

S.26.07 – Solvency Capital Requirement – Simplifications

General comments:

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

Template SR.26.07.01 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/RFF embedded, the fund should be treated as different funds. This template shall be reported for all sub–funds of a material RFF/MAP as identified in the second table of S.01.03.

	ITEM	INSTRUCTIONS
Z0010	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	Fund/Portfolio number	When item Z0020 = 1, 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.
Z0040	Currency for interest rate risk (captives)	Identify the ISO 4217 alphabetic code of the currency of issue. Each currency shall be reported in a different line

Market risk (including captives)

R0010/C0010 –C0070	Spread risk (bonds and loans) – Market value – by credit quality step	Market value of the assets subject to a capital requirement for spread risk on bonds and loans for each credit quality step where a credit assessment by a nominated ECAI is available
R0010/C0080	Spread risk (bonds and loans) – Market value – No rating available	Market value of the assets subject to a capital requirement for spread risk on bonds and loans where no credit assessment by a nominated ECAI is available

R0020/C0010 –C0070	Spread risk (bonds and loans) – Modified duration – by credit quality step	Modified duration in years of the assets subject to a capital requirement for spread risk on bonds and loans for each credit quality step where a credit assessment by a nominated ECAI is available
R0020/C0080	Spread risk (bonds and loans) – Modified duration – No rating available	Modified duration in years of the assets subject to a capital requirement for spread risk on bonds and loans where no credit assessment by a nominated ECAI is available
R0030/C0090	Spread risk (bonds and loans) – Increase in unit-linked and index-linked technical provisions	Increase in the technical provisions less risk margin for policies where the policyholders bear the investment risk with embedded options and guarantees that would result from an instantaneous decrease in the value of the assets subject to the capital requirement for spread risk on bonds according to the simplified calculation

Interest rate risk (captives)

R0040/C0100	Interest rate risk (captives) – Capital requirement – Interest rate up – by currency	Capital requirement for the risk of an increase in the term structure of interest rates according to the captive simplified calculation for each currency reported.
R0040/C0110	Interest rate risk (Captives) – Capital requirement – Interest rate down – by currency	Capital requirement for the risk of a decrease in the term structure of interest rates according to the captive simplified calculation for each currency reported.

Life underwriting risk

R0100/C0120	Mortality risk – Capital at risk	Sum of positive capitals at risk as defined in Article 91 of Delegated Regulation (EU) 2015/35 for all obligations subject to mortality risk
R0100/C0160	Mortality risk – Average rate t+1	Average mortality rate during the following 12 (t+1) months weighted by sum insured for policies with a positive capital at risk
R0100/C0180	Mortality risk – Modified duration	Modified duration in years of all payments payable on death included in the best estimate for policies with a positive capital at risk
R0110/C0150	Longevity risk – Best estimate	Best estimate of obligations subject to longevity risk.
R0110/C0160	Longevity risk – Average rate t+1	Average mortality rate during the following 12 (t+1) months weighted by sum insured for policies where a decrease in the mortality rate leads to an increase in technical provisions

R0110/C0180	Longevity risk – Modified duration	Modified duration in years of all payments to beneficiaries included in the best estimate for policies where a decrease in the mortality rate leads to an increase in technical provisions
R0120/C0120	Disability–morbidity risk – Capital at risk	Sum of positive capitals at risk as defined in Article 93 of Delegated Regulation (EU) 2015/35 for all obligations subject to disability–morbidity risk
R0120/C0130	Disability–morbidity risk – Capital at risk t+1	Capital at risk as defined in R0120/C0120 after 12 (t+1) months
R0120/C0150	Disability–morbidity risk – Best estimate	Best estimate of obligations subject to disability–morbidity risk.
R0120/C0160	Disability–morbidity risk – Average rate t+1	Average disability–morbidity rate during the following 12 months (t+1) weighted by sum insured for policies with a positive capital at risk
R0120/C0170	Disability–morbidity risk – Average rate t+2	Average disability–morbidity rate during the 12 months after the following 12 months (t+2) weighted by sum insured for policies with a positive capital at risk
R0120/C0180	Disability–morbidity risk – Modified duration	Modified duration in years of all payments on disability–morbidity included in the best estimate for policies with a positive capital at risk
R0120/C0200	Disability–morbidity risk – Termination rates	Expected termination rates during the following 12 months for policies with a positive capital at risk
R0130/C0140	Lapse risk (up) – Surrender strain	Sum of all positive surrender strains as defined in Article 95 of Delegated Regulation (EU) 2015/35.
R0130/C0160	Lapse risk (up) – Average rate (t+1)	Average lapse rate for policies with positive surrender strains
R0130/C0190	Lapse risk (up) – Average run off period	Average period in years over which the policies with a positive surrender strain run off
R0140/C0140	Lapse risk (down) – Surrender strain	Sum of all negative surrender strains as defined in Article 95 of Delegated Regulation (EU) 2015/35.
R0140/C0160	Lapse risk (down) – Average rate (t+1)	Average lapse rate for policies with negative surrender strains
R0140/C0190	Lapse risk (down) – Average run off period	Average period in years over which the policies with a negative surrender strain run off
R0150/C0180	Life expense risk – Modified duration	Modified duration in years of the cash flows included in the best estimate of life insurance and reinsurance obligations

R0150/C0210	Life expense risk – Payments	Expenses paid related to life insurance and reinsurance during the last 12 months
R0150/C0220	Life expense risk – Average inflation rate	Weighted average inflation rate included in the calculation of the best estimate of those obligations, where the weights are based on the present value of expenses included in the calculation of the best estimate for servicing existing life obligations.
R0160/C0120	Life catastrophe risk – Capital at risk	Sum of positive capitals at risk as defined in Article 96 of Delegated Regulation (EU) 2015/35.

Health underwriting risk

R0200/C0120	Health mortality risk – Capital at risk	Sum of positive capitals at risk as defined in Article 97 of Delegated Regulation (EU) 2015/35 for all obligations subject to health mortality risk
R0200/C0160	Health mortality risk – Average rate t+1	Average mortality rate during the following 12 months (t+1) weighted by sum insured for policies with a positive capital at risk
R0200/C0180	Health mortality risk – Modified duration	Modified duration in years of all payments payable on death included in the best estimate for policies with a positive capital at risk
R0210/C0150	Health longevity risk – Best estimate	Best estimate of obligations subject to health longevity risk.
R0210/C0160	Health longevity risk – Average rate t+1	Average mortality rate during the following 12 months (t+1) weighted by sum insured for policies where a decrease in the mortality rate leads to an increase in technical provisions
R0210/C0180	Health longevity risk – Modified duration	Modified duration in years of all payments to beneficiaries included in the best estimate for policies where a decrease in the mortality rate leads to an increase in technical provisions
R0220/C0180	Health disability– morbidity risk (medical expense) – Modified duration	Modified duration in years of the cash flows included in the best estimate of medical expense insurance and reinsurance obligations
R0220/C0210	Health disability– morbidity risk (medical expense) – Payments	Expenses paid related to medical expense insurance and reinsurance during the last 12 months
R0220/C0220	Health disability– morbidity risk (medical expense) – Average inflation rate	Weighted average rate of inflation on medical payments included in the calculation of the best estimate of those obligations, where the weights are based on the present

		value of medical payments included in the calculation of the best estimate of those obligations.
R0230/C0120	Health disability– morbidity risk (income protection) – Capital at risk	Sum of positive capitals at risk as defined in Article 100 of Delegated Regulation (EU) 2015/35 for all obligations subject to disability–morbidity risk (income protection)
R0230/C0130	Health disability– morbidity risk (income protection) – Capital at risk t+1	Capital at risk as defined in R0230/C0120 after 12 months
R0230/C0150	Health disability– morbidity risk (income protection) – Best estimate	Best estimate of obligations subject to disability–morbidity risk.
R0230/C0160	Health disability– morbidity risk (income protection) – Average rate t+1	Average disability–morbidity rate during the following 12 (t+1) months weighted by sum insured for policies with a positive capital at risk
R0230/C0170	Health disability– morbidity risk (income protection) – Average rate t+2	Average disability–morbidity rate during the 12 months after the following 12 months (t+2) weighted by sum insured for policies with a positive capital at risk
R0230/C0180	Health disability– morbidity risk (income protection) – Modified duration	Modified duration in years of all payments on disability–morbidity included in the best estimate for policies with a positive capital at risk
R0230/C0200	Health disability– morbidity risk (income protection) – Termination rates	Expected termination rates during the following 12 months for policies with a positive capital at risk
R0240/C0140	Health SLT lapse risk (up) – Surrender strain	Sum of all positive surrender strains as defined in Article 102 of Delegated Regulation (EU) 2015/35.
R0240/C0160	Health SLT lapse risk (up) – Average rate t+1	Average lapse rate for policies with positive surrender strains
R0240/C0190	Health SLT lapse risk (up) – Average run off period	Average period in years over which the policies with a positive surrender strain run off
R0250/C0140	Health SLT lapse risk (down) – Surrender strain	Sum of all negative surrender strains as defined in Article 102 of Delegated Regulation (EU) 2015/35.
R0250/C0160	Health SLT lapse risk (down) – Average rate t+1	Average lapse rate for policies with negative surrender strains

R0250/C0190	Health SLT lapse risk (down) – Average run off period	Average period in years over which the policies with a negative surrender strain run off
R0260/C0180	Health expense risk – Modified duration	Modified duration in years of the cash flows included in the best estimate of health insurance and reinsurance obligations
R0260/C0210	Health expense risk – Payments	Expenses paid related to health insurance and reinsurance during the last 12 months
R0260/C0220	Health expense risk – Average inflation rate	Weighted average inflation rate included in the calculation of the best estimate of these obligations, weighted by the present value of expenses included in the calculation of the best estimate for servicing existing health obligations.



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