Comments Template on **Discussion Paper on the review of specific items in the Solvency II Delegated Regulation**		**Deadline 3 March 2017 23:59 CET**
Name of Company:	Centrala_PZUSA	
Disclosure of comments:	Please indicate if your comments should be treated as confidential:	Public
	Please follow the following instructions for filling in the template: ⇨ <u>Do **not** change the numbering</u> in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool ⇨ Leave the last column <u>empty</u>. ⇨ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph or a cell, keep the row <u>empty</u>. ⇨ Our IT tool does not allow processing of comments which do not refer to the specific numbers below. **Please send the completed template, <u>in Word Format</u>, to CP-16-008@eiopa.europa.eu** **Our IT tool does not allow processing of any other formats.** The numbering of the questions refers to the discussion paper on the review of specific items in the Solvency II Delegated Regulation.	
Reference	**Comment**	
General Comment		
Q1.1		
Q1.2		
Q1.3		
Q1.4		
Q1.5		

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Q1.6		
Q1.7		
Q1.8		
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Q1.10		
Q1.11		
Q1.12		
Q1.13		
Q1.14		
Q1.15		
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Q1.17		
Q1.18		
Q1.19		
Q1.20		
Q1.21		
Q1.22		
Q1.23		
Q1.24		
Q1.25		
Q1.26		
Q2.1		
Q2.2		
Q2.3		
Q2.4		

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Q2.5		
Q2.6	Accountancy-based measured could be potentially used as filters excluding investments in low quality issuers or issuers whose financial reports seems weird or doubtful (very distant from industry average).	Public
Q2.7		
Q2.8		
Q2.9		
Q2.10		
Q3.1		
Q3.2		
Q3.3		
Q3.4		
Q3.5		
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Q3.10		
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Q3.12		
Q4.1		
Q4.2		
Q5.1		
Q5.2		
Q5.3		
Q5.4		

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Q5.5		
Q5.6		
Q6.1		
Q7.1		
Q7.2		
Q7.3		
Q7.4		
Q7.5		
Q7.6		
Q7.7		
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Q7.10		
Q7.11		
Q7.12		
Q7.13		
Q8.1		
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Q8.9		
Q8.10		

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Q8.11		
Q8.12		
Q9.1		
Q9.2	More accurate scenario could be terrorists poisoning water supply in a big city.	Public
Q9.3		
Q9.4		
Q9.5		
Q10.1		
Q10.2		
Q10.3		
Q10.4		
Q10.5		
Q10.6		
Q10.7		
Q10.8		
Q10.9		
Q10.10		
Q11.1		
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Q11.7		
Q11.8		
Q11.9		

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Q12.1		
Q12.2		
Q12.3		
Q12.4		
Q12.5		
Q12.6		
Q12.7		
Q13.1		
Q13.2		
Q13.3		
Q13.4		
Q13.5		
Q13.6		
Q14.1		
Q14.2		
Q14.3		
Q14.4		
Q14.5		
Q14.6		
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Q14.9		
Q14.10		
Q14.11		
Q14.12		
Q15.1		

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Q15.2		
Q15.3		
Q15.4		
Q16.1		
Q16.2		
Q16.3		
Q16.4		
Q16.5		
Q16.6		
Q16.7		
Q16.8		
Q16.9		
Q17.1	The first step in modelling shock on interest rate should be analysis of the relationship between relative changes of rates and values of rates itselfs. Such knowledge should be put itho the SF.	Public
Q17.2	Maximum downward shock should not lead to the situation when interest rates are so negative that it is economicaly implausible to invest in fixed income instruments (i.e. when rates become less than minus 2%).	Public
Q17.3	There is a question about slope of the curve after the LLP. Currently we have significant hump after the LLP, and the whole curve resembles combination of two different curves; perhaps SW interpolation parameters could be re-calibrated for low rates environment.	Public
Q17.4	Following the LIBOR fixing scandal, we know that LIBOR rates can be somehow flawed (esp. historical data). Are we sure that the impact of this is neglible? Maybe we should replace them with depo rates?	Public
Q17.5		
Q17.6		
Q17.7		
Q17.8	Perhaps taking into consideration period of high interest rates (i.e. US rates from between 1975 -	Public

	1980) can also provide useful insight, especially compared to current low interest rates.	
Q17.9	Perhaps we can resign from PCA and work on rate changes. The SF does not handle any correlation issues between rates, also dimensionality of curves is not a problem.	Public
Q17.10	Square root scaling is troublesome in the context of mean-reverting behaviour of interest rates. Assuming we use any other window that 1Y we need to estimate the apprioprate scaling factor, possibly separatedly for each maturity.	Public
Q17.11	Such approach can be dangerous during periods of high interest rates (see US rates after 1975). Shock should depend on current values of interest rates.	Public
Q17.12		
Q17.13		
Q17.14		
Q17.15		
Q17.16		
Q18.1		
Q18.2		
Q18.3		
Q18.4		
Q18.5		
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Q18.15		
Q18.16		
Q19.1		
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Q19.3		
Q19.4		
Q20.1		
Q20.2		
Q20.3		
Q20.4		
Q20.5		
Q20.6		
Q20.7		
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Q20.9		
Q21.1		
Q21.2		
Q21.3		
Q21.4		
Q21.5		
Q21.6		
Q21.7		