

Bank of England PRA

Chapter 10

Instructions regarding reporting templates

IR.21.04 — Cyber underwriting risk

General comments

This section relates to annual submission of information for individual entities and third-country insurance undertakings in regard to branch operations.

This template is relevant to non-life insurance and reinsurance firms which affirmatively underwrite products covering cyber risks as defined in these instructions.

Firms are required to provide information on the cyber risk underwritten by product group code, Cyber coverage and Line(s) of Business (LoB). When more than one commercial product is provided for the same Cyber coverage and for the same set of LoB, products shall be reported using a single line, providing a “Product Group Code” defined by the undertaking to identify the group of reported products. In the instances where more than one LoB is written within the Product Group Code, multiple LoB should be selected to reflect all the LoB written.

For the purpose of this template:

- ‘Allocated loss adjustment expenses (ALAE)’ means: the costs of processing and resolving claims that could be assignable to individual claim (eg legal and adjuster’s fees).

‘Reporting period’ means: the period between the reporting reference date applicable to when the template was last reported and the current reporting reference date.

	ITEM	INSTRUCTIONS
C0010	Product Group Code	<p>Internal product group ID code defined by the undertaking.</p> <p>The Product Group Code shall be consistent over time.</p> <p>In the cases where the same product group needs to be reported in more than one row the content of C0010 shall follow the specific pattern: {{Product Group code}}/+/{{cardinal number}}. For example ‘AB222/+1’.</p>
C0040	Cyber coverage	<p>Identification of the Cyber coverage included in the commercial products. Only one of the options in the following closed list shall be used:</p> <p>(1) Cyber Standalone Coverage</p> <p>(2) Cyber as add-on coverage but main risk being covered</p>

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		<p>(3) Cyber as add-on coverage and not as main risk being covered</p> <p>Cyber Standalone Coverage includes all the coverages where cyber is the provided as standalone (ie unique) coverage.</p> <p>Cyber as add-on coverage but main risk being covered (>50% of total sum(s) insured reported in C0080) includes all coverages where cyber is an add-on item but represents the main risk being covered.</p> <p>Cyber as add-on coverage and not as main risk being covered (<50%) includes all coverages where cyber is an add-on item but does not represent the main risk being covered.</p>
C0050	Line(s) of Business	<p>Identification of the Line of Business covered in the commercial products. Should the same commercial product be written across more than one Line of Business, multiple options should be selected to reflect the business written.</p> <p>Options in the following closed list shall be used:</p> <ol style="list-style-type: none"> 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 insurance 12 - Miscellaneous financial loss insurance 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

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	ITEM	INSTRUCTIONS
		20 - Proportional general liability reinsurance 21 - Proportional credit and suretyship reinsurance 22 - Proportional legal expenses reinsurance 23 - Proportional assistance reinsurance 24 - Proportional miscellaneous financial loss reinsurance 25 - Non-proportional health reinsurance 26 - Non-proportional casualty reinsurance 27 - Non-proportional marine, aviation and transport reinsurance 28 - Non-Proportional property reinsurance
C0080	Sum(s) insured	Amount of the total sum(s) insured for risks incepted in the 'reporting period' for the relevant Product Group Code.
C0090	Premium(s)	Amount of the total gross written premium for risks incepted in the 'reporting period' for the relevant Product Group Code.
C0100	Sum(s) reinsured	Amount of the sums(s) insured reported in column C0080 ceded to reinsurance undertakings. This item is to include only the following types of reinsurance: - Facultative - Proportional quota share. - Risk excess of loss that is not subject to any aggregate retentions.
C0110	Number of Claims settled with Payment	Number of Claims, for the relevant Product Group Code, that have been settled with payment during the 'reporting period'. This shall only be reported for lines of business 1 to 12 as denoted in C0050.
C0120	Amount of gross claims Paid - Total	Total amount of gross claims paid, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'. This amount is to include: a) claims paid in previous reporting periods relating to claims settled with payment in this reporting year;

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		<p>b) any amounts relating to claims settled with payment in this 'reporting period' that have not yet fully been paid at the reporting reference date (because at the reporting reference date part of the amount sits in 'Insurance & intermediaries payables' on the balance sheet);</p> <p>c) allocated loss adjustment expenses that have been assigned to the claims settled with payment; and</p> <p>d) 'allocated loss adjustment expenses' that have been assigned to the claims settled without payment.</p> <p>For lines of business 1 to 12 (as denoted in C0050) this will equal the sum of columns C0121, C0122 and C0123. For all other lines, this is the total amount of gross claims paid.</p>
C0121	Amount of Gross Claims Paid - First Party	<p>Amount of gross claims paid for first party claims, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'.</p> <p>First Party claims include losses incurred by the policyholder such as (but not limited to) loss of income, losses from business interruption, losses from data and software loss etc.</p> <p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p> <p>This amount is to include:</p> <p>a) claims paid in previous reporting periods relating to claims settled with payment in this reporting year;</p> <p>b) any amounts relating to claims settled with payment in this 'reporting period' that have not yet fully been paid at the reporting reference date (because at the reporting reference date part of the amount sits in 'Insurance & intermediaries payables' on the balance sheet);</p> <p>c) allocated loss adjustment expenses that have been assigned to the claims settled with payment; and</p>

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		d) 'allocated loss adjustment expenses' that have been assigned to the claims settled without payment.
C0122	Amount of Gross Claims Paid - Third Party	<p>Amount of gross claims paid for third party claims, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'.</p> <p>Third Party claims include losses relating to the policyholders' liability such as (but not limited to) losses from damage caused by data breach, losses from network service failure etc.</p> <p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p> <p>This amount is to include:</p> <ul style="list-style-type: none"> a) claims paid in previous reporting periods relating to claims settled with payment in this reporting year; b) any amounts relating to claims settled with payment in this 'reporting period' that have not yet fully been paid at the reporting reference date (because at the reporting reference date part of the amount sits in 'Insurance & intermediaries payables' on the balance sheet); c) allocated loss adjustment expenses that have been assigned to the claims settled with payment; and d) 'allocated loss adjustment expenses' that have been assigned to the claims settled without payment.
C0123	Amount of Gross Claims Paid - Costs & Expenses	<p>Amount of gross claims paid for costs and expenses losses, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'.</p> <p>Costs and expenses losses include costs or services delivered by the insurer to restore systems and data after a cyber event (including legal costs).</p>

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		<p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p> <p>This amount is to include:</p> <ul style="list-style-type: none"> a) claims paid in previous reporting periods relating to claims settled with payment in this reporting year; b) any amounts relating to claims settled with payment in this 'reporting period' that have not yet fully been paid at the reporting reference date (because at the reporting reference date part of the amount sits in 'Insurance & intermediaries payables' on the balance sheet); c) allocated loss adjustment expenses that have been assigned to the claims settled with payment; and d) 'allocated loss adjustment expenses' that have been assigned to the claims settled without payment.
C0130	Number of Claims settled without payment	<p>Number of Claims, for the relevant for the relevant Product Group Code, that have been settled without payment during the 'reporting period'.</p> <p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p>
C0140	Gross undiscounted claims provision – Total	<p>Total amount of gross undiscounted claims provision, for the relevant for the relevant Product Group Code at the reporting reference date.</p> <p>This item is to include 'allocated loss adjustment expenses'.</p> <p>For lines of business 1 to 12 (as denoted in C0050) this will equal the sum of columns C0141, C0142 and C0143. For all other lines, this is the total amount of gross undiscounted claims provision.</p>
C0141	Gross undiscounted claims provision- First Party	<p>Amount of gross undiscounted claims provision for first party claims, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'.</p> <p>First Party claims include losses that relate to policyholders' own data or loss of income, including any negative consequence that can</p>

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		<p>cause, as a result of an event, a data breach or cyber attack to the policyholder's business/personal sphere.</p> <p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p>
C0142	Gross undiscounted claims provision - Third Party	<p>Amount of gross undiscounted claims provision for third party claims, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'.</p> <p>Third Party claims include losses that relate to policyholders' liability for damage caused to others' data or income, including any negative consequence that can cause, as a result of an event, a data breach or cyber attack to the policyholder's business/personal sphere.</p> <p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p>
C0143	Gross undiscounted claims provision - Costs & Expenses	<p>Amount of gross undiscounted claims provision for costs and expenses losses, for the relevant Product Group Code, for claims that have been settled with payment during the 'reporting period'.</p> <p>Costs and expenses losses include coverages that only relate to costs or services delivered by the coverage issuer to restore systems and data after a cyber event (including legal costs).</p> <p>This shall only be reported for lines of business 1 to 12 as denoted in C0050.</p>