

## Errata: Guidelines on reporting for Financial Stability Purposes

The following corrections have been reflected in the updated Guidelines on reporting for Financial Stability Purposes (incl. annexes).

### Guidelines (main document)

#### Paragraph 1.30 and 1.31:

References to Guideline 10 and 13 is deleted.

**Paragraph 1.42:** Guideline 10 is removed.

**Paragraph 1.43:** Guideline 11, the following paragraph is added before paragraph a):  
"aa) template S.38.01.10 of Technical Annex A, specifying information on the duration of the technical provisions, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.38.01 of Technical Annex B;"

**Paragraph 1.44:** Guideline 12, paragraph c) is amended as follows:

c) template S.02.01.01 of Annex I of the Implementing Technical Standard on Submission of Information, specifying balance sheet information, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive following the instructions set out in Annex III of the Implementing Technical Standard on Submission of Information;

**Paragraph 1.44:** Guideline 12, the following paragraphs are added after paragraph e):

"ea) template S.14.04.11 of Technical Annex A, specifying specific information on Liquidity risk for life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;

eb) template S.14.05.11 of Technical Annex A, specifying specific information on Liquidity risk for non-life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;

**Paragraph 1.45:** Guideline 13 is removed.

**Paragraph 1.46:** Guideline 14, the following paragraph is added before paragraph a):  
"aa) template S.38.01.10 of Technical Annex A, specifying information on the duration of the technical provisions, only when method 1 as defined in Article 230 of

Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.38.01 of Technical Annex B;”

**Paragraph 1.47:** Guideline 15, the following paragraphs are added after paragraph b):

“ba) template S.14.04.11 of Technical Annex A, specifying specific information on Liquidity risk for life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;

bb) template S.14.05.11 of Technical Annex A, specifying specific information on Liquidity risk for non-life business, by product issued by the undertaking, only when method 1 as defined in Article 230 of Solvency II Directive is used, either exclusively or in combination with method 2 as defined in Article 233 of the Solvency II Directive, following the instructions set out in S.14.01 of Technical Annex B;”

**Paragraph 1.51 to 1.52:** Guideline 18 is removed.

## Technical Annex A

The following templates are deleted:

- S.01.01.10/12/14
- S.01.02.01/04/07
- S.14.01.10
- S.38.01.10
- S.40.01.10

- (1) template S.01.01.11 – Content of the submission is amended as follows:
- a. The following rows have been inserted:

S.14.04.11	Liquidity risk for life business
S.14.05.11	Liquidity risk for non-life business
S.38.01.10	Duration of Technical Provisions

- (2) template S.01.01.13 – Content of the submission is amended as follows:
- a. The following rows have been inserted:

S.02.01.01	Balance Sheet
S.14.04.11	Liquidity risk for life business
S.14.05.11	Liquidity risk for non-life business
S.38.01.10	Duration of Technical Provisions

- b. The following rows are deleted:

S.02.01.02	Balance Sheet
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- (3) template S.01.01.15 – Content of the submission is amended as follows:
- a. The following rows have been inserted:

S.38.01.10	Duration of Technical Provisions
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- (4) template S.05.01.13 is amended as follows:
- a. The following rows have been amended:

R0110	Premiums written — Gross — Direct Business
R0120	Premiums written — Gross — Proportional reinsurance accepted
R0130	Premiums written — Gross — Non proportional
R1200	Balance - other technical expenses/income
R1410	Premiums written — Gross
R2500	Balance - other technical expenses/income

b. The following rows are inserted:

R0300	Premiums earned
R1600	Premiums earned

(5) templates S.14.04.11 and S.14.05.11 have been added.

(6) template S.38.01.10 is amended as follows:

a. The following rows are deleted:

R0010	Duration of technical provisions, Life excluding unit-linked
R0020	Duration of technical provisions, Non-Life

b. The following rows are inserted:

R0100	Technical provisions, Life excluding unit-linked
R0200	Technical provisions, Non-Life
R0300	Technical provisions, Life excluding unit-linked
R0400	Technical provisions, Non-Life

c. The following columns are inserted:

C0010	Modified duration
C0020	Technical provision volume
C0030	Effective duration
C0040	Technical provision volume

(7) templates S.39.01.11 is amended as follows:

a. The following rows are inserted:

R0020	Technical account - Net result - Non-life
R0030	Technical account - Net result - Life
R0040	Non-Technical account - Balance
R0050	Tax paid

## Technical Annex B

### S.01.01. - Content of the submission

The following items are added in the Instructions:

	ITEM	INSTRUCTIONS
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

		0 - Not reported other reason (in this case special justification is needed)
C0010/R0 254	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 0 - Not reported other reason (in this case special justification is needed)

The following items are deleted from the Instructions:

C0010/R0250; C0010/R0970

### **S.05.01.13 – Premiums, claims and expenses by line of business**

The following items are amended in the Instructions:

	ITEM	INSTRUCTIONS
Non-life insurance and reinsurance obligations		
C0010 to C0120/R0 110	Premiums written — Gross — Direct Business	Definition of premiums written provided in application of directive 91/674/EEC where applicable: 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/R0 120	Premiums written — Gross — Proportional reinsurance accepted	Definition of premiums written provided in application of directive 91/674/EEC where applicable: 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/R0 130	Premiums written — Gross — Non proportional reinsurance accepted	Definition of premiums written provided in application of directive 91/674/EEC where applicable: 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.

C0200/R1 200	Balance - other technical expenses/income	Net technical expenses/income not covered by above mentioned expenses/income and not split by lines of business.  Shall not include non-technical expenses/income such as tax, interest expenses, losses on disposals, etc.
Life insurance and reinsurance obligations		
C0210 to C0280/R1 410	Premiums written — Gross	Definition of premiums written provided in application of directive 91/674/EEC where applicable: 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 <u>should be excluded from the written premiums.</u>  It includes both direct and reinsurance business.
C0300/R2 500	Balance – other technical expenses/income	Net technical expenses/income not covered by above mentioned expenses/income and not split by lines of business.  Shall not include non-technical expenses/income such as tax, interest expenses, losses on disposals, etc.

The following items are added to the Instructions:

	ITEM	INSTRUCTIONS
Non-life insurance and reinsurance obligations		
C0010 to C0200/R0 300	Premium earned – Net	Definition of earned premiums provided in directive 91/674/EEC where applicable: it is 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.
Life insurance and reinsurance obligations		
C0210 to C0300/R1 600	Premium earned – Net	Definition of earned premiums provided in directive 91/674/EEC where applicable: it is 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.

#### **S.14.04.11 – 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 quarterly submission of information for financial stability purposes

for individual entities and groups.

This template includes information about liquidity risk and collects product level information on life claims, cashed premiums, unearned premiums and fiscal treatment.

	ITEM	INSTRUCTIONS
<b>Portfolio</b>		
C0010	Product ID code	<p>Internal product ID code used by the undertaking for the product. If a code is already in use or is attributed by the competent authority for supervisory purposes that code shall be used.</p> <p>The ID code shall be consistent over time. In the cases where the same product needs to be reported in more than one row the content of C0010 (and C0090) shall follow the specific pattern:</p> <p>{{ID code of product}}/+/{{number of version}}. For example 'AB222/+/3'.</p>
C0020	Line of Business	<p>Line of business as defined in Annex 1 of Delegated Regulation (EU) 2015/35. The following closed list shall be used:</p> <p>29 — Health insurance</p> <p>30 — Insurance with profit participation</p> <p>31 — Index-linked and unit-linked insurance</p> <p>32 — Other life insurance</p> <p>33 — Annuities stemming from non-life insurance contracts and relating to health insurance obligations</p> <p>34 — Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations</p> <p>35 — Health reinsurance</p> <p>36 — Life reinsurance</p>
C0210	Fiscal treatment products	<p>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:</p> <ul style="list-style-type: none"> <li>• In case of lapse/surrender there is no tax or subsidy related loss (*)</li> <li>• In case of lapse/surrender past or future tax benefits or other subsidies are lost</li> <li>• Other tax related losses not covered above</li> <li>• Not applicable</li> </ul> <p>(*) Includes cases where policyholders would suffer a tax or subsidy loss unless a similar insurer is willing to accept the contract.</p> <p>Tax benefits that relate to future premiums i.e. where premiums reduce future income tax</p>

		<p>payments are not relevant for the purpose of above classification.</p> <p>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 C0210 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.</p>
C0080	Country	<p>Country ISO 3166-1 alpha-2 code or list of codes according to the following instructions:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- If reinsurance it shall refer to the country of the cedent undertaking.</li> <li>- 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.</li> </ul>
<b>Product detail</b>		
C0010	Product ID code	<p>Internal product ID code used by the undertaking for the product. If a code is already in use or is attributed by the competent authority for supervisory purposes that code shall be used.</p> <p>The ID code shall be consistent over time.</p> <p>In the cases where the same product needs to be reported in more than one row the content of C0010 (and C0090) shall follow the specific pattern:</p> <p>{{ID code of product}}/+/{{number of version}}. For example 'AB222/+/3'.</p>
C0015	Identification code and type of code of the undertaking	<p>Identification code of the undertaking to which the product relates, using the following priority:</p> <ul style="list-style-type: none"> <li>- Legal Entity Identifier (LEI)</li> <li>- Identification code used in the local market, attributed by supervisory authority</li> </ul>
C0070	Total amount of claims paid (year to date)	<p>Claims paid during the year related to the sum of the direct business.</p> <p>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.</p>
C0290	Cashed Premium - net (year to date)	<p>The net cashed premiums represent the sum of the direct business and the accepted insurance business reduced by the amount ceded to reinsurance undertakings actually cashed in the period, independently by their time-competence.</p>



C0074	Administrative expenses	All administrative expenses incurred by the undertaking during the reporting period, on accrual basis by product.
C0180	Best Estimate	Amount of gross best estimate calculated by Product.
C0200	Surrender value	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	<p>Please classify the product according to the following close list regarding exit conditions :</p> <p>1 – Surrender value equal to the best estimate/local statutory reserves and notice required lower than one week</p> <p>2 – Surrender value equal to the best estimate/local statutory reserves and notice required higher than one week but lower than 3 months</p> <p>3 – Surrender value equal to the best estimate/local statutory reserves and notice required higher than 3 months</p> <p>4 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required lower than one week</p> <p>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</p> <p>6 - Surrender value between 100% (exclusively) and 80% of the best estimate/local statutory reserves and notice required higher than 3 months</p> <p>7 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required lower than one week</p> <p>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</p> <p>9 - Surrender value lower than 80% of the best estimate/local statutory reserves and notice required higher than 3 months</p> <p>10 – Other</p> <p>The notice period should be understood as the time period (e.g. days or weeks) requested by the insurance company 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.</p>
C0300	Net Reinsurance flows (receivables -	The Net Reinsurance flows represent the difference between net reinsurance receivables and net reinsurance payable of the period (year to date)

	payable) of the period (year to date)	
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#### **S.14.05.11 - 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 quarterly submission of information for financial stability purposes for individual entities and groups.

This template includes information about liquidity risk and collects product category information on non-life claims, cashed premiums and unearned premiums.

	<b>ITEM</b>	<b>INSTRUCTIONS</b>
<b>Portfolio</b>		
C0010	Product category	<p>The following closed list shall be used:</p> <p>1 - Compulsory motor insurance: All products falling under "Risk class 10"</p> <p>2 - Other motor insurance: All products falling under "Risk classes 3 and 4"</p> <p>3 - Marine: All products falling under "Risk class 6"</p> <p>4 - Aviation: All products falling under "Risk class 5"</p> <p>5 - Transport: All products falling under "Risk classes 11 and 12"</p> <p>6 - Goods in transit: All products falling under "Risk class 7"</p> <p>7 - Accident insurance: All products falling under "Risk class 1" excluding the fourth indent as this is only connected to the injuries of passengers, products that fall under category 23, and excluding products solely falling under product category 20</p> <p>8 - Medical insurance: All products falling under "Risk class 2" with the exception of products solely and specifically covering risk falling under product category 18 and excluding products solely falling under product category 20</p> <p>9 - Home and content insurance distributed jointly: Insurance products covering damages to an household. The coverage is twofold:</p> <p>(i) Home refers to the structure of the home including additional elements,</p>

		<p>such as walls, fences, paths and driveways, garages, outbuildings and fuel storage tanks.</p> <p>(ii) Content refers to goods and personal belonging to the household or for which they are legally responsible. Certain items of property are specifically excluded, such as securities, certificates, documents, livestock and pets.</p> <p>In other to fall under this product category the coverage needs to be distributed jointly. This should include also homeowners comprehensive insurance</p> <p>10 - Building insurance: Insurance products covering damages to a building, different from what already covered under product categories 9, 10 and 11</p> <p>11 - Fire damages to property: All products falling under "Risk classes 8", with the exception of what is covered under product category 9, 10, 12, and 13</p> <p>12 - Other damage to property: All products falling under "Risk classes 9", with the exception of what is covered under product category 9, 10, 12, 13, and 19</p> <p>13 - Natural catastrophe insurance: Products covering damages to properties and people caused by natural forces including earthquake, floods, storm, hail, frost, drought.</p> <p>In order to fall under this product category this coverage needs to be distributed separately and not as an "add-on" to products falling under product category 9, 10, 11, and 12.</p> <p>14 - Business Interruption: Products covering business interruption, closure of business, or any financial loss of such nature regardless of whether physical damages on an insured property are required (e.g. business interruption referring to coverage for property damage arising from storm or flood; business closure covering damage for temporary closure of shops due to administrative actions or health authorities' decisions)</p> <p>In order to fall under this product category this coverage needs to be distributed separately and not as an</p>
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		<p>"add-on" to products falling under product category 15 and 9.</p> <p>15 - Third party liability: All products falling under "Risk class 13" with the exception of all the other product categories that cover liability risks</p> <p>16 - Legal expense insurance: All products falling "Risk class 17 ".</p> <p>In order for product to be falling under this product category they do not need to be distributed as an "add-on".</p> <p>17 - Income Protection: All products falling under "risk class 16" with the exception of what is covered under product category 14 and 20</p> <p>18 - Travel insurance: Products covering unforeseen losses incurred while travelling such as coverage for trip cancellation, lost luggage, flight delays and/or medical expenses medical expenses' need while on travel</p> <p>19 - Gadget insurance: Products covering for loss, damages or thefts of different types of items including but not limited to electronic items such as washing-machines, mobile phones, laptops, cameras, tablets, music players, eReaders and GPS devices. In order for products to fall under this category the coverage needs to be specific to the item concerned and not to part of coverages sold under other product categories - e.g., product category 9 or product category 17</p> <p>20 - Payment protection insurance: Products covering the event of not being able to meet the financial obligations of a mortgage, loan or any credit facilities. In order to fall under this product category it needs to be distributed separately from products falling under product category 17.</p> <p>21 - Credit: All products falling under "Risk class 14 "</p> <p>22 - Suretyship insurance: All products falling under "Risk class 15 "</p> <p>23 - Workers' compensation insurance: All products falling under "Risk class 1" covering injuries materialized in the workplace or connected to the workplace</p> <p>24 - Professional liability insurance: All product falling under "Risk class 13, subclass III. Only"</p>
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		<p>25 - Directors and officers liability insurance: Products covering personal assets of corporate directors and officers, and their spouses, in the event they are personally sued by employees, vendors, competitors, investors, customers, or other parties, for actual or alleged wrongful acts in managing a company - in order to fall under this category this product should be sold separately from products selling under product category 24 and product category 15</p> <p>26 - Assistance insurance: All products falling under "Risk class 18", with the exception of what is covered under product category 18</p> <p>27 - Other miscellaneous financial loss: All products falling under "Risk class 12", with the exception of those falling specifically in other product categories (E.g., product category 19 and 15)</p> <p>Product categories have been defined based on the existing Classes of non-life insurance; however, some product categories have a more granular definition. All non-life products commercialized should be reported under the product category which best corresponds to the product taking into account the product characteristics and coverage.</p>
C0020	Line of Business	<p>Line of business as defined in Annex 1 of Delegated Regulation (EU) 2015/35. Please select all the lines of business, in decreasing order of importance, which are relevant to the reported product category. The following list shall be used:</p> <ul style="list-style-type: none"> <li>1 - Medical expense insurance</li> <li>2 - Income protection insurance</li> <li>3 - Workers' compensation insurance</li> <li>4 - Motor vehicle liability insurance</li> <li>5 - Other motor insurance</li> <li>6 - Marine, aviation and transport insurance</li> </ul>

		<p>7 - Fire and other damage to property insurance</p> <p>8 - General liability insurance</p> <p>9 - Credit and suretyship insurance</p> <p>10 - Legal expenses insurance</p> <p>11 - Assistance</p> <p>12 - Miscellaneous financial loss</p>
C0080	Country	<p>Country ISO 3166-1 alpha-2 code or list of codes according to the following instructions:</p> <ul style="list-style-type: none"> <li>- 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.</li> <li>- If reinsurance it shall refer to the country of the cedent undertaking.</li> <li>- 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.</li> </ul>
<b>Portfolio detail</b>		
C0015	Identification code and type of code of the undertaking	<p>Identification code of the undertaking to which the product relates, using the following priority:</p> <ul style="list-style-type: none"> <li>- Legal Entity Identifier (LEI)</li> <li>- Identification code used in the local market, attributed by supervisory authority</li> </ul>
C0070	Total amount of claims paid (year to date)	<p>Claims and other technical outflows gross of reinsurance paid to date. 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.</p>
C0290	Cashed Premium - net (year to date)	<p>The net cashed premiums represent the sum of the direct business and the accepted insurance business reduced by the amount ceded to reinsurance undertakings actually cashed in the period, independently by their time-competence.</p>

C0180	Best Estimate	Amount of gross best estimate calculated by Product.
C0300	Net Reinsurance flows (receivables - payable) of the period (year to date)	The Net Reinsurance flows represent the difference between net reinsurance receivables and net reinsurance payable of the period (year to date).
C0310	Unearned premium (year to date)	Total amount of payment to date related to early termination of the contract.

### **S.38.01.10 – Duration of Technical Provisions**

**Paragraph 2 of the general comments is amended as follows:** This annex relates to semi-annual submission of information for financial stability purposes for individual entities and groups.

*The exact criteria and format for the reporting of the effective duration of technical provisions is to be confirmed after the feedback received from the public consultation:*

- *Option 1: Modified duration reported for all undertakings; Effective duration to be reported only where material optionalities are present in the technical provisions (This version of the template just contains columns C0010 and C0030).*
- *Option 2: Portfolio to be split based on presence of optionalities: Both modified and effective duration to be reported for all undertakings along with the associate technical provisions for each measure (This version of the template contains columns C0010, C0020, C0030 and C0040 i.e. the additional reporting of the technical provisions values).*

	<b>ITEM</b>	<b>INSTRUCTIONS</b>
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 – <i>Technical provision volume</i>	<i>The volume of technical provisions associated with the duration value in cell C0010/R0100</i>
C0020/R0200	Technical Provisions, Non-Life – <i>Technical</i>	<i>The volume of technical provisions associated with the duration value in cell C0010/R0200</i>

	<i>provision volume</i>	
Effective duration of technical provisions		
C0030/R0300	Technical Provisions, Life excluding unit-linked – Effective Duration	Effective <sup>1</sup> 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 – Effective Duration	Effective 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 – <i>Technical provision volume</i>	<i>The volume of technical provisions associated with the duration value in cell C0030/R0300</i>
C0040/R0400	Technical Provisions, Non-Life – <i>Technical provision volume</i>	<i>The volume of technical provisions associated with the duration value in cell C0030/R0400</i>

The following items are deleted from the Instructions:  
C0010/R0010 and C0010/R0020

### S.39.01.11 – Profit & Losses

**Paragraph 2 of the general comments is amended as follows:** This annex relates to semi-annual submission of information for financial stability purposes for individual entities and groups.

The following items are added to the Instructions:

	ITEM	INSTRUCTIONS
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<sup>1</sup> Effective 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 effective duration for Technical Provisions would be calculated as follows:

$$D_{TP}^{eff} = \frac{TP_{IRdown} - TP_{IRup}}{2 \cdot \Delta y \cdot TP_{base}}$$

where  $TP_{(i)}$  is the market-consistent value of Technical Provisions in the respective scenario at the reference date. Accordingly,  $TP_{base}$  refers to the baseline scenario while  $TP_{IRup}$  and  $TP_{IRdown}$  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  $\pm \Delta y$  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 and shift level 50 basis points. Whether the same yield curve shift would be applied simultaneously to both assets and liabilities or, alternatively, whether elements of the RFR mechanism like extrapolation should be taken into account for the liability side is subject of further discussions. Please note that the concept of effective duration is based on a full revaluation of Technical Provisions and for Life insurance therefore usually requires two additional runs of stochastic life cash-flow models.



<b>Detail</b>		
C0010/R0020	Technical account – Net result – Non-life	<p>Balance on the technical account – non-life-insurance business as in Directive 91/674/EEC, Article 34, III., Item 1.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0030	Technical account – Net result – Life	<p>Balance on the technical account - life-insurance as in Directive 91/674/EEC, Article 34, III., Item 2.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0040	Non-Technical account – Balance	<p>Non- technical account balance here is defined as the sum of Directive 91/674/EEC, Article 34, III., Item 3, 4, 5, 6, 7, 8, 10, 11, 12, 14, 15.</p> <p>In cases where profit and loss figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>
C0010/R0050	Taxes paid	<p>Tax paid is defined as the sum of Directive 91/674/EEC, Article 34, III., Item 9 and Item 13.</p> <p>In cases where profit and loss breakdown figures on a statutory accounting basis are not available semi-annually, an estimation should be provided.</p>