BANK OF ENGLAND
PRUDENTIAL REGULATION
AUTHORITY

Internal model outputs (Non-life) – Log ~~Instructions~~ (for templates IM.03.01~~.01~~-IM.03.11~~.01~~ and MO.03.01~~.01~~-MO.03.11~~.01~~)

~~General comments~~

~~These instructions~~ This document relates to the PRA's Supervisory Statements, SS25/15 'Solvency II: regulatory reporting, internal model outputs' and SS26/15 'Solvency II: ORSA and the ultimate time horizon – non-life firms'. ~~and~~ It contains instructions that non-life firms are expected to follow when providing internal model outputs ~~or ultimate time horizon model outputs~~ to the PRA.

For the purpose of these instructions:

- ~~Full internal model firms include Lloyd's Syndicates.~~
- ~~The term 'firm' means full internal model firms, partial internal model firms, and internal model groups.~~
- 'Firms' mean non-life insurance firms, Society of Lloyd's and each of its syndicates, and groups.
- 'Internal model' means full or partial internal model.
- 'One-year time horizon' is the basis on which the solvency capital requirement (SCR) is calculated under article 101(3) of the Solvency II Directive.
- 'Ultimate time horizon' ~~refers to the non-life model outputs that~~ relates to risk over the time horizon of the run-off of the firm's obligations to its policyholders, including obligations relating to business planned to be written in the 12 months following the reporting reference date.
- 'Solvency II lines of business' refers to the lines of business in Annex 1 of the Delegated Regulation (EU) 2015/35 supplementing Directive 2009/138/EC.
- 'Solvency II reporting template' means the templates in the Solvency II reporting implementing technical standards set out in Commission Implementing Regulation (EU) 2015/2450.

~~Firms providing internal model outputs under the supervisory statements are expected to send to the PRA an Excel workbook comprising of the set of templates set out below in accordance with these instructions.~~

Firms are expected to submit all of the ~~above~~ templates 'IM.03.01 to IM.03.11' and 'MO.03.01 to MO.03.11' where relevant. If a firm does not submit a template, it is expected to provide an explanation in ~~the item~~ 'Reason(s) if template not completed'. For example, ~~(In the case of a group,~~ the reasons might be 'not completed as agreed with supervisor' or ~~. In the case of a partial internal model, the reason might be~~ 'SCR for risk category calculated by standard formula'.~~)~~

The internal model outputs firms are expected to provide in the templates 'IM.03.01 to IM.03.11' relate to the calculation of the SCR, i.e. to change in basic own funds over one-year time horizon. In particular, outputs in the non-life underwriting risk templates (reserve risk, premium risk, and catastrophe claim risk) should show modelled outputs of the ~~quantum of~~ future cash-flows ~~(~~from the reporting reference date~~)~~ estimated at one-year following the reporting reference date.

The internal model outputs firms are expected to provide in the templates 'MO.03.01 to MO.03.11' relate to risks over the ultimate time horizon. There is no template for the ultimate basis for 'Historical loss ratios' or 'Market Risk' because the firms will have already provided this information in its reporting of internal model outputs.

Please note that if a firm has stated in the template 'IM.03.01.01 & MO.03.01.01 Basic Information' that the submission covers supervisory statement SS25/15 only, then ~~all template IDs starting "MO"~~ the rest of the templates beginning with 'MO' are not relevant ~~and no explanation of non-completion is expected~~. Likewise if the submission covers supervisory statement SS26/15 only, then ~~all template IDs starting "MO"~~ the rest of the templates beginning with 'IM' are not relevant ~~and no explanation of non-completion is expected.~~

April 2018:

This document forms part of Consultation Paper 10/18 'Solvency II: Updates to internal model output reporting' available at https://www.bankofengland.co.uk/prudential-regulation/publication/2018/solvency-ii-updates-to-internal-model-output-reporting

Unless stated otherwise, for each template~~ in the instructions~~:

- a firm should enter the information in yellow shaded cells, select an option from drop-down boxes in blue shaded cells, and make no amendments to any other cells.
- All 'monetary' amounts are to be reported in GBP units with no decimals with the exception of template 'IM.03.07.01 Market Risk' which is to be reported in units with two decimals. ~~This is consistent with Solvency II implementing technical standards on reporting.~~
- All 'percentages' are to be reported as per unit with four decimal places.
- Where a firm reports in a currency other than GBP in the Solvency II reporting templates, the firm should apply a conversion between this reporting currency and GBP and include the conversion rate used within the template 'IM.03.11.01 & MO.03.11.01 Comment Sheet'.

Template ID	Template Name	Template Description ~~(high level)~~
IM.03.01.01 & MO.03.01.01	Basic ~~I~~Information	~~Firm name, reporting reference date, etc.~~ ~~The basic information~~ This template applies to both ~~SCR (i.e.~~ one-year time horizon~~)~~ internal model outputs under supervisory statement SS25/15 and ultimate time horizon internal model outputs under SS26/15. It requests information such as the firm's name, reporting reference date, reporting submission date, whether information submitted is for SS25/15 only, SS26/15 only, or both etc. ~~If a firm submits information under SS25/15 only or submits information under and SS26/15 only, each submission should include this basic information template IM.03.01.~~
IM.03.02.01	Reser~~ve~~ R~~r~~isk – O~~o~~wn L~~l~~ines, 1Y~~yr~~	Reserve risk outputs at the level of the lines of business ~~(LoB)~~ used by the firm in its internal model on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis.
IM.03.02.02	Reser~~ve~~ R~~r~~isk – S2 L~~l~~ines, 1 ~~yr~~	Reserve risk outputs at the level of Solvency II lines of business ~~LoBs (i.e. the lines of business in Annex 1 of the Delegated Regulation (EU) 2015/35 supplementing Directive 2009/138/EC)~~ on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis.
MO.03.02.01	Reser~~ve~~ R~~r~~isk – O~~o~~wn L~~l~~ines, U~~u~~ltimate	Reserve risk outputs at the level of the lines of business ~~LoBs~~ used by the firm in its model on an ultimate time horizon basis.
MO.03.02.02	Reser~~ve~~ R~~r~~isk – S2 L~~l~~ines, U~~u~~ltimate	Reserve risk outputs at the level of Solvency II lines of business ~~LoBs~~ on an ultimate time horizon basis.
IM.03.03.01	Prem~~ium~~ R~~r~~isk – O~~o~~wn L~~l~~ines, 1 Y~~yr~~	Premium risk outputs at the level of the lines of business ~~(LoB)~~ used by the firm in its internal model on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis.
IM.03.03.02	Prem~~ium~~ R~~r~~isk – S2 L~~l~~ines, 1 Y~~yr~~	Premium risk outputs at the level of lines of business ~~LoBs~~ based on Solvency II lines of ~~business in Annex 1 of the Delegated Regulation (EU) 2015/35 supplementing Directive 2009.138/EC~~ on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis.
MO.03.03.01	Prem~~ium~~ R~~r~~isk – O~~o~~wn L~~l~~ines, U~~u~~ltimate	Premium risk outputs at the level of the lines of business ~~LoBs~~ used by the firm in its model on an ultimate time horizon basis.
MO.03.03.02	Prem~~ium~~ R~~r~~isk – S2 L~~l~~ines, U~~u~~ltimate	Premium risk outputs at the level of Solvency II lines of business ~~LoBs~~ on an ultimate time horizon basis.
IM.03.04.01	Prem Risk - Historical LRs~~loss ratios~~	Historical ~~information~~ premiums and loss ratios by firm's own lines of business ~~LoB~~ as estimated at the reporting reference date by accident year or underwriting year.
IM.03.05.01	Catastrophe R~~r~~isk -~~,~~ 1 Y~~yr~~	~~Catastrophe risk outputs of premium, exposures and losses for all perils and territories included in the internal model on a SCR (ie one year time horizon) basis. The outputs are to be both split by direct insurance and accepted reinsurance business, and combined (ie insurance and accepted reinsurance in aggregate, columns labelled "loss - All").~~ Catastrophe risk outputs included in the internal model on an one-year time horizon basis. It includes high level summary of

Template ID	Template Name	Template Description ~~(high level)~~
		gross premiums, and sums insured by region, and split between direct insurance, reinsurance and retrocession. Also include a split of man-made perils into terrorism, cyber and other perils.
MO.03.05.02~~1~~	Catastrophe R~~r~~isk risk-~~,~~ U~~u~~ltimate	~~Catastrophe risks outputs of premium, exposures and losses for all perils and territories on an ultimate time horizon basis.~~ Catastrophe risks outputs for man-made perils only on an ultimate time horizon basis. It includes a split of man-made perils into terrorism, cyber and other perils.
~~MO.03.05.03~~	~~Catastrophe Risk exposures~~	~~High level summary of gross premiums, and sums insured by region, and split between direct insurance, reinsurance and retrocession~~
IM.03.06.01	Ins~~urance~~ Risk ~~output~~ Correls ~~correlations~~ – 1 Y~~yr~~	Correlations between reserve and premium risk internal model outputs on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis at the level of the ~~undertaking~~ firm's own lines of business ~~LoBs~~.
MO.03.06.01	Ins~~urance~~ Risk ~~output~~ Correls ~~correlations~~ – U~~u~~ltimate	Correlations between reserve and premium risk model outputs on an ultimate time horizon basis at the level of the ~~undertaking~~ firm's own lines of business ~~LoBs~~.
IM.03.07.01	Market R~~r~~isk	Outputs ~~primarily~~ related to risks arising from invested assets on the balance sheet at the reporting reference date on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis.
IM.03.08.01	Total R~~r~~isk ~~distributions~~ – Dist, 1 Y~~yr~~	Outputs for: all risk categories combined, insurance risk (premium and reserve risk combined), reserve risk, premium risk, catastrophe risk, counterparty default risk, operational risk, other risks on an ~~SCR (i.e.~~ one-year time horizon~~)~~ basis.
MO.03.08.01	Total R~~r~~isk ~~distributions~~ – Dist, U~~u~~ltimate	Outputs for: all risk categories combined, insurance risk (premium and reserve risk combined), reserve risk, premium risk, catastrophe risk, counterparty default risk, operational risk, other risks on an ultimate time horizon basis.
IM.03.09.01	Total R~~r~~isk – ~~output~~ C~~c~~orrelations ,~~–~~ 1 Y~~yr~~	Output correlations of the risk categories reported in IM.03.08.01.
MO.03.09.01	Total R~~r~~isk – ~~output~~ C~~c~~orrelations ,~~–~~ U~~u~~ltimate	Output correlations of the risk categories reported in MO.03.08.01
IM.03.10.01 & MO.03.10.01	Undertaking LoB Descriptions ~~Firm premium and reserve risk LoB descriptions~~	Descriptions of firm's own lines of business ~~LoB~~ reported in the premium and reserve risk templates IM.03.02.01 and IM.03.03.01. ~~The descriptions should contain information such as:~~ • ~~geographic or economic area of the business;~~ • ~~whether personal or commercial;~~ • ~~if the lines of business LoB contains Periodic Payment Order (PPO) claims, the cohort of PPO claims (i.e. settled, Reported but not settled, incurred but not reported, or in the premium provision) included in the lines of business LoB.~~ A mapping to the previous year's firm's own lines of business, and the current year's allocation to Solvency II lines of business.
IM.03.11.01 & MO.03.11.01	Comment~~s~~ Sheet	The firm's comments relating to the completion of the above templates. ~~In the first column firms should select from the drop-down box the template to which the comment in question relates.~~

~~Firms are expected to submit all of the above templates where relevant. If a firm does not submit a template, it is expected to provide an explanation in the item 'Reason(s) if template not submitted'. (In the case of a group, the reason might be 'not completed as agreed with supervisor'. In the case of a partial internal model, the reason might be 'SCR for risk category calculated by standard formula'.) Please note that if a firm has stated in the basic information template that the submission covers supervisory statement SS25/15 only, then all template IDs starting "MO" are not relevant and no explanation of non-completion is needed.~~

~~Likewise if the submission covers supervisory statement SS26/15 only, then all template IDs starting "MO" are not relevant.~~

~~For each template a firm should enter the information required in each yellow shaded cell, select information required from a drop-down box in each blue shaded cell, and make no amendments to any other cell in the template.~~

~~The internal model outputs firms are expected to provide on the IM.03 templates relate to the calculation of the SCR, i.e. to change in basic own funds over one-year. In particular, outputs in the non-life underwriting risk templates (reserve risk, premium risk, and catastrophe claim risk) should show modelled outputs of the quantum of future cash-flows (from the Reference Date) estimated at one-year following the Reference Date.~~

~~The model outputs firms are expected to provide on the MO.03 templates relate to risks over the ultimate time horizon. There is no template for the ultimate basis for 'Historical loss ratios' or 'market risk' because the firm will have already provided this information in its reporting of internal model outputs.~~

~~Instructions~~
~~The instructions for each of the above templates are set out in the following tables. The column 'Item' identifies the item to be reported by reference to the columns and rows as shown in the template.~~

~~Unless stated otherwise in the instructions:~~
- ~~All monetary amount items in the above templates are to be reported in GBP units with no decimals with the exception of template IM.03.07.01 (market risk) which is to be reported in units with two decimals.~~
- ~~All 'percentage' items in the above templates are to be reported as per unit with four decimal places.~~

~~Where a firm reports in a currency other than GBP for the purposes of Solvency II Reporting, the firm should apply a conversion between this reporting currency and GBP and include the conversion rate used within the template IM.03.11.01 'Comment Sheet'.~~

~~Throughout these instructions reference to '*Solvency II Reporting template*' means the templates in the Solvency II reporting implementing technical standards set out in Commission Implementing Regulation (EU) 2015/2450.~~

Basic Information (IM.03.01.01 & MO.03.01.01)

~~***Basic Information, 1yr template (IM.03.01.01)***~~ ITEM		INSTRUCTIONS
~~Basic information – general comments~~		
Z0010	Undertaking name	Legal name of the reporting firm ~~undertaking should to be consistent over different submissions. This~~ should be the same as the undertaking name ~~reported~~ in Solvency II reporting template S.01.02.01.
Z0020	Undertaking identification code	Identification code of the undertaking should be the same as the undertaking identification code reported in Solvency II reporting template S.01.02.01~~, using the following priority~~: ~~- Legal Entity Identifier (LEI),~~ ~~- Firm Reference Number (FRN),~~ ~~- Other specific identification code.~~ ~~This should be the same as the undertaking identification code reported in Solvency II reporting template S.01.02.01.~~
Z0030	Type of ~~code of~~ undertaking identification code	Type of ID Code should be the same as the type of code of undertaking in Solvency II reporting template S.01.02.01 and consistent with Z0020 based on one of the following option: ~~and used for the 'Undertaking identification code' item. One of the options in the following closed list shall be used:~~ 1 – LEI (Legal Entity Identifier) 2 – Specific code (e.g. Firm Reference Number – FRN). ~~This should be the same as the type of code of undertaking reported in Solvency II reporting template S.01.02.01.~~
Z0040	~~PRA supervisory statements covered by this submission~~ Is this submission made under SS25/15 (one-year), SS26/15 (ultimate), or both?	~~Firms should~~ Select from ~~the correct~~ options ~~from the following closed list~~: - SS25/15 (i.e. SCR internal model outputs in a one-year time horizon basis) only, - SS26/15 (i.e. ultimate time horizon model outputs) only, - Both SS25/15 and SS26/15.
Z0050~~Z0040~~	Reporting reference date (for internal model outputs submitted under SS25/15)	Identify the ISO 8601 (yyyy-mm-dd) code of the date identifying the last day of the reporting period for outputs submitted under supervisory statement SS25/15. ~~(~~If the selection under item Z0040 is SS26/15 enter 'N/A' here.~~)~~
Z0060	Reporting reference date (for ultimate ORSA outputs submitted under SS26/15)	Identify the ISO 8601 (yyyy-mm-dd) code of the date identifying the last day of the reporting period for outputs submitted under supervisory statement SS26/15. ~~(~~If the selection under item Z0040 is SS25/15 enter 'N/A' here.~~)~~
Z0080	Reporting submission date	Identify the ISO 8601 (yyyy-mm-dd) code of the date when the outputs are submitted ~~to the PRA~~.
Z0090	Type of undertaking	Identify the type of the reporting undertaking should be the same as the type of undertaking reported in Solvency II reporting template S.01.02.01 and should be based on the following closed list of options shall be used to identify the activity of the undertaking: 1 – Undertakings pursuing both life and non–life insurance activity 3 – Non-Life undertakings ~~This must be the same as the type of undertaking reported in Solvency II reporting template S.01.02.01.~~
Z0100	Regular/ad hoc submission	Select from option 'Regular' or 'Ad hoc' submission.
Z0210	Initial submission or resubmission	Select from option 'Initial submission' or 'Resubmission'.
Z0320	Risk category to	Select ~~from drop-down box:~~ from option 'Premium Risk' or 'Reserve Risk'.

~~***Basic Information, 1yr template (IM.03.01.01)***~~ ITEM		INSTRUCTIONS
	which the premium provision at the reporting reference date is allocated	~~(NB. Selecting 'premium risk' typically means that the internal model operates on an accident year basis. Selecting 'reserve risk' typically means that the internal model operates on an underwriting year basis.)~~ By selecting 'Premium Risk', it means the premium provision is modelled in premium risk and often implies the internal model operates on an accident year basis. By selecting 'Reserve Risk', it means the premium provision is modelled in reserve risk and often implies the internal model operates on an underwriting year basis.
Z0330	~~Type of SCR~~ One year basis	The SCR to which the internal model outputs reported on the "IM" templates relate (e.g. SCR for solo undertaking, SCR for a ring fenced fund (details to be specified), Group SCR).
Z0340	~~Type of ultimate model outputs~~ Ultimate basis	The model outputs to which the ultimate time horizon model outputs reported on the "MO" templates relate (e.g. for solo undertaking, for a ring fenced fund (details to be specified), for a Group).
Z0350	Entities included in group internal model consolidated outputs	If the template is being used to report internal model outputs of a solo undertaking, enter 'solo undertaking' in the cell. If the template is being used to report group internal outputs, list the full name and an identification code of each undertaking that calculates an SCR and is included in the consolidated Group internal model outputs being reported.
Z0360	Discount rate term structure methodology	~~Under this item Firms are expected to provide the following~~ Describe ~~two items of information regarding~~ the discount rate term structure ~~(~~used to produce the discounted outputs reported in rows RES501 to RES532 in the reserve risk templates and PRE501 to PRE532 in the premium risk templates~~)~~. 1. whether the discount rate term ~~structure can be different in each scenario generated by the internal model (i.e. discount rate term structure~~ is stochastic~~)~~ or ~~whether the discount rate term structure is the same in each scenario (i.e. discount rate term structure is~~ deterministic). 2. Depending on the information in (1) above: a) If the discount rate term structure is stochastic, whether any volatility adjustment can be different in each simulation or is the same in each simulation (i.e. whether any volatility adjustment is stochastic or deterministic). b) If the discount rate term structure is deterministic, whether the discount rate term structure is: (i) the same as that used to calculate the best estimate at the reference date, (ii) the basic risk-free term structure at the reference date, or (iii) other (to be described briefly). If the above information differs between the reserve and premium risk templates or between ~~SCR (one-year)~~ one-year time horizon ~~internal~~ model outputs and ultimate time horizon model outputs, the differences should be explained ~~under this item~~.

Lines of Business for Reserve and Premium Risk Templates (IM.03.02 to IM.03.03 & MO.03.02 to MO.03.03)

Aggregate (column C101)
The outputs reported at aggregate level should be after allowing for diversification between lines of business.

Firm's own lines of business (columns C201 to C300)
Firms are expected to provide reserve and premium risk model outputs at the level of the lines of business used in their model. Up to 100 firm's own lines of business can be reported.

Treatment of PPOs
In reserve risk,

- claims settled by PPOs should be reported in a separate firm's own lines of business,
- claims settled by PPOs relating to insurance contracts should be reported in a separate firm's own lines of business from those relating to accepted reinsurance contracts,
- claims to be settled by PPOs should be reported in either the firm's own lines of business, a separate firm's own lines of business or within the claims settled by PPOs lines of business,
- claims to be settled by PPOs relating to insurance contracts should be reported in a separate firm's own lines of business from those relating to accepted reinsurance contracts.

  In premium risk,
- claims to be settled by PPOs should be reported in the firm's own lines of business.

Claims to be settled by PPOs comprises of (i) reported by not settled PPOs, (ii) incurred by not reported PPOs, (iii) future claims to be settled by PPOs relating to business written prior to the reporting reference date, and/or (iv) future claims to be settled by PPOs relating to business planned to be written during the 12 months following the reporting reference date.

Treatment of other insurance obligations
Any of the following types of insurance obligations is expected to be reported in separate firm's own lines of businesses and should not overlap with any other lines of business already reported:

- obligations resulting from exposure to asbestos where the policyholder is subject to US jurisdiction (only relevant for reserve risk),
- obligations resulting from exposure to asbestos where the policyholder is subject to non-US jurisdiction (only relevant for reserve risk),
- obligations resulting from pollution damage or exposure to non-asbestos latent diseases (only relevant for reserve risk),
- obligations resulting from medical malpractice or medical negligence,
- obligations in a ring fenced fund. Businesses already reported under firm's own lines of business cannot overlap those firm's own lines of business from a ring fenced fund. Therefore if part of a firm's own lines of business is in a ring-fenced fund and part is not, the model outputs from the two parts should be reported in separate firm's own lines of businesses.
- obligations to which the firm intends to apply a matching adjustment when calculating the best estimate for the firm's own lines of business.
- obligations in a related undertaking. Businesses already reported under a firm's own lines of business in these tabs cannot overlap the solo undertaking in question and a related undertaking. Therefore, if part of a firm's own lines of business is written by the solo undertaking and part is written by an undertaking in which it holds a participation, the model outputs from the two parts should to be reported in separate firm's own lines of businesses.

Solvency II lines of business (columns C401 to C420)
Lines of business as per Annex 1 of the Delegated Regulation (EU) 2015/35 supplementing Directive 2009/138/EC:

1. Medical expense – Annex 1 classes 1 and 13 combined,
2. Income protection – Annex 1 classes 2 and 14 combined,
3. Workers' compensation – Annex 1 classes 3 and 15 combined,
4. Motor vehicle liability insurance - Annex 1 classes 4 and 16 combined,
5. Other motor insurance – Annex 1 classes 5 and 17 combined (this includes all motor claim types not covered within (4) above),
6. Marine, aviation and transport insurance– Annex 1 classes 6 and 18 combined,

7. Fire and other damage to property insurance – Annex 1 classes 7 and 19 combined,
8. General liability insurance – Annex 1 classes 8 and 20 combined),
9. Credit and suretyship insurance – Annex 1 classes 9 and 21 combined,
10. Legal expenses insurance – Annex 1 classes 10 and 22 combined,
11. Assistance – Annex 1 classes 11 and 23 combined,
12. Miscellaneous financial loss insurance – Annex 1 classes 12 and 24 combined,
13. Non-proportional health reinsurance – Annex 1 class 25,
14. Non-proportional casualty reinsurance – Annex 1 class 26,
15. Non-proportional marine, aviation and transport reinsurance – Annex 1 class 27,
16. Non-proportional property reinsurance – Annex 1 class 28,
17. (Annex 1 class 33) non-life annuities (health) – Annex 1 class 33 (*applies to reserve risk only*),
18. (Annex 1 class 34) non-life annuities other than health including settled insurance PPO claims – Annex 1 class 34 – this LoB includes the part of any claim settled with a periodic payment order (*applies to reserve risk only*),
19. (Annex 1 class 35) reinsurance accepted non-life annuities (health) – Annex 1 class 35 (*applies to reserve risk only*),
20. (Annex 1 class 36) reinsurance accepted non-life annuities other than health including settled reinsurance accepted PPO claims – Annex 1 class 36. This LoB includes the part of any claim settled with a periodic payment order and accepted by the reinsurance undertaking (*applies to reserve risk only*).

Treatment of PPOs
In reserve risk,

- claims settled by PPOs should be reported in one of (17) to (20),
- claims to be settled by PPOs should be reported in one of (1) to (16).
  In premium risk,
- claims to be settled by PPOs should be reported in one of (1) to (16).

Treatment of premiums
All premium measures (whether gross or net of reinsurance, earned or written) should be gross of acquisition costs and exclude insurance premium tax (IPT).

~~***Reserve and Premium Risk Templates, 1 yr (***~~***IM.03.02 to IM.03.03 & MO.03.02 to MO.03.03)***
~~General Comments~~

~~Firms are expected to report internal model reserve and premium risk outputs for individual undertakings:~~

- ~~At aggregate level - ie over all the firm's lines of business (LoBs) in aggregate (at column C101);~~
- ~~at the level of the firm's own lines of business (LoBs), (at columns C201 to C300) within templates IM.03.02.01 and IM.03.03.01; and~~
- ~~at the level of Solvency II LoBs ie LoBs based on the lines of business in Annex 1 of the Delegated Regulations (EU) 2015/35 to 2009/138/EC within templates IM.03.02.02 and IM.03.03.02 .~~

~~The reserve risk template and the premium risk template are split over two tabs – one tab for reporting firms' own LoBs and one tab for reporting Solvency II LoBs.~~

~~Where relevant firms are expected to report internal model reserve and premium risk outputs for groups at levels of granularity agreed with their supervisor:~~

~~*Aggregate level*~~
~~The outputs reported at aggregate level should be after allowing for diversification between lines of business.~~

~~*Firm's own LoBs*~~
~~*In columns C201 to C300* firms are expected to provide reserve and premium risk model outputs at the level of the LoBs used in their model. The output distribution for up to 100 "entity" LoBs can be reported.~~

~~In the reserve risk template only, claims settled by PPOs should be reported in separate firm LoBs. Clams settled by PPOs relating to insurance contracts should be reported in a separate LoB from those relating to accepted reinsurance contracts (see also instructions for RES101 / C201 to C300 below).~~
~~If the internal model produces outputs of claims to be settled by PPOs*:~~

- ~~these outputs should either be reported in the same firm LoB as the settled PPOs or in their separate firm LoB, and~~
- ~~claims to be settled by PPOs* relating to insurance contracts should be reported in a separate LoB from claims~~

~~***Reserve and Premium Risk Templates, 1 yr (IM.03.02 to IM.03.03 & MO.03.02 to MO.03.03)***~~
~~General Comments~~

~~settled by PPOs relating to accepted reinsurance contracts,~~
~~(see also instructions for RES101 / C201 to C300 and for PRE101 / C201 to C300 below).~~
~~(*Claims to be settled by PPOs comprises: (i) Reported but not settled PPO claims, (ii) incurred but not reported PPO claims, (iii) future claim events to be settled by PPO relating to business written prior to the reference date, (iv) future claim events to be settled by PPOs relating to business planned to be written during the 12 months following the reference date.)~~

~~In addition to reporting PPO claims in separate firm LoBs, a firm with any of the following types of insurance obligations is expected to report them in separate LoBs (ie each type of insurance obligation in the list below should not be reported with any other type):~~

- ~~Resulting from exposure to asbestos where the policyholder is subject to US jurisdiction (only relevant for reserve risk),~~
- ~~Resulting from exposure to asbestos where the policyholder is subject to non-US jurisdiction (only relevant for reserve risk),~~
- ~~Resulting from pollution damage or exposure to non-asbestos latent diseases (only relevant for reserve risk),~~
- ~~Resulting from medical malpractice or medical negligence,~~
- ~~Obligations in a ring fenced fund. Business reported under LoB in these tabs cannot “overlap” a ring fenced fund. Therefore if part of a firm’s LoB is in a ring-fenced fund and part is not, the model outputs from the two parts need to be reported in separate LoBs. Also the ring fenced fund in which the ‘Entity LoB’ sits should be identified in the name of the ‘Entity LOB’.~~
- ~~To which the firm intends to apply a matching adjustment when calculating the best estimate for the ‘Entity LoB’.~~
- ~~Obligations in a related undertaking. Business reported under a LoB in these tabs cannot “overlap” the solo undertaking in question and a related undertaking.~~
  - ~~So if part of a LoB is written by the solo undertaking in question and part is written by an undertaking in which it holds a participation, the model outputs from the two parts need to be reported in separate LoBs.~~
  - ~~The related undertaking in the above should be identified in the name of the ‘Entity LOB’.~~
  - ~~If a LoB is only written by a related undertaking and the LoB is within scope of the solo undertaking internal model, the participation in question should be identified in the name of the ‘Entity LOB’.~~
  - ~~In the ‘Entity LoB’ the column reference will depend on the number of LoBs used by the firm’s model. Eg if the firm uses 37 LoBs, the column references will be C101 (for all LoBs in aggregate) and C201 to C237 (one for each of the firm’s LoBs)~~

~~*Solvency II LoBs*~~
~~Firms are expected to provide reserve and premium risk model outputs by the following lines of business (Annex 1 is Delegated Regulation (EU) 2015/35 Annex 1) :~~
~~1. Medical expense – Annex 1 classes 1 and 13 combined,~~
~~2. Income protection – Annex 1 classes 2 and 14 combined,~~
~~3. Workers' compensation – Annex 1 classes 3 and 15 combined,~~
~~4. Motor vehicle liability insurance - Annex 1 classes 4 and 16 combined,~~
~~5. Other motor insurance – Annex 1 classes 5 and 17 combined (this LoB includes all motor claim types not covered within (4) above),~~
~~6. Marine, aviation and transport insurance– Annex 1 classes 6 and 18 combined,~~
~~7. Fire and other damage to property – Annex 1 classes 7 and 19 combined,~~
~~8. General liability insurance – Annex 1 classes 8 and 20 combined),~~
~~9. Credit and suretyship insurance – Annex 1 classes 9 and 21 combined,~~
~~10. Legal expenses insurance – Annex 1 classes 10 and 22 combined,~~
~~11. Assistance – Annex 1 classes 11 and 23 combined,~~
~~12. Miscellaneous financial loss insurance – Annex 1 classes 12 and 24 combined,~~
~~13. Non-proportional health reinsurance – Annex 1 class 25,~~
~~14. Non-proportional casualty reinsurance – Annex 1 class 26,~~
~~15. Non-proportional marine, aviation and transport reinsurance – Annex 1 class 27,~~
~~16. Non-proportional property reinsurance – Annex 1 class 28,~~
~~17. Annuities stemming from non-life contracts (health insurance) – Annex 1 class 33 (applies to reserve risk only),~~
~~18. Annuities stemming from non-life contracts (other than health insurance) –Annex 1 class 34 – this LoB includes the part of any claim settled with a periodic payment order (applies to reserve risk only),~~
~~19. Reinsurance obligations which relate to obligations included in line of business 33 – Annex 1 class 35 (applies to reserve risk only),~~

~~***Reserve and Premium Risk Templates, 1 yr (IM.03.02 to IM.03.03 & MO.03.02 to MO.03.03)***~~
~~General Comments~~

~~20. Reinsurance obligations which relate to obligations included in line of business 34 – Annex 1 class 36. This LoB includes the part of any claim settled with a periodic payment order and accepted by the reinsurance undertaking (applies to reserve risk only).~~
~~Claims that have the propensity to settle as PPO (ie PPO claims that are RBNS, IBNR or in the premium provision) should be allocated to one of (1) to (16) above as appropriate.~~

~~Outputs for all LoBs in aggregate are to be reported *in column C101*.~~

~~The levels of granularity at which different types of outputs are expected to be reported are summarised in the table below (though full detail is given later in these instructions)~~

	~~All LOBs in aggregate~~	~~Entity own LoBs~~	~~S2 LoBs~~
~~Gross undiscounted outputs~~	~~Yes~~	~~Yes~~	~~Yes~~
~~Gross discounted outputs~~			
~~Net undiscounted outputs~~	~~Yes~~	~~Yes~~	~~Yes~~
~~Net discounted outputs~~	~~Yes~~	~~Yes~~	~~Yes~~

~~All premium measures (whether gross or net of reinsurance, earned or written) should be gross of acquisition costs and exclude insurance premium tax (IPT).~~

~~***Reserve and Premium Risk Template(s), ultimate (MO.03.02.01, MO.03.02.02 and MO.03.03.01, MO.03.03.02, and MO.03.10.01***~~
~~General Comments~~

~~As for IM.03.02.01, IM.03.02.02, IM.03.03.01 and IM.03.03.01 but on an ultimate time horizon basis.~~

Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02)

~~***Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
~~Reserve risk template(s) –~~ General comments		~~If the selection at item 'Risk category to which the premium provision at the reporting reference date is allocated' (Z0320) in the basic information template is Premium Provision at the Reporting Reference Date included in premium risk then:~~ • ~~Reserve duration [*in rows RES201, RES401*],~~ • ~~Allocated and unallocated expenses [*in rows RES206, RES207, RES406, RES407*], and~~ • ~~Various measures of the output distribution of future net cash out-flows (from the Reference Date) that are required to be reported [*in rows RES301 to RES332 and RES501 to RES540*].~~ ~~Relate to claim events that have occurred at the Reference Date.~~ ~~if the selection at item Z0320 is Premium Provision at the Reporting Reference Date included in reserve risk then:~~ • ~~Reserve duration [*in rows RES201, RES401*];~~ • ~~Allocated and unallocated expenses [*in rows RES206, RES207, RES406, RES407*]; and~~ • ~~Various measures of the output distribution of future net cash out-flows (from the Reference Date) that are required to be reported [*in rows RES301 to RES332 and RES501 to RES540*].~~ ~~Relate to claim events that have occurred at the Reference Date and future claim events relating to business written or recognised at the Reference Date.~~ If the selection in the template 'Basic Information' for Z0320 = 'Premium Risk', then the information entered in the reserve risk templates relate to claim events that have occurred at the reporting reference date. If the selection in the template 'Basic Information' for Z0320 = 'Reserve risk', then the information entered in the reserve risk templates related to claim events that have occurred at the reporting reference date and future claim events relating to business written or recognised at the reporting reference date.
RES001	Reason(s) if template not submitted	If a firm has not submitted this template, it is expected to provide explanation as to why.
RES002	Types of cash-flows included in the output distribution of the sum of future net cash out-flows (including inflation)	~~This item relates to the output distribution of the sum of future (from the reporting reference date) net cash out-flows that firms are expected to report in rows RES301 to RES332~~0~~, and RES501 to RES540~~1~~.~~ ~~Under this item firms are expected to provide a~~ List the types of cash-flows associated with the output distribution reported in row RES301 to RES330 and RES501 and RES541, and describe the methodology used to model inflation in the cash-flows. The list of types of cash-flow: • should be limited to types of cash-flows the firm includes in its best estimate calculation, • should relate to both the net cash out-flows gross of reinsurance distribution and the net cash out-flows net of outward reinsurance distribution (e.g. we would expect the cash-flow type reinsurance recoverables to be in this list even though this cash-flow type would not apply to the net cash out-flows gross of reinsurance distribution), • may exclude some cash-flows that the firm includes in its best estimate calculation. This item is to take into account where a firm does not explicitly model variation in all of its best estimate cash-flows. • should include as a minimum the cash-flow types benefit and claim payments and reinsurance recoverables,

~~***Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
		• should be specific as to any types of cash-flows in the list that are expenses (e.g. the list should state whether any expenses types of cash-flows in the list are: administrative expenses, investment management expenses, claims management expenses (allocated or attributable to specific claims), claim management expenses (unallocated), acquisition expenses), • should be specific as to any types of cash-flows in the list that are reinsurance commissions or profit participations. The description of methodology used to model inflation in the cash-flows should be one from the following closed list: 1. no explicit modelling of inflation, 2. same inflation term structure in all scenarios generated by the internal model (i.e. deterministic inflation) –if so provide brief statement of the inflation term structure used, 3. inflation term structure can differ over the scenarios generated by the internal model (i.e. stochastic inflation) – if so provide brief statement of the method used to generate scenarios of inflation.
RES101 / C201 to C300	Line of Business (firm's own)	~~These items apply to template IM.03.02.01 only.~~ ~~Enter the firm's own Line of Business (LoB) (up to 100 can be listed).~~ ~~In template IM.03.10.01 provide a description of each firm's own LoB. Please provide sufficient information that it is clear what the LoB entered contains. For example, include whether the business: is personal or commercial, is United Kingdom based.~~ ~~If the firm's own LoB includes claims to be settled by PPOs, please indicate in the description on IM.03.10.01 which of the following PPO cohorts are included in the LoB: (i) Reported but not settled PPO claims, (ii) incurred but not reported PPO claims, (iii) future claim events to be settled by PPO relating to business written prior to the reference date.~~ <u>List the lines of business used by the firm in the internal model as per instructions 'Firm's own line of business' in previous pages.</u>
~~RES102 / C201 to C300~~	~~Mapping of firm's reserve risk LoB to a 'S2 LoB'~~	~~These items apply to template IM.03.02.01 only.~~ ~~In columns C201 to C300, i.e. for each entity LoB used, select from the drop-down box which of the 20 'S2 LoBs' (as set out in general comments above), best describes the firm's LoB entered in row RES101.~~ ~~Settled PPO claims should be mapped to "S2 LoB 18 (Annex 1 class 34) Settled insurance PPO claims" or "S2 LoB 20 (Annex 1 class 36) Settled reinsurance PPO claims" as the case may be. Claims to be settled by PPOs (see premium and reserve risk general comments above) are to be mapped to the relevant S2 LoB from which they arise (e.g. motor liability, general liability, casualty reinsurance).~~
RES201 / C101, C201 to C300, C401 to C420;	Reserve duration – gross of reinsurance	<u>The reserve duration is</u> the mean duration of future ~~(from the Reference Date)~~ net cash out-flows gross of reinsurance relating to claim events the firm allocates to reserve risk ~~is to be reported in row RES201~~ for all <u>lines of business</u> ~~LoBs~~ in aggregate ~~(*in column C101*)~~ and for each individual <u>lines of business</u> ~~LoB~~. ~~The reserve duration gross of reinsurance~~ <u>It</u> ignores discounting and is defined as: $$\frac{\sum_{\text{all } i}(\text{expected net cash outflows in year } i) * i}{\sum_{\text{all } i} \text{ expected net cash outflows in year } i}$$ where: • net cash out-flows in year i are cash out-flows less cash in-flows and

~~***Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02 and IM.03.10.01)***~~ **ITEM**		**INSTRUCTIONS**
		comprise of the types of cash-flows used in the calculation of the best estimate, • expected net cash out-flows in year i is the probability weighted average of net cash out-flows in year i relating to claim events the firm allocates to reserve risk, • net cash out-flows in year i are gross of reinsurance. *i* is the year following the reporting reference date. Thus if the reporting reference date is 31Dec2016, *i* = 1 is the 2017 calendar year, *i* =2 is the 2018 calendar year, until all benefit payments and claims are run-off. For clarification the probability weighted average of net cash out-flows in year *i*, should be: $\frac{\sum_{all\ k}(\text{net cash outflows year } i \text{ in scenario } k)\ *\ (\text{probability of scenario } k \text{ occurring}}{\sum_{all\ k}(\text{probability of scenario } k \text{ occurring})}$ ~~In column C101,~~ The reserve duration for all lines of business ~~LoBs~~ in aggregate ~~is to~~ should exclude cash-flows for annuities stemming from non-life contracts (i.e. from settled PPO claims).
RES401 / C101, C201 to C300, C401 to C420	Reserve duration – net of reinsurance	As per RES201 but net of reinsurance. ~~The net of reinsurance future benefits cash out-flows~~ It ignores non-recovery of reinsurance and adjustments for reinsurance credit risk.
RES202 / C101, C201 to C300, C401 to C420;	Best estimate provision for claims outstanding discounted - gross	The gross best estimate provision for claims outstanding (i.e. ~~provision of claims outstanding~~ before allowing for recoverables from reinsurance, SPVs and finite reinsurance) is to be reported for all lines of business ~~LoBs~~ in aggregate ~~in column C101~~, and for each individual lines of business ~~LoB~~. The ~~best estimate gross reserve for all lines of business LoBs in~~ aggregate should be sum of the ~~best estimate gross reserve for each~~ individual lines of business ~~LoB reported in columns C201 to C300~~.
RES402 / C101, C201 to C300, C401 to C420	Best estimate provision for claims outstanding discounted - net	As per RES202 but net of outward reinsurance (i.e. after allowing for recoverables from reinsurance, special purpose vehicles (SPV) and finite reinsurance). ~~The amount reported should~~ It ignores non-recovery of reinsurance and adjustments for reinsurance credit risk.
RES203 / C201 to C300, C401 to C416;	Best estimate provision for claims outstanding undiscounted - gross	The undiscounted sum of future cash-flows that comprise the provision for claims outstanding gross of outwards reinsurance (i.e. before allowing for recoverables from reinsurance, SPVs and finite reinsurance) is to be reported for each individual lines of business ~~LoB~~ apart from lines of business ~~LoBs~~ containing PPO claims. This row does not apply to all lines of business ~~LoBs~~ in aggregate.
RES403 / C201 to C300, C401 to C416	Best estimate provision for claims outstanding undiscounted- net	As per RES203 but net of outward reinsurance (i.e. after allowing for recoverables from reinsurance, SPVs and finite reinsurance). ~~The amount reported should~~ It ignores non-recovery of reinsurance and not be adjusted for reinsurance credit risk.
RES204 / C101, C201 to C300, C401 to C420;	Best estimate premium provision discounted - gross	~~This row is only to be reported if the selection at Z0320 is premium provision included in 'Reserve Risk'.~~ This row is only to be reported if the selection in the template 'Basic Information' for Z0320 = 'Reserve risk'. The gross best estimate premium provision (i.e. ~~premium provision~~ before allowing for recoverables from reinsurance, SPVs and finite reinsurance) is to be reported for all lines of business ~~LoBs~~ in aggregate ~~in column C101~~ and for each individual lines of business ~~LoB~~. The ~~gross best estimate premium provision for all LoBs in~~ aggregate should be sum of the ~~best estimate gross reserve for each~~ individual lines of business ~~LoB (reported in columns C201 to C300)~~.
RES404 / C101, C201 to C300, C401 to C420;	Best estimate premium provision discounted - net	As per RES204 but net of outward reinsurance (i.e. after allowing for recoverables from reinsurance, SPVs and finite reinsurance). ~~The amount reported should~~ It ignores non-recovery of reinsurance and adjustments for reinsurance credit risk.

~~***Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
RES205 / C201 to C300, C401 to C416;	Best estimate premium provision - undiscounted - gross	~~This row is only to be reported if the selection at Z0320 is premium provision included in 'Reserve Risk'.~~ This row is only to be reported if the selection in the template 'Basic Information' for Z0320 = 'Reserve risk'. The undiscounted sum of future cash-flows that comprise the premium provision gross of outwards reinsurance (i.e. before allowing for recoverables from reinsurance, SPVs and finite reinsurance) is to be reported for each individual lines of business ~~LoB~~ apart from lines of business ~~LoBs~~ containing PPO claims. This row does not apply to all lines of business ~~LoBs~~ in aggregate.
RES405 / C201 to C300, C401 to C416;	Best estimate premium provision - undiscounted - net	As per RES205 but net of outward reinsurance (i.e. after allowing for recoverables from reinsurance, SPVs and finite reinsurance).~~The amount reported should~~ It ignores non-recovery of reinsurance and adjustments for reinsurance credit risk.
RES206 / C101, C201 to C300, C401 to C420	Best estimate expenses (allocated) gross	~~Allocated expenses ignoring outward reinsurance are to be reported for all LoBs in aggregate in column C101 and for each individual LoB.~~ ~~Allocated expenses refer to claims expenses which can be allocated to specific claims, and relate to claim events the firm has allocated to reserve risk.~~ Allocated expenses refer to claims handling expenses which can be allocated to specific claims. Here we expect expenses related to the claims modelled within reserve risk. Allocated expenses should be provided by each line of business and in aggregate. The gross expenses should not include outward reinsurance costs.
RES406 / C101, C201 to C300, C401 to C420	Best estimate expenses (allocated) - net	~~As per row RES206 but net of reinsurance (i.e. after taking into account all expense payments relating to outgoing reinsurance, including reinsurance commissions).~~ Allocated expenses refer to claims handling expenses which can be allocated to specific claims. Here we expect expenses related to the claims ~~you have~~ modelled within reserve risk. Allocated expenses should be provided by each line of business and in aggregate. The net expenses include outward reinsurance costs.
RES207 / C101	Best estimate expenses (unallocated) - gross	~~Unallocated expenses are to be reported for all LoBs in aggregate in column C101.~~ ~~Unallocated expenses refer to all claims handling related expenses which are not included in allocated expenses, i.e. those which cannot be allocated to specific claims.~~ Unallocated expenses refer to all claims handling expenses which are not included in allocated expenses i.e. which cannot be allocated to specific claims. Again, here we expect expenses related to the claims ~~you have~~ modelled within reserve risk. Although it may be possible to apportion such expenses to lines of business, we only request these expenses to be reported across all lines of business in aggregate. The gross expenses should not include outward reinsurance costs.
RES407 / C101	Best estimate expenses (unallocated) - net	~~As per row RES207 but net of reinsurance (i.e. after taking into account all expense payments relating to outgoing reinsurance, including reinsurance commissions).~~ Unallocated expenses refer to all claims handling expenses which are not included in allocated expenses i.e. which cannot be allocated to specific claims. Again, here we expect expenses related to the claims ~~you have~~ modelled within reserve risk. Although it may be possible to apportion such expenses to lines of business, we only request these expenses to be reported across all lines of business in aggregate. The net expenses should include outward reinsurance costs.
RES301 to RES33~~2~~0 / C101, C201 to C300, C401 to C420	Gross reserve risk model outputs - undiscounted	~~Various specified measures of the output distribution of the estimate as at one-year following the reference date† of future (from the Reference Date) net cash-out-flows gross of reinsurance are to be reported for all LoBs in aggregate (in column C101), for each entity own LoB (in columns C201 to~~

~~Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02 and IM.03.10.01)~~

<table>
<tr><th colspan="2">ITEM</th><th>INSTRUCTIONS</th></tr>
<tr><td></td><td></td><td>~~C300) and for each "S2 LoB" (in column C401 to C420).~~

~~The output distribution to be reported is the sum of future net cash out-flows relating to claim events the firm allocates to reserve risk, where the sum is on an undiscounted basis.~~

~~For example, if the mean and 96th percentile of the sum of future net cash out-flows for a particular LoB are 110 and 152 respectively; 110 should be reported at row RES301 and 152 should be reported at row RES326. (Note, firms are not to report an output distribution of deviation from mean or deviation from best estimate, ie firms are not to report 42 or 38.18% at row RES326).~~

~~The types of cash-flows included in the distribution should be those listed under item RES002.~~

~~If the sum of future net cash out-flows relating to:~~
• ~~claims that have been settled by periodic payment orders (PPOs) or structured settlements,~~
• ~~claims that are yet to be settled by PPOs, or~~
• ~~future claim events that will be settled by PPOs~~
~~is not available on an undiscounted basis, then the sum of these cash out-flows are to be included in these rows on a discounted basis.~~

~~The measures of the output distribution to be reported are: mean; standard deviation; skewness; and the following percentiles - minimum simulated value, 0.1%, 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 55%, 60%, 65%, 70%, 75%, 80%, 85%, 90%, 95%, 96%, 97%, 98%, 99%, 99.5%, 99.9%, maximum simulated value.~~

~~The output mean of all LoBs in aggregate should be the same as the sum of output means of each individual line of business (reported in columns C201 to C300)~~

~~The future benefit cash-flows are to be gross of reinsurance.~~

~~†The distribution is an estimate at one-year following the reference date of future (from the Reference Date) net cash-out-flows because the SCR is a one-year time horizon measure.~~

<u>The undiscounted gross of reinsurance output distribution of the future net cash out-flows relating to claims events the firm allocates to reserve risk on an one-year time horizon basis as at the reporting reference date.</u>

<u>Cash out-flows should be those listed in RES002. If the cash out-flows relating to PPOs are unavailable on an undiscounted basis, then include them on the discounted basis.</u>

<u>Output distribution should be reported for all lines of business in aggregate (column C101), each firm's own lines of business (column C201 to C300) and each Solvency II lines of business (column 401 to C420). For the mean of the output distribution, the aggregate should be the sum of the means from each firm's own lines of business.</u>

<u>Metrics to be reported are: mean, standard deviation, minimum simulated value, maximum simulated value and the percentiles – 0.1th, 5th, 10th, 15th, 20th, 25th, 30th, 35th, 40th, 45th, 50th, 55th, 60th, 65th, 70th, 75th, 80th, 85th, 90th, 95th, 96th, 97th, 98th, 99th, 99.5th, 99.9th.</u></td></tr>
</table>

~~***Reserve Risk Templates, 1yr (IM.03.02.01, IM.03.02.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
		E.g. if the mean of the output distribution is £110 and the 96th percentile of the output distribution is £152, then £110 should be reported in RES301 and £152 should be reported in row RES324. It should not report the output distribution deviation from the mean (i.e. do not report 42 or 38.18% in row RES324).
RES501 to RES53~~2~~0 / C101, C201 to C300, C401 to C420	Net reserve risk model outputs - discounted	~~Instructions for~~ As per rows RES301 to RES33~~2~~0 but ~~apply with the following differences~~: • The net cash out-flows are to be net of reinsurance (ignoring any non-recovery of reinsurance and adjustment for reinsurance credit risk) and on a discounted basis.
RES533 to RES5410 / C101, C201 to C300, C401 to C420	Net reserve risk model outputs - undiscounted.	~~Instructions for~~ As per rows RES301 to RES33~~2~~0 but ~~apply with the following differences~~: • The net cash out-flows are to be net of reinsurance (ignoring any non-recovery of reinsurance and adjustment for reinsurance credit risk). • The measures of the output distribution to be reported are the mean, standard deviation and the following percentiles: 50th, 75th, 90th, 95th, 99th, 99.5th and 99.9th. ~~Are: the mean; and the following percentiles - 50%, 75%, 90%, 95%, 99%, 99.5% and 99.9%.~~

<u>Reserve Risk Templates, Ultimate (MO.03.02.01 and MO.03.02.02)</u>

~~***Reserve Risk Templates, Ultimate (MO.03.02.01 and MO.03.02.02)***~~	
ITEM	**INSTRUCTIONS**
~~Reserve risk template(s) –~~ General comments	As per templates ~~for~~ 'IM.03.02.01 and IM.03.02.02' but on an ultimate time horizon basis. ~~and with the following differences:~~ • ~~Items {RES101 and RES102, C201 to C300} are not required for M0.03.02.01~~

Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02)

~~***Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
~~Premium risk template(s) –~~General comments		~~If the selection at item 'Risk category to which the premium provision at the reporting reference date is allocated' (Z0320) in the basic information template is Premium Provision at the Reporting Reference Date included in premium risk then the:~~ • ~~claims duration (in rows PRE201, PRE401);~~ • ~~allocated and unallocated expenses (in rows PRE207, PRE208, PRE407, PRE408);~~ • ~~business plan claims ratio (in rows PRE209, PRE409); and~~ • ~~various measures of the output distribution of claims ratios that are required to be reported (in rows PRE301 to PRE332 and PRE501 to PRE540]).~~ ~~Relate to future claim events relating to business written or recognised at the Reference Date plus future claim events relating to business planned to be written or recognised in the 12 months following the Reference Date.~~ ~~if the selection at item Z0320 in the basic information template is Premium Provision at the Reporting Reference Date included in reserve risk then the:~~ • ~~claims duration (in rows PRE201, PRE401];~~ • ~~allocated and unallocated expenses (in rows PRE207, PRES208, PRE407, PRE408);~~ • ~~business plan claims ratio (in rows PRE209, PRE409);~~ • ~~various measures of the output distribution of claim ratios that are required to be reported (in rows PRE301 to PRE332 and PRE501 to PRE540).~~ ~~Relate to future claim events relating to business planned to be written or recognised in the 12 months following the Reference Date.~~ If the selection in the template 'Basic Information' for Z0320 = 'Premium Risk', then the information entered in the premium risk templates relate to future claim events relating to business written or recognised at the reporting reference date plus future claim events relating to business planned to be written or recognised in the 12 months following the reporting reference date. If the selection in the template 'Basic Information' for Z0320 = 'Reserve risk', then the information entered in the premium risk templates related to future claim events relating to business planned to be written or recognised in the 12 months following the reporting reference date.
PRE001	Reason(s) if template not submitted	If the firm has not submitted this template, it is expected to provide explanation as to why.
PRE002	Types of cash-flows included in the output distribution of loss ratios (including inflation) - numerator	~~This item relates to the output distribution of loss ratios that firms are expected to report in rows PRE301 to PRE3320, and PRE501 to PRES5401.~~ ~~Under this item firms are expected to provide a~~ List ~~of~~ the types of cash-flows included in the numerator of the loss ratio in ~~this~~ the output distribution reported in rows PRE301 to PRE320 and PRE501 to PRE541, and describe ~~a brief description of~~ the methodology used to model inflation in the cash-flows. This list of types of cash-flows: • should be limited to types of cash-flows the firm includes in its best estimate calculation, • should relate to both the loss ratio gross of reinsurance distribution and the loss ratio net of outward reinsurance distribution (e.g. we would expect the cash-flow type reinsurance recoverables to be in this list even though this cash-flow type would not apply to the numerator of the loss ratio in the loss

~~Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)~~		
ITEM		**INSTRUCTIONS**
		ratio gross of reinsurance distribution), • may exclude some cash-flows that the firm includes in its best estimate calculation. This item is to take into account where a firm does not explicitly model variation in all of its best estimate cash-flows. • should as a minimum include the cash-flow types: benefit and claim payments and reinsurance recoverables. • should include cash in-flow premiums only if these are included in the numerator of the modelled loss ratios (this could be the case if the firm includes premium provision at the reporting reference date in premium risk), and exclude cash in-flow premiums only if these are not included in the numerator of the modelled loss ratios, • should include cash out-flow reinstatement premiums to reinsurers only if these are included in both the numerator and denominator of the modelled loss ratios, • should be specific as to any types of cash-flows in the list that are expenses (e.g. the list should state whether any expenses types of cash-flows in the list are: administrative expenses, investment management expenses, claims management expenses (allocated or attributable to specific claims), claim management expenses (unallocated), acquisition expenses), • should be specific as to any types of cash-flows in the list that are reinsurance commissions and profit participations. The description of methodology used to model inflation in the cash-flows included in the numerator of the loss ratio should be one from the following closed list: 1. no explicit modelling of inflation, 2. same inflation term structure in all scenarios generated by the internal model (i.e. deterministic inflation) – if so provide brief statement of the inflation term structure used, 3. inflation term structure can differ over the scenarios generated by the internal model (i.e. stochastic inflation) – if so provide brief statement of the method used to generate scenarios of inflation.
PRE003	Types of cash-flows included in the output distribution of loss ratios (including inflation) - denominator	~~This item relates to the output distribution of loss ratios that firms are expected to report in rows PRE301 to PRE3320, and PRE501 to PRES5401.~~ ~~Under this item firms are expected to provide a List of the types of cash-flows included in the denominator of the loss ratio in this output distribution and a brief description of methodology used to model inflation in those cash-flows.~~ As per PRES002, but relates to the denominator of the loss ratio and the list of types of cash-flows: • should relate to both the loss ratio gross of reinsurance distribution and the loss ratio net of outward reinsurance distribution (e.g. we would expect cash out-flow outward reinsurance premium to be in this list even though this cash-flow type would not apply to the denominator of the loss ratio in the loss ratio gross of reinsurance distribution), • should as a minimum include the cash-flow types: premiums net cash in-flows and outward reinsurance premium net cash out-flows, • should specify whether premiums net cash in-flows include or exclude commissions or brokerage, • should include cash out-flow reinstatement premiums to reinsurers only if these are included in both the numerator and denominator of the modelled loss ratios, • should include reinsurance commissions and profit participations only if these are included in the denominator of the modelled loss ratios, and exclude reinsurance commissions and profit participations only if these are

~~Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)~~		
ITEM		**INSTRUCTIONS**
		not included in the denominator of the modelled loss ratios. The description of methodology used to model inflation in the cash-flows included in the denominator of the loss ratio should be one from the following closed list: 1. no explicit modelling of inflation, 2. same inflation term structure in all scenarios generated by the internal model (i.e. deterministic inflation) – if so provide brief statement of the inflation term structure used, 3. inflation term structure can differ over the scenarios generated by the internal model (i.e. stochastic inflation) – if so provide brief statement of the method used to generate scenarios of inflation.
PRE101 /C201 to C300	Line of Business (firm's own)	~~These items only apply to template IM.03.03.01 & MO.03.03.01.~~ ~~Enter the firm's own lines of business LoB (up to 100 can be listed).~~ ~~In template IM.03.10.01 & MO.03.10.01 Comment Sheet provide a description of each firm's own lines of business LoB. Please provide sufficient information that it is clear what the lines of business LoB entered contains. For example, include whether the business: is personal or commercial, is United Kingdom based,~~ ~~If the firm's own lines of business LoB includes claims to be settled by PPOs, please indicate in the description on IM.03.10.01 & MO.03.10.01 Comment Sheet which of the following PPO cohorts are included in the lines of business LoB: (i) future claim events to be settled by PPO relating to business written prior to the reference date, (ii) future claim events to be settled by PPOs relating to business planned to be written during the 12 months following the reference date.~~ List the lines of business used by the firm in the internal model as per instructions 'Firm's own line of business' in previous pages.
~~PRE102 / C201 to C300~~	~~Mapping of firm's premium risk LoB to a 'S2 LoB'~~	~~These items only apply to template IM.03.03.01~~ ~~In columns C201 to C300, ie for each Entity LoB used, select from the drop-down box which of 'S2 LoBs' 1 to 16, as set out in general comments above, best describes the firm's LoB entered in row PRE101.~~ ~~Claims to be settled by PPOs (see premium and reserve risk general comments above) are to be mapped to the relevant S2 LoB from which they arise (eg motor liability, general liability, casualty reinsurance).~~
PRE201 / C101, C201 to C300, C401 to C416	Claims duration – premium risk – gross of reinsurance	The mean duration of future ~~(from the Reference Date)~~ benefits and claims net cash out-flows gross of reinsurance relating to claim events and business the firm allocates to premium risk ~~is to be reported in row PRE201~~ for all lines of business ~~LoBs~~ in aggregate (~~*in column C101*~~) and for each individual LoB. ~~The mean duration of future benefits and claims net cash out-flows~~ It ignores discounting and is defined as: $\frac{\sum_{\text{all } i}(\text{expected net cash outflows in year } i) * i}{\sum_{\text{all } i} \text{expected net cashflows in year } i}$ where: ○ net cash out-flows in year i are cash out-flows less cash in-flows and comprises the future benefits and claims net cash out-flows in year i ○ expected net cash out-flows in year i is the probability weighted average of future benefits & claims net cash out-flows in year i (from the Reference Date) relating to the claim events and business the firm allocates to premium risk. ○ net cash out-flows in year i is gross of reinsurance ○ *i* is the year following the reference date. Thus if the reference date is 31Dec2016, i = 1 is the 2017 calendar year, i =2 is the 2018 calendar year, until all future benefit payments and claims are fully run-off. For clarification the probability weighted average of net cash out-flows in year

~~***Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
		i, should be: $$\frac{\sum_{all\ k}(\text{net cash outflows year } i \text{ in scenario } k)\ *\ (\text{probability of scenario } k \text{ occurring}}{\sum_{all\ k}(\text{probability of scenario } k \text{ occurring})}$$ In column C101, claims duration for all LoBs in aggregate excludes cash-flows for claims settled with PPO.
PRE401	Claims duration – premium risk – net of reinsurance	As per PRE201 but is net of reinsurance. It ~~The net of reinsurance future benefits and claims net cash out-flows~~ ignores non-recovery of reinsurance.
PRE203 / C101, C201 to C300, C401 to C416	Written premium planned in the 12 months following the Reference Date – gross	Planned written premium gross of reinsurance is to be reported for all LoBs in aggregate ~~(*in column C101*)~~ and for each individual lines of business ~~LoB~~, and should include planned written premium that is attached to the 12 months preceding the reporting reference date. Written premiums shall comprise all that which comes under the definition of premiums written in Article 1 paragraph 11 of Delegated Regulations (EU) 2015/35 supplementing Directive 2009/138/EC relating to business planned to be written or recognised in the 12 months following the reporting reference date.
PRE403 / C101, C201 to C300, C401 to C416	Written premium planned in the 12 months following the Reference Date – net	As per PRE203 but net of reinsurance.
PRE204 / C101, C201 to C300, C401 to C416	Written unearned premium at the Reference Date-gross	This row is only to be reported if the selection in the basic information template at Z0320 is premium provision included in premium risk. Written unearned premium gross of reinsurance is to be reported for all lines of business ~~LoBs~~ in aggregate ~~(*in column C101*)~~ and for each individual lines of business ~~LoB~~.
PRE404 / C101, C201 to C300, C401 to C416	Written unearned premium at the Reference Date-net	As per PRE204 but net of reinsurance.
PRE205 / C101, C201 to C300, C401 to C416;	Best estimate premium provision discounted - gross	This row is only to be reported if the selection in the basic information template at Z0320 is premium provision included in premium risk. The gross best estimate premium provision (i.e. ~~premium provision~~ before allowing for recoverables from reinsurance, SPVs and finite reinsurance) is to be reported for all lines of business ~~LoBs~~ in aggregate ~~(*in column C101*)~~ and for each individual lines of business ~~LoB~~. The ~~gross best estimate premium provision for all LoBs in~~ aggregate should be the sum of the ~~best estimate gross reserve for each~~ individual lines of business ~~LoB (reported in columns C201 to C300).~~
PRE405 / C101, C201 to C300, C401 to C416;	Best estimate premium provision discounted - net	As per PRE205 but net of outward reinsurance (i.e. after allowing for recoverables from reinsurance, SPVs and finite reinsurance). ~~The amount reported should~~ It ignores non-recovery of reinsurance and adjustments for reinsurance credit risk.
PRE206 / C201 to C300, C401 to C416;	Best estimate premium provision - undiscounted - gross	This row is only to be reported if the selection in the basic information template at Z0320 is premium provision included in premium risk. The undiscounted sum of future cash-flows that comprise the premium provision gross of outwards reinsurance (i.e. before allowing for recoverables from reinsurance, SPVs and finite reinsurance) is to be reported for each individual lines of business ~~LoB~~ apart from lines of business ~~LoBs~~ containing PPO claims. This row does not apply all lines of business ~~LoBs~~ in aggregate.
PRE406 / C201 to C300, C401 to C416;	Best estimate premium provision	As per PRE206 but net of outward reinsurance (i.e. after allowing for recoverables from reinsurance, SPVs and finite reinsurance). ~~The amount reported should~~ It ignores non-recovery of reinsurance and

~~*Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)*~~		
ITEM		**INSTRUCTIONS**
	- undiscounted - net	adjustments for reinsurance credit risk.
PRE207 / C101, C201 to C300, C401 to C416	Best estimate expenses (allocated)- gross	~~Allocated expenses ignoring outward reinsurance are to be reported for all LoBs in aggregate (*in column C101*) and for each individual LoB.~~ ~~Allocated expenses refer to claims expenses which can be allocated to specific claims, and relate to claim events the firm has allocated to reserve risk.~~ <u>Allocated expenses refer to claims handling expenses which can be allocated to specific claims. Here we expect such expenses related to the claims modelled within premium risk. Allocated expenses should be provided by each line of business and in aggregate. The gross expenses should not include outward reinsurance costs.</u>
PRE407 / C101, C201 to C300, C401 to C416	Best estimate expenses (allocated)- net	~~As per row PRE207 but net of reinsurance (i.e. after taking into account all expense payments relating to outgoing reinsurance, including reinsurance commissions).~~ <u>Allocated expenses refer to claims handling expenses which can be allocated to specific claims. Here we expect such expenses related to the claims modelled within premium risk. Allocated expenses should be provided by each line of business and in aggregate. The net expenses include outward reinsurance costs.</u>
PRE208 / C101	Best estimate expenses (unallocated) - gross	~~Unallocated expenses are to be reported for all LoBs in aggregate (*in column C101*)~~ ~~Unallocated expenses refer to all claims handling related expenses which are not included in allocated expenses, i.e. those which cannot be allocated to specific claims.~~ <u>Unallocated expenses refer to all claims handling expenses which are not included in allocated expenses i.e. which cannot be allocated to specific claims. Again, here we expect such expenses related to the claims modelled within premium risk. Although it may be possible to apportion such expenses to lines of business, we only request these expenses to be reported across all lines of business in aggregate. The gross expenses should not include outward reinsurance costs.</u>
PRE408 / C101	Best estimate expenses (unallocated) - net	~~As per row PRE208 but net of reinsurance (i.e. after taking into account all expense payments relating to outgoing reinsurance, including reinsurance commissions).~~ <u>Unallocated expenses refer to all claims handling expenses which are not included in allocated expenses i.e. which cannot be allocated to specific claims. Again, here we expect such expenses related to the claims modelled within premium risk. Although it may be possible to apportion such expenses to lines of business, we only request these expenses to be reported across all lines of business in aggregate. The net expenses should include outward reinsurance costs.</u>
PRE209 / C101, C201 to C300, C401 to C416	Business plan LR - gross	Business plan claims ratio gross of reinsurance is to be reported for all LoBs in aggregate (~~*in*~~ *column C101*) and for each individual LoB for all: ➢ non-catastrophe claims (~~*in*~~ *part 1 of each column*), ➢ catastrophe claims (~~*in*~~ *part 2 of each column*), and ➢ non-catastrophe and catastrophe claims combined (~~*in*~~ *part 3 of each column*). The business plan claims ratio is the ratio of ***C***/***P***, where ***C*** is the sum of future (from the <u>reporting</u> reference date) benefit and claim payments gross of reinsurance on an undiscounted basis in the business plan and ***P*** is gross premium in the business plan. ***P*** is the same for each of the three business plan loss ratios reported in parts 1, 2 and 3 of each column. Catastrophe claims in the numerator of the business plan catastrophe claims

~~***Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
		ratio are claims that the firm categorises as catastrophe claims (whether caused by meteorological or geological forces such as windstorm or an earthquake, or by man-made actions) for business planning purposes. Non-catastrophe claims are claims that are not classed as catastrophe claims. Catastrophe claims reported in part 2 of each column should only be caused by those events included in the information reported on the catastrophe risk template.
PRE409 / C101, C201 to C300, C401 to C416	Business plan LR - net	As per PRE209 but net of reinsurance. It ignores non-recovery of reinsurance and adjustments for reinsurance credit risk. ~~The net of reinsurance claim ratios should be calculated assuming all the contracted reinsurance recoveries would be received.~~
PRE301 to PRE33~~2~~0 / C101, C201 to C300, C401 to C416	Premium risk model outputs - undiscounted - gross.	Firms are expected to provide specified measures of the output distribution of gross loss ratios for all lines of business ~~LoBs~~ in aggregate (~~*in*~~ *column C101*), for each entity LoB (~~*in*~~ *column C201 to C300*), and for each Solvency II lines of business ~~LoB~~ (~~*in*~~ *columns C401 to C416*). In each of these columns firms are expected to provide the specified measures of the output distribution of gross loss ratios for: ➢ non-catastrophe claims (*in part 1 of each column*), ➢ catastrophe claims (*in part 2 of each column*), ➢ non-catastrophe and catastrophe claims combined (*in part 3 of each column*). The gross claims ratio is the ratio of ***C***/***P***, where: • ***C*** is the estimate as at one-year following the reporting reference date**†** of sum of future (from the Reference date) net cash out-flows, of the types listed in item PRE002 above, gross of reinsurance on an undiscounted basis. The net cash out-flows in ***C*** should: ➢ r~~R~~elate to future claim events from business planned to be written in the 12 months following the reference date plus future claim events in the premium provision at the reporting reference date; if the selection at Z0320 is Premium Provision at the reporting reference date included in premium risk; or ➢ r~~R~~elate to future claim events from business planned to be written in the 12 months following the reference date; if the selection at Z0320 is Premium Provision at the reporting reference date included in reserve risk. In both cases, C should include the estimates at one-year of the claim events that occur in the 12 months following the reference date plus the claim events that are expected to occur after the 12 months period and contained in Premium Provision at the end of the period. i~~I~~f the sum of future net cash out-flows relating to future claim events that will be settled by periodic payment orders (PPOs) or structured settlements is not available on an undiscounted basis, then the sum of these cash out-flows are to be included in these rows on a discounted basis. • ***P*** is gross premium. ***P*** should comprise the net cash in-flows of the types listed in item PRE003 above and (in order to be consistent with ***C***): ➢ i~~I~~nclude premiums cash in-flow from business planned to be written in the 12 months following the reporting reference date plus unearned premium at the reporting reference date, if the selection at Z0320 is Premium Provision at the reporting reference date included in premium risk; or ➢ i~~I~~nclude premiums cash in-flow from business planned to be written in the 12 months following the Reporting Reference date, if the selection at Z0320 is Premium Provision at the reporting reference date included in reserve risk. In the distribution of non-catastrophe gross loss ratios reported in part 1 of

~~***Premium Risk Templates, 1 yr (IM.03.03.01, IM.03.03.02 and IM.03.10.01)***~~		
ITEM		**INSTRUCTIONS**
		each column the net cash out-flows in ***C*** should relate only to claims that are not catastrophe claims. In the distribution of catastrophe gross loss ratios reported in part 2 of each column the net cash out-flows in ***C*** should relate only to catastrophe claims. For the purpose of the gross loss ratios reported in parts 1 and 2 of each column, catastrophe claims are claims arising from any of the perils reported in the ~~catastrophe risk~~ template 'IM.03.06.01 Catastrophe Risk'. In the distributions of gross loss ratios reported in parts 1, 2 and 3 of each column, the ***P*** is the same for each of the three distributions. The distribution of gross loss ratios reported in part 3 of each column can allow for diversification effects between non-catastrophe claims and catastrophe claims. The measures of the output distribution of gross loss ratios to be reported in parts 1, 2 and 3 of each column are: mean, standard deviation, ~~skewness~~, minimum simulated value, maximum simulated value and the following percentiles – 0.1th, 5th, 10th, 15th, 20th, 25th, 30th, 35th, 40th, 45th, 50th, 55th, 60th, 65th, 70th, 75th, 80th, 85th, 90th, 95th, 96th, 97th, 98th, 99th, 99.5th, 99.9th. ~~mean; standard deviation; skewness; and the following percentiles - minimum simulated value, 0.1%, 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 55%, 60%, 65%, 70%, 75%, 80%, 85%, 90%, 95%, 96%, 97%, 98%, 99%, 99.5%, 99.9%, maximum simulated value.~~ **†**The distribution is an estimate at one-year following the reference date of future (from the Reference Date) net cash-out-flows because the SCR is a one-year time horizon measure.
PRE501 to PRE53~~2~~0 / C101, C201 to C300, C401 to C416	Premium risk model outputs - discounted - net	~~Instructions for~~ As per rows PRE301 to PRE33~~2~~0 ~~apply here~~ but ~~the following differences~~: • Loss ratios are net of reinsurance (ignoring any non-recovery of reinsurance and adjustment for reinsurance credit risk) and the numerator of the ratio is to be on a discounted basis.
PRE533 to PRE541~~0~~ / C101, C201 to C300, C401 to C406	Premium risk model outputs - undiscounted - net	~~Instructions for~~ As rows PRE301 to PRE33~~2~~0 ~~apply here~~ but ~~the following differences~~: • Loss ratios are net of reinsurance (ignoring any non-recovery of reinsurance and adjustment for reinsurance credit risk). • The measures of the output distribution to be reported for parts 1, 2 and 3 of each column are the mean, standard deviation and the following percentiles: 50th, 75th, 90th, 95th, 99th, 99.5th and 99.9th. ~~are the mean and the following percentiles:~~ ~~Parts 1,2 and 3 of each column – 50%, 75%, 90%, 95%, 99%, 99.5% and 99.9%.~~
PRE601		If the selection in the template 'Basic Information' for Z0320 = 'Reserve Risk', ~~Where the selection at Z0320 is 'premium provision included in reserve risk'~~ firms are expected to provide a brief explanation~~, at row PRE601,~~ of how future catastrophe claim events in the premium provision have been allowed for in the outputs reported on the templates 'IM.03.02.01, IM.03.02.02, MO.03.02.01, MO.03.02.02 Reserve Risk'.

Premium Risk Templates, Ultimate (MO.03.03.01 and MO.03.03.02)

~~***Premium Risk Templates, ultimate (MO.03.03.01 and MO.03.03.02)***~~	
ITEM	**INSTRUCTIONS**
~~Premium risk template(s) –~~General comments	As per template 'IM.03.03.01 and IM.03.03.02' but on an ultimate time horizon basis and ~~with the following differences~~: • ~~Items {PRE101 and PRE102, C201 to C300} are not required for M0.03.03.01.~~ • "Written premium planned in the 12 months following the reporting reference date - gross and net" be replaced by "Written premium planned in or planned after but attached to the 12 months following the reporting reference date – gross and net". • C and P used to calculate claims ratio should include cash out-flows and in-flows that relate to business planned after but bound to the 12 months following the reporting reference date.

Historical Loss Ratios Template (IM.03.04.01)

~~Historical loss ratios template, 1 yr (IM.03.04.01)~~		
ITEM		**INSTRUCTIONS**
~~Historical loss ratios template –~~ General comments		~~In this template firms are expected to report historical loss ratios for each of their own LoBs as reported on the ‘Premium risk – Own Lines’ template at row PRE101 and column C201 to C300.~~ Firms are expected to report the historical premiums and loss ratios on a consistent basis as how the premium risk is modelled. If the selection in the template ‘Basic Information’ for Z0320 = ‘Premium Risk’, this means the premium provision is modelled in premium risk and often implies the internal model operates on an accident year, and therefore the historical loss ratios should be reported on an accident year basis. If the selection in the template ‘Basic Information’ for Z0320 = ‘Reserve Risk’, this means the premium provision is modelled in reserve risk and often implies the internal model operates on an underwriting year basis, and therefore the historical loss ratios should be reported on an underwriting year basis. ~~Internal model groups are expected to agree with their supervisor for which undertakings historical loss ratios are to be reported.~~
HLR001	Reason(s) if template not submitted	If a firm has not submitted this template, it is expected to provide an explanation as to why.
HLR201 to HLR220; HLR301 to HLR320; HLR501 to HLR520; HLR601 to HLR620	Historical premiums	For the year up to and including the reporting reference date and for each of the ~~1~~9 preceding years provide the following for all lines of business ~~LoB~~ in aggregate and for each of the firm’s own line of business ~~LoBs~~ used in the premium risk part of its models ~~(i.e. for each lines of business LoB entered on the ‘Premium risk – Own Lines’ template at row PRE101 and column C201 to C300):~~ • gross premium written in that year (~~at~~ *rows HLR201 to HLR220*), • gross premium earned in that year (~~at~~ *rows HLR301 to HLR320*), • net of reinsurance premium written in that year (~~at~~ *rows HLR501 to HLR620*), and • net of reinsurance premium earned in that year (~~at~~ *rows HLR701 to HLR720*). The premium should be gross of commission. For years where premium is not fully developed, the estimated (at the reporting reference date) ultimate premium for the year should be provided.
HLR401 to HLR420; HLR701 to HLR720	Historical claims ratios	For the year up to and including the reporting reference date and for each of the ~~1~~9 preceding years provide the following for all lines of business ~~LoB~~ in aggregate and for each of the firm’s own line of business ~~LoBs~~ used in the premium risk part of its models ~~(i.e. for each lines of business LoB entered on the ‘Premium risk – Own Lines’ template at row PRE101 and column C201 to C300):~~ • gross ultimate undiscounted claims ratios as estimated at the reporting reference date (~~at~~ *rows HLR401 to HLR420*), and • net of reinsurance ultimate undiscounted claims ratios as estimated at the reporting reference date (~~at~~ *rows HLR701 to HLR720*). The basis used for reporting the historical loss ratio should be consistent with how the premium risk is modelled. ~~If the selection at item ‘Risk category to which the premium provision at the reporting reference date is allocated’ (Z0320) in the basic information template is ‘Premium Provision at the Reference Date included in Premium Risk’ (which~~

~~***Historical loss ratios template, 1 yr (IM.03.04.01)***~~		
ITEM		**INSTRUCTIONS**
		~~implies the firm is operating its model on **an accident year basis**) then:~~ <u>If the selection in the template 'Basic Information' for Z0320 = 'Premium Risk', this means the premium provision is modelled in premium risk and often implies the internal model operates on an accident year, and therefore the historical loss ratios should be reported on an accident year basis.</u> • The numerator of the claims ratio for a year is the estimate (at the ~~reporting~~ reference date) of the ultimate benefit payments and claims (including IBNR claims) relating to claim events that occurred in the year. • The denominator of the claims ratio for a year is the earned premium for the year as reported in row HLR301 to HLR320 (if gross) or in row HLR601 to HLR620 (if net) for the year ~~in question~~. ~~If the selection at item Z0320 in the basic information template is 'Premium provision at the Reference Date included in Reserve Risk' (which implies the firm is operating its model on **an underwriting year basis**) then:~~ <u>If the selection in the template 'Basic Information' for Z0320 = 'Reserve Risk', this means the premium provision is modelled in reserve risk and often implies the internal model operates on an underwriting year basis, and therefore the historical loss ratios should be reported on an underwriting year basis.</u> • The numerator of the claims ratio for a year is the estimate (at the <u>reporting</u> reference date) of the ultimate benefit payments and claims (including IBNR claims) relating to business written in the year. • The denominator of the claims ratio for a year is the written premium for the year as reported in row HLR201 to HLR220 (if gross) or in row HLR501 to HLR520 (if net) for the year ~~in question~~.

Catastrophe Risk Template, 1 yr (IM.03.05.01)

~~*Catastrophe risk templates (IM.03.05.01)*~~ ITEM	INSTRUCTIONS
~~Catastrophe risk template(s) –~~ General comments	A partial internal model firm that calculates the entire catastrophe risk module of its SCR (natural and man-made catastrophes) using Standard Formula does not ~~need~~ expect to complete the ~~catastrophe risk~~ templates. In this template firms are expected to provide catastrophe risk model outputs by peril modelled. Catastrophe losses relate to a single event that give rise to claims on several insurance policies. In this template: • ~~Insurance refers to business included within lines of business 1 to 12, 33 and 34 in Delegated Regulation (EU) 2015/35 Annex 1.~~ • ~~Reinsurance refers to business included within lines of business 13 to 28, 35 (that relates to line 33) and 36 (that relates to line 34) in Delegated Regulation (EU) 2015/35 Annex 1.~~ • no distinction is ~~required~~ expected between property and non-property business with the exception of man-made cats. • no distinction is ~~required~~ expected between losses from direct insurance and losses from reinsurance business. • for the purposes of man-made catastrophe perils, p~~P~~roperty business ~~(man-made cats)~~ refers ~~only~~ to business included in the 'Other motor insurance" ~~line of business~~, the 'Marine, aviation and transport" ~~line of business~~ and the 'Fire and other damage to property insurance' ~~line of business~~ (direct insurance), i.e. business written under lines of business 5, 6, and 7 ~~and 8~~ in Delegated Regulation (EU) 2015/35 Annex 1~~.~~, and equivalent reinsurance lines of business 17, 18 , 19, 27 and 28. • all other non-life insurance and reinsurance lines of business are to be included in non-property (man-made cats). ~~For clarity, class 8 ('Marine, Aviation and transport') is non-life insurance 'non-property for the purpose of this template.~~ • ~~All other non-life reinsurance lines of business are included in reinsurance non-property. For clarity, class 18 is non-life reinsurance 'non-property' for the purpose of this template.~~ • gross and net mean gross and net of all reinsurance. • natural catastrophe perils / territories are meteorological or geological events such as windstorm, hurricane, typhoon, flood, earthquake, earth-slide. • man-made catastrophe perils / territories are those other than meteorological and geological events such as: ➢ a transport vehicle accident; ➢ negligent action causing or facilitating individuals to contract a disease; ➢ negligent action causing or facilitating a financial trading loss when economic conditions are adverse or when financial markets are experiencing adverse conditions (as opposed to financial loss arising from physical loss or damage to property, or injury or illness); ➢ human attack with weapons. • rest of the World natural catastrophe perils / territories are all the meteorological or geological events in aggregate that are within the scope of the firm's catastrophe risk modelling, and are not part of the pre-defined peril / territory ~~required~~ expected in the other fields (e.g. Asia typhoon excluding Japan, North America earthquake excluding the United States). • non-modelled risks (column C212) are all the meteorological or geological

~~Catastrophe risk templates (IM.03.05.01)~~		
ITEM		**INSTRUCTIONS**
		events in aggregate that are within the scope of the firm's catastrophe risk modelling, for which losses are not obtained from an external vendor model (e.g. AIR, RMS). This will be a subset of data in columns C201 to C211). • an event that is 'within scope of the firm's catastrophe risk modelling' is an event that is covered in the catastrophe risk part of the firm's model and is not covered within the modelling of attritional or large losses in the premium risk part of the firm's model. • all amounts are to be reported undiscounted.
CAT001	Reason(s) if template not submitted	If a firm has not submitted this template, it is expected to provide an explanation as to why. For example~~, (Examples might be :~~ 'CAT risk calculated by Standard Formula', 'no exposure to catastrophe losses occurring after the reporting reference date from business written up to the reporting reference date or business planned to be written in the 12 months following the reporting reference date'~~)~~
CAT201 to CAT208, CAT301 to CAT311, CAT401 to CAT411, CAT501 to CAT 511	Catastrophe risk model output relating to specific cat perils	Firms are expected to report model outputs for each of the following perils: i. All catastrophe perils / territories in aggregate (natural and man-made catastrophe perils) (~~*in*~~ *column C101*) ii. All natural catastrophe perils in aggregate (~~*in*~~ *column C102*) iii. All man-made catastrophe perils in aggregate (~~*in*~~ *column C103*) iv. US Hurricane, including Gulf of Mexico and Caribbean (~~*in*~~ *column C201*) v. US Earthquake (~~*in*~~ *column C202*) vi. US Convective Storm (~~*in*~~ *column C203*) vii. Japanese Typhoon (~~*in*~~ *column C204*) viii. Japanese Earthquake (~~*in*~~ *column C205*) ix. Australian Windstorm (~~*in*~~ *column C206*) x. European Windstorm (~~*in*~~ *column C207*) xi. European Earthquake (~~*in*~~ *column C208*) xii. UK Flood (~~*in*~~ *column C209*) xiii. South American Earthquake (~~*in*~~ *column C210*) xiv. 'Rest of the World' natural catastrophe perils in aggregate (~~*in*~~ *column C211*) ~~xv. Each of the firm's own defined natural catastrophe perils / territories (e.g. Turkey earthquake, Germany flood) that are within scope of the catastrophe risk part of the firm's model. Up to 50 'own defined' natural catastrophe perils / territories can be reported (*in columns C301 to C350*)~~ ~~xvi. Each of the firm's own defined man-made catastrophe perils / territories that are within scope of the catastrophe risk part of the firm's model. Up to 50 'own defined' man-made catastrophe perils / territories can be reported (*in columns C401 to C450*)~~ All ' Rest of the World' natural catastrophe perils / territories should be: • aggregated into the peril 'Rest of the World' natural catastrophe perils'; • ~~Reported individually under a firm's own defined natural catastrophe peril (i.e. in columns C301 to C350);~~ and • listed at row CAT202 and column C211. • if any of the perils to be reported in columns C201 to C211 are not applicable to a firm, the firm should enter 'n/a' in row CAT201 and the column for that peril and leave the rest of the column blank. • non-modelled risks (column C212) are all the meteorological or geological events in aggregate that are within the scope of the firm's catastrophe risk modelling, for which losses are not obtained from an external vendor model (e.g. AIR, RMS). This will be a subset of data in columns C201 to C211).

~~***Catastrophe risk templates (IM.03.05.01)***~~ **ITEM**		**INSTRUCTIONS**
		Additional columns C301, C302 and C303 are included to capture man-made cat losses split between terrorism, cyber and other perils. ~~The specified natural catastrophe perils in columns C201 to C211 and 'own-defined' natural catastrophe perils need not be mutually exclusive. If a firm models any of the specified perils at a more granular level, the aggregated position for the specified peril should be reported in the relevant column C201 to C211 and the individual perils (within the specified) should be reported in the 'own defined' natural catastrophe perils section in columns C301 to C350.~~ ~~Unused own defined natural catastrophe perils in columns C301 to C350 and unused own defined man-made catastrophe perils in columns C401 to C450 are to be left blank.~~
CAT201	Classes impacted by each catastrophe peril	This row is not applicable for columns C101 to C103, nor for columns C301 to C303 For each peril report ~~in this row~~ the classes impacted by the peril. Each class reported for each peril must be one of the classes reported in columns C201 to C300 on the 'premium risk' tab.
CAT202	Commercially available vendor model used for each catastrophe peril (if applicable)	This row is not applicable for columns C101 to C103, nor for columns C301 to C303 For each peril select from the drop down box the commercially available vendor model used to model the peril. The commercial vendor models available for selection in the row are: AIR; EQECAT; RMS; Blended, OTHER; N/A. If a firm uses combinations or blends of AIR EQECAT or RMS, or 'OTHER' an explanation of the combination or blended approach or the "OTHER" model used should be provided in CAT203. For ~~the peril~~ 'Rest of the World' natural catastrophe perils' column the cell is freeform (i.e. not a drop down box) and firms should enter a brief description of the perils / territories it has included in this category.
CAT203	Commercially available vendor model name and version used (if applicable)	This row is not applicable for columns C101 to C103, nor for columns C301 to C303 For each peril report in this row the commercially available vendor model name and version used to model the peril, and details of any deviations from or adjustments to proprietary version. Example: RMS version<xx>, <undertaking's own view of hazard frequency or vulnerability>; AIR version<xx>; EQECAT version<xx>. For ~~the peril~~ 'Rest of the World catastrophe perils' ~~and for any of the 'Own defined' perils where a commercially available vendor model is not used~~ enter 'N/A'.
CAT204	Summary of adjustments made to the vendor model (including selection of options and switches)	This row is not applicable for columns C101 to C103, nor for columns C301 to C303 For each peril report ~~in this row~~ any adjustments or changes made by the firm to default options set in the vendor model and version specified in row CAT203. Report both the option in question and what the adjustment or change is. Examples of default options that could be changed by a user, and what the change might be, are: Demand Surge switched from on to off, Storm Surge switched from on to off, Post Loss Amplification switched from on to off, EU WS Clustering switched from on to off, Fire Following switched from on to off,

~~***Catastrophe risk templates (IM.03.05.01)***~~ **ITEM**		**INSTRUCTIONS**
		Rates Catalogue (RMS) from long term rate to short / medium / other rate, Warm Sea Surface Temperature Catalogue (AIR) from long to short / medium /other, or any others. For ~~the peril~~ 'Rest of the World' catastrophe perils' ~~and for any of the 'Own defined' perils where a commercially available vendor model is not used~~ enter 'N/A'.
~~CAT205 / all columns~~	~~Sum of GWP for all property classes impacted by cat peril~~	~~For each peril report the gross premium planned to be written in the 12 months from the reference date for all property business impacted by that peril for:~~ ~~• Insurance business (at *column C<xxx>.1*), and~~ ~~• Reinsurance business (at *column C<xxx>.2*).~~
~~CAT206 / all columns~~	~~sum of GWP for all non-property classes impacted by cat peril~~	~~For each peril report the gross premium planned to be written in the 12 months from the reference date for all non-property business impacted by the peril for:~~ ~~• Insurance business (at *column C<xxx>.1*), and~~ ~~• Reinsurance business (at *column C<xxx>.2*).~~ ~~(*Where column C<xxx> refers to the peril in question – e.g. column C202 is the US Earthquake peril, column C301 is the first of the 'own defined' perils.*)~~
~~CAT207 / all columns~~	~~Total property aggregate limit exposure~~	~~For each peril / territory (e.g. US hurricane, European windstorm) report the aggregate limit exposure at the reference date for:~~ ~~• insurance property business impacted by the peril (at *column C<xxx>.1*), and~~ ~~• reinsurance property business impacted by the peril (at *column C<xxx>.2*).~~ ~~(Where column C<xxx> refers to the peril in question – e.g. column C202 is the US Earthquake peril, column C301 is the first of the 'own defined' perils.)~~ ~~For insurance business aggregate limits will usually be:~~ ~~• Total sums insured for personal lines, SME commercial, and agriculture policies.~~ ~~• Total of policy limits for larger commercial business or industrial lines business.~~ ~~For reinsurance business aggregate limits will usually be total of policy limits.~~ ~~It is crucial that the aggregate limit exposures entered in the fields correspond exactly to the peril and the territory considered. For example, the US earthquake and US hurricane aggregate limits reported in C201 and C202 cannot be equal, unless all policies written in the US cover both perils. As another example, the US hurricane and EU windstorm aggregate limits should obviously be different.~~
~~CAT208 / all columns~~	~~Total non-property aggregate limit exposure~~	~~As per CAT207 but for non-property business~~
CAT301 to CAT311 / C101 to C103, C201 to C211, C301 to C303~~C350, C401 to C450~~	Model Outputs for each peril relating to property and non-property business in aggregate	For each peril specified measures of the following output distributions produced by the model are expected to be provided: ~~• Gross occurrence loss to all (i.e. property and non-property in aggregate) insurance business (*column C<xxx>.3*),~~ ~~• Gross occurrence loss to all (i.e. property and non-property in aggregate) reinsurance business (*column C<xxx>.4*),~~ • gross occurrence loss to all business – i.e. insurance and reinsurance business in aggregate (*column C<xxx>.5*), • gross aggregate loss to all business (*column C<xxx>.6*), • net occurrence loss to all business (*column C<xxx>.7*), • net aggregate loss to all business (*column C<xxx>.8*).

~~***Catastrophe risk templates (IM.03.05.01)***~~ ITEM		INSTRUCTIONS
		(*Where column C<xxx> refers to the peril in question – e.g. column C202 is the US Earthquake peril, column C301 is the first of the 'own defined' natural catastrophe perils.*) The specified measures are: mean; standard deviation; ~~skewness~~; 90th, 96th, 98th, 99th, 99.5th, 99.6th, 99.8th, 99.9th percentiles. Occurrence loss is the largest loss from a single future occurrence of the peril that impacts policies that have been written by the balance sheet date or are planned to be written in the 12 months following the balance sheet date. Aggregate loss is the sum of all losses from future occurrences of the peril that impacts policies that have been written by the balance sheet date or are planned to be written in the 12 months following the balance sheet date. The model outputs for relating to property and non-property business in aggregate can allow for diversification between property and non-property within the peril.
CAT401 to CAT411 / C102, C201 to C211, C301 to ~~C350~~C303	Model Outputs for each man-made peril relating to property business	As per CAT301 to CAT311 but ~~with the following differences~~: • The output distributions expected to be provided on these rows relate to property business only, and • model outputs for aggregate of all catastrophe perils (*column C101*) and for natural catastrophe perils ~~need~~ should not be provided in these rows.
CAT501 to CAT511 / C102, C201 to C211, C301 to ~~C350~~C303	Model Outputs for each man-made peril relating to non-property	As per CAT301 to CAT311 but ~~with the following differences~~: • The output distribution expected to be provided on these rows relate to non-property business only, and • model outputs for aggregate of all catastrophe perils (*column C101*) and for natural catastrophe perils ~~need~~ should not be provided in these rows.
C601 to C618	Split of business between geographic territories	The total gross premium income and sums insured split by territory. It is acknowledge that not all of these exposure measures relate specifically to cat exposed business. Where it is not possible to provide a meaningful split by the territories listed, there is the option to show premium and sums insured within broader geographic territories in the broader categories below. Total gross premium (i.e. the sum of items in C601 to C618) should be consistent with the totals shown on the template 'IM.03.03.01 Premium Risk'.
C701 to C703	Split of business between direct insurance, reinsurance and retrocession	Approximate split of gross premium income between these three types of business. Proportions can be rounded to nearest 1% or nearest 10%.

Catastrophe Risk Templates, Ultimate (MO.03.05.01)

~~Catastrophe risk templates, ultimate (IM~~MO.03.05.02~~1~~)		
ITEM		**INSTRUCTIONS**
~~Catastrophe risk template(s) –~~ General comments		As per template 'IM.03.05' but on an ultimate time horizon basis. This template ~~need~~ should only be completed for man-made cat losses.
~~C601~~	~~Split of business between direct insurance, reinsurance and retrocession~~	~~Approximate split of gross premium income between these three types of business. Proportions can be rounded to nearest 1% or nearest 10%.~~
~~C602 to C615~~	~~Split of business between geographic territories~~	~~The total gross premium income and sums insured split by territory. It is acknowledge that not all of this relates specifically to cat exposed business. Where it is not possible to provide a meaningful split by the territories listed, there is the option to show premium and sums insured within broader geographic territories in the broader categories below. Total gross premium should be consistent with the totals shown on the premium template IM.03.03.01~~

Insurance Risk Output Correlations Template (IM.03.06.01)

~~***Insurance Risk Output Correlations Template (IM.03.06.01)***~~		
ITEM		**INSTRUCTIONS**
~~Insurance Risk Output correlations template –~~ General comments		In this template firms are expected to report the ~~following~~ model output correlations between ~~the~~ its own lines of business: • Gross of reinsurance, undiscounted, linear correlations (*rows R100 to R299*); • Gross of reinsurance, undiscounted, rank correlations (*rows R300 to R499*); • Net of reinsurance, discounted, linear correlations (*rows R500 to R699*); ~~The tab~~ It allows ~~for~~ output correlations between: • Up to 100 reserve risk LoBs (i.e. between reserve_risk _LoB_i and reserve_risk_LoB_j, where i =2 to 100, j = 1 to i-1); • Up to 100 reserve risk LoBs and up to 100 premium risk LoBs (i.e. between premium_risk _LoB_i and reserve_risk_LoB_j, where i,j = 1 to 100); • Up to 100 premium risk LoBs (i.e. between premium_risk _LoB_i and premium_risk_LoB_j, where i =2 to 100, j = 1 to i-1). The lines of business are those used in a firm's internal model and will be looked up from those used in the premium and reserving risk 'Own Lines' sheets. Therefore when completing these 'Own Lines' sheets do not leave any spaces between columns.
R001	Reasons(s) if template not submitted	If a firm has not submitted this template, it is expected to provide an explanation as to why.
R100 to R299	Premium and Reserve risk gross undiscounted output correlations between entity LoBs –linear	The gross undiscounted output linear correlation coefficients between reserve_risk _LoB_i and reserve_risk_LoB_j, (i =2 to 100, j = 1 to i-1) are to be: • Reported in *rows R<99+i> to R199 and columns C100 to C<99+j>*. (For example the output correlation coefficient between reserving classes 17 and 14 would be reported at *row R116 and column C113*.) • Calculated from the simulations produced by the model that underlies the outputs reported in the 'reserve risk Entity LoB' sheet at rows RES301 to RES332 and the column for LoBs i and j. The gross undiscounted output linear correlation coefficients between premium_risk _LoB_i and reserve_risk_LoB_j, (i,j = 1 to 100) are to be: • Reported in *rows R<199+i> to R299 and columns C100 to C<99+j>*. (For example the output correlation coefficient between premium risk class 9 and reserve class 23 would be reported at *row R208 and column C122*.) • Calculated from the simulations produced by the model that underlies the outputs reported in the 'reserve risk Own Lines' sheet at rows RES301 to RES332 for LoB i and the simulations produced by the model that underlies the outputs reported in the 'premium risk Own Lines' sheet at rows PRE301 to PRE332 and the 'All Claims in class' column for LoB j. The gross undiscounted output linear correlation coefficients between premium_risk _LoB_i and premium_risk_LoB_j, (i =2 to 100, j = 1 to i-1) are to be: • Reported at *rows R<199+max(i,j)> to R299 and columns C<199+min(i,j)> to C299*. (For example the output correlation coefficient between premium risk class 5 and premium risk class 20 would be reported at *row R219 and column C204*.) • Calculated from the simulations produced by the model that underlies the outputs reported in the 'premium risk Own Lines' sheet at rows PRE301 to PRE332 and the 'All Claims in class' column for LoBs i and j. The linear correlation coefficients expected are the Pearson Product-Moment Correlation Coefficients.

~~***Insurance Risk Output Correlations Template (IM.03.06.01)***~~		
ITEM		**INSTRUCTIONS**
R300 to R499	Premium and Reserve risk gross undiscounted output correlations between entity LoBs –, rank	As per R100 to R299, but the outputs are rank correlation coefficients. ~~The gross undiscounted output rank correlation coefficients between reserve_risk _LoB_i and reserve_risk_LoB_j, (i =2 to 100, j = 1 to i-1) are to be:~~ ~~• Reported in *rows R<299+i> to R399 and columns C100 to C<99+j>*. (For example the output correlation coefficient between reserving classes 17 and 14 would be reported at *row R316 and column C113*.)~~ ~~• Calculated from the ranks of the simulations produced by the model that underlies the outputs reported in the 'Reserve risk Own Lines' sheet at rows RES301 to RES332 and the column for LoBs *i* and *j*.~~ ~~The gross undiscounted output rank correlation coefficients between premium_risk _LoB_i and reserve_risk_LoB_j, (i,j = 1 to 100) are to be:~~ ~~• Reported in *rows R<399+i> to R499 and columns C100 to C<99+j>*. (For example the output correlation coefficient between premium risk class 9 and reserve class 23 would be reported at *row R408 and column C122*.)~~ ~~• Calculated from the ranks of the simulations produced by the model that underlies the outputs reported in the 'reserve risk Entity LoB' sheet at rows RES301 to RES332 for LoB *i* and the ranks of the simulations produced by the model that underlies the outputs reported in the 'Premium risk Own lines' sheet at rows PRE301 to PRE332 and the 'All Claims in class' column for LoB *j*.~~ ~~The gross undiscounted output rank correlation coefficients between premium_risk _LoB_i and premium_risk_LoB_j, (i =2 to 100, j = 1 to i-1) are to be:~~ ~~• Reported at *rows R<399+max(i,j)> to R499 and columns C<199+min(i,j)> to C299*. (For example the output correlation coefficient between premium risk class 5 and premium risk class 20 would be reported at *row R419 and column C204*.)~~ ~~• Calculated from the ranks of the simulations produced by the model that underlies the outputs reported in the 'Premium risk Own Lines' sheet at rows PRE301 to PRE332 and the 'All Claims in class' column for LoBs *i* and *j*.~~ The rank correlation coefficients expected are Spearman Rank Correlation Coefficients (or spearman Rho or the Pearson Product-Moment Correlation Coefficients between the ranked output simulations).
R500 to R699	Premium and Reserve risk net discounted output correlations between entity LoBs –linear	As per R100 to R299, but the outputs are net of reinsurance and discounted. ~~The net discounted output linear correlation coefficients between reserve_risk _LoB_i and reserve_risk_LoB_j, (i =2 to 100, j = 1 to i-1) are to be:~~ ~~• Reported in *rows R<499+i> to R599 and columns C100 to C<99+j>*. (For example the output correlation coefficient between reserving classes 17 and 14 would be reported at *row R516 and column C113*.)~~ ~~• Calculated from the simulations produced by the model that underlies the outputs reported in the 'Reserve risk Own Lines' sheet at rows RES501 to RES32 and the column for LoBs *i* and *j*.~~ ~~The net discounted output linear correlation coefficients between premium_risk _LoB_i and reserve_risk_LoB_j, (i,j = 1 to 100) are to be:~~ ~~• Reported in *rows R<599+i> to R699 and columns C100 to C<99+j>*. (For example the output correlation coefficient between premium risk class 9 and reserve class 23 would be reported at *row R608 and column C122*.)~~ ~~• Calculated from the simulations produced by the model that underlies the outputs reported in the 'reserve risk Entity LoB' sheet at rows RES501 to RES532 for LoB *i* and the simulations produced by the model that underlies~~

~~***Insurance Risk Output Correlations Template (IM.03.06.01)***~~		
ITEM		**INSTRUCTIONS**
		~~the outputs reported in the 'Premium risk Own Lines' sheet at rows PRE501 to PRE532 and the 'All Claims in class' column for LoB *j*.~~ ~~The net discounted output linear correlation coefficients between premium_risk _LoB$_i$ and premium_risk_LoB$_j$, (*i* =2 to 100, *j* = 1 to *i*-1) are to be:~~ • ~~Reported at *rows R<599+max(i,j)> to R699 and columns C<199+min(i,j)> to C299*. (For example the output correlation coefficient between premium risk class 5 and premium risk class 20 would be reported at *row R619 and column C204*.)~~ • ~~Calculated from the simulations produced by the model that underlies the outputs reported in the 'Premium risk Own Lines' sheet at rows PRE501 to PRE532 and the 'All Claims in class' column for LoBs *i* and *j*.~~ ~~A linear correlation coefficient is also known as a Pearson Product-Moment Correlation Coefficient.~~

Insurance Risk Output Correlations Template, Ultimate (MO.03.06.01)

~~***Insurance Risk Output Correlations Template, Ultimate (MO.03.06.01)***~~	
ITEM	**INSTRUCTIONS**
~~Insurance Risk Output template –~~ General comments	As per template ‘IM.03.06.01’, but on an ultimate time horizon basis.

Market Risk Template (IM.03.07.01)

~~Market risk template(s) (IM.03.07.01)~~	
ITEM	**INSTRUCTIONS**
~~Market risk templates – General comments~~	~~A partial internal model firm that calculates the entire market risk module of its SCR using Standard Formula is not required to complete the market risk templates.~~ ~~The purpose of the market risk template is for firms to report specific modelled outputs within their market risk category. Accordingly the market risk tab is split into the following sections:~~ ~~• Rows MKT101 to MKT110 for the firm's overall market risk output and market risk sub-module outputs (eg interest rate risk, spreads risk, equity risk, currency risk, inflation risk).~~ ~~• Rows MKT201 to MKT217 for asset level data (eg model outputs for sovereign bonds, corporate bonds, equities, property) and asset liability matching data, for all assets and liabilities converted to GBP.~~ ~~• Rows MKT221 to MKT237 for asset level data and asset liability matching data, for all assets and liabilities denominated in GBP.~~ ~~• Rows MKT241 to MKT257 for asset level data and asset liability matching data, for all assets and liabilities denominated in the most material non-GBP currency.~~ ~~• Rows MKT261 to MKT277 for asset level data and asset liability matching data, for all assets and liabilities denominated in the second most material non-GBP currency.~~ ~~• Rows MKT281 to MKT297 for asset level data and asset liability matching data, for all assets and liabilities denominated in the third most material non-GBP currency.~~ ~~• Rows MKT301 to MKT306 equity and property volatility measures, property commercial and residential instantaneous fall, increase in implied interest rate volatility. (To be provided in GBP only, and only need be provided if the firm carries on life as well as non-life business because these measures are rarely material for non-life business).~~ ~~• MKT401 to MKT465 for risk-free rates.~~ ~~• MKT501 to MKT504 for implied inflation spot yields for GBP, (only need be provided if the firm carries on life as well as non-life business because these measures are rarely material for non-life business).~~ ~~• MKT601 to MKT625 for credit spreads – all assets denominated in GBP.~~ ~~• MKT651 to MKT675 for credit spreads – all assets denominated in most material non-GBP currency.~~ ~~• MKT701 to MKT725 for credit spreads – all assets denominated in second most material non-GBP currency.~~ ~~• MKT750 to MKT775 for credit spreads – all assets denominated in third most material non-GBP currency.~~ ~~• MKT791 to MKT795 for swap spreads for GBP.~~ ~~• MKT801 to MKT805 for exchange rates.~~ ~~• Rows MKT901 to MKT965 for inflation modelling outputs.~~ ~~• Columns C101 to C102 for values at the reference date.~~ ~~• Columns C201 to C221 for model outputs.~~ ~~• Column C301 for the firm's definitions or notes.~~ ~~All invested assets shown in the firm's balance sheet at the reference date reported at item Z0040 on the basic information template should be included. (For avoidance of doubt do not exclude surplus assets at the reference date from the market risk model outputs reported in these templates.) Where this is not possible, in the Comments Sheet tab, please provide an explanation and state the materiality of assets excluded.~~ ~~Unless instructed otherwise percentile points in the market risk templates are outputs from a monotonically increasing distribution. ie the 99.5 percentile is to be a 99.5 percentile adverse output (ie the estimated likelihood of an outcome more adverse than the 99.5 percentile is 0.5%), the 0.5 percentile is to be a 0.5 percentile favourable output (ie the estimated likelihood of an outcome more favourable than the 0.5 percentile is 0.5%).~~

~~***Market risk template(s) (IM.03.07.01)***~~

ITEM		INSTRUCTIONS
		~~All outputs reported on the market risk template are to relate only to investments reported on template S.02.01 at items 'Investments (other than assets held for index-linked and unit-linked contracts)' – rows R0070 to R0210 and 'Cash and cash equivalents' – row R0420. In particular pension schemes assets are not to be included in outputs reported on the market risk template.~~
General comments		A partial internal model firm that calculates the entire market risk module of its SCR using Standard Formula is not required to complete the market risk templates. The purpose of this market risk template is for firms to report specific modelled outputs within their market risk category. All invested assets shown in the firm's balance sheet at the reporting reference date should be included. (For avoidance of doubt do not exclude surplus assets at the reference date from the market risk model outputs reported in these templates). Where this is not possible, in the Comments Sheet tab, please provide an explanation and state the materiality of assets excluded. Unless instructed otherwise percentile points in the market risk templates are outputs from a monotonically increasing distribution. i.e. the 99.5 percentile is to be a 99.5 percentile adverse output (i.e. the estimated likelihood of an outcome more adverse than the 99.5 percentile is 0.5%), the 0.5 percentile is to be a 0.5 percentile favourable output (i.e. the estimated likelihood of an outcome more favourable than the 0.5 percentile is 0.5%). All outputs reported on the market risk template relate only to assets included in Solvency II reporting template S.02.01.01 at items: • 'Investments (other than assets held for index-linked and unit-linked contracts)' – rows R0070 to R0210; • Loans and mortgages – rows R0230 to R0260; • 'Cash and cash equivalents' – row R0410; and • 'Any other assets, not elsewhere shown' – row R0420. In particular pension schemes assets are not to be included in outputs reported on the market risk template.
MKT001	Reason(s) if template not submitted	If the firm has not submitted this template, it is expected to provide an explanation as to why. ~~(For example an explanation might be 'partial internal model – entire market risk calculated by standard formula')~~
MKT002 to MKT004	Market risk – major currencies	The ISO4217 code for the firm's largest, second largest and third largest non-GBP currencies respectively measured by Solvency II value in the reporting currency of financial investments held at the reporting reference date. For the purpose of deriving the three largest non-GBP currencies, financial investments comprises of only investments reported on Solvency II reporting template S.02.01.01 at items 'Investments (other than assets held for index-linked and unit-linked contracts)' and 'Cash and cash equivalents' i.e. {S.02.01.01, R0070 ~~to R0210~~) and R0420}. ~~If the 'Total Amount' for each asset on *Solvency II implementing technical standards reporting template* S.06.02.01 at item 'Total Solvency II amount' (column C0170) was summed over each currency (item C0280), the three currencies other than GBP with the largest 'Total Solvency II Amount' would be reported.~~
MKT005	Market risk – ESG vendor	Enter: • Vendor's name if using a third-party vendor Economic Scenario Generator (ESG). • 'In-house model' if using your own built in-house ESG. • Combination and the vendor's name if using a combination of third-party vendor ESG and in-house model (in the Comments Sheet state which part

~~***Market risk template(s) (IM.03.07.01)***~~		
ITEM		**INSTRUCTIONS**
		of the model uses the third-party ESG and which part of the model uses the in-house model). • ’N/A’ if no ESG is used.
MKT006	Market risk – change to ESG default settings	List changes that ~~you~~ have been made to the default ESG settings. This could be setting changes, calibration changes or other modifications made to the vendor default settings to ensure the ESG is appropriate to your risk profile. Enter ’n/a’ if in-house ESG used or no ESG used.
C101	Market Value	For rows MKT201 to MKT214 the Solvency II value at the reporting reference date of specified assets is to be reported. For other rows the quantum in question at the reference date is to be provided. (E.g. in MKT401, provide the risk free zero coupon GBP bond spot rate Term 1 in C101; in MKT601, provide the AAA rated HBP ZCB spot rate spread (over RF) Term 1 in C101.)
C201 to C221	Statistics of distributions output by the model	Provide the statistic specified in each column for the model output distribution specified in each row. For the percentile statistics (C205 to C221) - • If the distribution specified in a row is ‘increase in ‘<a specified quantum>’: it should be the case that the max increase (provided in C205) >= the 99.9^{th} percentile increase (provided in C206) >= the 99.5^{th} percentile increase (provided in C207) … the 0.1^{th} percentile increase (provided in C220) >= the min increase (provided in C221). If an increase at a particular percentile is negative (ie the quantum in question decreases at this percentile of the distribution) a negative amount should be provided. • For rows MKT101 to MKT109: provide the distribution of reduction in basic own funds (BOF) for the risk category in question. (E.g. row MKT102 is the distribution of reduction in BOF from interest rate risk only.) The max reduction in BOF (provided in C205) >= the 99.9^{th} percentile reduction in BOF (provided in C206) >= the 99.5^{th} percentile reduction in BOF (provided in C207) … the 0.1^{th} percentile reduction in BOF (provided in C220) >= the min reduction in BOF (provided in C221). If a reduction in BOF at a particular percentile is negative (ie BOF increase at this percentile of the distribution) a negative amount should be provided.
C301	Comments	For rows MKT101 to MKT110 column C301 should include: • A brief definition or explanation of the relevant market risk category in the firm’s model. (E.g. MKT101 / C301 should contain a brief definition or explanation of overall market risk used in the firm’s model, MKT102 / C301 should contain a brief definition or explanation of interest rate risk used in the firm’s model). For other rows this column should contain commentary as prescribed in the instructions.
Rows MKT101 to MKT110~~, columns C201 to C203, C205 to C221, C301~~	~~Model outputs of market risk and market risk sub-modules – General Comments~~ In rows MKT101 to MKT110 respectively firms should provide the ~~required~~ expected model outputs for each of the following categories of market risk: 1) Market risk overall (~~in~~ row MKT101), 2) Interest rate risk (~~in~~ row MKT102), 3) Inflation risk (~~in~~ row MKT103), 4) Credit Spread risk (~~in~~ row MKT104), 5) Investment Credit default / transition risk (~~in~~ row MKT105), 6) Equity risk (~~in~~ row MKT106), 7) Property risk (~~in~~ row MKT107), 8) Currency risk (~~in~~ row MKT108), 9) Other market risks (~~in~~ row MKT109), and 10) Derivatives risk (~~in~~ row MKT110). The following is expected:	

~~*Market risk template(s) (IM.03.07.01)*~~ **ITEM**		**INSTRUCTIONS**
		• The output distribution reported for each of the above market risk categories (1) to (9) ~~risk~~ should be the reduction in basic own funds over a one-year time horizon from only the factors that constitute that market risk category in the firm's model. (For derivatives risk, see instructions for MKT110 below.) • A reduction in basic own funds is to be shown as a positive number and an increase in basic own funds is to be shown as a negative number. (This might not apply to derivatives risk, see instructions for MKT110 below.) • The 99.5th percentile of the distribution should be a reduction in basic own funds that has an estimated likelihood of being exceeded of ½%. (This might not apply to derivatives risk, see instructions for MKT110 below.) • A negative mean (~~reported at~~ column C201) would mean that the expected reduction in basic own funds from only the factors that constitute that market risk category in the firm's model is a negative reduction (i.e. an increase in basic own funds). (This might not apply to derivatives risk, see instructions for MKT110 below.) • ~~Firms are expected to provide, in column C301, a brief explanation of the factors that constitute that market risk category in the firm's model. (Eg MKT101 / C301 should contain a brief explanation of the factors that constitute overall market risk, MKT102 / C301 should contain a brief explanation of the factors that constitute interest rate risk)~~ The ~~required~~ model outputs to be reported in columns C201 to C203 and C205 to C221 respectively are: mean; standard deviation; ~~skewness~~; and the following percentiles – maximum simulated value, 99.9%, 99.5%, 99%, 97.5%, 95%, 90%, 75%,50%, 25%, 10%, 5%, 2.5%, 1%, 0.5%, 0.1%, minimum simulated value. The information to be reported in column C301 is to include, but is not limited to,: • explanations for why an instruction is not followed. (For example if an instruction asks for outputs before any allowance for derivatives or hedging instruments but the model does not produce this, then provide an explanation in column C301). • explanations ~~if~~ of whether the model produces outputs that combine two or more of the sub-modules listed above. • explanations ~~if~~ for why any of columns C201 to C221 ~~of one of the rows is~~ are left blank for one (or more) of the rows. (E.g. if all the firm's assets and liabilities were entirely in GBP, currency risk would not be applicable to the firm, and for row MKT108 columns C201 to C221 would be left blank and an explanation would be provided in C301.)
MKT101 ~~/ C201 to C221, C301~~	Model outputs of overall market risk	Firms are expected to provide specified items from the output distribution of losses from only the factors that constitute the firm's market risk. This output distribution is to: • include the impact of derivatives and hedging instruments, • be after diversification among different market risk types, • be before diversification with other non-market risk categories (e.g. premium risk).
MKT102 ~~/ C201 to C221, C301~~	Model outputs of interest rate risk	Firms are expected to provide specified items from the **standalone*** output distribution of **losses** from only the factors that constitute interest rate risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments). The impact of changes to the risk-free yield curve on liabilities is part of interest rate risk, not insurance risk. If a firm's model uses different interpretation for interest rate risk, this should be explained briefly in column C301.
MKT103 ~~/ C201 to C221, C301~~	Model outputs of inflation risk	Firms are expected to provide specified items from the **standalone*** output distribution of **losses** from only the factors that constitute inflation risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments) Inflation risk is the effect of inflation on changes in the value of assets. It does not refer to risk related to claims inflation which should be included under

~~*Market risk template(s) (IM.03.07.01)*~~ ITEM		INSTRUCTIONS
		insurance risk. If a firm's model uses a different interpretation of inflation risk in its model, this should be explained briefly in column C301. The measure(s) of inflation used in the firm's modelling of inflation risk should be provided briefly in column C301. (Examples of measures of inflation are: Retail Price Index, Consumer Price Index, various producer price indices, various service producer price indices.) If inflation risk is not modelled explicitly, state this in column C301 and leave columns C201 to C221 blank.
MKT104 ~~/ C201 to C221, C301~~	Model outputs of credit spread risk	Firms are expected to provide the **standalone*** output distribution of **losses** from only the factors that constitute credit spread risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments.) The explanations provided in column C301 should include: • Which of the following risks (or combinations of the following risks) are included in this row: a) corporate spreads widening, b) sovereign spreads widening, c) corporate bond rating downgrades, d) sovereign bond rating downgrades, e) corporate bond defaults, f) sovereign bond defaults, g) other (please describe). • The definitions of spread used in the model (e.g. option adjusted spread (bid), z-spread (offer)). • The base of the spread (e.g. difference between bond yields and risk-free yields, or between bond yields and sovereign bond yields.)
MKT105 ~~/ C201 to C221, C301~~	Model outputs of rating downgrade and investment credit default risk	Firms are expected to provide specified items from the **standalone*** output distribution of **losses** from only the factors that constitute rating downgrade and investment credit default risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments.) The explanation provided in column C301 should include which of the following risks (or combinations of the following risks) are included in this row: a) None (because rating downgrade risk and investment credit default are both included with credit spread risk reported in row MKT104) – in this case this columns C201 to C221 of this row should be left blank. b) Rating downgrade of corporate bond risk. c) Rating downgrade of sovereign bond risk d) Corporate bond default. e) Sovereign bond default risk.
MKT106 ~~/ C201 to C221, C301~~	Model outputs of equity risk	Firms are expected to provide specified items from the **standalone*** output distribution of **losses** from only the factors that constitute equity risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments.) If a firm does not hold any equities, state this in column C301 and leave columns C201 to C221 blank. The explanation provided in column C301 should include whether: • The output distribution of losses reported for equity risk covers equity volatility (as well as fall in value of equities). • The modelled reduction in equity values is instantaneous or over a specified period of time.
MKT107 ~~/ C201 to~~	Model outputs of	Firms are expected to provide specified items from the **standalone*** output

~~*Market risk template(s) (IM.03.07.01)*~~ ITEM		INSTRUCTIONS
~~C221, C301~~	property risk	distribution of **losses** from only the factors that constitute property risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments.) If a firm does not hold any property investments, state this in column C301 and leave columns C201 to C221 blank. The explanation provided in column C301 should include whether property risk in the firm's model covers property volatility (as well as risk of fall in value of property).
MKT108 ~~/ C201 to C221, C301~~	Model outputs of currency risk	Firms are expected to provide specified items from the standalone* output distribution~~s~~ of losses from only the factors that constitute currency risk in the firm's model. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments that impact the effect on the firm of changes in foreign exchange rates.) If a firm's entire assets and liabilities are in a single currency, state this in column C301 and leave columns C201 to C221 blank The impact of changes to foreign exchange rates on liabilities is part of currency risk, not insurance risk. If a firm's model uses a different interpretation of currency risk in its model, the interpretation used should be explained in column C301.
MKT109~~110 / C201 to C221, C301~~	Model outputs of other market risks	Firms are expected to provide specified items from the standalone* output distribution of losses from the factors that constitute market risk in the firm's model and have not been included in the distributions reported in rows MKT102 to MKT108~~109~~ above. (*'standalone' meaning before diversification with the other market risk types and before allowing for derivatives and other hedging instruments.) If a firm considers it has zero other market risks, state this and the reasons(s) why in column C301 and leave columns C201 to C221 blank.
MKT110~~109 / C201 to C221, C301~~	Model outputs of derivatives risk	Firms are expected to provide the **impact** of the application of derivative instruments on the total market risk. For example, if the total market risk value is £1,000,000 absent of these instruments and £900,000 after applying these instruments at the 99.5th percentile, then please enter -£100,000 at the 99.5th percentile for the derivatives risk. This distribution may **not** be monotonic as derivatives can impact changes in asset values in different ways at the different percentiles of the overall market risk distribution. If a firm does not hold any derivative instruments, state this in column C301 and leave columns C201 to C221 blank.
~~Rows MKT201 to MKT211, columns C101 to C102, C201 to C203, C205 to C221, C301~~	~~Model outputs at asset category level~~	~~Rows MKT201 to MKT211 apply to all of the firm's assets included within 'Investments (other than assets held for index-linked and unit-linked contracts)', 'Cash and cash equivalents' and 'Any other assets, not elsewhere shown' reported on the Solvency II Reporting template S.02.01.01~~ ~~In rows MKT201 to MKT207 and MKT209 to MKT211 firms are expected to provide:~~ • ~~asset values (market and where appropriate nominal values) at the Reporting Reference Date (expressed in 000s) [*at columns C101 and C102*];~~ • ~~the modelled mean, standard deviation and skewness of fall in asset values over the one-year from the Reporting Reference Date before taking into account any application of derivatives or other hedging instruments [*at columns C201 to C203*];~~ • ~~the modelled maximum and minimum fall in asset values over the one-year from the reference date (expressed as a %) before taking into account any application of derivatives or other hedging instruments [*at column C205*~~

~~Market risk template(s) (IM.03.07.01)~~ ITEM		INSTRUCTIONS
		~~*and C221*]; and~~ • ~~the modelled fall in asset values over the one-year from the reporting reference date at the percentiles: 99.9%, 99.5%, 99%, 97.5%, 95%, 90%, 75%, 50%, 25%, 10%, 5%, 2.5%, 1%, 0.5%, 0.1%, before taking into account any application of derivatives or other hedging instruments [*at columns C206 to C220*]~~ ~~Note that at the lower percentiles, and perhaps at the mean, the fall in asset values could be negative (ie asset values increase).~~ ~~If the firm does not hold any assets in the category referred to in the row title, state this in column C301 enter zero in C101 (and zero in C102 if nominal value appropriate) and leave C201, C205 to C221 blank.~~ ~~In column C301 provide any notes relevant to the modelled fall of the asset category in question.~~
MKT201~~205~~	Property (other than for own use) ~~Model outputs for property~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Property (other than for own use)'(R0080), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '9 – Properties'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Property (other than for own use)'(R0080), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '9 – Properties'; and • {MKT201, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for directly held property investments.~~
MKT202~~209~~	Holdings in related undertakings, including participations ~~Model outputs for investments in undertakings that are within the same group as the undertaking~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, Holdings in related undertakings, including participations'(R0090), C0010}. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Holdings in related undertakings, including participations'(R0090), C0010}; and • {MKT202, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for:~~ • ~~Holdings in related undertakings, including participations (reported on Solvency II reporting template S.02.01.01 at item R0090) ;~~ • ~~Loans and mortgages (reported on Solvency II reporting template S.02.01.01 at item R0260) where the counterparty is an undertaking within the same group as the undertaking; and~~ • ~~any other assets (reported on Solvency II reporting template S.02.01.01 at item R0420) where the counterparty or issuer is an undertaking within the same group as the undertaking.~~
MKT203~~204~~	Equities ~~Model outputs for~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the

~~***Market risk template(s) (IM.03.07.01)***~~ ITEM		INSTRUCTIONS
	~~equities~~	Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Equities'(R0100), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is'3L – Listed equity' or '3X – Unlisted equity'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Equities'(R0100), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '3L – Listed equity' or '3X – Unlisted equity'; and • {MKT203, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for directly held equities.~~
MKT204~~202~~	Government bonds ~~Model outputs for other sovereign bonds and corporate bonds~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Government Bonds'(R0140), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '1 – Government bonds'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Government Bonds'(R0140), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '1 – Government bonds'; and • {MKT204, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for directly held Organisation for Economic Co-operation and Development (OECD) or European Economic Area (EEA) sovereign bonds~~
MKT205~~203~~	Corporate bonds ~~Model outputs for other sovereign bonds and corporate bonds~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Corporate Bonds'(R0150), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '2– Corporate bonds'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Corporate Bonds'(R0150), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '2– Corporate bonds'; and • {MKT205, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for directly held corporate bonds and sovereign bonds that are not OECD or EEA.~~
MKT206	Structured notes	In column C101 provide the Solvency II value at the reference date of

~~***Market risk template(s) (IM.03.07.01)***~~ **ITEM**		**INSTRUCTIONS**
		investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Structured notes'(R0160), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '5 – Structured notes'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Structured notes'(R0160), C0010} plus sum of {S.06.03.01, 'Total amount' (C0060)} over all rows where 'underlying asset category' (C0030) is '5 – Structured notes'; and • {MKT206, C101}
MKT207~~206~~	Collateralised securities ~~Model outputs for asset backed securities~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Collateralised securities'(R0170), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '6 – Collateralised securities'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Collateralised securities'(R0170), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '6 – Collateralised securities'; and • {MKT207, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for directly held asset backed securities.~~
MKT208	Derivatives ~~Model outputs for derivatives~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Derivatives'(R0190), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is 'A', 'B', 'C', 'D', or 'E'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Derivatives'(R0190), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is 'A', 'B', 'C', 'D', or 'E'; and • {MKT208, C101} ~~Provide the following items for derivatives and other hedging instruments:~~ ~~• market value at the reference date (*at column C101*);~~ ~~• the impact of the application of these instruments on the modelled mean fall in the value over the one-year from the reference date of all assets included in rows MKT201 to MKT207 and MKT209 to MKT210 taken in aggregate (*at column C201*);~~ ~~• the impact of the application of these instruments on the modelled maximum and minimum fall in the value over the one-year from the reference date of all assets included in rows MKT201 to MKT207 and~~

~~***Market risk template(s) (IM.03.07.01)***~~ **ITEM**		**INSTRUCTIONS**
		~~MKT209 to MKT210 taken aggregate (*at column C205 and C221*); and~~ • ~~the impact of the application of these instruments on the modelled fall in the value over the one-year from the reference date of all asset included in rows MKT201 to MKT207 and MKT209 to MKT210 taken in aggregate at the percentiles: 99.9%, 99.5%, 99%, 97.5%, 95%, 90%, 75%, 50%, 25%, 10%, 5%, 2.5%, 1%, 0.5%, 0.1% (*at columns C206 to C220*).~~ ~~It might be that impact of these instruments has an opposite sign to the modelled fall in the value over the one-year from the reference date of all assets included in rows MKT201 to MKT207 and MKT209 to MKT210 taken in aggregate. Eg if at a particular percentile the output for an asset class is a fall in the value of that asset class of 250 absent of these instruments and a fall in the value of the asset class of 200 after applying these instruments, then the impact of these instruments at that percentile would be a fall in asset values of -50 (ie minus 50).~~ ~~As derivatives and other hedging instruments can impact changes in asset values in many different ways, firms should report this row on a best efforts basis. In particular it may not be practical to identify the impact of these instruments on assets not directly held (*row MKT207*), investments in connected parties (*row MKT209*) or other assets (*row MKT210*).~~
MKT209	Deposits other than cash equivalents	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Deposits other than cash equivalents'(R0200), C0010}. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Deposits other than cash equivalents'(R0200), C0010}; and • {MKT209, C101}.
MKT210	Other investments~~Model outputs for other assets~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Other investments'(R0210), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '0 – Other investments (including receivables)'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Other investments'(R0210), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '0 – Other investments (including receivables)'; and • {MKT210, C101}. ~~Provide the items set out under 'Model outputs at asset category level' above for the firm's assets included within 'Investments (other than assets held for index-linked and unit-linked contracts)', 'Cash and cash equivalents' and 'Any other assets, not elsewhere shown' reported on the Solvency II reporting template S.02.01.01 that are not covered in rows MKT201 to MKT209 above.~~ ~~State in column C301 a brief explanation of the assets included in row MKT210~~

~~Market risk template(s) (IM.03.07.01)~~		
ITEM		**INSTRUCTIONS**
MKT211	Other loans and mortgages	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and are included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Other loans and mortgages'(R0260), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '8 – Mortgages and loans'. In column C301 provide an explanation of: a) Any difference between value reported in: • Solvency II reporting templates : {S.02.01.01, 'Other loans and mortgages'(R0260), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '8 – Mortgages and loans'; and • {MKT211, C101}. b) The amount included in in Solvency II reporting template {S.02.01.01, 'Other loans and mortgages'(R0260), C0010} which is attributable to a counterparty that is the ultimate parent of the firm or a counterparty whose ultimate parent is also the ultimate parent of the firm. c) The amount included in {MKT211, C101} which is attributable to a counterparty that is the ultimate parent of the firm or a counterparty whose ultimate parent is also the ultimate parent of the firm.
MKT212~~201, C101~~	Cash and cash equivalents ~~Model outputs for cash assets~~	In column C101 provide the Solvency II value at the reference date of cash and cash equivalents that are within scope of the model and is included in the Solvency II reporting templates at: • {Balance sheet template S.02.01.01, 'Cash and cash equivalents'(R0410), C0010}; or • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '7 – Cash and deposits'. In column C301 provide an explanation of any difference between the value reported in: • Solvency II reporting templates : {S.02.01.01, 'Cash and cash equivalents'(R0410), C0010} plus sum of {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '7 – Cash and deposits'; and • {MKT212, C101} ~~Provide the items set out under 'Model outputs at asset category level' above for directly held cash.~~
MKT213~~207, C101~~	Collective investment undertakings ~~Model outputs for asset not directly held~~	In column C101 provide the Solvency II value at the reference date of investments that are within scope of the model and is included in the Solvency II reporting templates at: • {Collective investment undertakings template S.06.03.01, C0060} where 'underlying asset category' {S.06.03, C0030} is '4 – Collective Investment Undertakings'. In column C301 provide an explanation of: a) Any difference between: • The sum of the values reported in Solvency II reporting templates {S.06.03.01, 'Total amount'(C0060)} over all rows where 'underlying asset category' (C0030) is '4 – Collective Investment Undertakings'; and • {MKT213, C101} b) How this asset class is modelled (e.g. if the assets reported in

~~Market risk template(s) (IM.03.07.01)~~		
ITEM		**INSTRUCTIONS**
		{MKT2013, C101} were treated as a particular asset type in the model, an explanation of what that asset type is). ~~Provide the items set out under 'Model outputs at asset category level' above for the aggregate of cash, sovereign bonds, corporate bonds, equities, property and asset backed securities that are not directly held (ie are held via managed funds, hedge funds):~~ ~~As it may not be practical to provide the outputs for this asset class before taking into account any application of derivatives or other hedging instruments, firms should report this row on a best efforts basis.~~
MKT214~~211~~	~~Model outputs for~~ ~~t~~Total assets within scope of market risk	~~Provide the items set out under 'Model outputs at asset category level' above for total assets within scope of the market risk module of the internal model. However, the outputs are to be after taking into account any application of derivatives or other hedging instruments~~ ~~In column C101, t~~The market value of all assets within scope of the model. ~~reported at row MKT211~~ This should equal the sum of the market values reported at rows MKT201 to MKT213~~0~~. ~~Note that for total assets within scope of the model (row MKT211), the fall in value and the fall in value at the various percentiles should take into account diversification between asset categories in the model.~~
MKT215~~216~~ ~~, C101~~	Asset duration (total portfolio)	Row MKT214~~216~~ applies to all the undertaking's "relevant assets" ~~converted to GBP~~. Weighted average duration of future asset~~s~~ cash flows at the reporting reference date is defined as: $\frac{\sum_{\text{all } i}(\text{actual [undiscounted] cash flow from "relevant assets" at time } i) * i}{\sum_{\text{all } i} \text{actual [undiscounted] cash flow from "relevant assets" at time } i}$ Where: • "Relevant assets" are those for which the item 'duration' is reported in Solvency II Reporting template S.06.02.01.
MKT216~~217~~, ~~C101~~	Best estimate duration (total portfolio)	MKT215~~217~~ applies to all the undertaking's best estimate cash-flows ~~converted to GBP~~. Weighted average duration of the future cash flows on which the best estimate at the reporting reference date is based is defined as: $\frac{\sum_{\text{all } i}(\text{actual [undiscounted] best estimate net of reinsurance cash flow at time } i) *}{\sum_{\text{all } i}(\text{actual [undiscounted] best estimate net of reinsurance cash flow at time}) \, i}$ Where: • best estimate cash-flows are those included in Solvency II reporting templates ~~S.13.01.01 (at columns C0130 to C0160) and S.18.01.01~~ S.02.01.01 at column C0010 and rows: R0530, R0540, R0570, R0580, R0620, R0630, R0660, R0670 relating to non-life obligations and annuities stemming from non-life insurance and reinsurance contracts.
MKT217~~214~~ ~~,C101~~	PV100	~~Row MKT214 applies to all the undertaking's assets and liabilities reported on Solvency II Reporting template S.02.01.01 converted to GBP.~~ The proportional change in the excess of assets over liabilities (the quantum reported on Solvency II reported templates at {S.02.01.01, R1000, C0010}) ~~{present value of asset cash-flows minus the present value of liability cash-flows}~~ from an increase in the risk-free yield curve from that at the reference date at all durations (i.e. parallel shift in the risk-free yield curve) of one hundred basis points (i.e.if at a point on the yield curve the risk-free rate is 1.783%, an increase of one hundred basis points would result in ~~give you~~ a risk-free rate of 2.783%). ~~When calculating PV100 firms should assume no change to any other~~

~~***Market risk template(s) (IM.03.07.01)***~~ **ITEM**		**INSTRUCTIONS**
		~~economic variables (e.g. no change to the inflation curve). (The present value of asset cash-flows will normally be the market value of assets.)~~ The risk-free yield curve at the reference date is the 'Basic RFR curves NO volatility adjustment' published by EIOPA at the reference date for the: ➢ Euro if the reporting currency is EUR, or ➢ The country pertaining to the reporting currency (e.g. United Kingdom if the reporting currency is GBP, United States if the reporting currency is USD, Japan if the currency is JPY, etc). In column C301 state any asset or liability items that have been excluded from the PV100 calculation (using the descriptions of asset and liability items in Solvency II reporting template S.02.01.01).
MKT218~~212~~	Total invested assets	~~Provide~~ The market value ~~at the reference date~~ of total assets that would be reported under 'Investments (other than assets held for index-linked and unit-linked contracts)', 'Cash and cash equivalents' and 'Any other assets, not elsewhere shown' reported on the Solvency II reporting template S.02.01.01. ~~A key purpose of the reporting of total invested assets is so that assets not in scope of the market risk module of the internal model are transparent. Therefore in column C301 provide a brief explanation of any differences between this item and total assets within scope of market risk reported in row MKT211 and column C101).~~
MKT219~~213~~	Total best estimate technical provisions	~~Provide~~ The best estimate technical provisions at the reference date converted to GBP. This should be not materially different to the amount reported at Solvency II Reporting templates: • S.17.01 at row R0270 and column C0180 plus • S.12.01 at row R0090 and column C0090 plus • S.12.01 at row R0010 and column C0140 plus • S.12.01 at row R0090 and column C0190 If there is a material difference this should be explained in column C301. ~~A key purpose of the reporting of best estimate is so that mismatch of assets to liabilities by currency is transparent (by comparing this item with total assets within scope of market risk reported in row MKT211 and column C101).~~ ~~This item should be less than the market value of total invested assets reported at row MKT212 column C101~~
~~MKT215, C101~~	~~IE100~~	~~Row MKT215 applies to all the undertaking's assets and liabilities reported on Solvency II Reporting template S.02.01.01 converted to GBP~~ ~~The change in {present value of the asset cash-flows minus the present value of liability cash-flows} from an increase in the inflation curve (RPI) of one hundred basis points (ie if at a point on the inflation curve the inflation rate is 1.783%, an increase of one hundred basis points would give you a rate of 2.783%).~~ ~~When calculating IE100 firms should assume no change to any other economic variables (e.g. no change to risk-free yield curve). (The present value of asset cash-flows will normally be the market value of assets.)~~
~~MKT221 to MKT237~~		~~As per MKT201 to MKT217 but only for assets, liabilities and cash-flows denominated in GBP.~~ ~~The monetary amounts in these rows are to be reported in the 'Currency used for reporting' entered at item Z0110 on the basic information template.~~
~~MKT241 to MKT257~~		~~As per MKT201 to MKT217 but only for assets, liabilities and cash-flows denominated in the currency reported at item MKT002.~~ ~~All monetary amounts in these rows are to be in the 'Currency used for reporting' entered at item Z0110 on the basic information template.~~
~~MKT261 to~~		~~As per MKT201 to MKT217 but only for assets, liabilities and cash-flows~~

~~*Market risk template(s) (IM.03.07.01)*~~ ITEM		INSTRUCTIONS
~~MKT277~~		~~denominated in the currency reported at item MKT003.~~ ~~All monetary amounts in these rows are to be in the 'Currency used for reporting' entered at item Z0110 on the basic information template.~~
~~MKT281 to MKT297~~		~~As per MKT201to MKT217 but only for assets, liabilities and cash-flows denominated in the currency reported at item MKT004.~~ ~~All monetary amounts in these rows are to be in the 'Currency used for reporting' entered at item Z0110 on the basic information template.~~
MKT301 to MKT306 MKT401 to MKT408; MKT421 to MKT426; MKT441 to MKT446; MKT461 to MKT466 MKT501 to MKT505; MKT601 to MKT626; MKT651 to MKT675 MKT701 to MKT725; MKT751 to MKT775; MKT791 to MKT796; MKT801 to MKT805; MKT901 to MKT906; MKT921 to MKT926; MKT941 to MKT946; MKT961 to MKT966	Outputs for specific risks	For the output distributions referred to in each of these rows firms are expected to provide, in columns C101, <u>C102 (if applicable), </u>C201 (if applicable), and C205 to C221, the following items: • The value at the reference date that is the base for the output distribution in question [*at column C101*]. E.g. If the output distribution in question is: ➢ Increase in equity volatility 10 year at the money (ATM) put option, then in column C101 enter the equity volatility 10 year ATM put option at the reference date. ➢ Increase in risk-free zero coupon bond spot yield of term N, then in column C101 enter the risk-free zero coupon bond spot yield of term N at the reference date. ➢ Increase in implied inflation spot yield of term N, then in column C101 enter the implied inflation spot yield of term N at the reference date. ➢ Increase in [AAA, AA, A, BBB or B] rated ZCB spot rate spread (over RF) of term N, then in column C101 enter the [AAA, AA, A, BBB or B] rated ZCB spot rate spread (over RF) of term N at the reference date. ➢ Increase in spread of swaps over gilts spot rate of term N, then in column C101 enter spread of swaps over gilts spot rate N at the reference date. ➢ Relative increase in exchange rate to GBP, then in column C101 enter the exchange rate to GBP at the reference date. • Mean, standard deviation and ~~skewness~~ of the output distribution [~~*at*~~ *column<u>s</u> C201<u>, C202, C203 respectively</u>*]. • Maximum and minimum values in the output distribution [~~*at*~~ *column<u>s</u> C205 and C221 respectively*], • The following percentiles of the output distribution: 99.9%, 99.5%, 99%, 97.5%, 95%, 90%, 75%, 50%, 25%, 10%, 5%, 2.5%, 1%, 0.5%, 0.1% [~~*at*~~ *columns C206 to C220 respectively*] Where an increase is to be reported it is to be expressed as an absolute quantum of the increase from the base value reported at column C101 (unless otherwise stated). For example if the risk-free zero coupon bond spot yield of term T at the reference date is 4.00% and the output distribution of the risk-free zero coupon bond spot yield of term T at time t=1 [or at the reference date immediately after an instantaneous change] has a: • mean of 3.80%, • 90th percentile of 5.00%, • 2.5th percentile of 2.30% then the base value reported at column C101 is 4.00% and • the mean increase reported at column C201 is minus 0.20% (-0.20%), • the 90th percentile increase reported at column C208 is +1.00%, • the 2.5th percentile increase reported at column C217 is minus 1.70% (-1.70%). If an item referred to in one of these rows is not modelled, columns C101, C102, C201 to C221 should left blank and an explanation that the item is not modelled provided in column C301.
~~MKT301 to~~		~~Rows MKT301 to MKT306 only need be reported if the firm writes life as well~~

~~*Market risk template(s) (IM.03.07.01)*~~ ITEM		INSTRUCTIONS
~~MKT306~~		~~as non-life business.~~ ~~These rows only relate to GBP denominated assets.~~ ~~For rows MKT302, MKT303 and MKT306 change in volatility *t* year ATM (at the money) put option is defined as:~~
MKT301	Well diversified equity portfolio total annual return	This row is only expected to be reported if the firm writes life as well as non-life business. Well diversified equity portfolio total annual return. ~~The output distribution to be reported is of the modelled annual return on a portfolio of equities (as opposed to an individual equity)~~
MKT302	Equity volatility 1 year	This row is only expected to be reported if the firm writes life as well as non-life business. Increase in equity volatility 1 year ATM put option. At the money (rows MKT302, MKT303, MKT306) is defined as: Strike = 1 * Spot * exp[(r(t) – q)t] for a t-year option where r(t) is continuously compounded t-year interest rate and q is continuously compounded dividend (q>0 for a price index such as FTSE, q=0 for a total return index). (i.e. a forward strike of 1).
MKT303	Equity volatility 10 year	This row is only expected to be reported if the firm writes life as well as non-life business. Increase in equity volatility 10 year ATM put option. (For definition see MKT302.)
MKT304	Property commercial portfolio total annual return	This row is only expected to be reported if the firm writes life as well as non-life business. ~~Property commercial portfolio instantaneous fall~~ Property commercial portfolio total annual return.
MKT305	Property residential total annual return	This row is only expected to be reported if the firm writes life as well as non-life business. ~~Property residential portfolio instantaneous fall~~ Property residential portfolio total annual return.
MKT306	Property volatility 10 year	This row is only expected to be reported if the firm writes life as well as non-life business. Increase in property volatility 10 year ATM option. (For definition see MKT302.)
~~MKT401 to MKT466;~~	~~Risk free rates data~~	~~In rows MKT401 to MKT4685:~~ • ~~The increase in risk-free zero coupon bond yields is the increase in the risk-free annualised continuously compounded rate for a zero coupon bond of term T years from that at the reference date to that at time t=1 [or at the reference date immediately after an instantaneous change]. E.g. risk-free rate at reference date = 4.00%, 90th percentile risk-free rate = 5.00%, 90th percentile increase from that at reference date = +1.00%~~ • ~~at column C101 provide the risk-free zero coupon bond spot rate for the respective term at the reporting reference date.~~ • ~~The terms for which outputs are required are 1, 2, 5, 10, 15 and 25 years.~~ • ~~The risk-free rates referred to above are the basic risk-free rate curves used in the calculation of the best estimate of the technical provision.~~
MKT401	GBP interest rate risk term 1	Increase in risk-free zero coupon GBP bond spot yield Term 1. The increase in risk free zero coupon bond yields is the increase in risk free annualised continuously compounded rate from best estimate of the risk free spot yield for a zero coupon bond of term T years as specified, e.g. best estimate risk free rate = 4.00%, 90th percentile risk free rate = 5.00%, change from best estimate = +1.00%.
MKT402	GBP interest rate risk term 2	Increase in risk-free zero coupon GBP bond spot yield Term 2.
MKT403	GBP interest rate risk term 5	Increase in risk-free zero coupon GBP bond spot yield Term 5.
MKT404	GBP interest rate	Increase in risk-free zero coupon GBP bond spot yield Term 10.

~~***Market risk template(s) (IM.03.07.01)***~~ **ITEM**		**INSTRUCTIONS**
	risk term 10	
MKT405	GBP interest rate risk term 15	Increase in risk-free zero coupon GBP bond spot yield Term 15~~20.~~
MKT406	GBP interest rate risk term 25	Increase in risk-free zero coupon GBP bond spot yield Term 25. This row ~~item need~~ is only expected to be reported ~~completed~~ if: • the firm has obligations to pay claims settled by PPOs, or • the firm's SCR includes an amount for risk relating to pension scheme obligations.
MKT407	GBP IAS19 discount rate – risk free component	This ~~R~~row ~~MKT407 only need~~ is only expected to be reported if the firm writes life as well as non-life business. Increase in risk free rate component of IAS19 discount rate.
MKT408	Implied interest rate volatility	This ~~R~~row ~~MKT408 only need~~ is only expected to be reported if the firm writes life as well as non-life business. Increase in implied GBP interest rate volatility on 5 X 15 ATM swaption.
MKT421 to MKT426		As per MKT401 to MKT406 but: • MKT421 to MKT426 relate to~~for~~ the currency entered at item MKT002. • If no currency entered at item MKT002 these rows are not expected to be completed. • MKT426 is only expected to be completed if: ➢ the firm has obligations to pay claims settled by PPOs in the currency entered at item MKT002, or ➢ the firm's SCR includes an amount for risk relating to pension scheme obligations denominated in the currency entered at item MKT002.
MKT441 to MKT446		As per MKT401 to MKT406 but: • MKT421 to MKT426 relate to~~for~~ the currency entered at item MKT003. • If no currency entered at item MKT003 these rows are not expected to be completed. • MKT426 are not expected to be completed if: ➢ the firm has obligations to pay claims settled by PPOs in the currency entered at item MKT003, or ➢ the firm's SCR includes an amount for risk relating to pension scheme obligations denominated in the currency entered at item MKT003.
MKT461 to MKT466		As per MKT401 to MKT406 but: • MKT461 to MKT466 relate to~~for~~ the currency entered at item MKT004. • If no currency entered at item MKT004 these rows are not expected to be completed. • MKT426 is only expected to be completed if: ➢ the firm has obligations to pay claims settled by PPOs in the currency entered at item MKT004, or ➢ the firm's SCR includes an amount for risk relating to pension scheme obligations denominated in the currency entered at item MKT004.
~~MKT501 to MKT505~~		~~Columns MKT501 to MKT505 only need be reported if the firm writes life as well as non-life business.~~ ~~These rows only relate to GBP denominated assets.~~ ~~The increase in implied inflation spot yields for term T is the increase in the implied inflation spot yield for a zero coupon bond of term T from that at the reference date to that at time t=1 [or to that after an instantaneous change].~~ ~~At column C101 report the implied inflation spot yield for the respective term at the reference date.~~
MKT501	Implied inflation ~~risk~~ term 2	This row is only expected to be reported if the firm writes life as well as non-life business and relates only to GBP denominated assets.

~~***Market risk template(s) (IM.03.07.01)***~~ **ITEM**		**INSTRUCTIONS**
		Increase in implied inflation spot yield Term 2. The increase in implied inflation spot yields is the increase in best estimate of the implied inflation spot yield for a zero coupon bond of term T years as specified. e.g. best estimate risk free rate = 2.00%, 90th percentile risk free rate = 3.00%, change from best estimate = +1.00%. At column C101 report the implied inflation spot yield for the respective term at the reference date.
MKT502	Implied inflation ~~risk~~ term 5	This row only expected to be reported if the firm writes life as well as non-life business and relates only to GBP denominated assets. Increase in implied inflation spot yield Term 5.
MKT503	Implied inflation ~~risk~~ term 10	This row only expected to be reported if the firm writes life as well as non-life business and relates only to GBP denominated assets. Increase in implied inflation spot yield Term 10.
MKT504	Implied inflation ~~risk~~ term 15	This row only expected to be reported if the firm writes life as well as non-life business and relates only to GBP denominated assets. Increase in implied inflation spot yield Term 15.
MKT505	Implied inflation ~~risk~~ term 25	This row only expected to be reported if the firm writes life as well as non-life business and relates only to GBP denominated assets. Increase in implied inflation spot yield Term 25.
~~MKT601 to MKT775~~	~~Credit spread~~	~~In rows MKT601 to MKT775:~~ • ~~The increase in spot yield spreads (over risk-free) is the increase in the spread (expressed as an annualised rate) offor an [AAA etc] rated zero coupon bond (ZCP) of term T years from that at the reference date to that at time t=1 [or at the reference date immediately after an instantaneous change] E.g. spread at reference date (reported at column C101) = 3.00%, 90th percentile spread = 5.00%, 90th percentile increase in spread (reported at column C211) = +2.00%.~~ • ~~The spread at time t=1 [or immediately after an instantaneous change] should take into account the combined impact of spread widening, migrations and default. Where necessary they should include an adjustment so as to be post-diversification with the risk drivers represented by the other rows. In other words, at any given percentile, applying the stresses in these rows simultaneously to the firm's own portfolio of assets in the specified currency should give the same impact as if the asset-side credit risk losses had been calculated using the firm's internal model (allowing for diversification between the risk factors). include all modelled factors that could drive an increase in the modelled spread (ie drive a reduction in modelled bond price).~~ • ~~At column C101 provide report the spread (over the risk-free zero coupon bond spot yield) for a zero coupon bond of the respective rating and term at the Reporting Reference Date.~~ • ~~The terms for which outputs are required expected are 1, 2, 5, 10 and 15 years.~~ • ~~At cell row MKT601and column C301 provide the definition of spread used in the firm's model, including the definition of risk-free used in the definition of spread.~~
MKT601	GBP AAA spread term 1	Increase in GBP AAA rate ZCB spot yield spread (over RF) Term 1. The increase in spot yield spreads is the increase from best estimate of the spread (expressed as an annualised yield) for an [AAA etc]-rate zero coupon bond of term T years as specified. e.g. best estimate spread = 3.00%, 90th percentile spread = 5.00%, change from best estimate = +2.00%. The values in rows MKT601 to MKT775 should take into account the combined impact of spread widening, migrations and default. Where necessary they should include an adjustment so as to be post-diversification

~~***Market risk template(s) (IM.03.07.01)***~~

ITEM		INSTRUCTIONS
		with the risk drivers represented by the other rows. In other words, at any given percentile, applying the stresses in rows MKT601 to MKT775 simultaneously to the firm's own portfolio of assets in the specified currency should give the same impact as if the asset-side credit risk losses had been calculated using the firm's internal model (allowing for diversification between the risk factors).
MKT602	GBP AAA spread term 2	Increase in GBP AAA rate ZCB spot yield spread (over RF) Term 2.
MKT603	GBP AAA spread term 5	Increase in GBP AAA rate ZCB spot yield spread (over RF) Term 5.
MKT604	GBP AAA spread term 10	Increase in GBP AAA rate ZCB spot yield spread (over RF) Term 10.
MKT605	GBP AAA spread term 15	Increase in GBP AAA rate ZCB spot yield spread (over RF) Term 15.
MKT606	GBP AA spread term 1	Increase in GBP AA rate ZCB spot yield spread (over RF) Term 1.
MKT607	GBP AA spread term 2	Increase in GBP AA rate ZCB spot yield spread (over RF) Term 2.
MKT608	GBP AA spread term 5	Increase in GBP AA rate ZCB spot yield spread (over RF) Term 5.
MKT609	GBP AA spread term 10	Increase in GBP AA rate ZCB spot yield spread (over RF) Term 10.
MKT610	GBP AA spread term 15	Increase in GBP AA rate ZCB spot yield spread (over RF) Term 15.
MKT611	GBP A spread term 1	Increase in GBP A rate ZCB spot yield spread (over RF) Term 1.
MKT612	GBP A spread term 2	Increase in GBP A rate ZCB spot yield spread (over RF) Term 2.
MKT613	GBP A spread term 5	Increase in GBP A rate ZCB spot yield spread (over RF) Term 5.
MKT614	GBP A spread term 10	Increase in GBP A rate ZCB spot yield spread (over RF) Term 10.
MKT615	GBP A spread term 15	Increase in GBP A rate ZCB spot yield spread (over RF) Term 15.
MKT616	GBP BBB spread term 1	Increase in GBP BBB rate ZCB spot yield spread (over RF) Term 1.
MKT617	GBP BBB spread term 2	Increase in GBP BBB rate ZCB spot yield spread (over RF) Term 2.
MKT618	GBP BBB spread term 5	Increase in GBP BBB rate ZCB spot yield spread (over RF) Term 5.
MKT619	GBP BBB spread term 10	Increase in GBP BBB rate ZCB spot yield spread (over RF) Term 10.
MKT620	GBP BBB spread term 15~~20~~	Increase in GBP BBB rate ZCB spot yield spread (over RF) Term 15.
MKT621	GBP B spread term 1	Increase in GBP B rate ZCB spot yield spread (over RF) Term 1.
MKT622	GBP B spread term 2	Increase in GBP B rate ZCB spot yield spread (over RF) Term 2.
MKT623	GBP B spread term 5	Increase in GBP B rate ZCB spot yield spread (over RF) Term 5.
MKT624	GBP B spread term 10	Increase in GBP B rate ZCB spot yield spread (over RF) Term 10.
MKT625	GBP B spread term 15	Increase in GBP B rate ZCB spot yield spread (over RF) Term 15.

~~***Market risk template(s) (IM.03.07.01)***~~		
ITEM		**INSTRUCTIONS**
MKT626	GBP IAS19 discount yield –credit spread component	Row MKT628 ~~only need~~ is only expected to-be reported if the firm writes life as well as non-life business. Increase in risk credit spread component of IAS19 discount yield.
MKT651 to MKT675		As per MKT601 to MKT625 but for the currency entered at MKT002.
MKT701 to MKT725		As per MKT601 to MKT625 but for the currency entered at MKT003.
MKT751 to MKT775		As per MKT601 to MKT625 but for the currency entered at MKT004.
~~MKT791 to MKT796~~	~~GBP swap spreads~~	~~In rows MKT791 to MKT796:~~ • ~~Provide Firms are to report the increase in the spread of swaps over government bonds. This is the increase of the spread of swaps over government bonds for term T years from that at the reference date to that at time =1 [or at the reference date immediately after an instantaneous change].~~ • ~~Where the swap yield is higher/lower than the government bond yield, the spread should be set as positive / negative.~~ • ~~The spread of swaps over government bonds should be is the difference between the two zero coupon yield curves implied by swap yields and government bond prices (as opposed to the difference between spread of swap yields and over redemption yields for coupon bearing government bonds).~~ • ~~In column C101 the spread of swaps over government bonds at the reference date is to be reported~~ • ~~Eg spread at reference date (reported in column C101) = 1.00%, 90th percentile spread at time t=1 is 1.40%, 90th percentile increase in spread (reported at column C211) = +0.4%.~~
MKT791	~~GBP~~ Gilt swap spread risk term 1	Increase in spread of swaps over gilts spot yield for ~~a~~ ~~t~~Term ~~of~~ 1 ~~year~~. The increase in spread of swaps over gilts is the increase from best estimate of the spread for between swaps and gilts for term T years. Where the swap rate is higher/lower than the gilt rate, the difference should be set as positive/negative. This should be the difference between the two zero coupon yield curves implied by swap rates and gilt prices (as opposed to difference between swap rates and redemption yields for coupon bearing gilts), e.g. best estimate spread = 1.00%, 90th percentile spread = 1.40%, change from best estimate = +0.40%. In column C101 the spread of swaps over gilts at the reference date is to be reported.
MKT792	~~GBP~~Gilt swap spread risk term 2	Increase in spread of swaps over gilts spot yield for a term of 2 years.
MKT793	~~GBP~~Gilt swap spread risk term 5	Increase in spread of swaps over gilts spot yield for a term of 5 years.
MKT794	~~GBP~~Gilt swap spread risk term 10	Increase in spread of swaps over gilts spot yield for a term of 10 years.
MKT795	~~GBP~~Gilt swap spread risk term 15	Increase in spread of swaps over gilts spot yield for a term of 15 years.
MKT796	~~GBP~~Gilt swap spread risk term 25	This row~~item~~ ~~need~~ is only expected to be reported~~completed~~ if: • the firm has obligations to pay claims settled by PPOs, or • the firm's SCR includes pension scheme obligation risk. Increase in spread of swaps over gilts spot yield for a term of 25 years.
MKT801 to MKT803	exchange rate~~yield~~ ~~risk~~	At column C101 report the relevant currency exchange rate at the reference date for the conversion of GBP to the relevant currency~~ies to GBP~~. For example if the USD to GBP exchange rate is £1= $1.5608 enter 1.5608 (and

~~Market risk template(s) (IM.03.07.01)~~

ITEM		INSTRUCTIONS
		do not enter 0.6407); if the EUR to GBP exchange rate is £1=€1.2841 enter 1.2841 (and do not enter 0.7788). For the increase in exchange rate at columns C201 and C205 to C221 enter the relative increase from the exchange rate at the reference date to that at time t=1 [or at the reference date immediately after an instantaneous change] (expressed as a percentage). E.g. at reference date £1=€1.14, 90th percentile exchange ~~f/x~~rate at time t=1 is £1=€1.54. Then value (reported at column C101) is 1.14, 90th percentile increase in f/x rate (reported at column C211) is +35% (=(1.54-1.14)/1.14).
MKT801		Relative increase in the exchange rate of the currency reported at MKT~~001~~002 to GBP over one-year from that at the reference date. If 'n/a' is reported at MKT002 then row MKT~~803~~801 is to be left blank.
MKT802		Relative increase in the exchange rate of the currency reported at MKT~~002~~003 to GBP over one-year from that at the reference date. If 'n/a' is reported at MKT003 then row MKT~~805~~802 is to be left blank.
MKT803		Relative increase in the exchange rate of the currency reported at MKT~~003~~004 to GBP over one-year from that at the reference date. If 'n/a' is reported at MKT004 then row MKT~~805~~803 is to be left blank.
MKT901 to MKT905	Inflation spot yields ~~(RPI)~~	Provide in columns C201 to C221 the specified model outputs of GBP ~~retail price index (RPI)~~ inflation spot yields over terms 1, 2, 5, 10 and 15 years. (~~RPI~~Inflation spot yield over term N is the annualised inflation~~RPI~~ per annum over the N years from the reporting reference date.) If the model outputs more than one inflation measure, provide inflation spot yields for the measure of inflation used to derive scenarios of changes in Solvency II balance sheet asset values. (E.g. if the model outputs GBP retail price index (RPI) and cost price index (CPI) inflation measures, and the RPI is used to derive values of index linked bonds or equities, and the CPI is used to derive claim cost inflation, then the inflation spot yields provided should be RPI spot yields.) The ~~required~~ expected model outputs are: mean; standard deviation; ~~skewness~~; and the following percentiles – maximum simulated value, 99.9%, 99.5%, 99%, 97.5%, 95%, 90%, 75%, 50%, 25%, 10%, 5%, 2.5%, 1%, 0.5%, 0.1%, minimum simulated value.
MKT906	Inflation spot yields ~~(RPI)~~	This item ~~need~~ is only expected to be completed if: • the firm has obligations to pay claims settled by PPOs, or • the firm's SCR includes an amount for risk relating to pension scheme obligations. Provide in columns C201 to C221 the specified model outputs of GBP ~~retail price index (RPI)~~ inflation spot yields over term 25 years. (~~RPI~~Inflation spot yield over term N is the annualised inflation~~RPI~~ per annum over the N years from the reporting reference date.) If the model outputs more than one GBP inflation measure, provide inflation spot yields for the measure of GBP inflation used to derive scenarios of changes in Solvency II balance sheet asset values. The ~~required~~ expected model outputs are: mean; standard deviation; ~~skewness~~; and the following percentiles – maximum simulated value, 99.9%, 99.5%, 99%, 97.5%, 95%, 90%, 75%, 50%, 25%, 10%, 5%, 2.5%, 1%, 0.5%, 0.1%, minimum simulated value.
MKT907	Inflation measure	Provide a description of the measure of GBP inflation used in the outputs provided in rows MKT901 to MKT906 (and if applicable MKT907).
MKT908	Other inflation measures	List any GBP inflation measures, in addition to that provided in row MKT907, that are outputs of the model.
MKT921 to MKT~~926~~928	Inflation spot yields for most material non GBP currency	As per MKT901 to MKT~~906~~908 but for the currency entered at MKT002 (and not for GBP). If no currency is entered at MKT002, these rows can be left blank. ~~Item~~Row MKT926 ~~need~~ is only expected to be completed if:

~~***Market risk template(s) (IM.03.07.01)***~~		
ITEM		**INSTRUCTIONS**
		• the firm has obligations to pay claims settled by PPOs in the currency entered at item MKT002, or • the firm's SCR includes an amount for risk relating to pension scheme obligations denominated in the currency entered at item MKT002.
MKT941 to MKT~~946~~948	Inflation spot yields for second most material non GBP currency	As per MKT901 to MKT~~906~~908 but for the currency entered at MKT003 (and not for GBP). If no currency is entered at MKT003, these rows can be left blank. ~~Item~~Row MKT~~966~~946 ~~need~~ is only expected to be completed if: • the firm has obligations to pay claims settled by PPOs in the currency entered at item MKT003, or • the firm's SCR includes an amount for risk relating to pension scheme obligations denominated in the currency entered at item MKT003.
MKT961 to MKT~~966~~968	Inflation spot yields for third most material non GBP currency	As per MKT901 to MKT~~906~~908 but for the currency entered at MKT004 (and not for GBP). If no currency is entered at MKT004, these rows can be left blank. ~~Item~~Row MKT966 ~~need~~ is only expected to be completed if: • the firm has obligations to pay claims settled by PPOs in the currency entered at item MKT004, or • the firm's SCR includes an amount for risk relating to pension scheme obligations denominated in the currency entered at item MKT004.

Total Risk and Risk Module Output Distributions Template, 1 yr (IM.03.08.01)

~~***Total Risk and Risk Module Output Distributions template, 1 yr (IM.03.08.01)***~~	
ITEM	**INSTRUCTIONS**
~~Total Risk and Risk Module Output Distributions –~~ General comments	This template does not apply to internal model groups. In this tab ~~undertakings~~ firms are expected to report their internal model outputs for all quantifiable risks combined (~~at~~ *column C101*) and for each of the following: • Non-life underwriting risk (including that from health insurance and reinsurance obligations included in non-life lines of business – i.e. lines of business set out in Delegated Regulation (EU) 2015/35 Annex I sections A to C) (~~at~~ *column C102*), • Reserving risk (including that from health insurance and reinsurance obligations included in non-life lines of business – i.e. lines of business set out in Delegated Regulation (EU) 2015/35 Annex I sections A to C) (~~at~~ *column C103*), • Premium risk including catastrophe risk (including that from health insurance and reinsurance obligations included in non-life lines of business – i.e. lines of business set out in Delegated Regulation (EU) 2015/35 Annex I sections A to C - and including health catastrophe risks) (~~at~~ *column C104*), • Market risks (~~at~~ *column C105*), • Counterparty default risk (~~at~~ *column C106*), • Operational risk (~~at~~ *column C107*), • Other risks (~~at~~ *column C108*), • Aggregated reserving risk and premium risk output distributions – gross of reinsurance and undiscounted (~~at~~ *column C201*), • Aggregated reserving risk and premium risk output distributions – net of reinsurance (~~at~~ *column C202*), • Net combined ratio distribution – undiscounted (~~at~~ *column C203*) • Net combined ratio distribution – discounted (~~at~~ *column C204*) ~~Unless otherwise stated in this LOG.~~

~~*Total Risk and Risk Module Output Distributions template, 1 yr (IM.03.08.01)*~~		
ITEM		**INSTRUCTIONS**
		~~If the firm has (or is applying for) approval to calculate its SCR by~~ <u>For</u> partial internal model then: : • Column C101 should not be reported. • Each column C102 to C108 is reported only if the component(s) of the SCR relating to the risk category in question is(are) not fully calculated by internal model (e.g. column C105 is reported only if all the market risk components in the SCR are calculated by the internal model). • Columns C201and C202 are reported only if both columns C103 and C104 are reported. • Columns C203 and C204 are reported only if column C104 is reported This template is to be reported separately for: • the firm in total, and • each ring-fenced fund in the firm.
TRD001	Reason(s) if template not submitted	If a firm has not submitted this template, it is expected to provide an explanation as to why.
TRD002	Portfolio	State whether the output <u>distribution</u> reported on this template relate to: • The solo undertaking in total, or • A ring-fenced fund (to be identified in this cell.)
TRD003	Definition of total risk	Firms are expected to provide the definition of the distribution of the outputs of total risk reported in column C101. If the firm has (or is applying for) approval to calculate its SCR using a full internal model, the output distribution reported for total risk should be the reduction in basic own funds over the one-year period since the reference date before taking into any: • Capital requirement for business operate in accordance with Art. 4 of Directive 2003/41/EC (transitional), • Capital add-ons, • Loss absorbing capacity of technical provisions, • Loss absorbing capacity of deferred taxes, • Notional SCRs. <u>A reduction in basic own funds is to be shown as a positive number and an increase in basic own funds is to be shown as a negative number.</u> (i.e. the 99.5th percentile of the distribution should be a reduction in basic own funds that has an estimated likelihood of being exceeded of ½%). If a firm is using a different definition of the output distribution reported for total risk, the difference should be explained ~~at item TRD003~~. ~~If the firms has (or is applying for) approval to calculate its SCR using~~ <u>For</u> a partial internal model, ’partial internal model’ should be entered for this item.
TRD004	Definition of market risk	Firms should provide the definition of the distribution of the outputs of market risk reported in column C105. The definition should be the same as that reported on template ‘IM.03.07.01’ at row MKT101 and column C301. If there is a difference, an explanation of that difference is to be provided here.
TRD005	Components of ‘other risk’	Describe what is included in the ‘Other risks’ category. In particular state if pension obligation risk is included in this category. The ‘other’ risks category should include adjustments for risks not explicitly modelled within the other categories e.g. adjustment for model risk or parameter risk. ~~If the firm has (or is applying for) approval to calculate its SCR using~~ <u>For</u> a full internal model, the ‘other risk’ category should also include that part of total risk

~~***Total Risk and Risk Module Output Distributions template, 1 yr (IM.03.08.01)***~~		
ITEM		**INSTRUCTIONS**
		(i.e. that part of the reduction in basic own funds over the one-year period since the reference date – see TRD003 above) due to change in the risk margin over the one-year period since the reference date.
TRD101 to TRD132 / C101 to 108, C201 to C204	Total risks model outputs and risk module model outputs	Firms are expected to provide in these rows specified model outputs for all quantifiable risks combined and for the risk sub-modules listed in the general comments instructions for this template. The specified model outputs are: mean; standard deviation; ~~skewness;~~ and the following percentiles are - minimum simulated value, 0.1%, 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 55%, 60%, 65%, 70%, 75%, 80%, 85%, 90%, 95%, 96%, 97%, 98%, 99%, 99.5%, 99.9%, maximum simulated value. If the firm's internal model does not produce a full output distribution for a risk category listed in general comments above, then for the column in question: • Enter 'full model output distribution not produced' in row TRD104; • Report the entries in the other rows on a best efforts basis, entering 'n/a' if the ~~required~~ <u>expected</u> output is not available.
TRD101 to TRD132 / C101	Total risks model outputs	~~If firm has (or is applying for) approval to calculate its SCR by~~ <u>For</u> a full internal model, the output distribution for total risk reported in these cells should be the distribution for which the 99.5th percentile (i.e. the amount reported at *row TRD130 and column C101*) is the equivalent of The sum of rows R0110 and R0060 ~~required~~ <u>expected</u> to be reported on template S.25.03 if the firm calculates its SCR by full internal model. ~~If the firm has (or is applying for) approval to calculate its SCR by~~ <u>For</u> a partial internal model, this item should not be provided. The output distribution for total risk reported in these cells should be consistent with the definition reported ~~at item TRD003~~.
TRD101 to TRD132 / C102	Non-Life underwriting risks model outputs	~~The <u>output</u> distribution reported at column C102 is to be for all non-life underwriting risks (including NSLT health risks) in aggregate. It should allow for the diversification between the reserving risk distribution reported in column C103 and the premium risk distribution reported in column C104.~~ <u>The output distribution is the sum of the movements in the Balance Sheet items that relate specifically to insurance (underwriting) activity. These include cash-flows of premiums, claims, expenses, commissions as well as changes in Technical Provisions such as changes in: claims provisions, premium provision including BBNI, risk margin, ENIDs and other related Balance Sheet items. These figures should be on a Solvency II consistent basis.</u> ~~If the firm has (or is applying for) approval to calculate its SCR by~~ <u>For</u> partial internal model, this item is reported only if both columns C103 and C104 are reported. Otherwise this item should be reported.
TRD101 to TRD132 / C103	Reserve risk model outputs	The output distribution ~~reported in column C103~~ should be: • net of outward reinsurance, and • on a discounted basis. This item is reported only if all the components in the SCR relating to reserve risk are calculated by internal model. Otherwise this item should be reported.
TRD101 to TRD132 / C104	Premium risk (including CAT) model outputs	The <u>output</u> distribution ~~reported in column C104~~ should be: • net of outward reinsurance, and • on a discounted basis. ~~If the firm has (or is applying for) approval to calculate its SCR by~~ <u>For</u> partial internal model, this item is reported only if all the components in the SCR relating to premium (including catastrophe) risk are calculated by internal model. Otherwise this item should be reported.

~~***Total Risk and Risk Module Output Distributions template, 1 yr (IM.03.08.01)***~~		
ITEM		**INSTRUCTIONS**
TRD101 to TRD132 / C105	Market risks model outputs	The output distribution ~~reported in column C105~~ should be the same as that reported at row MKT101 and columns C201 to C221 in the market risk template. If there are any differences, firms are expected to provide an explanation of the difference in the information provided at ten TRD003 (i.e. the definition of market risk provided on this template at item TRD003 should include an explanation of any difference between the market risk distribution provided at column C105 on this template and the output distribution provided at row MKT101). ~~If the firm has (or is applying for) approval to calculate its SCR by~~ For partial internal model, this item is reported only if all the components in the SCR relating to market risk are calculated by internal model. Otherwise this item should be reported.
TRD101 to TRD132 / C106	Counterparty default risks model outputs	The output distribution ~~reported in column C106~~ is to cover risks arising from counterparty defaults on Type 1 and Type 2 exposures as defined in Delegated Regulation (EU) 2015/35 article 189(2) and(3) and from valuation changes. ~~If the firm has (or is applying for) approval to calculate its SCR by~~ For partial internal model, this item is reported only if all the components in the SCR relating to counterparty default risk are calculated by internal model. Otherwise this item should be reported.
TRD101 to TRD132 / C107	Operational risks model outputs	The output distribution ~~reported in column C107~~ is to cover risks that the firm allocates to operational risks. ~~If the firm has (or is applying for) approval to calculate its SCR by~~ For partial internal model, this item is reported only if all the components in the SCR relating to operational risk are calculated by internal model. Otherwise this item should be reported.
TRD101 to TRD132 / C108	Other risks model outputs	The output distribution reported for 'other risks' is to cover risks not covered in columns C103 to C107 above. ~~If the firm has (or is applying for) approval to calculate its SCR by~~ For partial internal model, this item ~~need~~ should not be reported. Otherwise this item should be reported. If there are no 'other risks' in the SCR, enter 'n/a' at row TRD101 column C108, and leave rest of column C108 blank.
TRD101 to TRD132 / C201	Sum of reserving and premium risk - gross	~~The output distribution reported in column C201 is a straight aggregation of the reserving and premium risk distributions gross of reinsurance before discounting and after dependencies between reserve risk and premium risk have been applied. i.e. the k^{th} simulation of the aggregated distribution is the k^{th} simulation of the reserve risk distribution plus the k^{th} simulation of the premium risk distribution after applying dependencies between the two.~~ ~~The reserveing risk distribution should be consistent with that reported at rows RES301 to RES332 at column C101, and the premium risk distribution should be consistent with that reported at rows PRE301 to PRE332 at column C101.3 before allowing for the time value of money.~~ The output distribution is the sum of gross undiscounted reserve risk and gross undiscounted premium risk distribution. Reserve risk distribution is the aggregate of all lines of business reserve distribution provided in reserve risk tab. If premium provision in included in reserve risk, then premium risk distribution is the aggregate of all lines of business written premium distribution. If premium provision is included in premium risk, then it is distribution of written premium plus UPR multiplied by the aggregate loss ratio, as provided in premium risk tab.

~~***Total Risk and Risk Module Output Distributions template, 1 yr (IM.03.08.01)***~~		
ITEM		**INSTRUCTIONS**
		This is different from C102 because it is not discounted and does not include expenses (depending on cashflows specified in RES002 and PRE002) nor changes in the other relevant Balance Sheet items.
TRD101 to TRD132 / C202	Sum of reserving and premium risk - net	~~The~~ output ~~distribution reported in column C202 is a straight aggregation of the reserving and premium risk distributions net of reinsurance before discounting and after dependencies between reserve risk and premium risk have been applied. i.e. the kth simulation of the aggregated distribution is the kth simulation of the reserve risk distribution plus the kth simulation of the premium risk distribution after applying dependencies between the two.~~ ~~The reserving risk distribution should be consistent with that reported at rows RES501 to RES532 at column C101, the premium risk distribution should be consistent with that reported at rows PRE501 to PRE532 at column C101.3 before allowing for the time value of money.~~ As per C201, but net of reinsurance and discounted basis.
TRD101 to TRD132 / C203	Net combined ratio - undiscounted	The output distribution ~~provided in column C203~~ is the net combined ratio on an undiscounted basis. The numerator and denominator of the net combined ratio should be consistent with the premium risk (including catastrophe risk) output distribution provided in column C104 though the combined ratio distribution should include ~~expenses in the numerator.~~ ULAE in the numerator and commission in the denominator. In particular if the premium provision at the reporting reference date is included in / excluded from the premium risk (including catastrophe risk) output distribution, it should be likewise included in / excluded from the net combined ratio distribution.
TRD101 to TRD132 / C204	Net combined ratio - discounted	As per ~~TRD101 to TRD132 /~~ C203 but on a discounted basis at the yields of the basic risk-free interest yield term structure applicable at the reporting ~~relevant~~ reference date.

Total Risk and Risk Module Distributions Template, Ultimate (MO.03.08.01)

~~***Total Risk and Risk Module Distributions template, Ultimate (MO.03.08.01)***~~		
ITEM		**INSTRUCTIONS**
~~Total risk and Risk Module Output Distributions –~~ General comments		~~The risk category level outputs in template MO.03.08.01 (including market risk) relate to the firm's definition of 'ultimate' time horizon.~~ As per template ~~for~~ 'IM.03.08.01' but on an ultimate time horizon basis. ~~and except for the following items described below.~~
~~TRD003~~	~~Definition of total risk~~	~~Under this item the firm can provide The definition of ultimate total risk that it uses in its model and an explanation of how the firm interprets ultimate total risk.~~
~~TRD004~~	~~Definition of market risk~~	~~Under this item the firm can provide The definition of ultimate market risk that it uses in its model and an explanation of how the firm interprets ultimate market risk.~~

Risk Module level Output Correlations Template, 1 yr (IM.03.09.01)

~~Risk Module level Output Correlations template, 1 yr (IM.03.09.01)~~		
ITEM		**INSTRUCTIONS**
~~Risk Module level Output Correlations –~~ General comments		This template does not apply to internal model groups. In this ~~tab~~ template firms are ~~required~~ expected to report output correlations between the risk categories for which model outputs are reported in the total risks distributions template.
TRC101 to TRC107, COL101 to COL107	Total risk output correlations	~~The outputs required~~ ~~expected~~ ~~on this tab are output linear correlation coefficients between one-year basis (i.e. SCR basis) model outputs. i.e. the output correlations on this tab are to be between pairs of output simulations from which the outputs reported on the 'Total Risks distributions' tab at rows TRD101 to TRD132 were obtained.~~ The output linear correlations coefficients between pairs of risks on an one-year time horizon basis. At row TRC102 report the model output correlations between premium risk and: • reserving risk (~~at~~ column C101) At row TRC104 report he model output correlations between market risk and: • Reserving risk (~~at~~ column C101) • Premium risk (~~at~~ column C102) • Non-Life underwriting risk (~~at~~ column C103) At row TRC105 report the model output correlations between total counterparty default risk and: • Reserving risk (~~at~~ column C101) • Premium risk (~~at~~ column C102) • Non-Life underwriting risk (~~at~~ column C103) • Market risk (~~at~~ column C104) At row TRC106 report he model output correlations between operational risk and: • Reserving risk (~~at~~ column C101) • Premium risk (~~at~~ column C102) • Non-Life underwriting risk (~~at~~ column C103) • Market risk (~~at~~ column C104) • Total counterparty default risk (~~at~~ column C105) At row TRC107 report he model output correlations between other risks and: • Reserving risk (~~at~~ column C101) • Premium risk (~~at~~ column C102) • Non-Life underwriting risk (~~at~~ column C103) • Market risk (~~at~~ column C104) • Total counterparty default risk (~~at~~ column C105) • Operational risk (~~at~~ column C106) If the entry at row TRD005 is 'none', row TRC107 is to be left blank.

Risk Module level Output Correlations Template, Ultimate (MO.03.09.01)

~~*Risk Modue level Output Correlations template, Ultimate (MO.03.09.01)*~~	
ITEM	**INSTRUCTIONS**
~~Risk Module level Output Correlations –~~ General comments	As per template ~~for~~ 'IM.03.09.01' but on an ultimate time horizon basis. ~~Total risk correlations template MO.03.09.01 reports the correlations of the output distributions on which are based the outputs reported in MO.03.08.01.~~

Undertaking LoB Description Template (IM.03.10.01 & MO.03.10.01)

ITEM	INSTRUCTIONS
Description of LoB	A description of each firm's own line of business as defined in templates 'IM.03.02.01 Reserve Risk' and 'IM.03.03.01 Premium Risk'. For example, retail or commercial; UK or other; includes or exclude claims settled by PPOs; include or exclude claims to be settled by PPOs. If a firm's own line of business includes claims to be settled by PPOs, please indicate which of the following are included: (i) reported but not settled PPO claims, (ii) incurred but not reported PPO claims, (iii) future claim events to be settled by PPO relating to business written prior to the reporting reference date.
Exact name in previous year's IMO	For each firm's own line of business reported in the current year, name the associated firm's own lines of business exactly as reported in the previous year's IMO. Leave blank for new lines of business that did not exist in the previous year, or new lines resulted from a change in granularity (split / merge) from the previous year but note the details in 'Description of LoB'.
Allocation to SII LoBs	For each firm's own line of business reported in the current year, assign percentages to how they are allocated to each Solvency II lines of business for reserve risk *(rows 11 to 110)* and premium risk *(rows 114 to 213)* separately.

Comments Sheet Template (IM.03.11.01 & MO.03.11.01)

ITEM	INSTRUCTIONS
Reserve Risk & Premium Risk Templates	Explain how the outputs have been reported in the templates 'IM.03.02 to IM.03.03 & MO.03.02 to MO.03.03', in particular: • where aggregate distributions include losses beyond those included within the individual lines of business, e.g. PPOs, ENIDs. • whether allocated expenses are included within underlying lines of business distributions. • whether unallocated expenses are included in the aggregate distributions. • whether there are items include in the one-year time horizon basis but excluded from the ultimate time horizon basis and vice versa. • differences between one-year time horizon and ultimate time horizon mean loss ratios from the model for premium risk. • differences between the business plan and mean loss ratios from the model for premium risk.
Total Risk Templates	Explain how the outputs have been reported in the templates 'IM.03.08.01 & MO.03.08.01', in particular: • where there is a difference between the total risk result on the one year basis and the SCR submitted in the year end Solvency II reporting templates, e.g. currency conversion between the reporting currency in Solvency II reporting templates and GBP, capital add-on, pensions. • where there is a difference in the distribution used between the reserve/premium risk aggregate net discounted distribution and the distribution on the total risk tab, e.g. expenses, quota share reinsurance.

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https://www.bankofengland.co.uk/prudential-regulation/publication/2018/solvency-ii-updates-to-internal-model-output-reporting