



National specific template Log NS.11 – non-life claim development information (general liability sub-classes)

General Comment

This template must be submitted by all insurance and reinsurance firms that carry on any of the following classes of non-life insurance business:

Employers Liability – defined as:

Contracts of insurance (other than reinsurance contracts) against the risks of the persons insured incurring liabilities to their employees for injury, illness or death arising out of their employment during the course of business. (Includes these risks covered under “Mixed commercial package” policies.)

Public & Products Liability – defined as:

Contracts of insurance (other than reinsurance contracts) against the risks of the persons insured incurring liabilities to third parties for damage to property, injury, illness or death, arising in the course of the insured's business. (Includes these risks covered under “Mixed Commercial Package” policies)

Professional Indemnity – defined as:

Contracts of insurance (other than reinsurance contracts) against the risks of the persons insured incurring liabilities to third parties arising from wrongful acts (such as breach of duty, breach of trust, negligence, error or omissions) by professionals, named individuals or businesses occurring in the course of the insured's professional activities. (Includes directors' and officers' liability and errors and omissions liability)

Reporting Thresholds

A separate template must be completed for each of the above classes of business split by the currency in which the obligations for that class are settled (i.e. one template for each class and currency combination) subject to the following materiality thresholds:

1. If the undiscounted best estimate gross claim provision for future benefits for the class of business in question at the reference date is less than:
 - 5.0% of the firm's total undiscounted best estimate gross claim provision for future benefits (i.e. 5.0% of the sum of column C0050 (Best estimate claim provision gross / cash out-flows / future benefits) reported in Implementing Technical Standard Reporting template S.18.01.01-b, and
 - £100m (if applicable converted to GBP at exchange rates applicable on the reference date)then the template is not required to be completed for that class.
2. ~~If (1) above does not apply for the class of business in question then the template must be completed for each currency in that class until 80% of the undiscounted best estimate gross claim provision for future benefits for the class of business in question at the reference date has been reported – the most material currency in the class (by undiscounted gross future benefits) must be reported, then the second most material, etc. until the 80% threshold is reached.~~
3. If an NS.11 class of business (i.e. employers' liability, public and products liability or professional indemnity) reaches the reporting threshold set out in the instructions, the template should be completed for each original currency in that class until 80% of the gross undiscounted best



estimate claim provision for future benefits for the class of business in question at the reference date in the reporting currency has been reported.

4. For example, if the reporting currency is GBP and the overall gross undiscounted best estimate claim provision for a class is £100m, then all the currencies that make up to £80m should be reported. If the claims provisions in GBP and USD original currencies are £30m and \$50m respectively and the exchange rate at the reference date is £1=\$1.3, then the GBP and USD original currencies comprise $\pounds(30+50/1.3) = \pounds68.5m$ of gross claim provision in the reporting currency. Thus GBP and USD original currencies comprise only 68.5% of the 80% threshold.
5. If the firm, for the purpose of calculating its claim provision, converts some currencies into GBP or includes with GBP other currencies converted to GBP, the 'converted to GBP' or 'GBP plus converted to GBP' are to be considered as individual currencies for the purpose of applying (2) above. This principle applies if the firm converts currencies to USD or any other 'major' currency.

Latent claims are to be excluded from this template. This relates to claims for which payments to policyholders are reported in the national specific template NS.10 - projection of future cash flows (best estimate – non-life: liability claim types). However, bodily injury claims reported on NS.10 should be reported on this template.

This template requires (re)insurance firms to report the following development triangles gross of reinsurance for the classes (split by currency) referred to above. Each triangle is by origin year and development year, and for 15 years of development:

- Gross claims paid;
- Best estimate claims provisions (i.e. estimated future gross payments for all claims);
- Reported but not settled (RBNS) claims; and
- Gross estimated ultimate premium.

Undertakings are required to report data by accident year or underwriting year basis, according to how they manage each line of business. This shall be applied consistently over time.

Historical data, starting from the first time of application of Solvency II, are required for claims paid and RBNS claims but not for Best Estimates of Claims Provisions.

In case of transfer of portfolio or other merger and acquisition operations, undertakings are required to restate the historical data submitted in the first reporting date after the transfer/M&A in order to present consistent data.

CELL(S)	ITEM	DEFINITION
Z0010 to Z0320	Basic Information	
Z0010	Undertaking name	Legal name of the undertaking. Needs to be consistent over different submissions This must be the same as the identification code reported in the Implementing Technical Standard Reporting template S.01.02
Z0020	Undertaking	Identification code of the undertaking, using the following



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	Identification code	<p>priority:</p> <ul style="list-style-type: none"> - Legal Entity Identifier (LEI) - Identification code attributed by the PRA <p>This must be the same as the undertaking identification code reported in template S.01.02 as specified in the Implementing Technical Standard on Reporting</p>
Z0030	Type of code of undertaking	<p>Type of ID Code used for the "Undertaking Identification code" item. One of the options in the following closed list shall be used:</p> <ul style="list-style-type: none"> 1- LEI 2- Specific code <p>This must be the same as the type of code of undertaking reported in the template S.01.02 as specified in the Implementing Technical Standard on Reporting</p>
Z0040	Reporting reference date	Identify the ISO 8601 (yyyy-mm-dd) code of the date identifying the last day of the reporting period
Z0080	Reporting submission date	Identify the ISO 8601 (yyyy-mm-dd) code of the date when the report to the supervisory authority is made
Z0090	Type of undertaking	<p>Identify the type of the reporting undertaking. The following closed list of options shall be used to identify the activity of the undertaking:</p> <ul style="list-style-type: none"> 1- Composite undertakings 3- Non-Life undertakings <p>This must be the same as the type of undertaking reported in the template S.01.02 as specified in the Implementing Technical Standard on Reporting</p>
Z0100	Regular/Ad-hoc submission	<p>Identify if the submission of information relates to regular submission of information or ad-hoc. The following closed list of options shall be used:</p> <ul style="list-style-type: none"> 1- Regular reporting 2- Ad-hoc reporting
Z0210	Initial submission or re-submission	<p>Identify if it is an initial submission of information or a re-submission of information in relation to a reporting reference date already reported. The following closed list of options shall be used:</p> <ul style="list-style-type: none"> 1- Initial submission 2- Re-submission
Z0340 Z0010	Line of Business	<p>From the drop-down box select one of:</p> <ul style="list-style-type: none"> • Employers Liability • Public and Products • Professional Indemnity <p>One of the options from the following closed list shall be used:</p> <ul style="list-style-type: none"> • <u>Employers Liability [direct business]</u>



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		<ul style="list-style-type: none"> • <u>Public and Products [direct business]</u> • <u>Professional Indemnity [direct business]</u> <p>as defined under General Comments above.</p> <p>The template must be completed for each of the above classes that meet the threshold set out under General Comments above.</p>
Z0320 <u>Z0020</u>	Reporting basis	<p>From the drop-down box select either:</p> <ul style="list-style-type: none"> • Accident Year • Underwriting Year <p><u>One of the options from the following closed list shall be used:</u></p> <p><u>1 – Accident year</u> <u>2 – Underwriting year</u></p> <p>to report the basis used by the firm for reporting of claims development, i.e. accident year (AY) or underwriting year (UWY).</p> <p>Firms can choose whether the origin year is accident or underwriting year, but subject to agreement by the supervisor, especially where a change of basis is proposed.</p>
Z0140 Z0030	Currency	Identify the ISO 4217 alphabetic code of the currency of the monetary amounts used.
<u>Z0040</u>	<u>Currency Conversion</u>	<p><u>One of the options from the following closed list shall be used:</u></p> <ul style="list-style-type: none"> • <u>Not applicable / Expressed in (converted to) reporting currency</u> • <u>Expressed in currency of denomination (not converted to reporting currency)</u> <p><u>to specify if the amounts are expressed in the currency of denomination or converted to the reporting currency.</u></p>
R0110 to R0260 <u>R0110:</u> <u>R0260</u>	Gross Claim triangles and vectors	
{ C0110 to C0250, R0120 to R0260} (upper triangle); { C0260, R0	Gross Claims Paid (non-cumulative) - triangle	The Gross Claims Paid triangle reports shows the Gross Claims Paid, net of salvage and subrogation, excluding expenses, in a triangle showing the developments of the gross claims payment already made: for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) report the payments already made corresponding at each development year (which is the delay between the



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440} [R0120:R0260] [C0110:C0250] (upper triangle); R0110C0260		accident/underwriting date and the payment date). The data are in absolute amount, non-cumulative and undiscounted. A single figure, reported at [C0260,R0110] R0110C0260 shows payments in the most recent reporting year in respect of years N-15 and earlier.
C0270, [R0110 to R0260] [R0110:R0260]C0270	Gross Claims Paid (non-cumulative) in current year - vector	Total "Current year" contains the sum of the last diagonal (all data referred to last reporting year), including total. This column repeats the last diagonal of the Gross Claims Paid (non-cumulative) triangle. So its total represents all claims paid during most recent reporting year.
C0270, R0270 R0270C0270	Gross claims paid in current year total	The sum of rows R0110 to R0260 at column C0270
C0290, [R0120 to R0260] [R0120:R0260]C0290	Gross Claims Paid – Sum of years (cumulative) - vector	Total "Sum of years" contains the sum of all data in rows (sum of all payments referred to the accident/underwriting year), including total. This column contains the sum of all data in each row and so shows the cumulative amount paid to date for each accident/underwriting year.
[C0410 to C0550, R0120 to R0260] (upper triangle); [C0560, R0110] [R0120:R0260] [C0410:C0550] (upper triangle); R0110C0560	Gross undiscounted Best Estimate Claims Provisions triangle	The Gross undiscounted Best Estimate of Claims Provisions triangle reports undiscounted best estimate of claims provisions, gross of reinsurance for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year). The best estimate for claims provision relates to claims events occurred before or at the valuation date, whether the claims arising from these events have been reported or not. The data are in absolute amount, non-cumulative and undiscounted. A single figure, reported at [C0560,R0110] R0110C0560 shows the gross undiscounted best estimate claim provision at the reference date in respect of years N-15 and earlier.
C0570,	Gross Best	"Year end" for each year, on discounted basis.



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R0110 to R0260 [R0110: R0260]C05 70	Estimate Claims Provisions – Year end (discounted data)	
G0570, R0270 R0270C05 70	Total Estimated Claims Provisions –Year end (discounted data)	The sum of rows R0110 to R0260 at column C0570
[C0710 to C0850, R0120 to R0260] (upper triangle); [C0860, R0140] [R0120: R0260] [C0710: C0850] (upper triangle); R0110C08 60	Gross Reported but not Settled Claims (RBNS) - triangle	<p>The Gross Reported but not Settled Claims triangle reports for each of the accident/underwriting years from N-14 (and prior) and all previous reporting periods to – including - N (last reporting year) of provisions in respect of claim events that have happened and been reported to the insurer, but have not yet been settled, excluding IBNR (incurred but not reported claims). These may be case-by-case reserves estimated by claim handlers and do not need to be on a best estimate Solvency II basis. The RBNS shall be measured using consistent reserve strength over time.</p> <p>The data are in absolute amount, non-cumulative and undiscounted.</p> <p>A single figure, reported at [C0860, R0140] R0110C0860-shows the provision gross RBNS claims at the reference date in respect of years N-15 and earlier.</p>
G0870, R0140 to R0260 [R0110:R0 260]C0870	Gross Reported but not Settled Claims (RBNS) – Year end (discounted data) - vector	Total “Year end” for each year.
C0870, R0270 R0270C08 70	Total reported but not Settled Claims (RBNS) – Year end (discounted data)	The sum of rows R0110 to R0260 at column C0870



CELL(S)	ITEM	DEFINITION
C1010, R0120 to R0260 <u>[R0120:R0 260]C1010</u>	Gross Estimated Ultimate Premium	<p>The Gross Estimated Ultimate Premium column shows the estimated ultimate premium at the reference date for each of the 15 origin years.</p> <p>If the origin year is accident year then the premiums in this column should be gross earned premium for each of the 15 accident years in the template.</p> <p>If the origin year is underwriting year then the premiums in this column should be gross written premium for each of the 15 underwriting years in the template.</p>
R0310 to R0370 <u>R0310:R03 70</u>	Inflation rates (only in the case of using methods that take into account inflation to adjust data)	
R0310, C0150 to C0280 <u>R0310 [C1020: C1160]</u>	Historic inflation rate – total	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, historic inflation rate used to adjusted historical paid losses triangles.
R0320, C0150 to C0280 <u>R0320 [C1020: C1160]</u>	Historic inflation rate – external inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report, by year, and for the 15 years, historic external inflation: which is the “economic” or “general” inflation, i.e. the increase of the price of goods and services in an specific economy (e.g. Consumer Price Index, Producer Price Index, etc.
R0330, C0150 to C0280 <u>R0330 [C1020: C1160]</u>	Historic inflation rate – endogenous inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report, by year, and for the 15 years, historic endogenous inflation: which is an increase of claim costs specific of the line of business under consideration.
R0340, C0150 to C0280 <u>R0340 [C1170: C1310]</u>	Expected inflation rate – total	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report by year, and for the 15 years, expected inflation rate used to adjusted historical paid losses triangles.
R0350, C0150 to C0280	Expected inflation rate – external	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report, by year, and for the 15 years, expected external inflation: which is the



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<u>R0350</u> <u>[C1170:</u> <u>C1310]</u>	inflation	“economic” or “general” inflation, i.e. the increase of the price of goods and services in an specific economy (e.g. Consumer Price Index, Producer Price Index, etc.
R0360, C0150 to C0280 <u>R0360</u> <u>[C1170:</u> <u>C1310]</u>	Expected inflation rate – endogenous inflation	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report, by year, and for the 15 years, expected endogenous inflation: which is an increase of claim costs specific of the line of business under consideration.
R0370, C0150 <u>R0370C13</u> <u>20</u>	Description of inflation rate used	In the case of use of run-off techniques that explicitly take into account inflation in order to adjust data report narrative description of inflation rate used.