LV Protection Limited SFCR

For the year ended 31 December 2019

Statement of directors' responsibilities

Financial year ended 31 December 2019

We certify that:

a) The Solvency and Financial Condition Report has been properly prepared in all material respects in accordance with the PRA rules and Solvency II Regulations; and

b) We are satisfied that:

   i. throughout the financial year in question, the Company has complied in all material respects with the requirements of the PRA rules and Solvency II Regulations as applicable to the Company; and

   ii. it is reasonable to believe that, at the date of the publication of the Solvency and Financial Condition Report, the Company has continued so to comply, and will continue so to comply in future.

The Solvency and Financial Condition Report was approved by the Board of Directors on 14 May 2020 and signed on its behalf by:

Wayne Snow

…………………………………………………..
Wayne Snow
Director

14 May 2020

LV Protection Limited
County Gates
Bournemouth
BH1 2NF

A. Business and Performance (LVPL)

A.1 Business

a) Name and legal form of undertaking

LV Protection Limited (LVPL) is a UK-incorporated and domiciled company limited by shares.

For the contact details of LVPL please see part a) in chapter A.1 of the LVFS Solo SFCR.

b) Name and contact details of the supervisory authority responsible for financial supervision.

Firm's reference number: 611223

The Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) are responsible for the financial supervision of the Company.

For the contact details of the PRA and the FCA please see part b) in chapter A.1 of the LVFS Solo SFCR.

c) Name and contact details of the external auditor

The Company has taken the exemption provided by PS25/18 to not have an audit opinion on its SFCR.

d) Description of the holders of qualifying holdings in the undertaking

LVPL is a wholly owned subsidiary of Liverpool Victoria Financial Services Limited (LVFS), formerly Liverpool Victoria Friendly Society Limited. As LVFS is a mutual organisation, there are no external qualifying holdings within the meaning of the Solvency II regulations.

e) Details of the undertakings within the group

For an explanation of the undertaking's position within the group please see part e) in chapter A.1 of the LVFS Solo SFCR.

f) Material lines of business and material geographic areas.

LVPL underwrites non-life insurance contracts within the UK.

LVPL's main purpose is to underwrite unemployment insurance as part of a combined policy offered by LVFS.

As such the following Solvency II life lines of business have been written:

- Miscellaneous financial loss insurance

The Company closed to new business sales in 2017 and continues to service existing policyholders.

g) Significant business or other events occurring during the reporting period that have a material impact on the undertaking.

Changes of Directors during 2019 were as follows:

J T Perks - Resigned 25 February 2019
A Parsons – Resigned 30 November 2019
R A Rowney - Appointed 10 May 2019, Resigned 31 December 2019

Apart from the director changes, the governance of LVPL remained stable, and the solvency position has also remained stable.

LVPL used the Standard Formula to calculate its capital requirements throughout 2019, and this is expected to continue going forward.

LV= has regulatory approval for the submission of a Group ORSA report. This means that the outputs of the individual ORSAs conducted for each of the Insurance Entities, in addition to those of the LV= Group, must be documented within the Group ORSA Report. There were no specific recommendations in the ORSA relating to LVPL.

A.2 Underwriting performance

All business is underwritten in the UK.

The following table provides further information on the income and expenses analysed by material lines of business written during the reporting period:

	2019	2018
	£000	£000
Net earned premiums	**202**	247
Net claims incurred including changes in other technical provisions	**(84)**	(61)
Expenses incurred (excluding investment management expenses)	**(90)**	(47)
Net total	**28**	139

The income and expenses in the above table are recognised on an IFRS basis but have been aligned to QRT S.05.01. Therefore claims management expenses are moved from net claims incurred to expenses incurred. Investment management expenses are removed from expenses incurred and included within investment performance.

Overall, the net total has fallen by £111k from 2018 to 2019. Premiums continue to reduce as the size of the closed book decreases. Increases in claims and expenses were driven by low claims experience in 2018 and a one-off credit to acquisition expenses in 2018 reflecting amounts due from LVFS in relation to commission costs for certain historic cancelled policies

A.3 Investment performance

The following table summarises the income and expenses with respect to investment activities during the last reporting period together with a comparison of the information with that reported on the previous reporting period:

LVPL (£000)	**2019**	2018
Income from investments and cash and cash equivalents		
- Dividend income	**29**	21
Total Investment Performance	**29**	21

Other than a small cash balance of £10k (2018: £10k), LVPL maintains an OEIC (Institutional Sterling Liquid Fund) with Blackrock of £4,028k (2018: £3,827k). All investment income received relates to dividends paid by the OEIC.

A.4 Performance of other activities

There are no other material income and expense items included for this organisation.

A.5 Any other information

There is no additional information to disclose for section A.

B. System of Governance (LVPL)

The system of governance for LVPL is described in Section B of the LVFS Solo SFCR.

The Directors of LVPL during the year were as follows:

A W Snow
J T Perks - resigned 25 February 2019
A M Parsons – resigned 30 November 2019
R A Rowney – appointed 10 May 2019, resigned 31 December 2019

C. Risk Profile (LVPL)

C.1 Overview

C.1.1 Overview of risk exposures

LVPL only contains one product which provides short-term payments to cover the risk of the policyholder being made involuntarily unemployed. The entity only contains business written since 1 January 2015 and was closed to new business in 2017.

The main areas of risk exposure are market risk and underwriting risk. Other risks contributing to the SCR are Credit Counterparty and Operational Risks, which are covered in more detail in the sections below. In addition, the contribution of these risks to the overall Solvency Capital Requirement (SCR) for LVPL is shown below. However, at 31 December 2019, the SCR falls below the Absolute Minimum Capital Requirement (AMCR) that LVPL is required to hold. This has been the case for some time and it is expected that this position is likely to continue going forward. The AMCR at 31 December 2019 was £2.15m.

Post Diversification Risk Capital, for the year ended 31 December	**2019**	**2018**	**Change**
Market risk	48%	39%	9%
Operational risk	1%	1%	0%
Underwriting risk	51%	60%	-9%
Credit Counterparty risk	0%	0%	0%
Total	**100%**	**100%**	

C.1.2 Measurement of risk exposures

A group wide approach is taken in measuring risk exposures. This is described within the LVFS Solo SFCR in section C.1.2.

C.1.3 Prudent person principle

A common investment framework is employed across the LVFS Group and its subsidiaries. This is set out within the LVFS Solo SFCR in section C.1.3.

C.1.4 Risk concentration

Whilst there is only one product written in LVPL, concentration risk is mitigated through reinsurance as described in section C.2 and the volume of business is small.

C.2 Underwriting risk

C.2.1 Underwriting Risk Exposure

LVPL is exposed to the following underwriting risks:

- Premium and Reserve Risk – This is caused by uncertainty in the frequency, severity and timing of claims.
- Lapse risk – This is caused by lapse experience being different than anticipated.
- Catastrophe risk - This could arise from an incidence of mass unemployment.

SCR split of underwriting risk, for the year ended 31 December	2019	2018	Change
Premium and Reserve risk	82%	81%	1%
Catastrophe risk	8%	9%	-1%
Lapse risk	10%	10%	0%
Total	**100%**	**100%**	

Reinsurance is used as a risk mitigating technique to transfer unemployment risk outside of LVPL and the LVFS group.
A common approach to monitoring the effectiveness of reinsurance is employed across the LVFS Group and its subsidiaries. This is set out within the LVFS Solo SFCR in section C.2.3.

C.2.2 Material changes over the reporting period

The underwriting risks have decreased over 2019. This is primarily due to the declining volume of in-force business following the closure of the entity to new business in 2017.

C.3 Market risk

C.3.1 Market Risk Exposure

LVPL is exposed to the following market risks:

- Interest Rate Risk – this is present under all lines of business as the best estimate liabilities are calculated by discounting future cashflows.
- Spread risk – risk arising due to change in credit spreads.
- Concentration Risk – the risk arising from a large exposure to various counterparties across different forms. It includes the build-up of risk exposure to any particular asset, issuer or group of undertakings, or geographical area and excessive accumulation of risk in the portfolio as a whole.

SCR split of market risk, for the year ended 31 December	2019	2018	Change
Interest Rate risk	0%	0%	0%
Spread risk	2%	1%	1%
Concentration risk	98%	99%	-1%
Total	**100%**	**100%**	

Market risk is managed at the Group level and the specific risk exposures are described further in section C.3.1 of the LVFS Solo SFCR.

C.3.2 Material changes over the reporting period

There have been no material changes in market risk over the reporting period.

C.4 Credit Counterparty Risk

C.4.1 Credit Counterparty Risk Exposure

LVPL is exposed to the default of counterparties of investments, where money owed to LVPL cannot be recovered.

Credit Counterparty Risk concentrations are monitored across the Group, aggregating similar risks that arise in distinct Group entities where necessary, to ensure that unexpected sensitivities to risks are not allowed to build up.

Credit Counterparty risk is described further in section C.4 of the LVFS Solo SFCR.

C.4.2 Material changes over the reporting period

There have been no material changes in the level of credit counterparty risk during 2019.

C.5 Other material risks

Liquidity, Operational and other risks are managed at a Group level and are described further in sections C.5, C.6 and C.7 of the LVFS Solo SFCR.

C.6 Sensitivities

No stress and scenario testing is conducted for LVPL because of the limited risk exposures within the Company. In addition, the absolute minimum capital requirement applies and is expected to continue to apply going forward.

D. Valuation for Solvency Purposes (LVPL)

D.1 Assets

For Solvency II valuation purposes, assets and other liabilities are valued consistently with IFRS provided that IFRS valuation methods are consistent with Article 75 of Directive 2009/138. Asset and liability values represent the fair value amount for which they could be exchanged between knowledgeable willing parties in an arm's length transaction.

Reconciliation of IFRS and Solvency II valuation

		2019		
		IFRS	Adjustments	Solvency II
Assets	**Note**	**£000**	**£000**	**£000**
Deferred acquisition costs	1	**139**	(139)	**-**
Investments (other than assets held for index-linked and unit-linked contracts)	2	**4,028**	-	**4,028**
Reinsurance recoverables	3	**247**	(236)	**11**
Insurance and intermediaries receivables	4	**729**	(729)	**-**
Cash and cash equivalents	#	**10**	-	**10**
Total assets		**5,153**	**(1,104)**	**4,049**

#= Disclosure note not provided as Solvency II value equal to IFRS or the amounts are immaterial.

Supporting Notes

1. Deferred acquisition costs

For Solvency II valuation purposes, deferred acquisition costs are set to £nil however the cashflows relating to DAC-able expenses, are included within the Technical Provisions valuation if they fall within the projected timeframes (see D.2 Technical Provisions).

Under IFRS, the proportion of the costs of acquiring new general insurance business which relate to unearned premiums are deferred and recognised as an asset to the extent that they are recoverable out of margins in future matching revenues.

Acquisition costs comprise all allowable costs incurred in writing new contracts. Deferred acquisition costs are amortised over a period which is consistent with the assessment of the expected pattern of receipt of future revenue margins for each product type.

All deferred acquisition costs are tested for recoverability at each reporting date. The carrying values are adjusted to recoverable amounts and any resulting impairment losses are charged to the Statement of Comprehensive Income.

2. Investments

For Solvency II valuation purposes, financial assets are valued consistently with IFRS.

Under IFRS, financial assets are valued at fair value through income which has two sub categories:

– Financial assets held for trading; and
– Those designated at fair value through income at inception.

Financial assets designated at fair value through income at inception are measured at market prices, or prices consistent with market ratings should no price be available. Day one gains are recognised only where valuations use data from observable markets. Any unrealised or realised gains or losses are taken to the Statement of Comprehensive Income, as fair value gains or losses, or realised gains or losses respectively, as they occur.

Financial assets at fair value through income; further information is provided in the table below.

Fair value estimation

For Solvency II valuation purposes, the fair value measurement hierarchy is as follows:

- Quoted market prices in active markets for same assets and liabilities (QMP). This is the default valuation method and is broadly consistent with Level 1 category assets under IFRS.
- Quoted market price in active markets for similar assets (QMPS). Maximum use is made of relevant market inputs such as quoted prices for identical or similar assets in an inactive market, observable inputs other than quoted prices and market corroborated inputs derived from observable market data. This is broadly consistent with Level 2 category assets under IFRS.
- Other alternative valuation method (AVM). Unobservable inputs reflecting the assumptions market participants would use when pricing the asset or liability, including assumptions about the risk inherent in both the inputs and the valuation technique. The undertaking uses various valuation approaches, including market, income and cost approaches. This is broadly consistent with Level 3 category assets under IFRS.
- Adjusted Equity Method (AEM) for Participations.

The following table presents the financial assets measured at fair value at 31 December 2019.

	QMP	QMPS	AVM	AEM	Total
	£000	**£000**	**£000**	**£000**	**£000**
Collective Investments Undertakings	4,028	-	-	-	4,028
Investments (other than assets held for index-linked and unit-linked funds)	**4,028**	**-**	**-**	**-**	**4,028**

3. Reinsurance recoverables

The undertaking cedes insurance risk in the normal course of business. Reinsurance assets represent balances recoverable from reinsurance companies.

For Solvency II valuation purposes, reinsurance recoverables are valued using the cash-flow projection method and in a consistent manner with the calculation of the best estimate liabilities (see D.2 Technical provisions).

In calculating reinsurance recoverables under Solvency II, adjustments are made for the time difference between recoveries and direct payments and also for expected losses due to the default of a counterparty. The adjustment is based on an assessment of the probability of default of the counterparty and the average loss resulting therefrom (loss-given-default).

Under IFRS, recoverable amounts are estimated in a manner consistent with the outstanding claims provision. Reinsurance premiums are recognised in the same period as the underlying contract that they relate to.

	£000
Reinsurers' share of provision for unearned premiums	239
Reinsurers' share of claims liabilities	8
Total Reinsurance Recoverables - IFRS	**247**
Best estimate liability adjustments	(236)
Total reinsurance recoverables - Solvency II valuation	**11**

4. Insurance and intermediaries receivables

For Solvency II valuation purposes, any future premiums (included in insurance receivables) which fall due after the valuation date and any premium debts (included within intermediaries receivables), are subject to best estimate liability calculation of technical provisions (see D.2 Technical Provisions).

Under IFRS, insurance and intermediaries receivables are recognised when due and include amounts due from policy holders, agents, brokers and intermediaries. Insurance and intermediaries receivables are initially recognised at fair value and then subsequently held at amortised cost. Where there is objective evidence that the carrying value is impaired then the impairment loss will be recognised in the Statement of Comprehensive Income.

Insurance and intermediaries receivables	**£000**
Due from policyholders	729
Total Insurance and intermediaries receivables - IFRS	**729**
Best estimate liability adjustments	(729)
Total Insurance and intermediaries receivables - Solvency II valuation	**-**

D.2 Technical provisions

D.2.1 Technical provisions by line of business

The following table sets out the LVPL technical provisions split by Solvency II lines of business as at 31 December 2019.

Line of Business	31 December 2019 - £000		
	Best Estimate Liability (BEL)	**Risk Margin (RM)**	**Total Solvency II Technical Provisions**
Other Non-Life	(337)	214	(123)
Total Non-Life insurance obligations	**(337)**	**214**	**(123)**

D.2.2 Technical Provisions methodology and assumptions

A description of the bases, methods and assumptions used for valuation of the technical provisions is set out in the following sections.

D.2.2.1 Technical Provisions methodology and assumptions

Technical Provisions have been calculated as the sum of the Best Estimate Liabilities (BEL) and Risk Margin. The Transitional Measure on Technical Provisions is not used in LVPL.

<u>BEL</u>

The BEL is the probability weighted average of future cashflows required to fulfil obligations to policyholders under existing contracts taking account of the time value of money using the relevant risk-free interest rate term structure. The cash flows are projected gross, without deduction of the amounts recoverable from reinsurance contracts. Recoverables from reinsurance are calculated separately and are included as an asset on the balance sheet.

The BEL for LVPL is negative and reflects that the business written is profitable with the expected future income being larger than the expected future outgo.

<u>Risk Margin</u>

The Risk Margin is calculated by projecting the run-off of the pre-diversified SCR for each non-hedgeable risk, applying a correlation matrix to derive the projected run-off of the aggregate SCR, applying a cost of capital to this and discounting the costs back to the valuation date.

<u>Discount Rates</u>

The basic risk-free interest rate structure as published by EIOPA was used. No transitional adjustment, Matching Adjustment or Volatility Adjustment was made to the discount rate.

<u>Inflation</u>

The assumed inflation measure was the Retail Price Index (RPI). A single assumption was derived from market yields on long-term conventional and index-linked gilts. The inflation assumption only applies to premiums and benefits on index-linked policies.

<u>Mortality</u>

A standard population mortality table is used to reflect the mortality risk within LVPL.

Persistency

Persistency assumptions cover level and index-linked business with allowances for different commission clawback periods.

Expenses

The expense assumption is set in accordance with the fixed cost agreement between LVPL and LVFS.

D.2.3 Uncertainly within the Technical Provisions

The calculation of the Technical Provisions is based on data, assumptions and models, which may not reflect actual future experience. In addition some simplifications are used where appropriate. As such a level of uncertainty is associated with these results.

D.2.4 Comparison of Solvency II and IFRS technical provisions

The table below shows the difference between the technical provisions under Solvency II and IFRS.

	31 December 2019 - £000		
Technical Provisions	**Solvency II Value**	**IFRS Value**	**Difference**
Other Non-Life	(123)	743	866
Total Non-Life insurance obligations	**(123)**	**743**	**866**

As at 31 December 2019, the main difference between the technical provisions shown on an IFRS basis and those on a Solvency II basis is due to different calculation methodologies. The Solvency II technical provisions is made up of BEL and Risk Margin using a cash-flow projection approach, whilst the IFRS technical provisions is based on an unearned premium reserve calculation.

D.3 Other liabilities

Reconciliation between IFRS and Solvency II valuation		**2019**		
		IFRS	**Adjustments**	**Solvency II**
Other Liabilities	**Note**	**£000**	**£000**	**£000**
Reinsurance payables	1	239	(239)	-
Payables (trade, not insurance)	#	7	-	7
Current tax liability	#	11	-	11
Total other liabilities		**257**	**(239)**	**18**

#= Disclosure note not provided as Solvency II value equal to IFRS or the amounts are immaterial.

Supporting Notes

1. Reinsurance payables

For Solvency II valuation purposes, reinsurance payables are valued consistently with IFRS but are reclassified to technical provisions.

Under IFRS, reinsurance payables are recognised when due. Reinsurance payables are initially recognised at fair value and subsequently held at amortised cost.

Reinsurance payables	**£000**
Due to reinsurers	239
Total Reinsurance payables - IFRS	**239**
Reinsurance payables reclassified to technical provisions	(239)
Total Reinsurance payables - Solvency II valuation	-

The maturity profile of the liability recognised in the financial statements is summarised in the following table:

						£000
	Within 1 year	**1 - 3 years**	**3 - 5 years**	**Over 5 years**	**UL**	**Total**
Reinsurance payables	**239**	**-**	**-**	**-**	**-**	**-**

D.4 Alternative methods for valuation

There are no material assets for LVPL that have had alternative valuation methods applied to them. The following material liabilities have been valued using alternative valuation methods in accordance with Article 263 of the Delegated Acts:

- Best Estimate Liability and Risk Margin -£123k; this has been valued under Solvency II methodologies and further information can be found earlier in this report.

D.5 Any other material information

All relevant information is provided in the sections above and as such, no further information is disclosed here.

E. Capital Management (LVPL)

E.1 Own funds

The key capital management policies and objectives for LVPL are set at Group level and are consistent across all entities. The approach to measuring and monitoring capital for LVPL is defined and actioned at Group level. In addition the Group backs all the underlying entities and has in place mechanisms to support these capital positions if necessary.

For further information on these please see section E.1a and E.1b of the LVFS Solo SFCR.

The following table details the structure, amount and quality of basic own funds.

	Tier 1 £000	Tier 2 £000	Tier 3 £000	Total £000
Ordinary share capital	1,000	-	-	1,000
Reconciliation reserve	3,154	-	-	3,154
Total Basic Own Funds	**4,154**	**-**	**-**	**4,154**
Total available Own Funds to meet the SCR	**4,154**	**-**	**-**	**4,154**
Total available Own Funds to meet the MCR	**4,154**	**-**		**4,154**

The following tables detail the eligibility of own funds to meet the SCR and MCR.

Total available Own Funds to meet the SCR	4,154	-	-	4,154
Capital restrictions	-	-	-	-
Total eligible Own Funds to meet the SCR	4,154	**-**	**-**	4,154

Total available Own Funds to meet the MCR	4,154	-		4,154
Capital restrictions	-	-		-
Total eligible Own Funds to meet the MCR	4,154	**-**		4,154

The basic Own Funds structure for LVPL is a combination of ordinary share capital and the reconciliation reserve which are both classified as Tier 1.

The capital reserve of £4m in LVPL has been classified as reconciliation reserve (Tier 1). There is no requirement for LVPL to repay this capital.

Analysis of significant changes in own funds during the reporting period

There have been no distributions made to shareholders during the reporting period.

	LVPL		
	1 January 2019 £000	**Movement £000**	**31 December 2019 £000**
Eligible own funds			
Tier 1 capital	3,989	165	4,154
Total capital	3,989	165	4,154
Made up of:			
Equity shares	1,000	-	1,000
Reconciliation reserve / surplus	2,989	165	3,154
Total capital	3,989	165	4,154
Total eligible own funds to meet SCR	**3,989**	**165**	**4,154**

- Tier 1 capital includes movements in excess of assets over liabilities.

Ancillary own funds

At 31 December 2019 there were no ancillary own funds.

Deductions from own funds

At 31 December 2019 there were no deductions from own funds

Explanation of the key elements of the reconciliation reserve

Reconciliation reserve	**£000**
Capital reserve	4,000
Retained loss on a Solvency II basis	(846)
Total	**3,154**

Differences between equity as shown in the undertaking's financial statements and the excess of assets over liabilities as calculated for Solvency II purposes

The following table provides a reconciliation of equity under IFRS to Solvency II excess of assets over liabilities.

	At 31 December 2019	
	£000	**£000**
Analysis of Equity - IFRS		
Ordinary shares, allotted and fully paid	1,000	
Capital reserves	4,000	
Retained losses	(847)	
Total Equity - IFRS		**4,153**
Solvency II Adjustments (excluding reclassifications)		
Assets		
- Reduction in valuation of DAC (Section D.1 note 1)	(139)	
- Reduction in valuation of reinsurance recoverable (Section D.1 note 3)	(236)	
- Reduction in valuation of insurance and intermediaries recoverable (Section D.1 note 4)	(729)	
		(1,104)
Technical provisions		
- Decrease in valuation of technical provisions (Section D.2.4)		**866**
Other liabilities		
- Decrease in payables		**239**
Total Equity - Solvency II basis		**4,154**
Total own funds - Solvency II basis		**4,154**

Excess of Assets over Liabilities - Solvency II basis	
Total Assets	4,049
Total Technical Provisions	123
Total Other Liabilities	(18)
Excess of Assets over Liabilities - Solvency II basis	**4,154**

Differences in the asset and liability valuation methodology used for Solvency II purposes and that used under IFRS, are set out in Section D.

Own-fund item that is subject to the transitional arrangements

LVPL has no own funds subject to transitional measures.

E.2 SCR and MCR

E.2.1 SCR and MCR

The following table shows the amount of the SCR and MCR for LVPL:

£000	**2019**	2018
Solvency Capital Requirement (SCR)	**771**	828
Minimum Capital Requirement (MCR)	**2,153**	2,222

There has been no material change in the SCR during 2019. There has been a small decrease in the Absolute Minimum Capital Requirement during 2019 due to a change in the Euro/Pound exchange rate over the period.

E.2.2 SCR split by risk

The following table summarises the risk modules which contribute to the SCR for LVPL applicable under standard formula. Year-end 2019 – all figures in £000:

Category	**Specific Risk**	**Post Diversified Capital Requirement**
Credit Counterparty Risk		**0**
	Interest	1
	Spread	5
	Concentration	364
Market Risk		**370**
	Premium and Reserve	323
	Lapse	37
	Catastrophe	32
Non-Life Underwriting Risk		**392**
Liquidity Risk		-
Operational Risk		**9**
SCR		**771**

E.2.3 Basis of calculation

LVPL uses a Standard Formula basis to calculate the SCR. The approach to calculating the SCR and MCR is in accordance with the Solvency II Directive. LVPL is not using any material simplifications or undertaking specific parameters in the calculation of the SCR and does not have any regulatory capital add-ons.

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

LVPL has not applied the duration-based equity risk sub-module in the calculation of the SCR.

E.4 Differences between Standard Formula and any Internal Model used

This does not apply as LVPL does not use an Internal Model to calculate its SCR.

E.5 Non-compliance with the MCR and the SCR

LVPL has maintained Own Funds in excess of the MCR (and hence the SCR) throughout the reporting period.

E.6 Any other material information

There is no additional material information regarding capital management to disclose in this section.