEUR	Solvency II
Contingent liabilities	0
Provisions other than technical provisions	701
Pension benefit obligations	0
Deposits from reinsurers	0
Deferred tax liabilities	0
Derivatives	0
Debts owed to credit institutions	0
Financial liabilities other than debts owed to credit institutions	0
Insurance & intermediaries payables	0
Reinsurance payables	0
Payables (trade, not insurance)	8.344
Subordinated liabilities	0
Subordinated liabilities not in Basic Own Funds	0
Subordinated liabilities in Basic Own Funds	0
Any other liabilities, not elsewhere shown	0
Total other liabilities	**9.046**

Table 3: Other liabilities

D.4. Alternative valuation methods

ARISA did not use any alternative valuation methods in the reporting year.

D.5. Other disclosures

No disclosures.

Contents

Capital management

Eligible own funds amount to €26,226 thousand in 2021. With regard to the solvency capital requirement under Solvency II, the solvency ratio is 180%.

E

E. Capital Management

The Company's capital management policy is closely aligned with the risk strategy. The objective is to maintain a Solvency II coverage ratio of 130% or at least not to fall below a level of 122%. This is in line with DGL's risk policy. In this respect, this is based on the forecast development of the SCR as well as own funds. If a significant shortfall in the target solvency ratio can be seen in the planning period, capital management can take countermeasures.

E.1 Own funds

Under ARISA, own funds under Solvency II result from the calculated excess of assets over liabilities. Own funds are divided into quality classes based on characteristics such as subordination and availability. As ARISA's equity is fully paid in and the additional own funds under Solvency II all result from valuation differences, 98% of the total own funds count as Tier 1 category. As of December 31, 2021, ARISA's own funds under Solvency II total €26,266 thousand of Tier 1 capital and €416 thousand of Tier 3 capital.

Own funds shares	31/12/2020 in kEUR	31/12/2021 in kEUR
Tier 1 capital		
Ordinary share capital (gross of own shares)	15.000	15.000
Share premium account related to ordinary share capital	1.500	1.500
Preferred shares and related premium	0	0
Reconciliation reserve	10.502	9.766
Subordinated liabilities	0	0
Total tier 1 capital	**27.002**	**26.266**
Tier 2 capital		
Ordinary share capital (gross of own shares)	0	0
Preferred shares and related premium	0	0
Subordinated liabilities	0	0
Total tier 2 capital	**0**	**0**
Tier 3 capital		
An amount equal to the value of net deferred tax assets	0	416
Subordinated liabilities	0	0
Total tier 3 capital	**0**	**416**

Table 4: Composition of own funds

There are no deductions from own funds in the form of treasury shares or investments in credit institutions.

The own funds coverage ratio for the solvency capital requirement (SCR) is 180% as of December 31, 2021.

Supplementary own funds

ARISA does not currently have any supplementary own funds.

Compensating balance

The compensating balance amounts to approximately € 9,766 thousand and is calculated as the difference between the excess of assets over liabilities and the sum of other basic own funds and an adjustment item. Other basic equity consists of share capital and deferred taxes.

Total Reconciliation reserve in kEUR	9.766
Excess of assets over liabilities	26.682
Other basic own funds items	16.916
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	0

Table 5: Equalization reserve

Deferred taxes

ARISA does not recognize any deferred taxes as of 31.12.2021.

E.2 Solvency capital requirement and minimum capital requirement

ARISA uses the standard formula to determine the solvency capital and minimum capital coverage ratio. Simplified calculations are not performed. Internal models and company-specific parameters are not used.

Solvency capital requirement as of 31.12.2021 (in € thousand)

Risk Modules in € 000's	2020	2021
Market Risk	3.236	3.207
Counterparty default risk	914	479
Life underwriting risk	0	0
Health underwriting risk	0	0
Non-life underwriting risk	11.164	11.819
Diversification	-2.442	-2.254
Intangible asset risk	0	0
Basic Solvency Capital Requirement	**11.648**	**12.065**
Adjustment due to RFF/MAP nSCR aggregation	0	0
Operational Risk	1.874	1.587
Solvency Capital Requirement	**14.747**	**14.838**
SCR Ratio	**183%**	**180%**
Minimum Capital Requirement	**3.700**	**3.734**
MCR Ratio	**730%**	**703%**

Table 6: Overview of solvency and minimum capital requirements

E.3 Use of the duration-based equity risk sub-module

ARISA does not use the duration-based equity risk sub-module in the calculation of the solvency capital requirement.

E.4 Differences between standard formula and any internal models used

ARISA exclusively uses the standard formula.

E.5 Non-compliance with the minimum capital requirement and non-compliance with the solvency capital requirement

During the reporting period, ARISA complied with both the Minimum Capital Requirement and the Solvency Capital Requirement.

E.6. Other disclosures

No disclosures.

Appendix: Quantitative Reporting Templates

Appendix

S.02.01.01 - Balance Sheet

S.02.01.02
Balance sheet

		Solvency II value
Assets		**C0010**
Intangible assets	**R0030**	
Deferred tax assets	**R0040**	416
Pension benefit surplus	**R0050**	
Property, plant & equipment held for own use	**R0060**	
Investments (other than assets held for index-linked and unit-linked contracts)	**R0070**	71.266
Property (other than for own use)	**R0080**	
Holdings in related undertakings, including participations	**R0090**	
Equities	**R0100**	
Equities - listed	**R0110**	
Equities - unlisted	**R0120**	
Bonds	**R0130**	71.065
Government Bonds	**R0140**	8.928
Corporate Bonds	**R0150**	62.138
Structured notes	**R0160**	
Collateralised securities	**R0170**	
Collective Investments Undertakings	**R0180**	
Derivatives	**R0190**	
Deposits other than cash equivalents	**R0200**	201
Other investments	**R0210**	
Assets held for index-linked and unit-linked contracts	**R0220**	
Loans and mortgages	**R0230**	
Loans on policies	**R0240**	
Loans and mortgages to individuals	**R0250**	
Other loans and mortgages	**R0260**	
Reinsurance recoverables from:	**R0270**	9.025
Non-life and health similar to non-life	**R0280**	9.025
Non-life excluding health	**R0290**	9.025
Health similar to non-life	**R0300**	
Life and health similar to life, excluding health and index-linked and unit-linked	**R0310**	
Health similar to life	**R0320**	
Life excluding health and index-linked and unit-linked	**R0330**	
Life index-linked and unit-linked	**R0340**	
Deposits to cedants	**R0350**	
Insurance and intermediaries receivables	**R0360**	69
Reinsurance receivables	**R0370**	96
Receivables (trade, not insurance)	**R0380**	588
Own shares (held directly)	**R0390**	
Amounts due in respect of own fund items or initial fund called up but not yet	**R0400**	
Cash and cash equivalents	**R0410**	9.849
Any other assets, not elsewhere shown	**R0420**	
Total assets	**R0500**	91.309

Liabilities		Solvency II value
		C0010
Technical provisions – non-life	R0510	55.581
Technical provisions – non-life (excluding health)	R0520	55.581
TP calculated as a whole	R0530	
Best Estimate	R0540	52.903
Risk margin	R0550	2.678
Technical provisions - health (similar to non-life)	R0560	0
TP calculated as a whole	R0570	
Best Estimate	R0580	0
Risk margin	R0590	0
Technical provisions - life (excluding index-linked and unit-linked)	R0600	0
Technical provisions - health (similar to life)	R0610	
TP calculated as a whole	R0620	
Best Estimate	R0630	
Risk margin	R0640	
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	0
TP calculated as a whole	R0660	
Best Estimate	R0670	0
Risk margin	R0680	0
Technical provisions – index-linked and unit-linked	R0690	
TP calculated as a whole	R0700	
Best Estimate	R0710	
Risk margin	R0720	
Contingent liabilities	R0740	
Provisions other than technical provisions	R0750	701
Pension benefit obligations	R0760	0
Deposits from reinsurers	R0770	0
Deferred tax liabilities	R0780	0
Derivatives	R0790	
Debts owed to credit institutions	R0800	
Financial liabilities other than debts owed to credit institutions	R0810	
Insurance & intermediaries payables	R0820	0
Reinsurance payables	R0830	0
Payables (trade, not insurance)	R0840	8.344
Subordinated liabilities	R0850	
Subordinated liabilities not in BOF	R0860	
Subordinated liabilities in BOF	R0870	
Any other liabilities, not elsewhere shown	R0880	
Total liabilities	R0900	64.627
Excess of assets over liabilities	R1000	26.682

S.05.01.02 - Premium, claims and expenses by line of business

S.05.01.02
Premiums, claims and expenses by line of business

		Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional**								
		Medical expense insurance	Income protection insurance	Workers' compensation insurance	Motor vehicle liability insurance	Other motor insurance	Marine, aviation and transport insurance	Fire and other damage to property insurance	General liability insurance	Credit and suretyship insurance
		C0010	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**	**C0070**	**C0080**	**C0090**
Premiums written										
Gross - Direct Business	**R0110**									
Gross - Proportional reinsurance accepted	**R0120**									
Gross - Non-proportional reinsurance accepted	**R0130**									
Reinsurers' share	**R0140**					0				
Net	**R0200**					0				
Premiums earned										
Gross - Direct Business	**R0210**									
Gross - Proportional reinsurance accepted	**R0220**									
Gross - Non-proportional reinsurance accepted	**R0230**									
Reinsurers' share	**R0240**									
Net	**R0300**									
Claims incurred										
Gross - Direct Business	**R0310**		-70		8.612	-235			434	
Gross - Proportional reinsurance accepted	**R0320**									
Gross - Non-proportional reinsurance accepted	**R0330**									
Reinsurers' share	**R0340**		-28		7.669	-91			4	
Net	**R0400**		-42		943	-144			430	
Changes in other technical provisions										
Gross - Direct Business	**R0410**									
Gross - Proportional reinsurance accepted	**R0420**									
Gross - Non- proportional reinsurance accepted	**R0430**									
Reinsurers'share	**R0440**									
Net	**R0500**									
Expenses incurred	**R0550**		-26		2.534	49			97	
Other expenses	**R1200**									
Total expenses	**R1300**									

		Line of Business for: **non-life insurance and reinsurance obligations (direct business and accepted proportional reinsurance)**			Line of business for: **accepted non-proportional reinsurance**				Total
		Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0100	**C0110**	**C0120**	**C0130**	**C0140**	**C0150**	**C0160**	**C0200**
Premiums written									
Gross - Direct Business	**R0110**	0	0						0
Gross - Proportional reinsurance accepted	**R0120**								
Gross - Non-proportional reinsurance accepted	**R0130**								
Reinsurers' share	**R0140**	0	0						0
Net	**R0200**	0	0						0
Premiums earned									
Gross - Direct Business	**R0210**	0	0						0
Gross - Proportional reinsurance accepted	**R0220**								
Gross - Non-proportional reinsurance accepted	**R0230**								
Reinsurers' share	**R0240**	0	0						0
Net	**R0300**	0	0						0
Claims incurred									
Gross - Direct Business	**R0310**	-183	1.159	71					9.789
Gross - Proportional reinsurance accepted	**R0320**								
Gross - Non-proportional reinsurance accepted	**R0330**								
Reinsurers' share	**R0340**	-78	-3	-37					7.436
Net	**R0400**	-105	1.162	109					2.353
Changes in other technical provisions									
Gross - Direct Business	**R0410**								
Gross - Proportional reinsurance accepted	**R0420**								
Gross - Non- proportional reinsurance accepted	**R0430**								
Reinsurers'share	**R0440**								
Net	**R0500**								
Expenses incurred	**R0550**	0	167	676					3.496
Other expenses	**R1200**								
Total expenses	**R1300**								3.496

S.05.02.01 - Premium, claims and expenses by country

S.05.02.01
Premiums, claims and expenses by country

		Home Country	Top 5 countries (by amount of gross premiums written) - non-life obligations					Total Top 5 and home country
		C0010	C0020	C0030	C0040	C0050	C0060	C0070
	R0010		BELGIUM	FRANCE	GERMANY	ITALY		
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums written								
Gross - Direct Business	R0110	0						0
Gross - Proportional reinsurance accepted	R0120							
Gross - Non-proportional reinsurance accepted	R0130							
Reinsurers' share	R0140	0						0
Net	R0200	0						0
Premiums earned								
Gross - Direct Business	R0210	0						0
Gross - Proportional reinsurance accepted	R0220							
Gross - Non-proportional reinsurance accepted	R0230							
Reinsurers' share	R0240	0						0
Net	R0300	0						0
Claims incurred								
Gross - Direct Business	R0310	9.789						9.789
Gross - Proportional reinsurance accepted	R0320							
Gross - Non-proportional reinsurance accepted	R0330							
Reinsurers' share	R0340	7.436						7.436
Net	R0400	2.353						2.353
Changes in other technical provisions								
Gross - Direct Business	R0410							
Gross - Proportional reinsurance accepted	R0420							
Gross - Non- proportional reinsurance accepted	R0430							
Reinsurers'share	R0440							
Net	R0500							
Expenses incurred	R0550	3.496						3.496
Other expenses	R1200							
Total expenses	R1300							3.496

S.19.01.21 - Gross claims paid (non-cumulative, absolute amount) - development year

S.19.01.21
Non-life Insurance Claims Information

Total Non-Life Business

Accident year / Underwriting year	Z0020	Accident year [AY]

Gross Claims Paid (non-cumulative)
(absolute amount)

		Development year										
	Year	0	1	2	3	4	5	6	7	8	9	10 & +
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110
Prior	R0100											2.612
N-9	R0160	44.520	26.497	11.304	9.472	8.385	8.263	8.605	1.789	2.672	229	
N-8	R0170	18.064	12.884	6.015	3.449	3.500	2.683	3.826	675	974		
N-7	R0180	15.199	10.236	4.162	2.887	1.168	659	553	572			
N-6	R0190	17.417	9.271	4.156	2.291	693	1.258	1.627				
N-5	R0200	18.182	9.233	2.927	1.761	1.065	1.492					
N-4	R0210	12.474	6.752	3.189	1.020	1.296						
N-3	R0220	6.702	1.414	331	294							
N-2	R0230	1.774	64	1								
N-1	R0240	381	8									
N	R0250	38										

		In Current year	Sum of years (cumulative)
		C0170	C0180
	R0100	2.612	2.612
	R0160	229	121.735
	R0170	974	52.071
	R0180	572	35.436
	R0190	1.627	36.714
	R0200	1.492	34.661
	R0210	1.296	24.730
	R0220	294	8.741
	R0230	1	1.839
	R0240	8	389
	R0250	38	38
Total	R0260	9.143	318.966

Gross undiscounted Best Estimate Claims Provisions
(absolute amount)

	Year	Development year 0	1	2	3	4	5	6	7	8	9	10 & +		Year end (discounted data)
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300		C0360
Prior	R0100											16.611	R0100	15.793
N-9	R0160	251	29	9	7	6	6.744	11.540	15.092	16.749	15.830		R0160	15.830
N-8	R0170	138	27	15	11	8.115	5.093	2.959	4.123	3.830			R0170	3.830
N-7	R0180	97	9	5	10.270	10.312	9.771	8.133	2.918				R0180	2.918
N-6	R0190	70	6	8.080	4.661	3.400	3.222	4.728					R0190	4.728
N-5	R0200	91	11.171	6.737	5.053	5.856	5.771						R0200	5.771
N-4	R0210	20.178	14.065	10.984	9.323	3.582							R0210	3.582
N-3	R0220	16.710	8.964	8.793	400								R0220	400
N-2	R0230	6.225	6.933	4									R0230	4
N-1	R0240	152	38										R0240	38
N	R0250	8											R0250	8
												Total	R0260	52.903

S.23.01.01 - Own funds

S.23.01.01
Own funds

		Total	Tier 1 - unrestricted	Tier 1 - restricted	Tier 2	Tier 3
		C0010	C0020	C0030	C0040	C0050
Basic own funds before deduction for participations in other financial sector as foreseen in article 68 of Delegated Regulation (EU) 2015/35						
Ordinary share capital (gross of own shares)	R0010	15.000	15.000			
Share premium account related to ordinary share capital	R0030	1.500	1.500			
Initial funds, members' contributions or the equivalent basic own - fund item for mutual and mutual-type undertakings	R0040					
Subordinated mutual member accounts	R0050					
Surplus funds	R0070					
Preference shares	R0090					
Share premium account related to preference shares	R0110					
Reconciliation reserve	R0130	9.766	9.766			
Subordinated liabilities	R0140					
An amount equal to the value of net deferred tax assets	R0160	416				416
Other own fund items approved by the supervisory authority as basic own funds not specified above	R0180					
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds						
Own funds from the financial statements that should not be represented by the reconciliation reserve and do not meet the criteria to be classified as Solvency II own funds	R0220					
Deductions						
Deductions for participations in financial and credit institutions	R0230					
Total basic own funds after deductions	R0290	26.682	26.266			416
Ancillary own funds						
Unpaid and uncalled ordinary share capital callable on demand	R0300					
Unpaid and uncalled initial funds, members' contributions or the equivalent basic own fund item for mutual and mutual - type undertakings, callable on demand	R0310					
Unpaid and uncalled preference shares callable on demand	R0320					
A legally binding commitment to subscribe and pay for subordinated liabilities on demand	R0330					
Letters of credit and guarantees under Article 96(2) of the Directive 2009/138/EC	R0340					
Letters of credit and guarantees other than under Article 96(2) of the Directive 2009/138/EC	R0350					
Supplementary members calls under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0360					
Supplementary members calls - other than under first subparagraph of Article 96(3) of the Directive 2009/138/EC	R0370					
Other ancillary own funds	R0390					
Total ancillary own funds	R0400					
Available and eligible own funds						
Total available own funds to meet the SCR	R0500	26.682	26.266			416
Total available own funds to meet the MCR	R0510	26.266	26.266			
Total eligible own funds to meet the SCR	R0540	26.682	26.266	0	0	416
Total eligible own funds to meet the MCR	R0550	26.266	26.266	0	0	
SCR	R0580	14.838				
MCR	R0600	3.734				
Ratio of Eligible own funds to SCR	R0620	1,7983				
Ratio of Eligible own funds to MCR	R0640	7,0343				

		C0060	
Reconciliation reserve			
Excess of assets over liabilities	R0700	26.682	
Own shares (held directly and indirectly)	R0710		
Foreseeable dividends, distributions and charges	R0720		
Other basic own fund items	R0730	16.916	
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740		
Reconciliation reserve	R0760	9.766	
Expected profits			
Expected profits included in future premiums (EPIFP) - Life business	R0770		
Expected profits included in future premiums (EPIFP) - Non- life business	R0780		
Total Expected profits included in future premiums (EPIFP)	R0790		

S.25.01.21 - Solvency capital requirement - for undertakings on standard formula

S.25.01.21

Solvency Capital Requirement - for undertakings on Standard Formula

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0120
Market risk	R0010	3.207		
Counterparty default risk	R0020	479		
Life underwriting risk	R0030	0		
Health underwriting risk	R0040	0		
Non-life underwriting risk	R0050	11.819		
Diversification	R0060	-2.254		
Intangible asset risk	R0070	0		
Basic Solvency Capital Requirement	R0100	13.251		

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	1.587
Loss-absorbing capacity of technical provisions	R0140	0
Loss-absorbing capacity of deferred taxes	R0150	
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	
Solvency capital requirement excluding capital add-on	R0200	14.838
Capital add-on already set	R0210	
Solvency capital requirement	R0220	14.838
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	
Total amount of Notional Solvency Capital Requirement for remaining part	R0410	
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	
Total amount of Notional Solvency Capital Requirement for matching adjustment portfolios	R0430	
Diversification effects due to RFF nSCR aggregation for article 304	R0440	

Approach to tax rate

		Yes/No
		C0109
Approach based on average tax rate	R0590	Approach based on average tax rate

Calculation of loss absorbing capacity of deferred taxes

		LAC DT
		C0130
LAC DT	R0640	
LAC DT justified by reversion of deferred tax liabilities	R0650	
LAC DT justified by reference to probable future taxable economic profit	R0660	
LAC DT justified by carry back, current year	R0670	
LAC DT justified by carry back, future years	R0680	
Maximum LAC DT	R0690	

S.28.01.01 - Linear formula component for non-life insurance and reinsurance obligations

S.28.01.01

Minimum Capital Requirement - Only life or only non-life insurance or reinsurance activity

Linear formula component for non-life insurance and reinsurance obligations

		C0010
MCR_{NL} Result	**R0010**	3.734

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance) written premiums in the last 12 months
		C0020	**C0030**
Medical expense insurance and proportional reinsurance	**R0020**		
Income protection insurance and proportional reinsurance	**R0030**	0	
Workers' compensation insurance and proportional reinsurance	**R0040**		
Motor vehicle liability insurance and proportional reinsurance	**R0050**	43.654	
Other motor insurance and proportional reinsurance	**R0060**	7	0
Marine, aviation and transport insurance and proportional reinsurance	**R0070**	0	
Fire and other damage to property insurance and proportional reinsurance	**R0080**		
General liability insurance and proportional reinsurance	**R0090**	162	
Credit and suretyship insurance and proportional reinsurance	**R0100**		
Legal expenses insurance and proportional reinsurance	**R0110**	56	
Assistance and proportional reinsurance	**R0120**	0	
Miscellaneous financial loss insurance and proportional reinsurance	**R0130**	0	
Non-proportional health reinsurance	**R0140**		
Non-proportional casualty reinsurance	**R0150**		
Non-proportional marine, aviation and transport reinsurance	**R0160**		
Non-proportional property reinsurance	**R0170**		

Linear formula component for life insurance and reinsurance obligations

		C0040
MCR_L Result	**R0200**	0

		Net (of reinsurance/SPV) best estimate and TP calculated as a whole	Net (of reinsurance/SPV) total capital at risk
		C0050	**C0060**
Obligations with profit participation - guaranteed benefits	**R0210**		
Obligations with profit participation - future discretionary benefits	**R0220**		
Index-linked and unit-linked insurance obligations	**R0230**		
Other life (re)insurance and health (re)insurance obligations	**R0240**	0	
Total capital at risk for all life (re)insurance obligations	**R0250**		

Overall MCR calculation

		C0070
Linear MCR	**R0300**	3.734
SCR	**R0310**	14.838
MCR cap	**R0320**	6.677
MCR floor	**R0330**	3.709
Combined MCR	**R0340**	3.734
Absolute floor of the MCR	**R0350**	3.700
		C0070
Minimum Capital Requirement	**R0400**	3.734