

Compliance Statement – Prudential Standard GPS 110

The following table details the components of Lawcover Insurance Pty Limited's Prescribed Capital Amount per the APRA Prudential Standard GPS 110 as at 30 June 2019, as disclosed in the June 2019 annual APRA Return.

All amounts in thousands except where otherwise stated	2019	2018
Net Assets	175,199	134,208
Liability Adjustments (1)	(2,717)	(3,188)
Capital Base	172,482	131,020
Insurance Risk Charge	29,395	29,280
Insurance Concentration Risk Charge	1,824	1,616
Asset Risk Charge	15,454	12,278
Asset Concentration Risk Charge	-	-
Operational Risk Charge	4,765	4,827
Less Aggregation Benefit	(9,170)	(7,719)
Prescribed Capital Amount	42,268	40,282
Prescribed Capital Amount Coverage (times)	4.08	3.25

(1) Adjustments to assets and liabilities to determine capital base, prescribed by the APRA Prudential Standard GPS 112.