INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS

**Public**

# Instructions for the 2016 Data Collection Exercise

# Conducted by Bank for International Settlements (BIS)

# in collaboration with the

# International Association of Insurance Supervisors (IAIS)

# (the "Instructions")

## Instructions for the 2016 Data Collection Exercise

## 1. Introduction

1. In collaboration with the IAIS, the BIS conducts data collection exercises to, among other things, enable the IAIS to assess the potential systemic importance of insurers in a global context[1] (the "**G-SII Project**"). This work falls under the aegis of the Financial Stability Board (the "**FSB**") and is part of its ongoing work to identify global systemically important financial institutions. The focus of the IAIS' analysis is in relation to potential global systemically important insurers**.**

2. These Instructions supplement the Guidelines for G-SII Data Collection Exercises by setting out the specificities of the 2016 G-SII data collection exercise conducted for the G-SII Project. The Guidelines provide a general overview of the data collection exercises conducted for the G-SII Project and how the requested data will be utilised and the applicable confidentiality protections. The IAIS G-SII Assessment Methodology describes the IAIS internal processes for the analysis of the data collected pursuant to the Guidelines and these Instructions. For a complete overview of data collection and processing in connection with the G-SII Project, the Guidelines, these Instructions and the G-SII Assessment Methodology must be read together..

3. Defined terms in this document shall have the same meaning as ascribed to them in the Guidelines unless otherwise defined herein.

[1] Refer to the IAIS Global Systemically Important Insurers: Initial Assessment Methodology as amended from time to time, (the "**G-SII Assessment Methodology**"), available on the IAIS website.

## 2. General Instructions

### 2.1 Basis for Data Collection and use of Explanatory Statement

This exercise should be completed on a "best-efforts" basis, whereby any uncertainty regarding how best to provide the data items requested within the time available is discussed and preferably agreed with the Relevant Authorities[2].

The Template includes an "Explanation" column. Where explanations are brief, please include in the column. Please include any lengthy explanations in the Explanatory Statement – the separate word document that aligns with the Template and indicate the longer explanation exists in the Explanation column.

This year, the G-SII data collection exercise also contains a Supplemental Reinsurance Assessment (SRA). This SRA consists of two tabs. The first tab should be completed by all current G-SIIs (please see FSB website for latest list) and any Participating Insurer whose gross written premiums for reinsurance exceed EUR 10 billion. The second tab should be filled out by any Participating Insurer whose gross written premiums for reinsurance exceed EUR 10 billion.

The additional data and information requested will help the IAIS to better assess the business model of reinsurance in the context of this exercise.

- All data should be reported as of year-end 2015 (i.e., 31 December 2015), unless otherwise specified. If data availability does not allow an insurer to use these reporting dates (due to a difference in the fiscal year-end date in some countries), suitable alternatives (e.g. the fiscal year end) should be discussed with the Relevant Authorities.
- If there is a material difference between the year-end figures and the average over the year, provide an appropriate explanation in the Explanatory Statement or column.
- Consolidated group-level data[3] should be provided based on general purpose financial statements that are disclosed publicly, if available, or on similar audited information provided to supervisors. Provide unaudited data if audited information is unavailable.
- However, if there are data items that are difficult to provide on a consolidated basis, aggregate data reflecting the major entities in the group may be reported instead and the entities specified in the Explanatory Statement. In this case, the choice of entities (including the treatment of related intra-group transactions and of off-balance sheet positions) should be made in consultation with the Relevant Authorities. If partial data is submitted, specify in the Explanatory Statement or column the entities with respect to which data has been

[2] In the event that the Participating Insurer does not have the data that precisely meets the definitions of the data items requested, the Participating Insurer is encouraged to provide a "proxy" on a best efforts basis rather than leave the item blank. Explanations of deviations from the definitions and the choice of a proxy should then be provided in the Explanatory Statement. Also, refer to the treatment of missing or inaccurate data in the Guidelines.

[3] This refers to consolidation for accounting purposes capturing all insurance and non-insurance companies globally and, to avoid any doubt, excludes intra-group transactions.

provided.

- Section 4 provides the definition of various data elements. If your accounting convention differs in a material way from the definitions, please provide an appropriate explanation which may include quantitative information to allow for appropriate adjustments. Any material deviation from these Instructions should be described sufficiently in the Explanatory Statement or column.
- If Participating Insurers wish to make any explanatory comments regarding the data provided, please do so via the separate Explanatory Statement or column.
- If there have been material changes since the reporting date e.g. due to a merger, acquisition, restructure, or change to accounting standards, please indicate the nature and timing of the changes in the Explanatory Statement or column.

### 2.2 Filling in the Template

Participating Insurers must only use the Template obtained from the Relevant Authorities to submit their returns. Any modification to the Templates outside the designated shaded cells will render the Template unusable both for the validation of the final results and the subsequent aggregation process. Accordingly, **any modified Templates will not be accepted and will need to be corrected and submitted again**.

The Template contains some built-in checks -- the results of these built-in checks are shown in the '*Checks'* column. The checks column will be pink with an error message if the data entered in the cell does not satisfy the checks and white if the cell satisfies the checks. The checks are for:

- Empty cells
- Negative numbers
- Use of text when the entry should be numerical
- Use of numbers when the entry should be text
- Filling a cell with 'na' without an accompanying explanation in the explanation column
- Filling a cell with '0' without an accompanying explanation in the explanation column

**Please ensure all the *Checks* cells are white before submitting the Template to your Relevant Authorities.** If there is a reason why data does not pass the checks, please include an explanation in the *Explanations* column.

Data can be reported in the most convenient currency. The currency which has been used should be recorded in the "3.1 General data" section of the Template. Currency units used for reporting should also be indicated in this section of the Template. The same currency and unit should be used for all amounts throughout the Template, irrespective of the currency of the underlying exposures. Amounts should be reported as positive values. Percentages should be reported as decimals and will be converted to percentages automatically. For example, 1% should be entered as 0.01[4].

[4] Depending on the regional options of the operating system used, it might be necessary to use a different decimal symbol. It might also be necessary to switch off the option "Enable automatic percent entry" in the Tools/Options/Edit dialog of Excel if percentages cannot be entered correctly.

## 3. Specific Instructions on the Data Elements

### 3.1 General Data

The Template consists of requested data elements and section 4 provides the definitions of the data elements. Rows 1, 2 and 3 will be completed by the Relevant Authorities. Other rows should be completed by insurers.

| Row | Heading | Description |
|---|---|---|
| 1 | Country ISO code | For Insurance Supervisory Authorities |
| 2 | Holding Company name | For Insurance Supervisory Authorities |
| 3 | Submission date (yyyy-mm-dd) | For Insurance Supervisory Authorities |
| 4 | Reporting date (yyyy-mm-dd) | Date as of which all data are reported in the Templates |
| 5 | Reporting currency (ISO code) | Three-character ISO code of the currency in which all data is reported (e.g. USD, EUR) |
| 6 | Unit (1; 1,000; 1,000,000; 1,000,000,000) | Units (whole amount, thousands, hundred thousands, millions, billions) in which results are reported |
| 7 | Accounting standard | Indicate the accounting standard used with a full description (country, convention, etc.) |

### 3.2 Assets and Liabilities

**Row 9: Total Assets:**
Report total assets in **Row 9**. For the avoidance of doubt, this total shall generally include all assets reported in the balance sheet (e.g. general accounts, segregated accounts, separate accounts, etc.). If the total assets amount is different to the 2015 public financial statements, explain the reason for the variation and to which official financial statements it relates in the Explanatory Statement. If adjusted as a result of discontinued operations, explain the nature of the discontinued operations. The basis of this information should be the 2015 financial statements on a consolidated accounts basis.

Report in **Row 9S** the amount of total assets whose investment performance is borne by policyholders. (Such assets are often reported as “segregated accounts” or “separate accounts” but may not necessarily be captured within those classifications.). The amount reported in this row should be a subset of the total assets reported in Row 9. Assets that back guarantees (e.g. minimum guarantees of asset performance), when the risk is not borne by the policyholder, should be excluded from 9S but still be included in 9.

**General note concerning segregated accounts or unit linked policies**

Please include assets and liabilities related to separate accounts or unit-linked policies in the figures for all data rows, unless otherwise specified. For instance, include the intra-financial assets related to those policies in rows 20 to 23 and include those liabilities in rows 33.A to measure their liquidity.

**Rows 9.1 through 9.3: Assets by Reporting Entity:**
Report the amount of consolidated total assets broken-out (i.e. disaggregated) by type of individual reporting entity. Rows 9.1-9.3 should be mutually exclusive and sum to the value reported in Row 9.

Row 9.1: Assets of all insurance licensed entities including the top holding company and insurance holding companies

Row 9.2: Assets of all majority-owned or equity consolidated non-insurance financial services entities and related holding companies

Row 9.3: Assets of all majority-owned or equity consolidated non-insurance non-financial entities (e.g. industrial business activities) and related holding companies

**Row 9.4 - Cash and Cash equivalents**

**Rows 9.5.1 through 9.5.6 Liquidity of invested assets**
Note that all included assets must be unencumbered, defined as those that are purchased outright that are (i) free of legal, regulatory, contractual, or other restrictions on the ability of the reporting entity to monetize the assets; and (ii) not pledged, explicitly or implicitly, to secure or to provide credit enhancement to any transaction. Exclude all unencumbered assets that are pledged to a central bank or a government-sponsored enterprise. Exclude transactions involving the purchase of securities that have been executed, but not yet settled. Do not exclude assets that are owned outright at a subsidiary of the reporting entity, but have been pledged to secure a transaction with another subsidiary of the reporting entity; to the extent these assets remain unencumbered.

All securities must be liquid and readily marketable i.e. the security is: 1) traded in deep and active repo or cash markets characterized by a low level of concentration; 2) have a proven record as a reliable source of liquidity, even during stressed market conditions; and 3) are not an obligation of a financial entity or its affiliated entities

**Row 9.5.1: Holdings of securities issued or unconditionally guaranteed by sovereign entities or supranational organizations with at least a AA- credit rating from at least two external rating agencies**
Such securities must have an explicit guarantee as to the timely payment of principal and interest from the sovereign entity, including the sovereign's central government, agency, ministry, department or central bank, or supranational organization, which includes the Bank for

International Settlements, the International Monetary Fund, the European Central Bank, the European Community, or a Multilateral Development Bank with at least a AA- credit rating from at least two external rating agencies.

**Row 9.5.2: Holdings of securities issued or unconditionally guaranteed by sovereign entities, not included in line 9.5, issued in local currency used to back payments in that jurisdiction or in the insurer's home jurisdiction**
Such securities must have an explicit guarantee as to the timely payment of principal and interest from the sovereign entity, including the sovereign's central government, agency, ministry, department or central bank.

**Row 9.5.3 Holdings of liquid securities issued by or unconditionally guaranteed by a sovereign entity or Multilateral Development Bank with at least a A- credit rating from at least two external credit rating agencies, not included in rows 9.5.1 and 9.5.2**
Such securities must have an explicit guarantee as to the timely payment of principal and interest from the sovereign entity, including the sovereign's central government, agency, ministry, department or central bank, or multilateral development. Included securities must be "liquid," which is defined as those whose market price or the market haircut demanded on secured transactions collateralized by the security or equivalent securities has not changed by more than 10% during a 30 calendar-day period of significant stress.

**Row 9.5.4 Holdings of liquid covered bonds with a credit rating of at least AA- from at least two external credit rating agencies, not issued by an affiliate**
Covered bonds are bonds issued and owned by a bank or mortgage institution and are subject by law to special public supervision designed to protect bond holders. Proceeds deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of the validity of the bonds, are capable of covering claims attached to the bonds and which, in the event of the failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. Such securities may not be issued by any affiliate or subsidiary of the insurer.

**Row 9.5.5 Holdings of liquid investment grade corporate debt securities (including commercial paper) not issued by financial sector entities or their affiliates**
"Debt securities" includes only plain-vanilla assets whose value is readily available based on standard methods and does not depend on private knowledge (i.e. excluding structured products or subordinated debt). "Liquid" is defined as those securities whose market price or the market haircut demanded on secured transactions collateralized by the security or equivalent securities has not changed by more than 20% during a 30 calendar-day period of significant stress.

**Row 9.5.6 Holdings of publically traded common equity issued by a non-financial sector entity in 1) home jurisdiction or 2) in the jurisdiction of the expected payments**
Such securities must be included in a major index and must be a reliable source of liquidity, i.e. the market price or the market haircut demanded on secured transactions collateralized by the security or equivalent securities has not changed by more than 40% during a 30 calendar-day period of significant stress.

**Rationale for change**

***These new data rows will allow for an assessment of the liquidity of the assets hold by insurers and facilitate analysis of the transmission of systemic risk through the asset liquidation channel.***

**Row 10.1: Total Liabilities:**

Exclude minority interests, which should be reflected as a portion of equity (Row 11). Report in Row 10.1. If the total liabilities amount is different to 2015 public financial statements, explain the reason for the variation and to which official financial statements it relates. If adjusted as a result of discontinued operations, explain the nature of the discontinued operations.

In addition, please provide in the explanatory statement a list, a valuation and a description of the five largest liabilities items on your balance sheet, as reported in your financial statements, that are not policyholder liabilities as defined in row 10.2.

**Row 10.2: Policyholder Liabilities:**

Policyholder liabilities include:

- all technical provisions held for the purpose of fulfilling insurance contracts (including policyholder dividends, future policy benefits, policyholder account balances, loss reserves, and unearned premiums reserves and excluding advance premiums received),
- investment contract liabilities, guarantees of asset performance in separate accounts[5], policyholder liabilities in separate accounts and unallocated divisible surplus (UDS)[6]. If you include UDS, note this amount in the Explanatory Statement so that we can make adjustments later on if necessary for comparability purposes. Report the gross amount of policyholder liabilities in Row 10.2.

**Row 11: Net assets (Assets less liabilities – also referred to as Shareholders Equity, Policyholder surplus or Retained Earnings)**

The amount reported in this row should be the difference between total assets and total liabilities per the consolidated financial statements. The amount reported in this row aims to capture the firm's capital regardless of whether privately held or publicly traded.

**Row 12.1: Off-Balance Sheet Financial Liabilities:**

Report off-balance sheet liabilities and commitments to third parties that are disclosed in the notes to the consolidated financial statements.

These items may include among other elements:

- guarantees of debt,
- financial guarantees of external entities,
- undrawn, committed lines of credit outstanding, non-contractual obligations.

[5] The reference to "separate accounts" is intended to capture all structures where the investment performance is borne by the policyholder. See row 9S.

[6] In certain participating long-term insurance and investment business, the nature of the policy benefits is such that the division between shareholder reserves and policyholder liabilities is uncertain. Amount whose allocation to either policyholders or shareholders has not been determined by the end of the financial year are held within liabilities as an unallocated divisible surplus.

Report the gross notional amount of such obligations (i.e. gross of collateral) in Row 12.1. In addition, provide a breakdown of the data based on notes to the consolidated financial statements in the Explanatory Statement, where available.

**Row 12.1.1: Size of undrawn committed Lines of Credit and Issued Letters of Credit**
Report the total maximum undrawn value (total committed amount less the drawn portion) of all committed credit facilities. This data row is a subset of row 12.1.

**Rationale for change**
***This data was added to examine to supplement the analysis of potential impact of a firm's default on counterparties as some of these off-balance sheet items would become on balance sheet liabilities if the firm were distressed.***

**Row 12.2: Off-Balance Sheet Financial Assets (unaffiliated third party assets under management):**
Report all financial assets that are held and invested on behalf of clients that are not consolidated on the balance sheet.

**Rationale for change**
***Definition of row 12.2 is clarified; therefore the former row 12.2.1 is not needed any more.***

**Row 13: Intra-Group Commitments[7]:**
Intra-group commitments are defined as capital commitments, financing, funding, guarantees, keep-well and net worth maintenance agreements, profit and loss transfer agreements, as well as transactions with similar purposes including **cross-default clauses** on an individual, i.e. per transaction basis or in master netting agreements. Intra-group reinsurance and retrocessions should not be included.

Please provide, in the Explanatory Statement, an explanation and more details about the nature and purpose of the unlimited guarantees, including the total assets, liabilities and purpose of each guaranteed subsidiary (e.g. financing arm, banking subsidiary, asset manager, etc.).

Intra-group commitments are to be reported as follows:

1. for each **limited** transaction, e.g. limited guarantee: The full guaranteed amount;

    a) for all commitments granted by insurance entities in the group or the top holding company of the group (including their intermediate holding companies and ancillary companies) for the benefit of non-insurance entities of the group, report the maximum guaranteed amount (notional amount) in Row 13.1. Please make sure to use, for **each significant** commitment, a separate row in the explanatory statement to provide additional information about the entity the guarantee is given to.

[7] Intra-Group Commitments are also referred to as "Intra-Group Transactions" in the European Union (EU) and in some other jurisdictions.

b) for commitments granted by non-insurance entities for the benefit of any other entity in the group, report maximum guaranteed amount in Row 13.2. Please make sure to use, for **each significant** commitment, a separate row in the explanatory statement to provide additional information about the entity the guarantee is given to.

2. for each **unlimited** transaction, e.g. unlimited parental guarantee,

   a) for commitments granted by insurance entities in the group or the top holding company of the group (including their intermediate holding companies and ancillary companies) for the benefit of non-insurance entities of the group, report the number of unlimited guarantees falling in this category in Row 13.3. Please make sure to use for **each** commitment a separate row in the explanatory statement to provide additional information about the entity the guarantee is given to. Include at least the following information: Name, Total Assets, Equity, Sector and Purpose of the commitment and country of the entity.

   b) for commitments granted by non-insurance entities for the benefit of any other entity in the group, report the total number of unlimited guarantees falling in this category in Row 13.4. Please make sure to use for **each** commitment a separate row in the explanatory statement to provide additional information about the entity the guarantee is given to. Include at least the following information: Name, Total Assets, Equity, Sector and Purpose of the commitment and country of the entity.

**Rationale for change**
***The changes in this section aim at collecting more reliable and more comparable data. In addition, the information gathered through the explanatory statement will allow for a qualitative assessment of these guarantees.***

**Row 14: Large Exposures:**
Report the asset exposure (including exposure in terms of equity, bonds, receivable from reinsurers, and off- balance sheet positions.) to the 20 largest non-sovereign counterparties and 10 largest sovereign exposures.

**Row 14: Total asset exposures on an immediate risk basis**

- in Row 14, please give a figure on an immediate risk basis (without any look through for mutual funds holdings)
- in rows 14.1 to 14.30, report the name and asset exposure of each counterparty on an immediate risk basis. (Report the names in the Explanatory Statement.)

Note that any assets in separate accounts or assets in whose investment performance is borne by policyholders should be excluded. For sovereign exposures, include the sovereign nation and all legal entities explicitly guaranteed by the sovereign nation as one counterparty. However, each different sovereign should be reported as a separate counterparty.

### 3.3 Revenues

**Row 15: Total Revenues:**

Report total revenues[8] in Row 15. If the total revenues amount is different from 2015 financial statements, explain the reason for the variation and to which official financial statements it relates in the Explanatory Statement. If adjusted as a result of discontinued operations, explain the nature of the discontinued operations.

**Breakdown by insurance business line**
Report total revenues from insurance business.
Row 15.LA: Total revenues from life and annuity (re)insurance business and any other (re)insurance activity when the obligations of the insurer relate to the length of human life.
Row 15.NL: Total revenues from (re)insurance business that does not qualify for row 15.LA.
Row 15.R: Total revenues from reinsurance and retrocession business

According to the definition presented above, 15.LA + 15 NL equals all the (re)insurance revenues of the insurance group and 15.LA + 15.NL – 15.R equals all the direct insurance revenues of the insurance group.

**Rows 15.1 through 15.3: Revenues by Reporting Entity:**

Report the amount of consolidated revenues (refer to the Template) broken-out (i.e. disaggregated) by type of individual reporting entity. Rows 15.1-15.3 should be mutually exclusive and sum to the value reported in Row 15.

Row 15.1: Revenues of all insurance licensed entities including the top holding company, insurance holding companies, and brokerage activities involving only insurance products. NB: This data row covers 15LA + 15NL + holding company revenues

Row 15.2: Revenues of all majority-owned or equity consolidated non-insurance financial services entities and related holding companies.

Row 15.3: Revenues of all majority-owned or equity consolidated non-insurance non-financial entities (e.g. industrial business activities) and related holding companies.

**Row 16: Revenues Outside of Home Country:**
These revenues are the sum of the revenues recognised from jurisdictions outside the home country i.e. that is the portion of Row 15 reported by non-home-country businesses. Do not take account of any revenues from non-home-country businesses that sell products into the home

[8] As a guide for insurers which file IFRS returns, please note that ROW 15 = (GROSS) REVENUE = NET INCOME + EXPENSES
According to IFRS IAS 18 “Revenue”. The following are possible inward cash-flows:
(a) the production or sale of goods; e.g. insurance coverage, measured as all gross premiums written as defined in Row 18;
(b) the providing or rendering of services; and any type of fee based activity, e.g. third-party asset management services;
(c) the use by others of entity assets yielding interest, royalties and dividends, e.g. investment income of owned assets.
Expenses include administrative expenses, claims incurred, taxes incurred, ceded premium etc.
For insurers which do not file IFRS returns, please use the revenue definition that can be reconciled to consolidated financial statements.

country, or vice-versa. As an example, all revenue from a subsidiary in country A of a group in home country B is reported as country A business, that is outside of the home country, even if some of that revenue was from business done in country B. Allocation of revenue should be along financial reporting lines which are by legal entity.

**Row 17: Number of Countries:**
Report the number of countries where a group operates with branches and/or subsidiaries outside of the home country. Home country is defined as the jurisdiction completed in Row 1 by the data collecting Relevant Authorities. All branches and subsidiaries (defined as such under the consolidation accounting rule) earning revenue should be counted.

**Row 18: Gross Premiums Written:**
These premiums are the contractually determined premiums on all policies which a company has issued in the period specified for this report, regardless of how they are accounted for under the national GAAP. Gross premiums are the sum of direct premiums written, both earned and unearned, plus assumed reinsurance premiums[9]. Premiums for contracts where insurers do not accept material insurance risk from policyholders should be excluded

Row 18.1 Premiums written ceded to reinsurers:
These premiums are the contractually determined premiums from all the reinsurance and retrocession arrangements a company has entered into in order to cede business in the period specified for this report. Note that Row 18.1 is a subset of Row 18.

**Row 19: Gross Premiums Written Outside of Home Country:**
These premiums are the gross premiums written from jurisdictions outside the home country. Premiums for contracts where insurers do not accept material insurance risk from policyholders should be excluded. As with Row 16, do not take account of any gross premiums written from non-home-country businesses that sell products into the home country, or vice-versa.

In the explanatory statement, please provide information on the volume of gross written premiums for your 10 largest jurisdictions outside your home country.

### 3.4 Inter-financial Institution Assets

For items under sections 4.4 and 4.5, financial institutions are defined as including banks (and other deposit taking institutions), securities dealers, other capital markets business, insurance companies, mutual funds, other asset management business, hedge funds, and pension funds. Numbers reported in section 4.4 and 4.5 should be reported on a gross basis.

**Rows 20 to 23**
This section asks for data on your inter-financial institution assets. Note that rows 20.1, 21.1, 22.1 should all be mutually exclusive and 20.2, 21.2, 22.2 should be mutually exclusive. Please include assets related to separate accounts or unit-linked policies.

9 In these instructions, reinsurance is broadly defined, including always both reinsurance from direct insurers and retrocession activities.

**Row 20: Lending**
Lending includes all forms of private term/revolving lending including the nominal value of undrawn committed lines. Report all lending in Row 20.1. Of which, report lending to financial institutions in Row 20.2.

The sum of the three components below should reflect all holdings of securities and those issued by financial institutions respectively. Note the reporting number should be based on the Balance Sheet (i.e. Fair Value or Amortized Cost)

**Row 21: Debt securities**
Report all holdings of debt securities in Row 21.1. Of which report all holdings of debt securities issued by financial institutions in Row 21.2.
Note: All commercial paper and short-term debt should be included in Row 21.1 and Row 21.2, but exclude in Row 21.1 and Row 21.2 any lending already reported in Row 20.1 and Row 20.2.

**Row 22.a: Banking deposits**

Report all funds deposited with unaffiliated banking institutions in Row 22.a.

**Row 22: Certificates of deposits**

Report all holdings of certificates of deposit in Row 22.1. Of which, report all holdings of certificates of deposits issued by financial institutions in Row 22.2.

**Row 23: Equity**
Report all holdings of equity in Row 23.1. Of which, report all holdings of equity issued by financial institutions in Row 23.2. Please exclude in Row 23.1 and Row 23.2 any debt or lending that you may consider equity such as hybrid securities if you already reported in any other rows such as Row 20.1, 20.2, 21.1, and 21.2.

### 3.5 Borrowing and security issuance

This section asks for data on your liabilities. Note that rows 24 and 26 should be mutually exclusive.

**Row 24: Total Borrowing:**
Report total borrowing which includes all drawn lines of credit, all other loans, all principal raised from issuing debt instruments (including surplus notes).

Report a breakdown of borrowing in the following rows:

Row 24.1 Report all debt securities issued (including surplus notes)
Row 24.2 Report all commercial paper issued
Row 24.3 Report all certificates of deposit issued
Row 24.4 Report all other borrowing including drawn lines of credit, letters of credit drawn, hybrid

securities and bank loans. Details of the components of the instruments included in this category should be provided in the Explanatory Statement.

Note rows 24.1 to 24.4 should sum to row 24.

**Row 25: Borrowing - short-term:**
Report all short-term borrowing in Row 25. (This should be a subset of Row 24.) The amount reported in this line should be the sum of Rows 25.1 and Row 25.2:

Row 25.1: Short-Term Obligations of Long-Term Debt and Debt-Like Instruments. This amount should include all obligations which are due within 12 months that are attributed to long-term debt (original maturity of more than 12 months), including long-term debt obligations that will fully mature and be repaid within the next 12 months. Include amounts linked to deposit-type insurance liabilities (row 29).

Row 25.2: Short-Term Obligations with original/initial maturity of 12 Months or less. This amount should include all short term obligations that relate to borrowings that originally had maturities of 12 months or less. Include amounts linked to deposit-type insurance liabilities (row 29). Where an SPV or other structure is used to transform the maturity of the issued instrument, measure the maturity based on the instrument that is sold to investors (e.g., include amounts of long-term funding agreements or fixed annuities that are placed into a SPV to back commercial paper).

Row 25.3: Debt and Debt-Like Liabilities with Provisions That Could Accelerate Payment

Row 25.3.1: Amount of debt and debt-like liabilities with ratings triggers or financial covenants (Please provide details of the covenants or triggers in your explanatory statement)

Report the total value of all debt and debt-like instruments that contains ratings triggers or financial covenants that could place the issuer into default or otherwise accelerate the instrument's required payments. Exclude amount already reported in row 25 (borrowing - short term). Include amount linked to deposit-type insurance liabilities (row 29). Provide details of any such financial covenants or ratings triggers in the explanatory statement including the amount of the instrument and the specific requirements in the instrument.

Row 25.3.2: Amount of debt and debt-like liabilities with embedded put options

Report the total value of all debt and debt-like instruments that contain provisions which allow the holder to request the early payment on the note (e.g. a Guaranteed Investment Contract with a seven-day put option). Exclude amount already reported in row 25 (borrowing - short term). Include amount linked to deposit-type insurance liabilities (row 29). Provide details on any positive amount in the explanatory statement.

Rationale:
Options and triggers can give long term borrowing short term features

Rationale for change

***The modifications capture liabilities that are currently due within the next year but could be accelerated if the firm were to experience distress.***

**Row 26: Common stock outstanding**

Row 26: Please report the number of common stock shares outstanding. (This is the number of shares, not par value.) Please exclude preferred debt or hybrid securities already reported in Row 24 or 25.

### 3.6 Reinsurance

**Row 27: Gross Technical Provisions for Reinsurance Assumed Business:**

Report gross technical provisions for reinsurance assumed business. Assumed business from both reinsurance and retrocession must be reported.[10] No recoverable or outward retrocession should be deducted. These provisions should be consistent with Row 10.2

### 3.7 Financial and Mortgage Guarantee Insurance

**Row 28: Gross par value of Bonds Insured:**

***Stock measures***

Report the total gross par value of debt securities insured as at the end of 2015 (the stock), and breakdown by public finance (e.g. infrastructure, utilities, municipal securities, etc.) and structured finance (e.g. CDOs, RMBSs, consumer and corporate asset-backed securities, etc.). Use sub-category 'Other' to allocate any financially guaranteed securities not allocated under either public or structured. Do not include CDS protection or surety bonds. If gross par value is unavailable, please estimate the amount on this data row and provide the net value in the Explanatory Statement. Report each item in the following rows:

Row 28.1 Gross par value of Bonds Insured
Row 28.2 Public finance
Row 28.3 Structured finance
Row 28.4 Other

Note that the total of Row 28.2, Row 28.3 and Row 28.4 should equal Row 28.1.
Note any off-balance sheet financial guarantees other than financial guarantee insurance should be excluded here and included in Row 12.1. Further, include any financial guarantees accounted for as derivatives in the appropriate part of section 4.12 on derivatives.

***Flow measures***

Report the gross par value of debt securities insured during the 2015 financial year according to the following breakdown:

[10] This definition of reinsurance is applicable for the whole data collection.

Row 28:5 Gross par value of Bonds Insured
Row 28.6 Public finance
Row 28.7 Structured finance
Row 28.8 Other

Note that the total of Row 28.6, Row 28.7 and Row 28.8 should equal Row 28.5.

**Row 28.9: Gross insured amount of mortgage guaranteed**
Report the gross insured amount of mortgage guaranteed, which covers the mortgagee (usually a financial institution) in the event that a mortgage holder defaults on a loan.

### 3.8 Institutional Business

**Row 29: Deposit Type Institutional Business**
Report the value of all contracts marketed towards financial counterparties that do not incorporate significant insurance risk. Exclude contracts whose payments are contingent upon death or disability or upon continued survival. Examples of products that should be reported include Guaranteed Investment Contracts (GICs), Funding Agreements, Annuities Certain, and Funding Agreement or Fixed-Annuity backed notes.

**Rationale for change**
***These activities may create interconnectedness with other financial institutions. Please note the renumbering of rows. The former row 29 has become row 28.9 and row 29 is new.***

### 3.9 Classes of financial assets

**Row 30: Level 1, 2 and 3 assets:**
Report financial instruments by fair value hierarchy levels 1, 2 and 3:

The definition of the fair value hierarchy levels can be found in *International Financial Reporting Standard 13, Fair Value Measurement* and *U.S. Accounting Standard Codification (ASC) 820, Fair Value Measurement*. The definition of financial assets is included in ASC 820-10-20 and in *IAS 32 – Financial Instruments*, paragraph 11. Please also refer to IFRS 13, paragraph 93 and ASC 820-10-50-1 and 820-10-50-2b.

In addition to the accounting guidance, please note that, for the purpose of this data collection, you should: (i) exclude any direct holding of physical real estate, (ii) include other holdings of all real estate-related assets as financial instruments in the relevant class of assets (from level 1 to 3).

For example, mortgage back securities would be included whereas the direct holding of a physical real estate will be excluded. An office tower where the insurer is located and which the insurer owns would not be included; a condominium directly owned by the insurer and rented to households would also not be included. Please provide any relevant information on the composition of level 3 assets in the explanatory statement.

Row 30.1: Level 1 Financial Assets

Row 30.2: Level 2 Financial Assets
Row 30.3: Level 3 Financial Assets

### 3.10 Minimum Guarantees

**Row 31: Account Value for Variable Insurance Products with Minimum Guarantees**

Report the total account value as the asset value of investments at year-end 2015 **held across general, separate and related accounts** (the assets are not held with the insurance company). Variable Insurance Products with Minimum Guarantees have the features that surrender value, maturity benefit or death benefit can rise or fall depending on investment performance, but such benefits are guaranteed at a minimum level by insurers.

Report for all life and annuity products (including but not limited to variable life, variable annuity and contingent annuity contracts) that provide protection against financial market risk, such as equity prices, changes in interest rates, or loss of value (principal) on other investments (e.g. mutual fund wraps, contingent deferred annuity contracts, stable value contracts and other similar products) and that include at least one of the three types of embedded guarantees: guaranteed minimum income benefits; guaranteed minimum withdrawal benefits; and guaranteed minimum accumulation benefits.

Each region or jurisdiction may have its own types of products. Nevertheless, considering substance over form, insurers may write products assimilated to variable products with minimum guarantees in most of the insurance markets.

In the United States and Canada, these policies may include variable life, variable annuity and contingent annuity[11] contracts.

For Europe, these products can be referred to as “unit-linked guarantee products” or “unit-linked life insurance or endowment policies with capital protection features”. (Unlike a life insurance or annuity policy, a unit-linked life insurance or endowment policies with capital protection provides the benefits of insurance and investments under a single integrated plan.)

For Asia (in particular Japan), these products may be referred to as variable life insurance or variable annuity policies in which invested assets are “managed in separate accounts”.

Report the account value on a fair value basis. Alternative reporting values based on jurisdictional requirements will be accepted only if reporting of, or conversion to fair value is not practical. If

[11] Like variable annuities, contingent annuities can provide protection against financial market risk, such as equity prices, changes in interest rates, or loss of value (principal) on other investments. However, the protection is “contingent” on loss of value in accounts that are managed by a third party asset manager, which trigger an annuity to the individual investor. In these cases the account value is maintained outside the insurance company. The insurer carries a reserve for the contingency, but a policy covers the loss only when the contingent event occurs. This is referred to as “related account value” or “related accounts” above and the value must be obtained from a third party in order to include in reporting on Row 32.3.

account value is provided on a basis other than fair value, include a full description of the valuation basis used in the Explanatory Statement.

Include books of business that are in run-off and provide a break-down and background, if deemed appropriate, in the Explanatory Statement.

Row 31.1: Report the account value[12] for all direct and assumed life insurance and annuity policies or contracts of the type mentioned above with at least one of the following three types of embedded guarantees: guaranteed minimum income benefits; guaranteed lifetime withdrawal benefits; and guaranteed minimum accumulation benefits without regard to ceded reinsurance and hedging activities. Also include any products that include a guaranteed minimum death benefits in addition to any of the above.

Row 31.2: Report the account value for all direct and assumed life and annuity insurance policies or contracts with **only** embedded guaranteed minimum death benefits.

Note: Row 31.2 and Row 31.1 should be mutually exclusive.

**Row 32: Additional Amount of Liabilities (reserves) for Variable Insurance Products with Minimum Guarantees**

In Row 32 please report the amount of **additional** liabilities (reserves) **held across general, separate and related accounts** , other than reserves for administrative expenses and advance premium liabilities, established solely related to guarantees embedded in variable life and annuity products (including contingent annuity contracts[13]) - reported in row 31 - that provide protection against financial market risk, such as equity price fluctuations, changes in interest rates, or loss of value (principal) on other investments. (e.g. mutual fund wraps contingent deferred annuity contracts, stable value contracts and possible other similar policies).

Report liabilities (reserves) other than reserves for administrative expenses and advance premium liabilities **established solely related to guarantees** embedded in life and annuity products (including but not limited to variable and contingent annuity contracts) that provide protection against financial market risk, such as equity prices, changes in interest rates, or loss of value (principal) on other investments (e.g. mutual fund wraps). Include only the liabilities for guarantees related to products that contain at least one of the following three types of embedded guarantees: guaranteed minimum income benefits; guaranteed minimum withdrawal benefits; and guaranteed minimum accumulation benefits.

Please include books of business that are in run-off and provide a break-down and background, if

[12] Please include general account, separate account and related accounts for all data rows in section 4.10.
[13] Like variable annuities, contingent annuities can provide protection against financial market risk, such as equity prices, changes in interest rates, or loss of value (principal) on other investments. However, the protection is "contingent" on loss of value in accounts that are managed by a third party asset manager, which trigger an annuity to the individual investor. In these cases the account value is maintained outside the insurance company. The insurer carries a reserve for the contingency, but a policy covers the loss only when the contingent event occurs. This is referred to as "related account value" or "related accounts" above and the value must be obtained from a third party in order to include in reporting on Row 32.3.

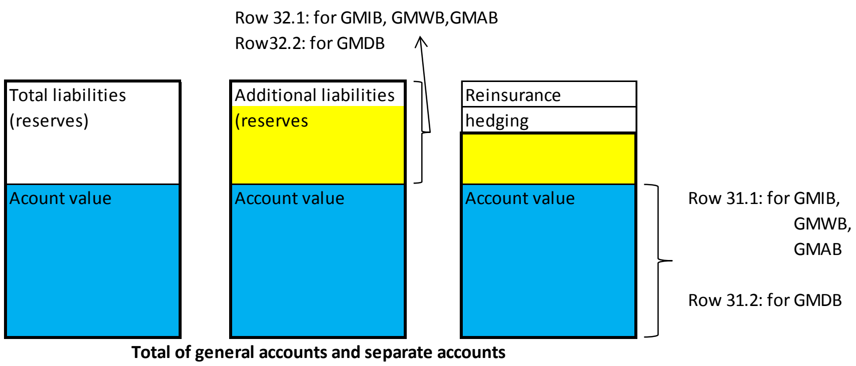
deemed appropriate, in the Explanatory Statement.

Row 32.1 Report **additional** direct and assumed liabilities (reserves) established solely to cover life and annuity insurance products of the type mentioned above with one of the following three types of embedded guarantees: <u>guaranteed minimum income benefits; guaranteed minimum withdrawal benefits; and guaranteed minimum accumulation benefits</u> without regard to ceded reinsurance and hedging activities Also include any products that include a guaranteed minimum death benefits <u>in addition to</u> any of the above.

Row 32.2 Report **additional** direct and assumed liabilities (reserves) established solely to cover life and annuity insurance products of featuring **only** embedded <u>guaranteed minimum death benefits</u> without regard to ceded reinsurance and hedging activities.

Note: Row 32.2 and Row 32.1 should be mutually exclusive.

**An illustrative description of Rows 31 & 32**




### 3.11 Liquidity

**Row 33.A: Surrender Value of Insurance Liabilities:**
Report the value of life insurance liabilities or similar saving products written as liabilities in the books of insurance licensed entities that can be surrendered upon a request by policyholders.

The value of the surrender is the amount that the insurer is required to pay (total "cash out") as a result of the policyholder's request, regardless if the full payment is not remitted directly to the policyholder. For example, if the insurer would be required to remit payment to a taxing authority as a result of the surrender, this payment shall be included in the amount reported. Partial surrenders shall be treated in the same way as total surrenders. However, partial surrenders should only be included in the submission if the insurance policy can partially be surrendered in the reporting year.[14]

[14] Example: if the reporting year is 2015 and a policyholder can only surrender partially at specific predefined dates,e.g. 2020, then do not include the number in the 2015 submission but in the 2020 submission.

This amount shall include:

- Direct life insurance and similar saving products either with a contractual surrender option or where the policyholder has a legal right to surrender at any time (consider the actual situation at the reporting date and not the situation at the underwriting date).
- Life reinsurance, if it implies a payment to the cedant in case of surrenders by direct policy holders

This amount shall exclude:

- Policy loans.
- Any debt-like liabilities reported in row 25.3 (and subsets thereof) relating to debt like instruments whose payments could be accelerated.

In order to ensure consistent treatment across jurisdictions and insurers, the data will be collected on two bases:

A. Time restraints will be determined based on the average time between the request by a policyholder and the settlement under the normal course of business.[15]

A* Time restraints will be determined based on the maximum contractual time[16] restrictions for payment.

Penalties correspond to the proportion of the surrendered account value that will not be paid out by the insurer (either to the policyholder or to the fiscal authority).

| | | **Time restraints** | | |
|---|---|---|---|---|
| | | Low (less than 1 week) | Medium (between 1 week and 3 months) | High (more than 3 months) |
| **Penalties**[17] | Low (33.A.1) (no penalty) | **33.A.1.1** | **33.A.1.2** | **33.A.1.3** |
| | Medium (33.A.2) (less than 20%) | **33.A.2.1** | **33.A.2.2** | **33.A.2.3** |
| | High (33.A.3) (more than 20%) | **33.A.3.1** | **33.A.3.2** | **33.A.3.3** |

Please note that according to the matrix above each of the cells are mutually exclusive.

[15] With respect to surrenders, this refers to the time frame (i.e. 1 week, less than 3 months or greater than 3 months) in which the insurance company generally pays surrenders absent market or firm distress.

[16] Contractual stay: The maximum amount of time in the contract terms or insurance law that the insurer can defer payments.

[17] "Penalty" includes insurance company withholdings in accordance with contract specifications and specific taxing requirements established outside of the reporting entity (for example a 20% tax for withdrawing funds before a stated age, holding timeframe, etc.).

33.A: Aggregate total of full surrender value / cancellation refunds (Sum of 33.A.1, 33.A.2, and 33.A.3) (on pro rata basis if policy is cancelled)

33.A.1: of which is available without economic penalty (Sum of subsets 33.A.1.1, 33.A.1.2 and 33.A.1.3).

33.A.1.1: of which is available without time restraints or with time restraints of less than a week (Subset of 33.A.1).

33.A.1.2 : of which is available within 3 months (Subset of 33.A.1; exclude amounts reported in 33.A.1.1)

33.A.1.3: of which is available after 3 months. (Subset of 33.A.1)

33.A.2: of which is available with an economic penalty less than 20% and more than 0% (Sum of 33.A.2.1, 33.A.2.2 and 33.A.2.3).

33.A.2.1: of which is available without time restraints or with time restraints of less than a week (Subset of 33.A.2).

33.A.2.2 : of which is available within 3 months without an economic penalty. (Subset of 33.A.2; exclude amounts reported in 33.A.1.1)

33.A.2.3: of which is available after 3 months without an economic penalty. (Subset of 33.A.2)

33.A.3: of which is available with an economic penalty equal to or greater than 20%.

33.A.3.1: of which is available without time restraints or with time restraints of less than a week (Subset of 33.A.3).

33.A.3.2 : of which is available within 3 months (Subset of 33.A.3; exclude amounts reported in 33.A.1.1)

33.A.3.3: of which is available after 3 months. (Subset of 33.A.3)

Please provide some extra information to describe incentives and disincentives to surrenders:

33.A.4: Does the reporting group write business with surrender value exceeding €5 billion (through a subsidiary or branch) in any country where the supervisor does not have the legal authority to impose a stay[18] on policyholder surrenders? If yes, please note in the explanatory statement the name(s) of these countries and the amounts that could be surrendered. (This amount should be a subset of 33.A)

33.A.5: Aggregate total of surrender value/refunds available on request where there are other disincentives for policyholders to surrender contracts (for example an increase in insurance premium due to a policyholder's aging or medical history and/or a loss of policy with a high assumed interest rate). This row should not include surrenders counted in rows 33 A.3. Please include a description of the disincentives in the explanatory statement/column.

[18] Regulatory stay: The power under current law of the regulator (supervisor) to intervene to stop surrender payments. This authority should supersede the authority granted to the insurer in the contractual terms.

33.A.6: Does the reporting group write business with surrender value exceeding €5 billion (through a subsidiary or branch) in any country where no policyholder protection scheme or mechanism[19] exists? If yes, please note in the explanatory statement the name(s) of these countries and the amounts that could be surrendered. (This amount should be a subset of 33.A)

33.A.7: Report the surrender value of non-linked (neither unit-linked nor unitised with profit) policies with a guaranteed surrender value[20].

Data items A.1.1, A.1.2, A.1.3, A.2.1, A.2.2, A.2.3, A.3.1, A.3.2 and A.3.3 shall also be provided, allowing for contractual stays. Data items allowing for contractual stays are numbered as 33.A*

**Rationale for change:** Additional data rows are collected to allow for a more gradual approach to the calculation of the liability liquidity indicator. The inclusion of contractual stays in the data collection shall increase the consistency in data calls.

**Row 33.B: Value of Banking Deposits:**
Report the value of deposits or similar saving products written as liabilities in the books of banking licensed entities that can be redeemed / withdrawn upon a request by clients in row 33.B.

**Row 33.C: Surrender value by product type[21]**
Please provide further detail of rows of the surrender values reported in rows 33.A*.1.1 - 33.A*.3.3, by product type.[22,23]

33.C.1.1.1: Amount reported in row 33.A.1.1 with only living benefits

33.C.1.1.2: Amount reported in row 33.A.1.1 with mixed benefits

33.C.1.2.1: Amount reported in row 33.A.1.2 with only living benefits

33.C.1.2.2: Amount reported in row 33.A.1.2 with mixed benefits

33.C.1.3.1: Amount reported in row 33.A.1.3 with only living benefits

33.C.1.3.2: Amount reported in row 33.A.1.3 with mixed benefits

33.C.2.1.1: Amount reported in row 33.A.2.1 with only living benefits

[19] Policyholder protection schemes and mechanisms: They ensure timely payment of claims to policyholders of the insurer in resolution/liquidation, and aim at minimizing the disruption to the timely provision of benefits to policyholders.
[20] For such products the surrender value can exceed the market value of underlying assets
[21] Note: Companies that enter Phase III may be requested to provide further information on what products can be considered "principally protection" and what products are "principally savings".
[22] "Living benefit" is defined as one in which the benefit is payable to the insured on survival to a specified term.
[23] "Mixed benefit" is defined as one in which the benefit is payable to the insured on both survival to a specified term and upon the death or disability of the insured.

33.C.2.1.2: Amount reported in row 33.A.2.1 with mixed benefits

33.C.2.2.1: Amount reported in row 33.A.2.2 with only living benefits

33.C.2.2.2: Amount reported in row 33.A.2.2 with mixed benefits

33.C.2.3.1: Amount reported in row 33.A.2.3 with only living benefits

33.C.2.3.2: Amount reported in row 33.A.2.3 with mixed benefits

33.C.3.1.1: Amount reported in row 33.A.3.1 with only living benefits

33.C.3.1.2: Amount reported in row 33.A.3.1 with mixed benefits

33.C.3.2.1: Amount reported in row 33.A.3.2 with only living benefits

33.C.3.2.2: Amount reported in row 33.A.3.2 with mixed benefits

33.C.3.3.1: Amount reported in row 33.A.3.3 with only living benefits

33.C.3.3.2: Amount reported in row 33.A.3.3 with mixed benefits

### 3.12 Changes in Funding Activities and trading securities

**a) Total Purchase and Sale of Invested Assets:**
Invested assets include all investments (including loans) of the general account (i.e. non-linked assets). For example, direct investment in loans and all investments in securities related to loans should be reported, whereas policyholder loans should be excluded. Exclude any asset for which the asset performance is borne directly by the policyholder (e.g. separate accounts, segregated accounts, unit-linked assets and assets under management).

For short term securities, please report gross values. When the data is not available, please report in the Explanatory Statement the average duration of such securities and the average daily amount held.

**Row 34: Total Purchase of Invested Assets:**
Report the total purchase of invested assets.

**Row 35: Total Sale of Invested Assets:**
Report the total sale of invested assets.

Row 35.A: Maturities of Invested Assets:
Report the total amount of invested assets that have matured. In the explanatory statement, please indicate whether these securities have been included in Row 35.

Row 35.B: Other Involuntary Redemption of Invested Assets:

Report the total amount of invested assets that have been redeemed by an agent other than the firm. An example of this would be assets that have been called or otherwise pre-payed. In the explanatory statement, please indicate whether these securities have been included in Row 35.

**b) Total Sales (Issuance) and Retirement (Scheduled and Unscheduled Repayments and Open Market Purchases) of Funding Liabilities:**

Total funding liabilities is the total liability outstanding associated with "financing" the operations of the company. In most cases, these liabilities reflect transactions with financial markets rather than with policyholders. Information should be derived from the cash flow statement section for “financing activities~~.~~

Include liabilities associated with the following transactions if they are transacted in order to provide financing for the company's operations:

- Short-term debt (including commercial paper),
- long-term debt, and other types of borrowing,
- hybrid securities, surplus notes,
- securities lending and repurchase agreements.

This list may not be inclusive of all such instruments. Identify any other instruments reflected within the Explanatory Statement).

Exclude common and preferred stock. In general, guaranteed investment type contracts issued to policyholders are excluded. However such contracts issued that provide the company access to borrowings for financing purposes such as those that may be issued to US Federal Home Banks or through a special purpose vehicle are to be included. Movement of total funding liabilities should be traceable to the cash flows statement and any differences to published cash flow statements should be noted in the Explanatory Statement.

With regard to short-term securities issued, please report the gross value. When the data is not available, please report in the explanatory statement the average duration of such securities and the average daily amount outstanding.

**Row 36: Total Sales (Issuance) of Funding Liabilities:**

Report the total sales (issuance) of funding liabilities in accordance with the reporting company’s cash flow statement.

**Row 37: Total Retirement (Scheduled and Unscheduled Repayments, and Open Market Purchases) of Funding Liabilities:**

Report the total retirement of funding liabilities in accordance with the reporting company’s cash flow statement.

**Rationale for change:** The purpose of this row is to supplement the information collected in Rows 34-37 in analysing trading behaviour.

**c) Trading securities**

**Row 38: Trading Securities**
Report all debt and equity securities that are bought and held principally for the purpose of selling them in the near term (defined as 30 days or less).

### 3.13 Derivatives

For the purposes of derivatives reporting, unless stated otherwise, report derivatives exposure as disclosed in the reporting company's consolidated financial statements, in particular in the notes to the consolidated financial statements **in accordance with FASB ASU 2011-11 & ASU 2013-1 and IFRS 7 and IAS 32 last amendments.**
Gross figures are exposures prior to any collateral or counterparty netting.

If the applied accounting standard allows the insurer to present embedded derivatives as a part of technical provisions, report the amount bifurcated from technical provisions in the Explanatory Statement. If the applied accounting standards allow the insurer to present in the financial statement derivatives embedded in structured notes as assets or liabilities but not as derivatives, report the corresponding amount in the Explanatory statement.

**Row 39: Gross Fair Value of Derivatives Assets and Liabilities:**
Information reported in Rows 39.1 through 39.6 should mirror amount reported in the notes to the consolidated financial statements in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs:

Row 39.1: Gross amount of recognised derivative assets, including bifurcated embedded derivatives: this is the sum of the fair value of all derivative contracts that have a positive fair value, and it is not reduced by **any** netting arrangements or collateral in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs.
Row 39.1 is the sum of rows 39.1a and 39.1b

Break out row 39.1 into:
Row 39.1a: exchange traded derivatives
Row 39.1b: Over the counter traded derivatives
Row 39.1.H: Report gross amount of recognised derivative assets that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.1.

Row 39.1.H.1: exchange traded derivatives assets that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.1.H
Row 39.1.H.2: Over the counter traded derivatives assets that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.1.H.

39.2: Gross amount of recognised derivative liabilities, including bifurcated embedded derivatives: this is the sum of the fair value of all derivative contracts that have a negative fair value, and it is not reduced by **any** netting arrangements or collateral in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs.

Break out row 39.2 into:
Row 39.2a: exchange traded derivatives
Row 39.2b: Over the counter traded derivatives

Row 39.2.H: Report gross amount of recognised derivative liabilities that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.2.
Row 39.2.H.1: exchange traded derivatives liabilities that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.2.H
Row 39.2.H.2: Over the counter traded derivatives liabilities that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.2.H.

39.3: Net amount of recognised derivative assets, including bifurcated embedded derivatives presented in the notes to the consolidated financial statements, in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs: this is the sum of the fair value of all derivative contracts that have a positive fair value, after taking into account the different netting and offsetting stages allowed by the IFRS, US GAAP and similar accounting standards, including the netting allowed within the frame of master netting agreements and the offsetting of collateral.

**This number is not necessarily the same figure reported on financial statements** where different netting and offsetting rules apply according to the different accounting standards, but should be the final one displayed within the derivatives note to the consolidated financial statements in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs.

Break out row 39.3 into:
Row 39.3a: exchange traded derivatives
Row 39.3b: Over the counter traded derivatives

Row 39.3.H: Report net amount of recognised derivative assets that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.3.
Row 39.3.H.1: exchange traded derivatives assets that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.3.H
Row 39.3.H.2: Over the counter traded derivatives assets that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.3.H.

39.4: Net amount of recognised derivative liabilities, including bifurcated embedded derivatives presented in the notes to the consolidated financial statements, in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs: this is the sum of the fair value of all derivative contracts that have a negative fair value, after taking into account the different netting and offsetting stages allowed by the IFRS , US GAAP and similar accounting standards, including the netting allowed within the frame of master netting agreements and the offsetting of collateral.
**This number is not necessarily the same figure reported on financial statements** where different netting and offsetting rules apply according to the different accounting standards, but should be the final one displayed within the derivatives note to the consolidated financial

statements in accordance with FASB ASU 2011-11 & ASU 2013-1, IFRS 7 and IAS 32 last amendments or similar GAAPs.

Break out row 39.4 into:
Row 39.4a: exchange traded derivatives
Row 39.4b: Over the counter traded derivatives

Row 39.4.H: Report net amount of recognised derivative liabilities that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.4.
Row 39.4.H.1: exchange traded derivatives liabilities that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.4.H
Row 39.4.H.2: Over the counter traded derivatives liabilities that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 39.4H.

Row 39.5: Financial Collateral (including cash collateral) the sum of the value of all collateral held by the firm as a result of pledges from all counterparties arising from derivatives transactions

Row 39.6: Financial Collateral (including cash collateral) the sum of the value of all collateral pledged to all counterparties as a result of derivatives transactions

**Rationale for change**
***The new data rows will help to better assess the volume and the role of derivatives for the reporting groups.***

**Derivatives embedded in technical provisions:**
Row 39.7: Report gross amount of recognized bifurcated embedded derivative assets (subset of row 39.1) and liabilities (subset of row 39.2). This is the sum of the fair value of all bifurcated embedded derivative contracts that have either a positive (assets) or a negative (liabilities) fair value and it is not reduced by netting arrangement or collateral.

**Row 40.A: Total Gross Notional Amount outstanding of Derivatives:**
Row 40.A.1 - Report the total gross notional amount of derivatives, including bifurcated embedded derivatives outstanding. Row 40.1 is the sum of rows 40.1a and 40.1b
Row 40.A.1a: exchange traded derivatives
Row 40.A.1b: Over the counter traded derivatives
Row 40.A.H: Report the total gross amount of derivatives that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 40.A.1.
Row 40.A.H.1a: exchange traded derivatives that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 40.A.H.1a
Row 40.A.H.1b: Over the counter traded derivatives that are used to hedge guarantees on variable insurance products (as defined in row 32). This row is a subset of row 40.A.H.1b

**Row 40.B: Potential future credit exposure according to the Current Exposure Method**
Row 40.B: Report the amount for potential future exposure calculated according to the current exposure method on the basis of the total notional principal amount in the books.
According to the current exposure method, the potential future exposure is obtained by multiplying

the notional amount of OTC derivatives notional principal amount of derivatives by a proper factor depending on the residual maturity. The following matrix gives the proper factors according to kind of derivatives and maturity:

| | Interest rates | FX and Gold | Credit (investment grade reference asset) | Credit (non-investment grade reference asset) | Equities | Precious metal except gold | Other commodities |
|---|---|---|---|---|---|---|---|
| One year or less | 0.0% | 1.0% | 0.05% | 0.1% | 6.0% | 7.0% | 10.0% |
| Over one year to five years | 0.5% | 5.0% | 0.05% | 0.1% | 8.0% | 7.0% | 12.0% |
| Over five years | 1.5% | 7.5% | 0.05% | 0.1% | 10.0% | 8.0% | 15.0% |

**Rationale for change**
***The new data rows will help to better assess the volume and the role of derivatives for the reporting groups.***

**Row 41: Gross Notional Amount of Credit Default Swap Protection Sold and bought:**
Row 41.1 - Report the gross notional amount of credit default swap (CDS) or similar derivative instrument[24] protection **sold**.
Row 41.1 is the sum of rows 41.1a and 41.1b

Break out row 41.1 into:

Row 41.1a: exchange traded CDS or similar derivative instruments

Row 41.1b: Over the counter traded CDS or similar derivative instruments

Row 41.2 - Report the gross notional amount of credit default swap (CDS) or similar derivative

[24] A similar derivative instrument to a credit default swap is defined as a derivative that may be called something different but acts economically the same as a credit default swap (e.g., a total return swap, single names and TRS indices).

instrument[25] protection **bought**. Row 41.2 is the sum of rows 41.2a and 41.2b

Break out row 41.2 into:

Row 41.2a: exchange traded CDS or similar derivative instruments
Row 41.2b: Over the counter CDS or similar derivative instruments

### 3.14 Repos and Reverse Repos

**Row 42: Repurchase Transactions:**

Gross and net fair value information should mirror amount reported in accordance with ASU 2011-11 and ASU 2013-1 (US GAAP) and IFRS 7. Do not offset exposures with your counterparties. Add any relevant explanation in the explanatory statement.

Repurchase assets (Reverse Repurchase Agreements):

Row 42.1: Gross fair value of recognised reverse-repurchase transaction assets (i.e. the amount of cash or fair value of non-cash collateral lent in order to obtain the securities)

Row 42.2: Net fair value of recognised reverse-repurchase transaction assets presented in the statement of financial position (e.g. loaned amount net of the value of the collateral that secured the loan)

Row 42.3: Financial Collateral (including cash collateral) held by counterparty

Note: Row 42.1 – Row 42.3 should equal 42.2.

Repurchase liabilities:

42.4: Gross fair value of recognised repurchase transaction liabilities (i.e. the amount of cash or fair value of non-cash collateral borrowed)

42.5: Net fair value of recognised repurchase transaction liabilities presented in the statement of financial position.

42.6: Financial Collateral (including cash collateral) pledged or posted by counterparty

Note: Row 42.4– Row 42.6 equals Row 42.5.

**Rationale for change:** Re-ordering of the data rows for repurchase transactions for clarity and to ensure better consistency of data.

[25] A similar derivative instrument to a credit default swap is defined as a derivative that may be called something different but acts economically the same as a credit default swap (e.g., a total return swap).

## 3.15 Securities Lending and Borrowing

**Row 43: Securities lending and borrowing** Gross and net fair value information should mirror amounts reported in accordance with ASU 2011-11/2011-13 (US GAAP) and IFRS 7:

Securities Borrowing:

43.1: Gross fair value of recognised securities borrowing assets (i.e. the amount of cash or fair value of non-cash collateral lent or posted to counterparty in order to obtain the securities)

43.2: Net fair value of recognised securities borrowing assets presented in the statement of financial position.

43.3: Financial Collateral (including cash collateral) held by counterparty (securities borrowing)

Note: Row 43.1 – Row 43.3 should equal to Row 43.2

Securities Lending:

43.4: Gross fair value of recognised securities lending liabilities (i.e. the amount of cash or fair value of non-cash collateral received from counterparty in exchange for posting securities)

43.5: Net fair value of recognised securities lending transaction liabilities presented in the statement of financial position.

43.6: Financial Collateral (including cash collateral) pledged by counterparty (securities lending)

Note: Row 43.4 – Row 43.6 should equal Row 43.5.

43.6a: Cash collateral pledged or posted by the counterparty

43.6b: Securities collateral pledged or posted by the counterparty that has been re-hypothecated or re-used.

Note: Rows 43.6a and 43.6b should be subsets of row 43.6.

## 3.16 Substitutability

**Row 44: Gross Premiums Written Catastrophe Coverage:**
Report direct premiums written for catastrophe coverage[26] and assumed premiums for catastrophe coverage. Report in Row 44.1 and 44.2, respectively. Exclude personal and small commercial lines

[26] Catastrophe coverage is defined as insurance against forest fire, volcanic activity, flood, tsunami, windstorm, earthquake, hail and subsidence. In the qualification of 'catastrophe', do not take into account any restriction relative to the magnitude of the event. Do not include mandatory catastrophe coverage fully reinsured by a national scheme.

of business where catastrophe cover is bundled together with other types of cover.

**Row 45: Gross Premiums Written Mortgage Guarantee:**
Report direct premiums written for mortgage guarantee and assumed premiums for mortgage guarantee. Report in Row 45.1 and 45.2, respectively

**Row 46: Gross Premiums Written Financial Guarantee:**
Report direct premiums written for financial guarantee and assumed premiums for financial guarantee. Report in Row 46.1 and 46.2, respectively

**Row 47: Gross Premiums Written Export Credit Coverage:**
Report direct premiums written for export credit coverage and assumed premiums for export credit coverage. Report in Row 47.1 and 47.2, respectively.

**Row 48: Gross Premiums Written Aviation Coverage:**
Report direct premiums written for aviation coverage and assumed premiums for aviation coverage. Report in Row 48.1 and 48.2, respectively.

**Row 49: Gross Premiums Written Marine Coverage:**
Report direct premiums written for marine coverage and assumed premiums for marine coverage. Report in Row 49.1 and 49.2, respectively. Note marine includes "inland marine", i.e. transport hull.

### 3.17 Asset-Liability Matching

**Row 50: Asset-liability matching.**

Row 50.1 Average duration of assets on the entire asset portfolio

Row 50.2 Average duration of liabilities on the entire liability portfolio

Please indicate in the Explanatory Statements for which lines of business / segments that cash flow testing has been performed.

## 4. Reinsurance Supplemental Assessment

*To all participating (re)insurers, please provide any necessary clarification for fields within an explanatory statement in the Template.*

### 4.1 Counterparty risk to largest reinsurers

*To be completed by current G-SIIs and reinsurers with over EUR 10 billion in gross reinsurance premiums written.*

**Gross written premiums (retro)ceded**
These premiums are the contractually determined premiums from all the reinsurance and retrocession arrangements a company has entered into in order to cede business in the period specified for this report.

**Technical provisions (retro)ceded**
Report gross technical provisions ceded or retroceded to reinsurers or retrocessionaires. No recoverable or outward retrocession should be deducted.

**Reinsurance recoverable**

*Paid*
Include any amounts due on reinsurance (retrocession) contracts claimed and due.

*Unpaid (technical provisions (retro)ceded)*
Include all technical provisions / reserves (retro)ceded, including unearned premiums

**Deposit assets**
The value of ceded reinsurance contracts that do not transfer significant underwriting or timing risk (U.S. GAAP), significant insurance risk (IFRS), or similar standard under the applicable accounting system. In the explanatory statement, please describe what is included in the calculation and the applicable accounting standard.

**Other**

Report the value of other balance items related to reinsurance treaties with the specified cedent that have not been included elsewhere. Such items could include, but are not limited to, premiums that have been paid to the reinsurer in advance of the date of coverage and premiums that currently payable to the reinsurer. Report amounts which increase credit exposure as positive figures and amounts which decrease exposure as negatives. Explain any entries into this column by way of using fields for explanatory statements.

**Financial instruments**
Market value of any financial instruments issued by the reinsurer or where the reinsurer is a counterparty (excluding reinsurance transactions listed above).

*Bonds*
Please report all holdings bonds where the reinsurer is the obligor.

*Common or preferred stock*
Please report all holdings of common or preferred stock issued by the reinsurer

*Other*
Please report the value of any other financial instruments (not captured above) issued by the reinsurer or where the reinsurer is a counterparty. In the explanatory statement, please describe the instruments included.

**Market value of collateral received**
*Letters of credit*
The total value of any issued letters of credit (sum of drawn and undrawn amounts) used as collateral in any transactions with reinsurers.
*Other collateral*
The value of any other collateral (excluding letters of credit) used in transactions with reinsurers.

## 4.2 Lines of business

*To be completed by reinsurers with over EUR 10 billion in gross reinsurance premiums written.*

In your explanatory statement, please elaborate on which subclasses of business (e.g. for aviation, commercial airline and general aviation) you have included in each line of the Template.

## 4.3 Regional concentration

*To be completed by reinsurers with over EUR 10 billion in gross reinsurance premiums written.*

Please submit data based on a best effort to approximate the **origin** of the risk. Regions are defined as by the United Nations (http://unstats.un.org/unsd/methods/m49/m49regin.htm).

## 4.4 Reinsurance assumed

*To be completed by reinsurers with over EUR 10 billion in gross reinsurance premiums written. For Top 6 reinsurance cedents, by premiums assumed (excluding G-SIIs listed above), please provide a brief explanatory statement that includes the name of the cedent. For non-publically traded entities, please provide a brief description. For entities in which you have an ownership stake, please, on a best effort basis, provide the names of any other owners with more than a 10% stake in the entity.*

**Gross written premiums assumed**
These premiums are the contractually determined premiums from all the reinsurance and retrocession arrangements a company has entered into in order to assume business in the period specified for this report.

**Reinsurance payable**
Includes balances payable to ceding companies for paid and unpaid losses and loss expenses.

**Gross reinsurance technical provisions assumed**
Report gross technical provisions assumed. No recoverable or outward retrocession should be deducted.

**Deposits Received**
The value of ceded reinsurance contracts that do not transfer significant underwriting or timing risk (U.S. GAAP), significant insurance risk (IFRS), or similar standard under the applicable accounting

system. In the explanatory statement, please describe what is included in the calculation and the applicable accounting standard.

**Other**

Report the value of other balance items related to reinsurance treaties with the specified cedent that have not been included elsewhere. Such items could include, but are not limited to, any premiums that the cedant has paid but which have not yet been earned by the reinsurer as well as reinsurance premiums that are currently receivable. Report amounts which increase the cedent's credit risk exposure as positive figures and amounts which decrease the cedent's credit risk exposure as negatives. Explain any entries into this column.

**Value of collateral posted for reinsurance transactions**

*Letters of credit*

The total value of any letters of credit (sum of drawn and undrawn amounts) used as collateral in reinsurance transactions.

*Other collateral*

The value of any other collateral (excluding letters of credit) used in reinsurance transactions.

## 4.5 Reinsurance asset liquidation

*To be completed by reinsurers with over EUR 10 billion in gross reinsurance premiums written.*

**Total amount could be payable to the cedent under reinsurance contracts with downgrade clauses**

Please provide the total amount which could be payable to the cedent under reinsurance contracts if all rating agencies were to downgrade the ratings of all legal entities in the group (including the holding company where applicable) to the equivalent of the specified ratings. Include only amounts where settlement would be required within 90 days of the date at which the downgrade occurred assuming that cedent promptly invokes their early termination rights.

**Total value of contracts covering policyholder surrenders of life insurance contracts**

Please provide the value of reinsurance contracts, where payments could be triggered specifically by surrenders of policies at the primary insurer.

**Total amount payable under reinsurance contracts that could be subject to forced settlement or early termination, due to provisions other than rating downgrades (leading to settlement within 90 days**

Value of funds that could be payable within 90 days of the date triggered in the event that cedents promptly invoke early termination rights in reinsurance contracts (e.g. clean cut agreements leading to settlement within 90 days). *In the explanatory statement, please provide a broad description of the provisions (e.g. material adverse change, merger-related).*

**Additional value of collateral to be posted under reinsurance transactions**

Please provide the total value of collateral that could be required in reinsurance transactions if all rating agencies were to downgrade the ratings of all legal entities in the group (including the holding company where applicable) to the equivalent of the specified rating *ceteris paribus* (i.e. ignoring changes in market prices or other macroeconomic factors).