White Horse Insurance Ireland dac

Solvency and Financial Condition Report (“SFCR”)

Financial year end September 30 2017

White Horse Insurance Ireland dac

Contents

D. VALUATION FOR SOLVENCY PURPOSES

E. CAPITAL MANAGEMENT

SUMMARY

Solvency II, the harmonised EU-wide regulatory regime for insurance companies, came into force with effect from 1 January 2016. The regime prescribes certain reporting and public disclosure arrangements to be put in place by insurers. This document is the second version of the Solvency and Financial Condition Report (“SFCR”) that is required to be published by White Horse Insurance Ireland dac (‘**White Horse**’ or ‘**the Company**’). The first version was published in February 2017 in respect of the financial year ending 30 September 2016.

This report covers the Business and Performance of the Company, its System of Governance, Risk Profile, Valuation for Solvency Purposes and Capital Management. The ultimate Administrative Body that has the responsibility for all of these matters is the Company’s Board of Directors (the ‘**Board’**), with the help of various governance and control functions that it has put in place to monitor and manage the business.

The Company’s financial year runs to 30 September each year and it reports its results in GBP (Pounds Sterling).

A. BUSINESS AND PERFORMANCE

A.1 Business

White Horse is a private company limited by shares. The Company’s operating address and registered office is:

White Horse Insurance Ireland dac,
Rineanna House
Shannon Free Zone
Shannon
Co. Clare

The Central Bank of Ireland (‘**CBI**’) is responsible for financial supervision of the Company. The CBI’s address is:

Central Bank of Ireland,
New Wapping Street
North Wall Quay,
Dublin 1,
Ireland

The Company's external auditor for the Financial year end 2017 was Ernst & Young Chartered Accountants, Harcourt Centre. Harcourt Street, Dublin 2, Ireland.

The Company is wholly owned by Thomas Cook Group plc ("Thomas Cook"), a British global travel company, listed on the London Stock Exchange. The below chart outlines the Company ownership structure.

The Company is in the process of a corporate restructure albeit the ultimate parent entity will remain unchanged.

White Horse provides travel insurance policies to Thomas Cook customers under the Thomas Cook brand. In addition, the Company provides insurance policies to third parties under various brands. The Company also writes foreign exchange money, car rental excess and private motor excess insurance in the UK and holiday cancellation insurance in Sweden and Norway. During 2017, the Company sought the necessary approvals to gain passporting rights across the EEA as part of its strategic plan to distribute its products across a broader jurisdictional base.

The Company's financial year end is 30 September each year. Policy administration and non-assistance claims handling services are outsourced to White Horse Administration Services Limited ("**WHASL**") which is itself a subsidiary of the Company. Medical assistance claims administration is outsourced to Cega Group Services Limited ("**CEGA**") which is a UK based specialist medical assistance insurance administrator.

A.2 Underwriting Performance

Policyholders are predominantly UK resident with other policyholders located in Sweden, Norway and Ireland.

The principal nature of travel insurance risks is one of short term, low value and high volume. Underwriting performance is monitored on an on-going basis and pricing is reviewed at least annually for each individual contract. Exposure is capped by specific limits within the insurance policy and by using reinsurance contracts for any claims in excess of these retention limits.

	GBP £'m 2017	GBP £'m 2016
Gross Written Premium	20.7	19.3
Earned Premium	18.9	18.5
Claims Paid and movement in provision net of reinsurance	(15.0)	(12.8)
Other Operating Expenses *	(1.8)	(1.1)
Underwriting performance	**2.1**	**4.7**

Key assumptions used in calculating insurance liabilities

When estimating the cost of claims outstanding at the year-end, the principal assumptions underlying the estimates are the Company's historic development patterns and expected loss ratios. This includes assumptions in respect of historic claims costs, average claims handling expenses and market developments. The key sensitivity relates to that of the technical reserves and this is illustrated in the table below.

White Horse
Insurance Ireland dac

Movement in technical provisions net of reinsurance

	Unearned Premium Provision GBP £'m	Claims Provisions GBP £'m	Total GBP £'m
Gross			
Opening Balance	4.4	3.9	8.3
Movement in period	0.9	1.6	2.5
Closing Balance	**5.4**	**5.4**	**10.8**

Technical reserves sensitivity analysis

	Claims reserves movement GBP £'m	Impact on profit before tax GBP £'m	Shareholder's equity movements GBP £'m
Estimates by +/- 10%			
Change in Claims Reserves	0.5	0.5	0.5

Incurred claims development

Calculations of IBNR reserves are based upon historic development patterns and expected loss ratios. The company transacts short tail business, mainly consisting of travel insurance, for which uncertainty about the amount and timing of claims payments is typically resolved within one year.

A.3 Investment Performance

Investment Income

White Horse's overall strategic approach is to increase business volume (i.e. Gross Written Premium) through providing insurance services that provide value to customers and profit to the company. White Horse seeks to achieve this through predominantly risk averse and conservative underwriting and investment activities. The White Horse Board has a low appetite for losses arising from investment activities. White Horse commits to maintaining a sufficient level of liquidity to meet all of its liabilities as they fall due.

	GBP £'m 2017	GBP £'m 2016
Interest received and receivable	0.02	0.04

B. SYSTEM OF GOVERNANCE

B.1 General Information on the System of Governance

The Company is classified as a Medium Low Risk firm under the Central Bank of Ireland's risk-based framework for the supervision of regulated firms, known as PRISM or Probability Risk and Impact SysteM and is subject to the Central Bank of Ireland's Corporate Governance Requirements for Insurance Undertakings 2015.

The Board of Directors

The principal purpose of the Board of Directors of the Company (the "**Board**") is oversight of the long term success of the Company. This includes the protection and enhancement of the value of its assets. The Board will act in the best interests of the Company taking into account its stakeholders including the shareholder, employees, regulatory bodies, customers and the public.

The Board oversees the conduct of the business and its senior management and will have a full understanding of the nature of the Company's business activities, related risks and its financial statements.

Board Objectives

- To provide effective, prudent and ethical oversight of the Company;
- To set and oversee an effective business strategy. The Board brings objectivity and judgment to the strategic planning process and ultimately approves, on an annual basis, the strategic plan which takes into account, among other things, the opportunities and risks of the Company's business;

- To ensure risk is properly monitored and managed. This includes establishment and oversight of the risk appetite, risk management framework and internal controls framework. To oversee the amounts, types and distribution of both internal capital and own funds adequate to cover the risks of the company;
- To ensure compliance is properly monitored and managed. The Board will oversee the internal controls framework, including internal audits, financial reporting and accounting systems and management systems to effectively monitor the Company's business and operations and ensure compliance with applicable laws, regulations and policies;
- To establish and oversee a robust and compliant approach to corporate governance;
- To appoint a Chief Executive Officer and senior management with appropriate integrity and adequate knowledge, experience, skill and competence for their roles. The Board will also endorse the appointment of people who may have a material impact on the risk profile of the institution and monitor on an on-going basis their appropriateness for the role;
- To ensure an appropriate succession plan is in place;
- To implement remuneration policies and procedures based on best practice and compliant with any requirements issued by Central Bank of Ireland;
- To monitor compliance with the Company's Code of Conduct on business conduct and ethical behaviour;
- To ensure a robust and transparent organisation structure and reporting channels.

Current Board Membership

Mr. Nick Ong-Seng (Chairman and Group Non-Executive Director)

Mr. Greg McMahon (Independent Non-Executive Director)

Mr. Peter Hughes (Independent Non-Executive Director)

Mr. Brian House (Chief Executive Officer)

Ms. Veronica Ryan (Chief Financial Officer and Company Secretary)

The Board currently delegates authority to the Risk Committee and Audit Committee to oversee the conduct of the appropriate functions relating to these committees. However, membership of both committees comprises the full Board as set out in the Terms of Reference for these committees.

Audit Committee Objectives

- Monitoring the effectiveness and adequacy of the company's internal control, internal audit and IT systems;
- Liaising with the external auditor particularly in relation to their audit findings;
- Reviewing the integrity of the company's financial statements and ensuring that they give a "true and fair view" of the financial status of the company;
- Reviewing any financial announcements and reports and recommending to the Board whether to approve the company's annual accounts (including, if relevant, Group accounts); and
- Assessing auditor independence and the effectiveness of the audit process.

Risk Committee Objectives

- To advise the Board on risk appetite and tolerance for future strategy, taking account of the Board's overall risk appetite, the current financial position of the company and, drawing on the work of the Audit Committee and the external auditor, the capacity of the company to manage and control risks within the agreed strategy;
- To oversee the risk management function;
- To ensure the development and on-going maintenance of an effective risk management system within the company that is effective and proportionate to the nature, scale and complexity of the risks inherent in the business;
- To advise the Board on the effectiveness of strategies and policies with respect to maintaining, on an on-going basis, amounts, types and distribution of both internal capital and own funds adequate to cover the risks of the institution.

Key Functions

Chief Executive Officer

The Chief Executive Officer ('**CEO'**) reports directly to the Chairman of the Board and is responsible for all executive management matters affecting the company and for the delivery of the short, medium and long term strategic objectives of the company.

Chief Financial Officer

The Chief Financial Officer ('**CFO'**) is a member of the Board and reports directly to the CEO with primary responsibility for the management of the financial risks of the company. The CFO advises and manages strategic and tactical matters in relation to accounting, financial planning, reporting and record-keeping.

Head of Actuarial Function

The role of the Head of Actuarial Function (‘**HoAF’**) is outsourced to Lane Clark & Peacock Ireland Limited. The HoAF is responsible for the Actuarial Function and for the tasks allocated to it. The responsibilities of the HoAF and the Actuarial Function, in line with guidance from the Central Bank of Ireland and the Society of Actuaries, include, but are not limited to the following matters:

- Co-ordinating the calculation of the firm’s technical provisions;
- Assessing the consistency of the internal and external data used in the calculation of technical provisions against the data quality standards as set in Solvency II;
- Continuous monitoring of the solvency position of the Company and the required level of statutory reserves;
- Reporting on the solvency position of the Company;
- The provision of advice and support to the Company on the ORSA (Own Risk and Solvency Assessment) process, including the financial consequences of stresses and scenarios and the impact of management actions.

Head of Internal Audit

The Head of Internal Audit (‘**HoIA’**) is a Thomas Cook Group employee and is independent from the operational functions of the Company. The HoIA does not have any responsibility for any other function when evaluating and reporting the audit results. The HoIA has direct access to the Independent Non-Executive Directors of the Board. This position is temporarily outsourced to KPMG Ireland due to the maternity leave of the incumbent role holder.

Chief Risk & Compliance Officer

In accordance with the nature, scale and complexity of the company and its products, the company has combined the roles of Chief Risk Officer and Compliance Officer (‘**CRCO**’). The CRCO is responsible for the oversight of the Risk Management Framework and for implementing the systems, policies and procedures within White Horse to comply with applicable laws and regulations. The Board also delegates responsibility to the CRCO for monitoring the solvency coverage ratio of the Company for which it (the board) remains ultimately accountable.

Remuneration

The Company provides a range of benefits to employees, including contractual salary, pension, life cover, travel concessions and travel and car hire excess insurance. The Group operates a non-contractual annual bonus scheme for Senior Management employees based on Group and individual performance.

Material Transactions

Other than payment for services for those outsourced functions set out in section B7 of this report, and contracted employee salaries and benefits mentioned above, and a dividend paid to the Shareholder of £3m during the reporting period (2016: £3m), there were no other material transactions with persons who exercise a significant influence on the undertaking including any Board members.

B.2 Fit and Proper Requirements

The Central Bank Reform Act 2010 provides that a person performing a control function ('**CF**') must have a level of fitness and probity appropriate to the performance of that particular function. The Company has adopted a Fitness and Probity Policy which is aligned with the 2010 act and with the Central Bank of Ireland's Guidance on Fitness and Probity Standards 2014.

The Company addresses the fitness of each CF appointment on a case by case basis, and considers in its assessment the persons professional and formal qualifications, knowledge and relevant experience within the insurance sector, other financial sectors or other businesses and takes into account the respective duties allocated to that person and, where relevant, the specific technical skills of the person.

The Board will consider during its assessment of a Pre-approved Control Function ('**PCF'**) the respective duties allocated to individual members to ensure appropriate diversity of qualifications, knowledge and relevant experience to ensure that the undertaking is managed and overseen in a professional manner.

The process of assessment for a candidate for a Control Function role includes the following:

- A written job description outlining the duties and responsibilities of the role;
- An assessment of the level of fitness and probity required for the role, on the basis of the formally documented job description and role specification;
- A process that matches the person with the requirements of the role;
- Verification of identity, relevant qualifications, experience, references and professional memberships where required;
- Approval by the Board and Central Bank of Ireland where required.

Approval from the CBI is required prior to the appointment of PCF role holders by the Company's Board. PCF role holders include all members of the Board as well as the Head of Actuarial Function, Chief Risk & Compliance Officer and Head of Internal Audit.

White Horse Insurance Ireland dac

B.3 Risk Management System

Strategy and Risk Appetite

As an insurance company that underwrites insurance products and services for Thomas Cook customers under the Thomas Cook brand and for third parties through various brands, White Horse accepts that certain levels of risk will be assumed in the natural course of its business. The Company's Risk Appetite Statement defines the qualitative and quantitative risk appetite statements for each material risk type facing the business, and these are aligned to the business objectives. Operating limits are set by product line, counterparty and third party provider with trigger levels defined for each. Regular management team meetings and committees take place that monitor limits and take remedial action as required.

Accountable owners in the business are responsible for notifying the CRCO immediately of breaches to these statements. The CRCO will then notify the Board of any breaches and escalate accordingly.

The Central Bank of Ireland will be notified in writing of material deviations from the defined risk appetite, along with the appropriate action to remedy the deviation, within 5 business days of the Board becoming aware of the deviation.

Identification, Monitoring and Management of Risk

The Company has identified and defined a common taxonomy of all key material risks to which the company is exposed. These material risks are documented in the White Horse Risk Register and form a central part of White Horse monitoring and reporting activities.

The Company manages each material risk category with monthly reporting on the risk register against the risk appetite statement. Risks are also directly linked to key controls and these are documented and reviewed on an on-going basis by assigned risk and control owners.

The business itself (e.g. underwriting, reinsurance, claims, and finance) is responsible for identifying and assessing risks and related controls in the first instance. Management assesses risk in the following ways, including but not limited to:

- Review of the Risk Register;
- Review of Operational Risk Events;
- Business Performance & Risk Exposure Reporting;
- Weekly Trading Meetings;
- Monthly Management meetings;
- Formal Board & Committee Meetings.

Risk is assessed and measured on both a qualitative and quantitative basis and establishes the frequency of the assessment and measurement process consistent with the volatility of the risk and controls. Risk exposures are quantified through the company's risk appetite framework and stress and scenario testing activities.

In the first instance, all employees of White Horse are responsible for monitoring, reporting, and where required, escalating the reporting of risks.

Business performance, risk exposures and large loss notifications are monitored and reported on a regular basis.

The CRCO assesses the adequacy of limits and provides input into the monitoring process performed by the management team. The CRCO monitors risk levels independently from the management team and reports to the Board Risk Committee on a quarterly basis, or more often as required. The report provides an indication of performance against agreed risk appetite limits and any new and emerging risk trends.

ORSA Risk Management

Capital levels and technical reserve provisions are monitored on an on-going basis with regular reporting to the management team, Risk Committee and Board. Material deviations from planned capital levels are notified to the management team, Risk Committee and Board. Any breach of the Company's risk appetite tolerances in respect of capital adequacy will be reported immediately to the Board and Central Bank of Ireland.

The Own Risk and Solvency Assessment ('**ORSA'**) is a central component of the Company's Risk Management Framework and the key internal process undertaken by the Company to determine the own funds necessary to ensure that the Company's overall solvency needs are met at all times. The ORSA addresses all key risks both internal and external that are applicable to the Company and considers the business strategy and required capital over a five year period.

The Board has adopted the Standard Formula as the method for calculating the required capital needs of the Company and the ORSA addresses the capital needs of the Company on an "own risk" assessment.

Key milestones of the ORSA process include:

- Review of Risk Management policies and plans
- Business Planning (consideration of 5 year plan and strategy)
- Results from quantitative analysis and review of base assumptions
- Regular review of risk register and risk appetite outputs and metrics
- Review, testing and assessment by the Actuarial Function
- Review, assessment and reporting from the Risk Function, including operational risk event analysis

- Challenge and discussion from Board on Stress and Scenario Tests ("SSTs")
- Review and challenge / feedback from the Risk Committee or Board
- Issue final ORSA for internal approvals and submit to CBI
- Strategic business decisions made as a result of the outputs of the SCR and ORSA

Review and Approval of the ORSA

The Board will review, approve and sign off the ORSA at least annually. Additional ad-hoc ORSAs may be carried out and reviewed by the Board under certain circumstances. Examples of circumstances which may give rise to this requirement are outlined below:

- Substantial change or drop of the capital base;
- Substantial change in risk profile;
- Significant market-wide event.

Where the risk profile of the company may be perceived to have deviated from assumptions underlying the SCR calculation, the Company may decide to perform a qualitative analysis to assess the materiality of the deviation and then decide whether a further quantitative assessment is required.

The Company uses a modified and recalibrated version of the Standard Formula for the own assessment of capital, incorporating the Company's own actuarial assumptions. A five year base case projection of the Balance Sheet and own assessment of capital requirements position is produced using this model, as well as business performance assumptions for future years.

A number of Stress and Scenario Tests are selected by the Board in order to understand how sensitive the Company's financial and solvency position is to certain events or under different strategic planning assumptions. The outputs are reviewed by management and challenged by the Board and, where appropriate, potential management actions are noted and followed through to completion.

The Company is satisfied that its current strategy is supported by sufficient capital into the future. Allowing for a planned capital management policy to be executed, the Company is satisfied that there is adequate capital in place.

B.4 Internal Control System

The company has established and maintains a system of governance which provides for the sound and prudent management of the business and includes:

- A transparent organisational structure with clear allocation and appropriate segregation of responsibilities;

- An effective system for the review of Management Information and transparent decision-making; and
- Compliance with the system of governance requirements set out in regulations 44 to 51 of the European Communities (Insurance and Reinsurance) Regulations 2015.

The Compliance function, led by the Chief Risk & Compliance Officer, reports administratively and functionally to the Board.

The CEO and each business manager is expected to take operational responsibility for compliance within their areas of responsibility. Each business manager shall support the Chief Risk & Compliance Officer in carrying out her role and in particular shall be responsible for:

- Implementing the systems, policies and procedures within White Horse to comply with applicable laws and regulations relating to a regulated insurance undertaking;
- Managing their departments and staff in a manner which is compliant with applicable laws and regulations relating to a regulated insurance undertaking;
- Monitoring the activities of their departments and staff to ensure that the work of their departments and staff is compliant with applicable laws and regulations relating to a regulated insurance undertaking;
- In relation to management employed by White Horse, overseeing outsourcing arrangements to ensure outsourced providers have adequate systems, policies and procedures to comply with applicable laws and regulations, and all relevant rules, policies and procedures as requested by White Horse;
- Ensuring that the CRCO is promptly informed of proposals for new or revised products, procedures and systems in a timely manner to ensure compliance issues are given appropriate consideration;
- Ensuring that the CRCO is promptly informed of any compliance incidents and that appropriate action is taken if a compliance incident occurs; and
- Ensuring that the CRCO is promptly informed of any facts relevant for the performance of their duties.

The CRCO, through the authority derived from the Board, is responsible for the management of the Compliance Function. The principal compliance responsibilities of the CRCO are:

- Monitoring the implementation of compliance and reporting periodically to the CEO and to the Board;
- Reviewing products, procedures and systems on a planned basis from the viewpoint of effective compliance and taking the necessary steps to ensure compliance;
- Reviewing staff training processes to ensure appropriate compliance competencies;
- Advising the Board on compliance with applicable regulatory requirements;

- Performing an assessment of the possible impact of any changes in the legal environment on the operations of the Company and the identification and assessment of compliance risk;

- Establishing a compliance policy and a compliance plan. The compliance policy shall define the responsibilities, competencies and reporting duties of the compliance function. The compliance plan shall set out the planned activities of the compliance function which take into account all relevant areas of the activities of the Company and its exposure to compliance risk; and

- Assessing the adequacy of the measures adopted by the Company to prevent non-compliance.

B.5 Internal Audit Function

The Head of Internal Audit ('**HoIA'**) is a Thomas Cook Group employee and is the holder of a PCF. The Company's Audit Committee has given authority to co-source the function with an external service provider. This function is temporarily wholly outsourced to an external service provider due to maternity leave.

The HoIA monitors the Company's internal controls, providing independent and impartial assessment of the adequacy of and compliance with regulatory and legal requirements and with the policies and procedures of the Company, including providing assurance that the risk management function is functioning as designed. The Internal Audit Function is objective and independent from the operational functions and does not have any responsibility for any other function when evaluating and reporting the audit results. The HoIA has direct access to the Independent Non-Executive Directors of the Board.

The Internal Audit Function is responsible for the following:

- Establishing, implementing and maintaining an audit plan setting out the audit work to be undertaken in the upcoming years, taking into account all activities and the complete system of governance of the Company;
- Taking a risk based approach in deciding its priorities;
- Reporting the audit plan to the board of directors of the Company on an annual basis;
- Issuing an internal audit report to the Board based on the results of work carried out, which includes findings and recommendations to the Board including the envisaged period of time to remedy the shortcomings and the persons responsible for doing so, and information on the achievement of audit recommendations;
- Submitting the internal audit report to the Board on at least an annual basis; and
- Verifying compliance with the decisions taken by the Board on the basis of those recommendations made in the internal audit report.

B.6 Actuarial function

The Company's Actuarial Function is structured as follows:

- The role of the Head of Actuarial Function (‘**HoAF’**) is outsourced to Lane Clark & Peacock Ireland Limited (“LCP”);
- The HoAF is supported in his role as HoAF by the Company's in-house Actuarial Manager, and also by his colleagues at LCP.

Key responsibilities of the Actuarial Function include:

- Co-ordination of the calculation of technical provisions including reviewing the appropriateness of the methodology and assumptions used, assessing and communicating the key sources of uncertainty in the figures and justifying the differences between successive periods. The work on technical provisions culminates in the Actuarial Report on Technical Provisions and the Actuarial Opinion on Technical Provisions.
- The Actuarial Function must produce the following annual reports for the Board: Actuarial Report on Technical Provisions, Actuarial Opinion on Technical Provisions and Actuarial Function Report. The reports should cover all of the information necessary for the Board to form its own opinion on the adequacy of technical provisions, the ORSA and on the underwriting and reinsurance arrangements.
- Contribution to the effective implementation of the risk management system of the Company, in particular:
    - In relation to the Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR), the HoAF reviews the output of the model used by the Company to calculate the SCR and MCR. Specifically, any perceived or possible inconsistencies or issues identified in the model results are raised; and
    - ORSA - the Chief Risk and Compliance Officer, HoAF and Actuarial Manager together establish the requirements of the audience for the ORSA report, agree how the requirements will be satisfied and agree the format of the draft ORSA reports, the supporting appendices and working papers.

B.7 Outsourcing

The company has formally documented its outsourcing policy and undertakes a risk assessment and due diligence process prior to any final decision being made as to whether to outsource a material business activity. This addresses all material factors that would impact on the potential service provider's ability to perform the business activity. Each established outsourcing arrangement is also subject to on-going monitoring and formal annual review.

The current key outsourcing arrangements of the company are set out below:

Service Provider	Description of services provided	Jurisdiction location of SP	Relationship Owner
White Horse Administration Services Limited	Policy Administration & Claims Handling	Ireland	CEO
CEGA Group Services Limited	Claims Handler (Medical Assistance)	UK	Technical Manager
Socrates Systems Limited	Insurance Sales platform	UK	CEO
Lane, Clark & Peacock Ireland Limited	Head of Actuarial Function	Ireland	CFO
Thomas Cook Group	Head of Internal Audit	UK	CFO
KPMG Ireland	Internal Audit Services	Ireland	CFO

B.8 Any other information

The Company has strengthened its corporate governance system during the reporting period by further embedding new policies and procedures to support the sound and prudent management of the business according to its risk appetite and in compliance with Solvency II regulatory requirements. Furthermore, the Company has taken on additional resource this period to facilitate more robust risk and compliance monitoring and to ensure better oversight and challenge of controls effectiveness across the organisation.

C. RISK PROFILE

The definitions and tolerances around the acceptance of risk are documented through the White Horse risk appetite statements for each material risk type.

The Company's overall strategic approach is to increase business volume (i.e. Gross Written Premium) through providing insurance services that provide value to customers and profit to the company. White Horse seeks to achieve this through risk averse and conservative underwriting and investment activities.

White Horse's risk management objectives seek to:

- Ensure that the risk appetite is reflective of the company's overall business strategy;
- Protect White Horse's commercial interests ensuring profitable returns for its sole shareholder, Thomas Cook;
- Protect the legitimate interests of its customers;
- Enable the Board and Management Team to discharge their responsibilities to shareholders; and
- Comply with legal and regulatory requirements.

C.1 Underwriting risk

The White Horse Board's objective is to maintain consistent profitability for its shareholder whilst increasing premium levels (i.e. business volume) and protecting the Thomas Cook brand and customer base. The White Horse Board applies the following underwriting philosophy to achieve this objective:

- Write insurance business that limits volatility in earnings and profit, whilst maintaining required capital levels;
- Adopt a risk averse and conservative approach to underwriting, pricing and reserving whilst driving business volumes;
- Maintain a low appetite for cash via comprehensive reinsurance programme; and
- Develop new profitable high volume, low value insurance products aligned to the strategic requirements of Thomas Cook.

C.2 Market risk

White Horse operates a conservative investment strategy which runs in close dialogue with the Treasury function of its parent company, Thomas Cook.

The Company assumes a low level of interest rate risk arising from short term weekly deposits and a low level of currency risk arising from non-British pounds denominated policies and related hedging strategies which are used to reduce the impact on White Horse of potential foreign currency exchange rate fluctuations.

The Board has a low appetite for losses arising from investment activities.

C.3 Credit risk

White Horse is exposed to credit risk by placing insurance business through reinsurers, broking distribution channels and short term deposits with financial institutions.

White Horse is also exposed to credit risk from within the Thomas Cook Group with credit terms to Thomas Cook Northern Europe and Thomas Cook Cooperative Travel and any risk from an intercompany loan which may be in put in place in the future.

The White Horse Board has a low appetite for financial losses arising from the failure of these counterparties or arrangements. White Horse applies strict vetting criteria, including assessment of counterparty financial position, credit rating and reputation.

C.4 Liquidity risk

White Horse aims to maintain a sufficient level of liquidity to meet all of its liabilities as they fall due. The Company manages its liquidity risk in the following ways:

- Deposits are held on short term deposits;
- Cashflow forecasting is prepared annually and reported against weekly.

White Horse monitors the SCR continuously to ensure liquid assets (i.e. cash) are available to meet White Horse required capital levels on a continuous basis.

The total amount of expected profits included in future premiums at 30th September 2017 is c£1.1m.

C.5 Operational risk

The White Horse Board has no appetite for financial losses arising from failings or errors in relation to people, internal or external processes and systems, particularly when such losses could translate into:

- A negative impact on White Horse or Thomas Cook reputation;
- An inability to continue to provide insurance services to our customers;
- A breach to applicable laws and regulations; or
- An inadequate calculation of our capital levels.

In addition, White Horse has no appetite for losses resulting from internal and external fraud.

The White Horse Board seeks therefore to limit and mitigate Operational Risk exposures through a strong control environment supported by White Horse's core values and risk culture. Legal and regulatory compliance is monitored continuously and reported to the White Horse Management team. Operational losses are closely monitored and risk appetite thresholds are set to effectively monitor and report operational loss.

Group Risk

Group risk is defined as the risk of loss arising from being part of a wider parent company (e.g. group bankruptcy). White Horse recognises that a significant portion of its business is providing insurance products and services to Thomas Cook.

Business Model / Strategy Risk

Strategic risk is defined as the risk of loss resulting from the inadequate definition and setting of the company's strategy. Reputational risk is defined as the risk of loss resulting from damage to the company's reputation or brand resulting in loss of revenue and damage to shareholder value.

Conduct Risk: Product Oversight and Governance

Conduct risk is linked to strategy and organisational culture and is defined as risk to the delivery of fair outcomes for White Horse's customers.

Risk Mitigation

White Horse manages each material risk category with monthly reporting on the risk register against the risk appetite statement key risk indicators.

- Insurance Risk: White Horse underwrites business that limits volatility and adopts a risk averse approach to underwriting, pricing and reserving and implements a reinsurance programme to minimise aggregation of risk.
- Market Risk: White Horse assumes a low level of market risk arising from short term weekly deposits and hedging strategies used to reduce the impact to White Horse of potential foreign currency fluctuations.
- Counterparty Risk: White Horse monitors its debtors on a monthly basis.
- Liquidity Risk: White Horse seeks to ensure that a suitable level of liquid assets is held to cover all future liabilities as they fall due.
- Operational Risk: White Horse carries out regular reviews of its Risk Register and regularly monitors the effectiveness of controls in place to mitigate operational risk.
- Group Risk: White Horse provides insurance services to its parent and reviews its contract annually within the Group.
- Business Model / Strategy Risk: White Horse provides oversight of the strategy implementation on an ongoing basis.

Risk Concentration

The Company is not exposed to any material risk concentrations. The potential risk concentrations arising from mass events such as a pandemic are minimised by reinsurance.

Risk Sensitivity

The risks most material to the Company's own assessment of its capital requirement are Underwriting Risk and Reserve Risk. The assumptions for these are as follows:

- Underwriting Risk – a probability distribution model of the ultimate loss ratio, parameterised by considering the historical volatility in the Company's loss ratio.

- Reserve Risk – a probability distribution model of the ultimate cost of incurred claims (including IBN(E)R), parameterised by considering the historical volatility of the Company's loss development.

The above risks are each translated into a factor to apply to figures on the Balance Sheet, which enables the calculation of an own assessment of Capital Requirements in line with the Projected Balance Sheet.

A range of Stress and Scenario Tests are selected by the Board and applied to the Company's business plan leading to a range of Projected Balance Sheets. The factors above are applied to these "stressed" Balance Sheets to determine the own assessment of Capital Requirements under each of the Stress and Scenario Tests.

These provide an understanding of how sensitive the Company's financial and solvency position is to certain events or under different strategic planning assumptions. The outputs are reviewed by management and challenged by the Board and, where appropriate, potential management actions are noted and conclusions drawn. The Company is satisfied that its current strategy is supported by sufficient capital into the future.

D. VALUATION FOR SOLVENCY PURPOSES

D.1 Assets

The Company's assets can be summarised as follows as at 30 September 2017:

	Financial Statements GBP £'m	Adjustment GBP £'m	Solvency II GBP £'m
Cash and cash equivalents	13.8		13.8
Insurance and intermediaries receivables	12.9	(6.3)	6.6
Reinsurance Recoverables & Receivables	1.8	(0.2)	1.5
Investment in Subsidiary	0.5		0.5
Receivables (non-insurance)	0.5		0.5
Property & Equipment	0.1		0.1
Other Assets	0.1		0.1
Total	**29.6**	**(6.5)**	**23.1**

The Statement of Financial Position, prepared in accordance with IFRS and IFRIC interpretations endorsed by the European Union and with those parts of the Companies Act 2014 applicable to companies reporting under IFRS, forms the basis of the Solvency II balance sheet. Balances are adjusted to Solvency II valuations in accordance with the guidance issued by EIOPA and the CBI and using the valuation principles set out in the Directive 2009/138/EC, Delegated Regulation (EU) 2015/35, Solvency II Technical Standards and Guidelines.

The Company held Cash and Cash Equivalents to the value of £13.8m as at the reporting date with Solvency II valuation consistent with IFRS measurement principles.

The value of insurance and intermediaries receivables was £6.6m as at the reporting date. Under Solvency II, it includes the Company's policyholder and intermediary debtors adjusted to remove premium receivable but not yet due. This is consistent with the valuation principles for technical provisions under Solvency II which require that such balances are deducted from technical provisions.

The combined value of reinsurance recoverables and reinsurance receivables in the Solvency II balance sheet was £1.5m as at the reporting date. The valuation principles and methodologies used to calculate the reinsurance recoverable are consistent with those concerning Solvency II technical provisions. The £0.2m adjustment on transition from an IFRS to Solvency II basis reflects the fact that a portion of future premiums receivable, but not yet due, will become payable to the relevant reinsurers. This is consistent with SII technical provision calculation principles.

All other assets on the Solvency II Balance Sheet are aligned in value reported in the Company's Financial Statements.

D.2 Technical provisions

The Company's material lines of business are Medical Expense Insurance and Assistance. The Solvency II technical provisions for the Company are equal to the sum of a best estimate and an explicit risk margin. Below is a breakdown of the Technical Provisions:

	GBP £'m	GBP £'m
	Medical Expense Insurance	**Assistance**
Best Estimate	2.6	0.6
Risk Margin	0.3	0.2
Total	**2.8**	**0.8**

The starting point in the calculation of the Solvency II Technical Provisions is the calculation of provisions as set out in the Company's Financial Statements.

The Financial Statements of the Company include provisions for claims outstanding based on earned premiums which consider all reasonably foreseeable best estimates. This includes reserves for claims incurred plus a provision for claims incurred but not yet reported (IBNR). The Company also considers any amounts recoverable from reinsurance contracts in respect of its claims reserves and IBNR. The booked reserves also include a margin for uncertainty. Under Solvency II, the technical provisions are valued based on the amount that the Company would have to pay if it were to transfer its insurance obligations to another insurance or reinsurance undertaking

The following steps are then taken to derive the Technical Provisions on a Solvency II basis:

1. Addition of allowance for “Events Not in Data” in Claims Provisions (this is derived using a truncated data assumption that the historical data covers 90% of the possible range of outcomes).
2. Discounting of Claims Provision (using the Yield Curves from EIOPA).
3. Removal of UPR and AURR.
4. Deduction of Future Premium Cashflows.
5. Addition of Future Expenses and Commissions Cashflows.
6. Addition of Future Claims and Claims Expenses.
7. Discounting of Premium Provision (using the Yield Curves from EIOPA).
8. Addition of Risk Margin (calculated using the Standard Formula model).

The above adjustments are the only differences between the figures in the Company’s financial statements and the valuation under Solvency II. Please note the following:

- There are no matching adjustments applied
- There are no volatility adjustments used
- There are no transitional risk-free interest rate-term structures applied
- There are no transitional deductions applied

As at the reporting date, the Company had amounts recoverable from reinsurers in respect of incurred claims totalling £1.6m. The best estimate recoverable from reinsurers in respect of potential future claims on written but unearned business accounts for less than 2% of Technical Provisions.

The key source of uncertainty in the Technical Provisions is the natural volatility of claims. both in terms of size and timing. Such claims are exposed to a range of uncertainty factors which include demographic factors and macroeconomic influences (such and inflation and currency movements). Additionally Actuarial best estimates are subject to inherent uncertainty from changes in claim reporting and settlement patterns.

D.3 Other liabilities

	Financial Statements	Adjustment	Solvency II
	GBP £'m	GBP £'m	GBP £'m
Technical Provisions	10.8	(7.2)	3.6
Insurance and intermediaries payable	1.8		1.8
Reinsurance Payables	0.5	(0.3)	0.2
Insurance Premium Tax Payable	1.0		1.0
Operating Cost Accruals	0.4		0.4
Other Accruals	0.2		0.2
Other Liabilities	0.1		0.1
Deferred Tax Liability	0.0	0.1	0.1
Total Liabilities	**14.8**	**(7.4)**	**7.4**

As noted in section D.2, the Technical Provisions on the Solvency II Balance Sheet total £3.6m. This is markedly different to the Financial Statements valuation of £10.8m. The £7.2m adjustment can be explained as follows:

- As per section D.1, the premiums receivable but not yet due are deducted from Insurance and Intermediaries Receivable on the Asset side of the Balance Sheet and offset against the Technical Provision on the Liability side.
- The remaining £0.9m valuation adjustment stems from the different treatments of provision calculations as described in section D.2.

The Solvency II Balance Sheet value, as at the reporting date, of Reinsurance Payables was £0.2m which reflects a £0.3m adjustment against the Financial Statements valuation. As noted in section D.1, provisions for future premiums payable to reinsurers, in respect of unearned business, is offset against Reinsurance Recoverables on the Solvency II Balance Sheet.

The different valuation basis between IFRS and Solvency II resulted in a higher level of Excess of Assets over Liabilities on the Solvency II Balance Sheet compared to the Financial Statements. The existence of these additional net assets in turn results in the creation of a Deferred Tax Liability, calculated with reference to domestic rate of corporation tax (12.5%). As at the reporting date, the Deferred Tax Liability on the Solvency II Balance Sheet was £0.1m.

All other liabilities are valued consistently with the IFRS Balance Sheet under true and fair valuation principles.

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E. CAPITAL MANAGEMENT

E.1 Overview

The Company uses the Standard Formula as defined by EIOPA to calculate the SCR. The Company deems the Standard Formula appropriate for use, given the nature of its risk profile. The Company was capitalised at the reporting date with an SCR coverage ratio of 174%.

E.2 Own funds

The Company is a single shareholder entity. It has no debt financing nor does it have any plans to issue new shares in the short or medium term. The Company's capital planning process is dynamic and forward-looking and is informed by the output from its risk management activities and the Own Risk and Solvency Assessment process.

As such, capital planning activities shall take into account current and anticipated changes in the company's risk profile, such as those reflected in its five year business plan, and forecasting the related impact on capital. In addition, as part of its capital planning, the Company shall integrate projected capital needs with its business planning and financial forecasting processes.

In order to ensure the maintenance of appropriate capital levels at all times, the Company has defined a specific capital risk appetite with thresholds and limits that shall trigger actions, including the source of capital and/or associated corrective actions.

These appetites have been developed in line with regulatory requirements under the Solvency II regime whilst also including an appropriate level of prudence over and above minimum levels.

Own funds are comprised of paid-up ordinary share capital, retained earnings as recorded on the Financial Statements and valuation basis difference on transition from the Financial Statement to SII Balance Sheets.

Excess of Assets over Liabilities	**2017 Total GBP £'m**	2016 Total GBP £'m	**2017 Tier 1 GBP £'m**	**2018 Tier 2 GBP £'m**	**2019 Tier 3 GBP £'m**
Ordinary Share Capital	0.5	0.5	0.5	-	-
Retained Earnings	14.4	15.5	14.4	-	-
Net Assets - Financial Statements	**14.9**	**16.0**	**14.9**	**-**	**-**
Financial Statement to SII Valuation Differences	0.8	0.9	0.8	-	-
Excess of Assets over Liabilities	**15.7**	**16.9**	**15.7**	**-**	**-**

The eligible amount of own funds to cover the Solvency Capital Requirement and the Minimum Capital Requirement is £15.7m. This is comprised entirely of Tier 1 Basic Own Funds.

The following table reconciles the differences between the equity in the financial statements and the excess of the assets over liabilities as calculated for solvency purposes.

Reconciliation of Excess of Assets over Liabilities to Equity in the financial statements as at 30 September 2017

	GBP £'m
Total Equity in financial statements	14.9
Deduct	
Future administrative fees	(0.3)
Future claims and claims expenses	(3.9)
Risk Margin	(0.5)
Deferred Tax Liability	(0.1)
Add	
UPR and AURR	5.3
Margin held in IFRS not allowable in SII	0.3
Solvency II – Excess of Assets over Liabilities	**15.7**

None of the Company's own funds are subject to transitional arrangements and the Company has no ancillary own funds. No deductions are applied to own funds and there are no material restrictions affecting their availability and transferability.

E.3 Solvency Capital Requirement and Minimum Capital Requirement

The Company's Solvency Capital Requirement (SCR) and Minimum Capital Requirement (MCR) at the end of the reporting period are as follows:

- SCR - £9.05m
    - There are no simplified calculations used;
    - There are no undertaking specific parameters used.
- MCR - £3.26m

The MCR is calculated based on the Net Written Premium over the reporting period, the Net Best Estimate Technical Provisions and the absolute floor of €3.70m (equivalent to GBP £3.26m as at the reporting date) as prescribed in Article 129(d)i of the directive. The SCR is calculated using the Standard Formula. The split by risk modules is as follows:

Solvency Capital Requirement by Risk Module

	GBP £'m 2017	GBP £'m 2016
Non-Life Underwriting Risk	5.2	4.2
Health Underwriting Risk	2.1	1.7
Market Risk	2.1	1.0
Counterparty Default Risk	2.9	2.9
Intangibles SCR	0.0	0.0
Diversification Allowance	-3.7	-2.8
Basic SCR	**8.6**	**7.0**
LAC of Deferred Tax	-0.1	0.0
Operational Risk	0.6	0.6
SCR	**9.0**	**7.6**

Material changes from the previous reporting period in the SCR are as follows:

- The Non-Life and Health Underwriting module capital requirements have increased by in excess of 20% primarily driven by an increase in budgeted Gross Earned Premium in the 12 months following the reporting date.
- The Market Risk module has more than doubled from £1.0m to £2.1m. This is on account of additional assets (term deposits) stressed within this module. Previously these assets were invested in cash and were stressed within Counterparty Default module.
- The Counterparty Default module remained broadly unchanged despite the shift in cash assets to be stressed within the Market Risk module. The lack of reduction in capital can be attributed to adverse credit rating movements on assets exposed to certain counterparties.

E.4 Use of the duration-based equity risk sub-module in the calculation of the Solvency Capital Requirement

The Company has opted not to use the duration based equity risk sub-module of the Solvency II regulations.

E.5 Non-compliance with the Minimum Capital Requirement and non-compliance with the Solvency Capital Requirement

The company maintained sufficient capital to meet the SCR and MCR at all points in the preceding 12 months to the reporting date.

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QRT Templates for the SFCR Public Disclosure

S.02.01.02

Balance Sheet

000s

		Solvency II value
Assets		C0010
Intangible assets	R0030	46
Deferred tax assets	R0040	-
Pension benefit surplus	R0050	-
Property, plant & equipment held for own use	R0060	86
Investments (other than assets held for index-linked and unit-linked contracts)	R0070	500
Property (other than for own use)	R0080	-
Holdings in related undertakings, including participations	R0090	500
Equities	R0100	-
Equities - listed	R0110	-
Equities - unlisted	R0120	-
Bonds	R0130	-
Government Bonds	R0140	-
Corporate Bonds	R0150	-
Structured notes	R0160	-
Collateralised securities	R0170	-
Collective Investments Undertakings	R0180	-
Derivatives	R0190	-
Deposits other than cash equivalents	R0200	-
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	1,369
Non-life and health similar to non-life	R0280	1,369
Non-life excluding health	R0290	1,369
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	6,611
Reinsurance receivables	R0370	175
Receivables (trade, not insurance)	R0380	465
Own shares (held directly)	R0390	-

Amounts due in respect of own fund items or initial fund called up but not yet paid in	R0400	-
Cash and cash equivalents	R0410	13,821
Any other assets, not elsewhere shown	R0420	-
Total assets	R0500	23,072
Liabilities		
Technical provisions – non-life	R0510	3,575
Technical provisions – non-life (excluding health)	R0520	745
Technical provisions calculated as a whole	R0530	-
Best Estimate	R0540	527
Risk margin	R0550	218
Technical provisions - health (similar to non-life)	R0560	2,830
Technical provisions calculated as a whole	R0570	-
Best Estimate	R0580	2,569
Risk margin	R0590	261
Technical provisions - life (excluding index-linked and unit-linked)	R0600	-
Technical provisions - health (similar to life)	R0610	-
Technical provisions calculated as a whole	R0620	-
Best Estimate	R0630	-
Risk margin	R0640	-
Technical provisions – life (excluding health and index-linked and unit-linked)	R0650	-
Technical provisions calculated as a whole	R0660	-
Best Estimate	R0670	-
Risk margin	R0680	-
Technical provisions – index-linked and unit-linked	R0690	-
Technical provisions calculated as a whole	R0700	-
Best Estimate	R0710	-
Risk margin	R0720	-
Contingent liabilities	R0740	-
Provisions other than technical provisions	R0750	-
Pension benefit obligations	R0760	-
Deposits from reinsurers	R0770	-
Deferred tax liabilities	R0780	120
Derivatives	R0790	-
Debts owed to credit institutions	R0800	-
Financial liabilities other than debts owed to credit institutions	R0810	-
Insurance & intermediaries payables	R0820	1,752
Reinsurance payables	R0830	177
Payables (trade, not insurance)	R0840	1,546
Subordinated liabilities	R0850	-
Subordinated liabilities not in Basic Own Funds	R0860	-
Subordinated liabilities in Basic Own Funds	R0870	-
Any other liabilities, not elsewhere shown	R0880	189
Total liabilities	R0900	7,359
Excess of assets over liabilities	R1000	15,713

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QRT Templates for the SFCR Public Disclosure

S.05.01.02

Premiums, Claims and Expenses

000s

		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
		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	Legal expenses insurance	Assistance	Miscellaneous financial loss	Health	Casualty	Marine, aviation, transport	Property	
		C0010	C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0200
Premiums Written																		
Gross - Direct Business	R0110	7,873	-	-	-	140	-	-	-	-	-	12,651	-	-	-	-	-	20,665
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0140	870	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	870
Net	R0200	7,003	-	-	-	140	-	-	-	-	-	12,651	-	-	-	-	-	19,795
Premiums Earned																		
Gross - Direct Business	R0210	7,420	-	-	-	145	-	-	-	-	-	12,171	-	-	-	-	-	19,736
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0240	870	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	870
Net	R0300	6,550	-	-	-	145	-	-	-	-	-	12,171	-	-	-	-	-	18,866
Claims Incurred																		
Gross - Direct Business	R0310	7,863	-	-	-	46	-	-	-	-	-	7,224	-	-	-	-	-	15,133
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reinsurers' share	R0340	1,773	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,773
Net	R0400	6,090	-	-	-	46	-	-	-	-	-	7,224	-	-	-	-	-	13,360
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	1,303	-	-	-	23	-	-	-	-	-	2,094	-	-	-	-	-	3,420
Other expenses	R1200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	R1300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,420

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QRT Templates for the SFCR Public Disclosure

S.05.02.01
Premiums, Claims and Expenses by Country
000s

		Home Country	Top 5 Countries (by amount of gross premium written) - non-life obligations					Total Top 5 and Home Country
	R0010		UK	Sweden	Norway	Denmark	N/A	
		C0080	C0090	C0100	C0110	C0120	C0130	C0140
Premiums Written								
Gross - Direct Business	R0110	1,249	14,435	4,272	702	7		20,665
Gross - Proportional reinsurance accepted	R0120	-	-	-	-	-		-
Gross - Non-proportional reinsurance accepted	R0130	-	-	-	-	-		-
Reinsurers' share	R0140	69	801	-	-	-		870
Net	R0200	1,180	13,634	4,272	702	7		19,795
Premiums Earned								
Gross - Direct Business	R0210	1,118	13,824	4,129	658	7		19,736
Gross - Proportional reinsurance accepted	R0220	-	-	-	-	-		-
Gross - Non-proportional reinsurance accepted	R0230	-	-	-	-	-		-
Reinsurers' share	R0240	65	805	-	-	-		870
Net	R0300	1,053	13,019	4,129	658	7		18,866
Claims Incurred								
Gross - Direct Business	R0310	453	10,326	3,727	624	4		15,133
Gross - Proportional reinsurance accepted	R0320	-	-	-	-	-		-
Gross - Non-proportional reinsurance accepted	R0330	-	-	-	-	-		-
Reinsurers' share	R0340	269	1,504	-	-	-		1,773
Net	R0400	185	8,821	3,727	624	4		13,360
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	186	2,686	470	77	1		3,420
Other expenses	R1200	-	-	-	-	-		-
Total expenses	R1300	186	2,686	470	77	1		3,420

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QRT Templates for the SFCR Public Disclosure

S.17.01.02

Non-Life Technical Provisions

000s

		Direct business and accepted proportional reinsurance												Accepted non-proportional reinsurance				Total Non-Life obligation
		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	Legal expenses insurance	Assistance	Miscellaneous financial loss	Non-proportional health reinsurance	Non-proportional casualty reinsurance	Non-proportional marine, aviation and transport reinsurance	Non-proportional property reinsurance	
		C0020	C0030	C0040	C0050	C0060	C0070	C0080	C0090	C0100	C0110	C0120	C0130	C0140	C0150	C0160	C0170	C0180
Technical provisions calculated as a whole	R0010	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recoverables from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default associated to TP calculated as a whole	R0050	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technical provisions calculated as a sum of BE and RM																		
Best Estimate																		
Premium Provisions																		
Gross	R0060	- 1,332	-	-	-	- 62	-	-	-	-	-	- 606	-	-	-	-	-	- 2,000
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0140	- 225	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	- 225
Net Best Estimate of Premium Provisions	R0150	- 1,107	-	-	-	- 62	-	-	-	-	-	- 606	-	-	-	-	-	- 1,775
Claims Provisions																		
Gross	R0160	3,901	-	-	-	24	-	-	-	-	-	1,171	-	-	-	-	-	5,096
Total recoverable from reinsurance/SPV and Finite Re after the adjustment for expected losses due to counterparty default	R0240	1,594	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,594
Net Best Estimate of Claims Provisions	R0250	2,307	-	-	-	24	-	-	-	-	-	1,171	-	-	-	-	-	3,502
Total Best estimate - gross	R0260	2,569	-	-	-	- 38	-	-	-	-	-	565	-	-	-	-	-	3,096
Total Best estimate - net	R0270	1,200	-	-	-	- 38	-	-	-	-	-	565	-	-	-	-	-	1,727
Risk margin	R0280	261	-	-	-	2	-	-	-	-	-	216	-	-	-	-	-	479
Amount of the transitional on Technical Provisions																		
Technical Provisions calculated as a whole	R0290	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Best estimate	R0300	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Risk margin	R0310	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Technical provisions - total																		
Technical provisions - total	R0320	2,830	-	-	-	- 36	-	-	-	-	-	781	-	-	-	-	-	3,575
Recoverable from reinsurance contract/SPV and Finite Re after the adjustment for expected losses due to counterparty default - total	R0330	1,369	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,369
Technical provisions minus recoverables from reinsurance/SPV and Finite Re - total	R0340	1,461	-	-	-	- 36	-	-	-	-	-	781	-	-	-	-	-	2,206

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QRT Templates for the SFCR Public Disclosure

S.19.01.21

Non-Life Insurance Claims (Total Non-Life Business)

000s

Z0010	Accident Year

Gross Claims Paid (Non-Cumulative)

		Development 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											
N-9	R0160											
N-8	R0170											
N-7	R0180	7,595	4,659	128	28	-21	47	-2	-			
N-6	R0190	15,200	4,745	134	8	12	23	22				
N-5	R0200	12,789	5,555	110	51	9	4					
N-4	R0210	12,117	4,093	196	10	46						
N-3	R0220	10,004	3,435	114	15							
N-2	R0230	8,822	2,823	127								
N-1	R0240	8,910	2,718									
N	R0250	10,627										

		In Current Year	Sum of years (cumulative)
		C0170	C0180
	R0100		
	R0160		
	R0170		
	R0180		
	R0190	22	20,144
	R0200	4	18,518
	R0210	46	16,462
	R0220	15	13,567
	R0230	127	11,773
	R0240	2,718	11,628
	R0250	10,627	10,627
Total	R0260	**13,560**	**102,719**

Gross undiscounted Best Estimate Claims Provisions

		Development Year										
		0	1	2	3	4	5	6	7	8	9	10 & +
		C0200	C0210	C0220	C0230	C0240	C0250	C0260	C0270	C0280	C0290	C0300
Prior	R0100											
N-9	R0160											
N-8	R0170									33,708		
N-7	R0180								0			
N-6	R0190							7,238				
N-5	R0200						0					
N-4	R0210					14,689						
N-3	R0220				2,764							
N-2	R0230			23,270								
N-1	R0240		94,794									
N	R0250	4,933,138										

		Year end (discounted data)
		C0360
	R0100	
	R0160	
	R0170	33,617
	R0180	0
	R0190	7,218
	R0200	0
	R0210	14,650
	R0220	2,756
	R0230	23,207
	R0240	94,540
	R0250	4,919,838
Total	R0260	**5,095,828**

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QRT Templates for the SFCR Public Disclosure

S.23.01.01
Own Funds
000s

		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 2015/35						
Ordinary share capital (gross of own shares)	R0010	500	500	-	-	-
Share premium account related to ordinary share capital	R0030	-	-	-	-	-
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	15,213	15,213	-	-	-
Subordinated liabilities	R0140	-	-	-	-	-
An amount equal to the value of net deferred tax assets	R0160	-	-	-	-	-
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	15,713	15,713	-	-	-
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	15,713	15,713	-	-	-
Total available own funds to meet the MCR	R0510	15,713	15,713	-	-	-
Total eligible own funds to meet the SCR	R0540	15,713	15,713	-	-	-
Total eligible own funds to meet the MCR	R0550	15,713	15,713	-	-	-
SCR	R0580	9,046	-	-	-	-
MCR	R0600	3,265	-	-	-	-
Ratio of Eligible own funds to SCR	R0620	174%	-	-	-	-
Ratio of Eligible own funds to MCR	R0640	481%	-	-	-	-

		C0060
Reconciliation reserve		
Excess of assets over liabilities	R0700	15,713
Own shares (held directly and indirectly)	R0710	-
Foreseeable dividends, distributions and charges	R0720	-
Other basic own fund items	R0730	500
Adjustment for restricted own fund items in respect of matching adjustment portfolios and ring fenced funds	R0740	-
Reconciliation reserve	R0760	15,213
Expected Profits		
Expected profits included in future premiums (EPIFP) - Life business	R0770	-
Expected profits included in future premiums (EPIFP) - Non-life business	R0780	996
Total Expected profits included in future premiums (EPIFP)	R0790	996

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QRT Templates for the SFCR Public Disclosure

S.25.01.21
Solvency Capital Requirement
000s

		Gross solvency capital requirement	USP	Simplifications
		C0110	C0090	C0100
Market risk	R0010	2,079	-	-
Counterparty default risk	R0020	2,928	-	-
Life underwriting risk	R0030	-	-	-
Health underwriting risk	R0040	2,099	-	-
Non-life underwriting risk	R0050	5,172	-	-
Diversification	R0060	- 3,705	-	-
Intangible asset risk	R0070	37	-	-
Basic Solvency Capital Requirement	R0100	8,572	-	-

Calculation of Solvency Capital Requirement		C0100
Operational risk	R0130	593
Loss-absorbing capacity of technical provisions	R0140	-
Loss-absorbing capacity of deferred taxes	R0150	- 120
Capital requirement for business operated in accordance with Art. 4 of Directive 2003/41/EC	R0160	-
Solvency Capital Requirement excluding capital add-on	R0200	9,046
Capital add-on already set	R0210	-
Solvency capital requirement	R0220	9,046
Other information on SCR		
Capital requirement for duration-based equity risk sub-module	R0400	-
Total amount of Notional Solvency Capital Requirements for remaining part	R0410	-
Total amount of Notional Solvency Capital Requirements for ring fenced funds	R0420	-
Total amount of Notional Solvency Capital Requirements for matching adjustment portfolios	R0430	-
Diversification effects due to RFF nSCR aggregation for article 304	R0440	-

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QRT Templates for the SFCR Public Disclosure

S.28.01.01

Minimum Capital Requirement

000s

		MCR components
		C0010
MCRNL Result	R0010	3,265

		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	1,200	7,428
Income protection insurance and proportional reinsurance	R0030	-	-
Workers' compensation insurance and proportional reinsurance	R0040	-	-
Motor vehicle liability insurance and proportional reinsurance	R0050	-	-
Other motor insurance and proportional reinsurance	R0060	- 38	140
Marine, aviation and transport insurance and proportional reinsurance	R0070	-	-
Fire and other damage to property insurance and proportional reinsurance	R0080	-	-
General liability insurance and proportional reinsurance	R0090	-	-
Credit and suretyship insurance and proportional reinsurance	R0100	-	-
Legal expenses insurance and proportional reinsurance	R0110	-	-
Assistance and proportional reinsurance	R0120	565	12,220
Miscellaneous financial loss insurance and proportional reinsurance	R0130	-	-
Non-proportional health reinsurance	R0140	-	-
Non-proportional casualty reinsurance	R0150	-	-
Non-proportional marine, aviation and transport reinsurance	R0160	-	-
Non-proportional property reinsurance	R0170	-	-

MCR(L) Result	R0200	-

		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	-	-
Total capital at risk for all life (re)insurance obligations	R0250	-	-

		C0070
Linear MCR	R0300	1,632
SCR	R0310	9,046
MCR cap	R0320	4,071
MCR floor	R0330	2,261
Combined MCR	R0340	2,261
Absolute floor of the MCR	R0350	3,265

		C0070
Minimum Capital Requirement	R0400	3,265