# Technical Annex B

# S.01.01. – Content of the submission

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to quarterly and annual submission for financial stability purposes of information for groups.

When a special justification is needed the explanation is not to be submitted within the reporting template but shall be part of the dialogue between undertakings and national competent authorities.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| C0010/R0010 | S.01.02 - Basic Information - General | This template shall always be reported. The only option possible is:  1 – Reported |
| C0010/R0030 | S.02.01 – Balance Sheet | One of the options in the following closed list shall be used:  1 – Reported  6 – Exempted under Article 254(2)  0 – Not reported other reason (in this case special justification is needed) |
| C0010/R0110 | S.05.01 – Premiums, claims and expenses by line of business | One of the options in the following closed list shall be used:  1 – Reported  6 – Exempted under Article 254(2)  0 – Not reported other reason (in this case special justification is needed |
| C0010/R0140 | S.06.02 – List of assets | One of the options in the following closed list shall be used:  1 – Reported  0 – Not reported other reason (in this case special justification is needed |
| C0010/R0253 | S.14.04 – Liquidity risk for life business | One of the options in the following closed list shall be used:  1 – Reported  2 – Not reported as no life and health SLT business  15 – Not reported in Q1 and Q3  0 – Not reported other reason (in this case special justification is needed) |
| C0010/R0254 | S.14.05 – Liquidity risk for non-life business | One of the options in the following closed list shall be used:  1 – Reported  2 – Not reported as no non-life and health non-SLT business  15 - Not reported in Q1 and Q3  0 – Not reported other reason (in this case special justification is needed) |
| C0010/R0410 | S.23.01 – Own funds | One of the options in the following closed list shall be used:  1 – Reported  6 – Exempted under Article 254(2)  0 – Not reported other reason (in this case special justification is needed). |
| C0010/R0490 | S.25.04 – Solvency Capital Requirement | One of the options in the following closed list shall be used:  1 – Reported  0 – Not reported other reason (in this case special justification is needed). |
| C0010/R0950 | S.38.01 – Duration of technical provisions | One of the options in the following closed list shall be used:  1 – Reported  15 - Not reported in Q1 and Q3  0 – Not reported other reason (in this case special justification is needed) |
| C0010/R0960 | S.39.01 – Profit and Loss | One of the options in the following closed list shall be used:  1 – Reported  15 – Not reported in Q1 and Q3  0 – Not reported other reason (in  this case special justification is needed) |
| C0010/R0980 | S.41.01 – Lapses (life business) | One of the options in the following closed list shall be used:  1 – Reported  13 – Not reported as method 2 is  used exclusively  0 – Not reported other reason (in this case special justification is needed) |

# S.05.01. – Premiums, claims and expenses by line of business

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to quarterly submission of information for financial stability purposes for groups.

This template shall be reported from a consolidated accounting perspective, i.e.: Local GAAP or IFRS (if allowed as local GAAP) valuation but using SII lines of business. Groups shall use the recognition and valuation basis as for the published financial statements, no new recognition or re-valuation is required, except for the classification between investment contracts and insurance contracts when this is applicable in the financial statements. This template shall include all insurance business regardless of the possible different classification between investment contracts and insurance contracts applicable in the financial statements.

The template is based on a year-to-date basis.

This template covers only insurance and reinsurance business within the scope of the consolidated financial statements.

Insurance and reinsurance undertakings shall report written/earned premiums as defined in Article 1(11) and (12) of Delegated Regulation (EU) 2015/35 regardless of whether local GAAP or IFRS is used.

For quarterly reporting administrative expenses, investment management expenses, acquisition expenses, overhead expenses shall be presented aggregated.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| **Non-life insurance and reinsurance obligations** | | |
| C0010 to C0120/R01 10 | Premiums written – Gross – Direct Business | Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from direct business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums. |
| C0010 to C0120/R01 20 | Premiums written – Gross – Proportional reinsurance accepted | Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from proportional reinsurance accepted business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums. |
| C0130 to C0160/R0130 | Premiums written – Gross – Non proportional reinsurance accepted | Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from non–proportional reinsurance accepted business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums. |
| C0010 to C0160/R02 00 | Premiums written – Net | Definition of premiums written provided in application of directive 91/674/EEC where applicable:  the net premiums written represent the sum of the direct business and the accepted insurance business reduced by the amount ceded to  reinsurance undertakings. |
| C0010 to C0200/R0300 | Premium earned – Net | The sum of gross premiums written minus the change in the gross provision for unearned premiums related to the sum of the direct business and the accepted reinsurance business reduced by the amount ceded to reinsurance undertakings. |
| C0010 to C0160/R04 00 | Claims incurred – Net | Claims incurred in the reporting period as defined in directive 91/674/EEC where applicable:  the claims incurred means the sum of the claims paid and the change in the provision for claims during the reporting period related to the sum of the direct business and the accepted insurance business reduced by the amount ceded to reinsurance undertakings.  This shall exclude claims management expenses and the movement in provisions in claims management expenses. |
| C0010 to C0160/R05 50 | Expenses incurred | All technical expenses incurred by the undertaking during the reporting period, on accrual basis. |
| C0200/R12 10 | Balance - other technical expenses/income | Net technical expenses/income not covered by above mentioned expenses/income and reduced by the amount ceded to reinsurance undertakings. Other technical expenses/income shall not be split by lines of business.  Shall not include change in other technical provisions and non–technical expenses/income such as tax, interest expenses, losses on disposals, etc.  The amount of net technical expenses/income shall be reported negative if the amount of technical income is larger than the amount of technical expenses. |
| C0200/R13 00 | Total expenses | Amount of all expenses. |
| **Life insurance and reinsurance obligations** | | |
| C0210 to C0280/R14 10 | Premiums written – Gross | Gross premiums written shall comprise all amounts due during the reporting period in respect of insurance contracts, arising from gross business, regardless of the fact that such amounts may relate in whole or in part to a later reporting period. Amount of taxes or charges should be excluded from the written premiums.  It includes both direct and reinsurance business |
| C0210 to C0280/R15 00 | Premiums written – Net | Definition of premiums written provided in application of directive 91/674/EEC where applicable:  the net premiums written represent the sum of the direct business and the accepted insurance business reduced by the amount ceded to  reinsurance undertakings. |
| C0210 to C0300/R1600 | Premium earned – Net | The sum of gross premiums written minus the change in the gross provision for unearned premiums related to the sum of the direct business and the accepted reinsurance business reduced by the amount ceded to reinsurance undertakings. |
| C0210 to C0280/R18 00 | Claims incurred - Net | Definition of changes in other technical provisions provided in directive 91/674/EEC where applicable:  the net changes in other technical provisions related to the sum of the direct business and the  accepted insurance business reduced by the amount ceded to reinsurance undertakings. |
| C0210 to C0280/R19  00 | Expenses incurred | All technical expenses incurred by the undertaking during the reporting period, on accrual basis. |
| C0300/R25 10 | Balance – other technical expenses/ income | Net technical expenses/income not covered by above mentioned expenses/income and reduced by the amount ceded to reinsurance undertakings. Other technical expenses/income shall not be split by lines of business.  Shall not include change in other technical provisions and non–technical expenses/income such as tax, interest expenses, losses on disposals, etc.  The amount of net technical expenses/income shall be reported negative if the amount of technical income is larger than the amount of technical expenses. |
| C0300/R26 00 | Total expenses | Amount of all technical expenses. |

# S.14.04. – Liquidity risk for life business

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This Annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups excluding reinsurance undertakings.

This template covers liquidity risk and collects information on life claims, cash in-flows – premiums and fiscal treatment.

All information shall be reported at a minimum by portfolio i.e. aggregating information at product level based on a combination of the following items:

* Asset held in unit linked and index linked contracts (C0310)
* Fiscal treatment of the products (C0055)
* Country (C0080)
* Exit conditions at reporting date (C0270)

Individual undertakings and groups have the option to report the information at product level to align with the granularity requested in template S.14.01.01.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| **Portfolio** | | |
| C0310 | Asset held in unit linked and index linked contracts | Identify the assets that are held by unit linked and index linked contracts. One of the options in the following closed list shall be used:  1 - Unit-linked or index-linked  2 - Neither unit-linked nor index-linked |
| C0055 | Fiscal treatment products | This field is to provide information on the fiscal treatment of the products, in particular when fiscal treatment could influence decision on exercising surrender/cancellation. The following close list should be used:  1 - In case of lapse/surrender there is no tax or subsidy related loss (\*);  2 - In case of lapse/surrender past or future tax benefits or other subsidies are lost;  3 - Other tax related losses not covered above;  4 - Not applicable.  (\*) Includes cases where policyholders would suffer a tax or subsidy loss unless a similar insurer is willing to accept the contract.  Tax benefits that relate to future premiums i.e. where premiums reduce future income tax payments are not relevant for the purpose of above classification.  Whether for a particular contract within a product a fiscal loss actually would occur at the valuation date may depend on individual contractual parameters like duration or the age of the policyholder. For the purpose of the reporting in C055 no differentiation according to such parameters is however required. The criteria should be chosen where such a fiscal loss may occur for the contracts of that product. |
| C0080 | Country | Country ISO 3166–1 alpha–2 code  or list of codes according to the following instructions:  - ISO 3166–1 alpha–2 code of the country where the contract was entered into, for countries representing more than 10 % of technical provisions or written premiums for a given product.  - If reinsurance it shall refer to the country of the cedent undertaking.  - For countries representing less than 10 % of Technical Provisions or written premiums for a given product, report a list of ISO 3166–1 alpha–2 Codes of the countries concerned separated by comma. |
| **Portfolio detail** | | |
| C0015 | Identification code and type of code of the undertaking | Identification code of the undertaking to which the portfolio relates, using the following priority:  - Legal Entity Identifier (LEI);  - Identification code used in the local market, attributed by supervisory authority. |
| C0070 | Total amount of claims paid (year to date) | Gross claims paid during the year related to the sum of the direct business and accepted reinsurance business.  This shall not include changes in provisions for claims that have not yet been paid and exclude claims management expenses and the movement in provisions in claims management expenses |
| C0290 | Cash in-flows – Premiums - gross (year to date) | Cash flows stemming from premiums and any additional cash–flows that result from those premiums. These shall be reported on a gross basis as the sum of the direct business and the accepted reinsurance business. |
| C0074 | Administrative expenses | All administrative expenses incurred by the undertaking during the reporting period, on accrual basis by portfolio. |
| C0180 | Best Estimate | Amount of gross best estimate calculated by portfolio.  As the calculation of technical provisions is only required on the level of HRG, approximations can be applied for the breakdown of the provisions by portfolio. |
| C0200 | Total amount of surrenders | Value (the amount of technical provisions) of life contracts fully or partially lapsed or surrendered during the reporting period. |
| C0270 | Exit conditions at reporting date | Please classify the information according to the following close list regarding exit conditions:  1 – Surrender value equal to the best estimate/local statutory reserves and notice required lower than one week  2 – Surrender value equal to the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months  3 – Surrender value equal to the best estimate/local statutory reserves and notice required higher than 3 months  4 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required lower than one week  5 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months  6 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required higher than 3 months  7 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required lower than one week  8 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months  9 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required higher than 3 months  10 – Other  The notice period should be understood as the time period (e.g. days or weeks) requested by the insurance undertaking between the notification of the policyholder of his/her intention to terminate the insurance policy and the actual termination date. This term does not refer to the cool-off period which a client has to cancel the policy without penalty.  Where this cell is not applicable, i.e. a contract cannot be surrender, e.g. for annuities from non-life contracts, this cell can be left blank. |
| C0300 | Net Reinsurance flows of the period  (year to date) | The Net Reinsurance flows represent the difference between reinsurance cash in-flows and cash out-flows of the period (year to date). |

# S.14.05. – Liquidity risk for non-life business

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This Annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups, excluding reinsurance undertakings.

This template covers liquidity risk and collects information on non-life claims, cash in-flows - premiums and unearned premiums returned upon termination.

All information shall be reported at a minimum by portfolio i.e. aggregating information at product level based on item Country (C0080). Individual undertakings and groups have the option to report the information by product or by line of business to align with the granularity requested in template S.14.02.01.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| **Portfolio** | | |
| C0080 | Country | Country ISO 3166–1 alpha–2 code  or list of codes according to the following instructions:  - ISO 3166–1 alpha–2 code of the country where the contract was entered into, for countries representing more than 10 % of technical provisions or written premiums for a given product.  - If reinsurance it shall refer to the country of the cedent undertaking.  - For countries representing less than 10 % of Technical Provisions or written premiums for a given product, report a list of ISO 3166–1 alpha–2 Codes of the countries concerned separated by comma. |
| **Portfolio detail** | | |
| C0015 | Identification code and type of code of the undertaking | Identification code of the undertaking to which the portfolio relates, using the following priority:  - Legal Entity Identifier (LEI);  - Identification code used in the local market, attributed by supervisory authority. |
| C0070 | Total amount of claims paid (year to date) | Gross claims paid during the year related to the sum of the direct business and accepted reinsurance business.  This shall not include changes in provisions for claims that have not yet been paid and exclude claims management expenses and the movement in provisions in claims management expenses. |
| C0290 | Cash in-flows - Premiums – gross (year to date) | Cash flows stemming from premiums and any additional cash-flows that result from those premiums. These shall be reported on a gross basis as the sum of the direct business and the accepted reinsurance business. |
| C0180 | Best Estimate | Amount of gross best estimate calculated by portfolio.  As the calculation of technical provisions is only required on the level of HRG, approximations can be applied for the breakdown of the provisions by portfolio. |
| C0300 | Net Reinsurance flows of the period  (year to date) | The Net Reinsurance flows represent the difference between reinsurance cash in-flows and cash out-flows of the period (year to date). |
| C0310 | Unearned premium returned upon termination (year to date) | Total amount of the premium returned for unused coverage (cash outflow to date) upon termination of the contract. |

# S.23.01. – Own Funds

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by row and column number, as shown in the template in Annex I.

This Annex relates to the quarterly submission of information for financial stability purposes for groups.

The template is applicable under all three calculation methods for group solvency capital requirement. Since most of the items are applicable to the part of the group that is covered by method 1, the items applicable when Deduction and Aggregation is used, exclusively or in combination with method 1, are clearly identified in the log file instructions.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| R0140/C0010 | Subordinated liabilities  – total | This is the total amount of subordinated liabilities. |
| R0140/C0030 | Subordinated liabilities  – tier 1 restricted | This is the amount of subordinated liabilities that meets the criteria for Tier 1 restricted items. |
| R0140/C0040 | Subordinated liabilities  – tier 2 | This is the amount of subordinated liabilities that meets the criteria for Tier 2. |
| R0140/C0050 | Subordinated liabilities  – tier 3 | This is the amount of subordinated liabilities that meets the criteria for Tier 3. |
| R0290/C0010 | Total basic own funds after deductions | This is the total amount of basic own fund items after deductions. |
| R0290/C0020 | Total basic own funds after deductions – tier 1 unrestricted | This is the amount of basic own fund items after deductions that meet the criteria for Tier 1 unrestricted items. |
| R0290/C0030 | Total basic own funds after deductions – tier 1 restricted | This is the amount of basic own fund items after adjustments that meet the criteria for Tier 1 restricted items. |
| R0290/C0040 | Total basic own funds after deductions – tier | This is the amount of basic own fund items after adjustments that meet the |

|  |  |  |
| --- | --- | --- |
|  | 2 | criteria for Tier 2. |
| R0290/C0050 | Total basic own funds after deductions – tier 3 | This is the amount of basic own fund items after adjustments that meet the criteria for Tier 3. |
| R0570/C0010 | Total eligible own funds to meet the minimum consolidated group SCR – total | This is the total eligible own funds to meet the minimum consolidated group SCR. |
| R0570/C0020 | Total eligible own funds to meet the minimum consolidated group SCR – tier 1 unrestricted | This is the eligible own funds of the group, that are available to meet the minimum consolidated group SCR that meet the criteria to be included in Tier 1 unrestricted items. |
| R0570/C0030 | Total eligible own funds to meet the minimum consolidated group SCR – tier 1 restricted | This is the eligible own funds of the group, that are available to meet the minimum consolidated group SCR that meet the criteria to be included in  Tier 1 restricted items. |
| R0570/C0040 | Total eligible own funds to meet the minimum consolidated group SCR – tier 2 | This is the eligible own funds of the group, that are available to meet the minimum consolidated group SCR that meet the criteria to be included in Tier 2. |
| R0660/C0010 | Total eligible own funds to meet the group SCR (including own funds from other financial sector and from undertakings included  via D&A) | This is the total eligible own funds, including the own funds from the other financial sectors and from the undertakings included via D&A, to meet the total group SCR. |
| R0660/C0020 | Total eligible own funds to meet the group SCR (including own funds from other financial sector and from undertakings included via D&A) – tier 1  unrestricted | This is the eligible own funds, including the own funds from the other financial sectors and from the undertakings included via D&A, to meet the total group SCR that meet the criteria to be included in Tier 1 unrestricted |
| R0660/C0030 | Total eligible own funds to meet the group SCR (including own funds from other financial  sector and from | This is the eligible own funds, including the own funds from the other financial sectors and from the undertakings included via D&A to  meet the total group SCR that meet |

|  |  |  |
| --- | --- | --- |
|  | undertakings included via D&A) – tier 1 restricted | the criteria to be included in Tier 1 restricted |
| R0660/C0040 | Total eligible own funds to meet the group SCR (including own funds from other financial sector and from undertakings included  via D&A) – tier 2 | This is the eligible own funds, including the own funds from the other financial sectors and from the undertakings included via D&A to meet the total group SCR that meet the criteria to be included in Tier 2 |
| R0660/C0050 | Total eligible own funds to meet the group SCR (including own funds from other financial sector and from undertakings included  via D&A) – tier 3 | This is the eligible available own funds, including the own funds from the other financial sectors and from the undertakings included via D&A to meet the total group SCR that meet the criteria to be included in Tier 3 |

# S.25.04.11 - Solvency Capital Requirement

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to quarterly submission of information for financial stability purposes for individual entities and groups.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| C0010/R0010 | Solvency capital requirement | Amount of the Solvency Capital Requirement regardless of the method of calculation.  The amount reported should reflect the impact of the loss absorbing capacity of technical provisions and deferred taxes.  When undertaking has RFF, this item has to be reported with reference to the SCR calculation at undertaking level. |
| C0010/R0020 | Minimum Capital Requirement | Amount of the minimum capital requirement calculated in accordance with Delegated Regulation (EU) 2015/35 for individual undertakings |

# S.25.04.13 - Solvency Capital Requirement

**General comments:**

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to quarterly submission of information for financial stability purposes for group entities and groups.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| C0010/R0010 | Solvency capital requirement | Amount of the Solvency Capital Requirement regardless of the method of calculation.  The amount reported should reflect the impact of the loss absorbing capacity of technical provisions and deferred taxes.  When undertaking has RFF, this item has to be reported with reference to the SCR calculation at undertaking level. |
| C0010/R0030 | Solvency Capital Requirement Floor | Amount of the minimum consolidated group Solvency Capital Requirement as stated in article 230 of Directive 2009/138/EC for groups. |

# S.38.01. – Duration of technical provisions General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This Annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups.

This template includes information about the duration of technical provisions. The Modified duration table should be completed by all undertakings. The Option-adjusted duration table is not mandatory. Notwithstanding, in case of material optionalities embedded in the technical provisions individual undertakings and groups should align with their national supervisory authority the need to report this duration metric.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| Modified duration of technical provisions | | |
| C0010/R0100 | Technical Provisions, Life excluding unit-linked –  Modified Duration | Modified duration (the present value sensitivity for a unit change in yield) of technical provisions, life business excluding unit-linked products without investment guarantees. |
| C0010/R0200 | Technical Provisions, Non-Life –  Modified Duration | Modified duration of technical provisions, (the present value sensitivity for a unit change in yield) non-life business. |
| C0020/R0100 | Technical Provisions, Life excluding unit-linked – Technical provision volume | The volume of technical provisions associated with the duration value in cell C0010/R0100. |
| C0020/R0200 | Technical Provisions, Non-Life – Technical  provision volume | The volume of technical provisions associated with the duration value in cell C0010/R0200. |
| Option-adjusted duration of technical provisions | | |
| C0030/R0300 | Technical Provisions,  Life excluding unit-linked – Option- adjusted Duration | Option-adjusted[[1]](#footnote-1) duration (the present  value sensitivity for a unit change in yield taking into account embedded optionalities) of technical provisions, life business excluding unit- linked products without investment guarantees. |
| C0030/R0400 | Technical Provisions, Non-Life – Option-adjusted Duration | Option-adjusted duration of technical provisions, (the present value sensitivity for a unit change in yield taking into account embedded  optionalities) non-life business. |
| C0040/R0300 | Technical Provisions, Life excluding unit-linked – Technical provision volume | The volume of technical provisions associated with the duration value in cell C0030/R0300. |
| C0040/R0400 | Technical Provisions, Non-Life – Technical provision  volume | The volume of technical provisions associated with the duration value in cell C0030/R0400. |

# S.39.01. - Profit and Loss General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to semi-annual submission of information for financial stability purposes for individual undertakings and groups.

This template shall be reported from a consolidated accounting perspective, i.e.: Local GAAP or IFRS (if applicable) valuation. Groups shall use the recognition and valuation basis as for the published financial statements, no new recognition or re-valuation is required.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| **Detail** | | |
| C0010/R0010 | Statutory Accounting: Profit & Loss | Profit or Loss after taxes as in Directive 91/674/EEC, Article 34, III., Item 16, and for IFRS, profit or loss for the period.  In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided. |
| C0010/R0020 | Technical account – Net result – Non-life | Balance on the technical account – non-life- insurance business as in Directive 91/674/EEC, Article 34, III., point 1., and for IFRS, insurance service result (non-life) and non-life insurance finance income or expense. In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided. |
| C0010/R0030 | Technical account – Net result – Life | Balance on the technical account - life- insurance as in Directive 91/674/EEC, Article 34, III., point 2. and for IFRS, insurance service result (life) and life insurance finance income or expense.  In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided. |
| C0010/R0040 | Non-Technical account – Balance | Non-technical account balance here is defined as the sum of Directive 91/674/EEC, Article 34, III., points 3., 4., 5., 6., 7., 8., 10., 11.,12., 14., 15., and for IFRS, profit before income tax minus insurance service result as well as insurance finance income or expense.  In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided. |
| C0010/R0050 | Taxes on income | Tax paid is defined as the sum of Directive 91/674/EEC, Article 34, III., points 9. and 13., and for IFRS, income tax expense.  In cases where profit and loss breakdown figures on a statutory accounting basis are not available semi-annually, an estimation should be provided. |

# S.41.01. - Lapses General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to quarterly submission of information for financial stability purposes for individual entities and groups.

|  |  |  |
| --- | --- | --- |
|  | **ITEM** | **INSTRUCTIONS** |
| C0010/R0010 | Lapse/surrender rate contracts | Number of life (excl. health) contracts (policies, not IFRS 17 contracts, direct business only) fully or partially lapsed or surrendered during the reporting period divided by the number of life contracts at the beginning of the period. The reporting period is defined on a year-to-date basis. Unit linked contracts should not be considered. However, unitised with-profits which contain elements of guarantees or where the full risk of price changes in the underlying portfolio is not born by policy holders should not be excluded.  A partial surrender is considered one surrender. Policies that are premium paying at the start of the reporting period 4/4 and which become paid up during the reporting period should be included in the calculation.  The indicator should reflect all life business. Annuity business should therefore be included within the denominator even if they cannot lapse. |
| C0010/R0020 | Lapse/surrender rate volume | Volume (the amount of technical provisions according to the Solvency II balance sheet) of life (excl. health) contracts (direct business only) fully or partially lapsed or surrendered during the reporting period divided by the volume (the amount of technical provisions) of life contracts at the beginning of the period. The reporting period is defined on a year-to-date basis. Unit linked contracts should not be considered. However, unitised with-profits which contain elements of guarantees or where the full risk of price changes in the underlying portfolio is not born by policy holders should not be excluded.  Where material and affecting technical provisions, deferred payments should be included in the calculation. Policies that are premium paying at the start of the reporting period and which become paid up during the reporting period should be included in the calculation.  The indicator should reflect all life business. Annuity business should therefore be included within the denominator even if they cannot lapse. |

1. Option-adjusted duration is conceptually able to take into account the variability of cash-flows under changing economic environments. This concept is based on a full revaluation of the balance sheet positions in scope and therefore considers both aspects: 1) change in discount rates and 2) change of cash flows. More concretely, the option-adjusted duration for Technical Provisions would be calculated as follows:

   

   where TP(∙) is the market-consistent value of Technical Provisions in the respective scenario at the reference date. Accordingly, TPbase refers to the baseline scenario while TPIRup and TPIRdown refer to the scenarios with parallel interest rate movements up and down, respectively. Both scenarios IR up and IR down are described by an absolute parallel shift of ±Δ𝑦 of the underlying market curve at the reference date (e.g. swap or government yield curve). The yield curve shift would be a parallel shift of the whole term structure with a shift level of +/- 50 basis points and this parallel-shift would be applied to the assets when revaluating technical provisions. This shift would also be the basis for determining the RFR for recalculating TPIRup and TPIRdown. However, a parallel shift would only be applied to the liquid part of the RFR term structure i.e. up to the last liquid point (LLP). This would be combined with the extrapolation-technique and –parameters applicable at the reference date in order to determine a shifted extrapolated RFR-term structure. I.e. when comparing the shifted and base RFR term structures this would technically correspond to a twist (and not a parallel shift). The shifted RFR curves will be published on EIOPA website on a semi-annual basis. [↑](#footnote-ref-1)