**Annex II**

**S.18.01 - Projection of future cash flows (Best Estimate - Non Life)**

**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 annual submission of information for individual undertakings.

This template applies only to Best Estimate and the following shall be considered:

* All cash flows expressed in different currencies shall be considered and converted in the reporting currency using the exchange rate at the reporting date;
* The cash flows shall be reported gross of reinsurance and undiscounted;
* In case the undertaking uses simplifications for the calculation of technical provisions, for which an estimate of the expected future cash-flows arising from the contracts are not calculated, the information shall be reported only in those cases where more than 10% of technical provisions have a settlement period longer than 24 months.

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|  | **ITEM** | **INSTRUCTIONS** |
| C0010/R0010 to R0310 | Best Estimate Premium Provision (Gross) – Cash out-flows - Future Benefits | Amounts of all the expected payments to policyholders and beneficiaries as defined in Article 78 (3) of Directive 2009/138/EC, referred to the whole portfolio of non-life obligations falling within the contract boundary, used in the calculation of premium provisions, from year 1 to year 30 and from year 31 and after. |
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| C0020/R0010 to R0310 | Best Estimate Premium Provision (Gross) – Cash out-flows - Future expenses and other cash-out flows | Amount of expenses that will be incurred in servicing insurance and reinsurance obligations as defined in Article 78 (1) of Directive 2009/138/EC and in article 31 of Delegated Regulation (EU) 2015/35 and other cash-out flow items such as taxation payments which are charged to policyholders used in the calculation of premium provisions, referred to the whole portfolio of non-life obligations from year 1 to year 30 and from year 31 and after. |
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| C0030/R0010 to R0310 | Best Estimate Premium Provision (Gross) – Cash in-flows - Future Premiums | Amounts of all the future premiums stemming from existing policies, excluding the past-due premiums, referred to the whole portfolio of non-life obligations, used in the calculation of premium provisions, from year 1 to year 30 and from year 31 and after. |
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| C0040/R0010 to R0310 | Best Estimate Premium Provision (Gross) – Cash in-flows - Other cash-in flows | Amount of recoverables from salvages and subrogations and other cash-in flows (not including investment returns), used in the calculation of premium provisions, referred to the whole portfolio of non-life obligations from year 1 to year 30 and from year 31 and after. |
| C0050/R0010 to R0310 | Best Estimate Claims Provision (Gross) – Cash out-flows - Future Benefits | Amounts of all the expected payments to policyholders and beneficiaries as defined in Article 78 (3) of Directive 2009/138/EC, referred to the whole portfolio of non-life obligations and relating existing contracts, used in the calculation of claims provisions, from year 1 to year 30 and from year 31 and after. |
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| C0060/R0010 to R0310 | Best Estimate Claims Provision (Gross) – Cash out-flows - Future Expenses and other cash-out flows | Amount of expenses that will be incurred in servicing insurance and reinsurance obligations as defined in Article 78 (1) of Directive 2009/138/EC and other cash-flow items such as taxation payments which are charged to policyholders used in the calculation of claims provisions, referred to the whole portfolio of non-life obligations from year 1 to year 30 and from year 31 and after. |
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| C0070/R0010 to R0310 | Best Estimate Claims Provision (Gross) – Cash in-flows - Future premiums | Amounts of all the future premiums stemming from existing policies, excluding the past-due premiums, referred to the whole portfolio of non-life obligations used in the calculation of claims provisions, from year 1 to year 30 and from year 31 and after. |
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| C0080/R0010 to R0310 | Best Estimate Claims Provision (Gross) – Cash in-flows - Other cash-in flows | Amount of recoverables from salvages and subrogations and other cash-in flows (not including investment returns), used in the calculation of claims provisions, referred to the whole portfolio of non-life obligations and relating existing contracts, from year 1 to year 30 and from year 31 and after. |
| C0090/R0010 to R0310 | Total recoverable from reinsurance (after the adjustment) | Amount of undiscounted cash-flows expected for each year from year 1 to year 30 and from year 31 and after.  The future cash-flows undiscounted from amounts recoverables from reinsurance and SPVs/Finite Re, including ceded intra group reinsurance, including future reinsurance premiums. Amount shall be reported net of adjustment for counterparty default risk. |