

S.30.01. – Facultative covers – Basic (old Re-J1 – Basic)

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.

This template is applicable to insurance and reinsurance undertakings which reinsure and/or retrocede business on a facultative basis.

It shall be filled by the non-life and life insurance and reinsurance undertakings for each line of business (LOB) for which facultative reinsurance is used (e.g. in cases where the risks accepted do not fit in the regular policy acceptance and could only be accepted in case part of the risk is reinsured on a facultative basis). Each facultative risk is submitted to the reinsurer and terms and conditions of the facultative reinsurance are negotiated individually for each policy.

There shall be one separate template for each LoB. For each LoB, a selection must be made of the 10 most important underwriting risks under the policy in terms of reinsured exposure on a facultative basis. Furthermore, each underwriting risk shall have a unique code specified by the “risk identification code”.

This template is prospective (to be in line with S.30.03.b) for the selected largest 10 facultative covers that have not yet expired at the start of the reporting year and are known when filling the template. Where a risk is covered by other treaty reinsurance placements the undertaking must provide details of the dominant treaty. This is recorded by ensuring the facultative reinsurance program code (C0020) in S.30.01.b is identical to the reinsurance program code in S.30.03.b.

Facultative placements covering different LOBs shall also appear in the various relevant LOBs if they are ranked within the 10 biggest risks of the same LOB.

	ITEM	INSTRUCTIONS
Facultative covers non-life		
C0010 (A00)	Line of business	Identification of the line of business reported. The following closed list shall be used: 1 - Medical expense insurance 2 - Income protection insurance 3 - Workers' compensation insurance 4 - Motor vehicle liability insurance 5 - Other motor insurance 6 - Marine, aviation and transport insurance 7 - Fire and other damage to property insurance 8 - General liability insurance 9 - Credit and suretyship insurance 10 - Legal expenses insurance 11 - Assistance 12 - Miscellaneous financial loss 13 - Proportional medical expense reinsurance 14 - Proportional income protection reinsurance 15 - Proportional workers' compensation reinsurance 16 - Proportional motor vehicle liability reinsurance 17 - Proportional other motor reinsurance 18 - Proportional marine, aviation and transport reinsurance 19 - Proportional fire and other damage to property reinsurance

		<p>20 - Proportional general liability reinsurance</p> <p>21 - Proportional credit and suretyship reinsurance</p> <p>22 - Proportional legal expenses reinsurance</p> <p>23 - Proportional assistance reinsurance</p> <p>24 - Proportional miscellaneous financial loss reinsurance</p> <p>25 - Non-proportional health reinsurance</p> <p>26 - Non-proportional casualty reinsurance</p> <p>27 - Non-proportional marine, aviation and transport reinsurance</p> <p>28 - Non-proportional property reinsurance</p>
C0020 (A1)	Reinsurance program code	Undertaking specific reinsurance code that links the dominant treaty reinsurance programme which also protects the risk covered by the facultative reinsurance. The Reinsurance program code shall be in line with the Reinsurance program code of S.30.03.b - Outgoing Reinsurance Program in the next reporting year.
C0030 (B1)	Risk identification code	For each LOB of non-life insurance a selection shall be made of the 10 most important risks in terms of exposure that are subject to facultative reinsurance in force in the reporting period (also if they originated in preceding years). The code is a unique identifying number assigned by the insurer that identifies the risk and shall remain unchanged for subsequent annual reports.
C0040 (C1)	Facultative reinsurance placement identification code	Each facultative reinsurance placement must be assigned a sequence number which is unique for the risk. The facultative reinsurance placement identification code is entity specific.
C0050 (D1)	Finite reinsurance or similar arrangements	<p>Identification of the reinsurance contract. The following closed list shall be used:</p> <p>1 - Non-traditional or Finite RE (if any reinsurance contract or financial instrument which is not directly based on the principle of indemnity or is based on a contract wording which has limited or no demonstrable risk transfer mechanism)</p> <p>2 - Other than non-traditional or Finite RE</p> <p>In case of Finite reinsurance or a similar arrangement only the items which are feasible must be filled.</p>
C0060 (E1)	Proportional	<p>Indicate whether the reinsurance program is proportional reinsurance, i.e., involves a reinsurer taking a stated percent share of each policy that an insurer underwrites. One of the options in the following closed list shall be used:</p> <p>1 - Proportional reinsurance</p> <p>2 - Non-proportional reinsurance</p>
C0070 (F1)	Identification of the company/person to which the risk relates	<p>If the risk relates to a company identify the name of the company to whom the risk relates</p> <p>If the risk relates to a natural person identify the original policy number</p>
C0080 (G1)	Description risk	The description of the risk. Depending on the LoB, report the type of company, building or occupation of the specific risk insured.
C0090 (H1)	Description risk category covered	<p>Description of the main scope of the cover of the facultative risk. It is normally part of the description used to identify the placement.</p> <p>The description of the risk category covered is entity specific and is not mandatory. Also the term “risk category” isn’t based on Level 1 and 2 terminologies but can be considered as an extra possibility the give additional information about the underwriting risk(s).</p>

C0100 (I1)	Validity period (start date)	Identify the ISO 8601 (yyyy-mm-dd) code of the date of commencement of the specific cover, i.e., date when the cover took effect.
C0110 (J1)	Validity period (expiry date)	Identify the ISO 8601 (yyyy-mm-dd) code of the final expiry date of the specific cover.
C0120 (K1)	Currency	Identify the ISO 4217 alphabetic code of the currency used while placing the facultative cover. All the amounts of this record must be expressed in this currency.
C0130 (L1)	Sum insured	The highest amount that the insurer can be obliged to pay out under the policy. The insured sum relates to the underwriting risk. Where the facultative cover provides for a number of exposures / risks across the country the aggregate policy limits shall be specified. If the risk has been accepted on a co-insurance basis, the insured sum indicates the maximum liability of the reporting non-life insurer.
C0140 (M1)	Type of underwriting model	Type of underwriting model which is used to estimate the exposure of the underwriting risk and the need for reinsurance protection. One of the options in the following closed list shall be used: 1 - Sum Insured the highest amount that the insurer can be obliged to pay out according to the original policy. SI must also be filled when type of underwriting model is not applicable 2 - Maximum Possible Loss loss which may occur when the most unfavourable circumstances being more or less exceptionally combined, the fire is only stopped by impassable obstacles or lack of substance (according to the definition accepted by CEA in 1999) 3 - Probable Maximum Loss defined as the estimate of the largest loss from a single fire or peril to be expected, assuming the worst single impairment of primary private fire protection systems but with secondary protection systems or organizations (such as emergency organizations and private and/or public fire department response) functioning as intended. Catastrophic conditions like explosions resulting from massive release of flammable gases, which might involve large areas of the plant, detonation of massive explosives, seismic disturbances, tidal waves or flood, falling aircraft, and arson committed in more than one area are excluded in this estimate. This definition is a hybrid form between Maximum Possible Loss and Estimated Maximum Loss that is generally accepted and frequently used by insurers, reinsurers and reinsurance brokers 4 - Estimated Maximum Loss loss that could reasonably be sustained from the contingencies under consideration, as a result of a single incident considered to be within the realms of probability taking into account all factors likely to increase or lessen the extent of the loss, but excluding such coincidences and catastrophes which may be possible but remain unlikely (according to definition is accepted by CEA in 1999) 5 - Other other possible underwriting models used. The type of "other" underwriting model applied must be explained in the Narrative Report, Section Risk Profile under Type of risk Underwriting Risk
C0150 (N1)	Amount underwriting model	Maximum loss amount of the underwriting risk which is the result of the underwriting model used.
C0160 (O1)	Sum reinsured on a facultative basis, with all reinsurers	The sum reinsured on a facultative basis is part of the sum insured which is reinsured on a facultative basis. The amount shall be consistent with the Sum insured as specified in C0130 and reflects the maximum liability (100%) for the facultative reinsurers.

C0170 (P1)	Facultative reinsurance premium ceded to all reinsurers for 100% of the reinsurance placement	Corresponding gross annual or written reinsurance premium, gross of ceding commissions, ceded to reinsurers for their share.
C0180 (Q1)	Facultative reinsurance commission	Corresponding commission with the gross annual or written reinsurance premium. This shall include all ceding, overriding and profit commissions that represent cash-flows into the reporting insurer due from the reinsurer.
Facultative covers life		
C0190 (A01)	Line of business	Identification of the line of business reported. The following closed list shall be used: 29 - Health insurance 30 - Insurance with profit participation 31 - Index-linked and unit-linked insurance 32 - Other life insurance 33 - Annuities stemming from non-life insurance contracts and relating to health insurance obligations 34 - Annuities stemming from non-life insurance contracts and relating to insurance obligations other than health insurance obligations 35 - Health reinsurance 36 - Life reinsurance
C0200 (A11)	Reinsurance program code	Undertaking specific reinsurance code that links the dominant treaty reinsurance programme which also protects the risk covered by the facultative reinsurance. The Reinsurance program code shall be in line with the Reinsurance program code of S.30.03.b - Outgoing Reinsurance Program in the next reporting year.
C0210 (B11)	Risk identification code	For each LOB of life insurance a selection shall be made of the 10 most important risks in terms of exposure that are subject to facultative reinsurance in force in the reporting period (also if they originated in preceding years). The code is a unique identifying number assigned by the insurer that identifies the risk within the branch, and this code cannot be reused for other risks in the same branch and shall remain unchanged for subsequent annual reports.
C0220 (C11)	Facultative reinsurance placement identification code	Each facultative reinsurance placement must be assigned a sequence number which is unique for the risk. The facultative reinsurance placement identification code is entity specific.
C0230 (D11)	Finite reinsurance or similar arrangements	One of the options in the following closed list shall be used: 1 - Non-traditional or Finite RE (if any reinsurance contract or financial instrument which is not directly based on the principle of indemnity or is based on a contract wording which has limited or no demonstrable risk transfer mechanism) 2 - Other than non-traditional or Finite RE
C0240 (E11)	Proportional	Indicate whether the reinsurance program is proportional reinsurance, i.e., involves a reinsurer taking a stated percent share of each policy that an insurer underwrites. One of the options in the following closed list shall be used: 1 - Proportional reinsurance 2 - Non-proportional reinsurance

C0250 (F11)	Identification of the company/person to which the risk relates	If the risk relates to a company identify the name of the company to whom the risk relates If the risk relates to a natural person identify the original policy number
C0260 (G11)	Description risk category covered	Description of the main scope of the cover of the facultative risk. It is normally part of the description used to identify the placement. The description of the risk category covered is entity specific and is not mandatory. Also the term “risk category” isn’t based on Solvency II Directive terminologies but can be considered as an extra possibility the give additional information about the underwriting risk(s).
C0270 (H11)	Validity period (start date)	Identify the ISO 8601 (yyyy-mm-dd) code of the date of commencement of the specific cover, i.e., date when the cover took effect.
C0280 (I11)	Validity period (expiry date)	Identify the ISO 8601 (yyyy-mm-dd) code of the final expiry date of the specific cover.
C0290 (J11)	Currency	Identify the ISO 4217 alphabetic code of the currency used while placing the facultative cover. All the amounts of this record must be expressed in this currency.
C0300 (K11)	Sum Insured	The amount that the life insurer pays out to the beneficiary. If the risk is co-insured with other life insurers, the insured capital payable by the reporting life insurer has to be reported here.
C0310 (L11)	Capital at risk	Insured capital less amount for technical provisions. If the risk is co-insured with other life insurers, the risk capital relating to the life insurer’s amount share in the insured capital has to be reported here.
C0320 (M11)	Sum reinsured on a facultative basis, with all reinsurers	The sum reinsured on a facultative basis is that part of the sum insured which is reinsured on a facultative basis. The amount shall be consistent with the Sum insured as specified in C0310 and reflects the maximum liability (100%) for the facultative reinsurers.
C0330 (N11)	Facultative reinsurance premium ceded to all reinsurers for 100% of the reinsurance placement	Corresponding gross annual or written reinsurance premium, gross of ceding commissions, ceded to the reinsurers for their share.
C0340 (O11)	Facultative reinsurance commission	Corresponding commission with the gross annual or written reinsurance premium. This shall include all ceding, overriding and profit commissions that represent cash-flows into the reporting insurer due from the reinsurer.