

S.26.05. - Solvency Capital Requirement – non-life underwriting risk

General comments:

This Annex contains additional instructions in relation to the templates included in Annex I of this Regulation. The first column of the next table identifies the items to be reported by identifying the columns and lines as showed in the template in Annex I.

This annex relates to annual submission of information for individual entities, ring fenced-funds, matching adjustment portfolios and remaining part.

The variant S.26.05.1 has to be filled in for each ring-fenced fund (RFF), each matching adjustment portfolio (MAP) and for the remaining part. However, where a RFF/MAP includes a MAP/RRF embedded, the fund should be treated as different funds. This template should be reported for all sub-funds of a material RFF/MAP as identified in the second table of S.01.03.

All values shall be reported net of reinsurance and other risk mitigating techniques.

	ITEM	INSTRUCTIONS
Z0010 (A001)	Article 112	Identifies whether the reported figures have been requested under Article 112(7), to provide an estimate of the SCR using standard formula. One of the options in the following closed list shall be used: 1 – Article 112(7) reporting 2 – Regular reporting
Z0020	Ring-fenced fund, matching adjustment portfolio or remaining part	Identifies whether the reported figures are with regard to a RFF, matching adjustment portfolio or to the remaining part. One of the options in the following closed list shall be used: 1 – RFF/MAP 2 – Remaining part
Z0030 (A0)	Fund/Portfolio number	Identification number for a ring fenced fund or matching adjustment portfolio. This number is attributed by the undertaking and must be consistent over time and with the fund/portfolio number reported in other templates, e.g. S.26.02, S.14.01, S.23.01. This item is to be completed only when item Z0020 = 1
R0010/C0010 (A001)	Captives simplifications – non life premium and reserve risk	Identify whether a captive undertaking used simplifications for the calculation of non-life premium and reserve risk. One of the options in the following closed list shall be used: 1 – Simplifications used 2 – Simplifications not used If R0010/C0010 = 1, only C0050, C0060 and C0080 should be filled in for R0100 – R0230.

Non-life premium and Reserve Risk

R0100- R0210/C0020 (A1 – A12)	Standard deviation for premium risk – USP Standard Deviation	This is the undertaking specific standard deviation for premium risk for each segment as calculated by the undertaking and approved or prescribed by the supervisory authority. This item is not reported where no undertaking specific parameter is used.
R0100- R0210/C0030	USP Standard Deviation gross/net	Identify if the USP standard Deviation was applied gross or net. One of the options in the following closed list shall be used: 1 – USP gross 2 – USP net

R0100-R0210/C0040 (A1A – A12A)	Standard deviation for premium risk – USP - Adjustment factor for non – proportional reinsurance	This is the undertaking specific adjustment factor for non – proportional reinsurance of each segment allows undertakings to take into account the risk – mitigating effect of particular per risk excess of loss reinsurance - as calculated by the undertaking and approved or prescribed by the supervisory authority. This item is not reported where no undertaking specific parameter is used.
R0100-R0210/C0050 (B1 – B12)	Standard deviation for reserve risk – USP	This is the undertaking specific standard deviation for reserve risk each segment as calculated by the undertaking and approved or prescribed by the supervisory authority. This item is not reported where no undertaking specific parameter is used.
R0100-R0210/C0060 (C1 – C12)	Volume measure for premium and reserve risk – volume measure for premium risk: Vprem	The volume measure for premium risk for each line of business
R0100-R0210/C0070 (D1 – D12)	Volume measure for premium and reserve risk –Volume measure reserve risk: Vres	The volume measure for reserve risk for each segment, equal to the best estimate for the provisions for claims outstanding for the segment, after deduction of the amount recoverable from reinsurance contracts and special purpose vehicles.
R0100-R0210/C0080 (E1- E12)	Volume measure for premium and reserve risk – Geographical Diversification -	Geographical diversification used for the volume measure for each segment If the factor for geographical diversification is not calculated, then this item is set to the default value of 1.
R0100-R0210/C0090 (F1 – F12)	Volume measure for premium and reserve risk - V	The volume measure for non – life premium and reserve risk for each segment If R0010/C0010 = 1, this item should represent the capital requirement for non - life premium and reserve risk of particular segment calculated using simplifications
R0220/C0090 (F13)	Total Volume measure for premium and reserve risk	The total volume measure for premium and reserve risk, equal to the sum of the volume measures for premium and reserve risk for all segments:
R0230/C0020 (A13)	Combined standard deviation	This is the combined standard deviation for premium and reserve risk for all segments. If R0010/C0010=1, this item represents total capital charge for non-life premium and reserve risk sub module calculated using simplified calculation.
R0300/C0100 (A14)	Total capital requirement for non – life premium and reserve risk	This is the total capital charge for the non–life premium and reserve risk sub module.

Non-life lapse risk

R0400/C0110 (A15)	Initial absolute values before shock – Assets – Non-life underwriting risk - Lapse risk	This is the absolute value of the assets subject to the Non-life lapse risk, before the shock. Recoverables from reinsurance and SPVs shall not be included in this cell.
R0400/C0120 (A15A)	Initial absolute values before shock – Liabilities – Non-life underwriting risk - Lapse risk	This is the absolute value of liabilities subject to the non-life lapse risk, before the shock. The amount of TP shall be net of reinsurance and SPV recoverables.

R0400/C0130 (B15)	Absolute values after shock – Assets – Non-life underwriting risk - Lapse risk	This is the absolute value of the assets subject to non-life lapse risk, after the shock. Recoverables from reinsurance and SPVs shall not be included in this cell.
R0400/C0140 (B15A)	Absolute values after shock – Liabilities – Non-life underwriting risk - Lapse risk	This is the absolute value of the liabilities subject to non-life lapse risk, after the shock. The amount of TP shall be net of reinsurance and SPV recoverables.
R0400/C0150 (C15)	Solvency capital requirement - Non-life underwriting risk - Lapse risk	This is the capital charge for non-life underwriting lapse risk.
R0500/C0160 (A16)	Capital requirement for non-life catastrophe risk	This is the total non-life catastrophe risk capital requirement.
R0600/C0160 (A17)	Diversification within non-life underwriting risk module	This is the diversification effect within the non-life underwriting risk sub-module as a result of the aggregation of the capital requirements premium and reserve risk, catastrophe risk and lapse risk. Diversification shall be reported as a negative value if they reduce the capital requirement.
R0700/C0160 (A18)	Total capital requirement for non-life underwriting risk	This is the solvency capital requirement for non-life underwriting risk sub module.