**Summary template TP-E7AB**

1. **Purpose**: This overview gives insight for each LoB into the individual and market-wide risk profile of the peak risks that are exceptional in terms of nature and size and the mass risks, so that a statement can be made about the homogeneousness of the portfolio. In addition, this information can be used in combination with current outgoing reinsurance programme (Re – J2) to evaluate the influence of a total loss in relation to the non-life insurer’s solvency and liquidity position.
2. **Potential benefit:** The benefits for supervisory purposes and policyholder protection regarding the peak risks come from the fact that undertakings may have significant net exposures related to one single risk which may cause a direct default of the undertaking in case of a total loss. To have a more detailed overall impression of the accepted underwriting risks, the underwriting risk profile (mass risks) is needed to understand and to evaluate the undertaking’s volatility in respect of the accepted underwriting risks.
3. **Potential costs:** The costs should be limited as undertakings are expected to hold such information for monitoring facultative risks for these risks are do not fit in the regular policy acceptance and could only be accepted in case part of the risk is reinsured facultatively. The costs for the underwriting risk profile should be limited for this information should be part of the internal analyses and must also be provided to the reinsurers during the renewal.
4. **Application to groups:** No
5. **Materiality thresholds:** For peak risks only the Top 20 of the biggest risks across all LOBs and the 2 biggest underwriting risks for any LOBs not covered through this methodology must be selected. By selecting the most important risks in terms of net sum insured the supervisor obtains information that is sufficient to evaluate the vulnerability of the counter party default risk towards reinsurers in case of a single risk event. Regarding the mass risks for a number of LOBs the underwriting risk profile is on a compulsory basis for every member state, a number of LOBs are on a compulsory basis to be decided by the individual member state and for the remaining LOBs it is not applicable
6. **Public disclosure:** No
7. **Frequency:** Annual