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Prudential Regulation Authority

Annex II Chapter 10

Instructions regarding reporting templates for individual undertakings

S.13.01 — Projection of future gross cash flows (Best Estimate – non-life annuities)

General comments:

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

This template shall include information only in relation to the best estimates. The cash flows to be reported are gross of reinsurance and undiscounted.

Cash-flow projections such as central scenarios can be used as no perfect reconciliation with Best Estimate calculation is required. ~~If difficult to project some future cash flows like collective Future Discretionary Benefits the undertaking shall report the cash flow it effectively uses for calculating the Best Estimate.~~

All cash flows expressed in different currencies shall be considered and converted in the reporting currency using the exchange rate at the reporting date.

~~In case the undertaking uses simplifications for the calculation of technical provisions, for which an estimate of the expected future cash flows arising from the contracts are not calculated, the information shall be reported only in those cases where more than 10 % of total technical provisions have a settlement period longer than 24 months.~~

	ITEM	INSTRUCTIONS
C0010/R0010–R0330	Future cash flows used in the Best estimate, Insurance with profit participation (gross), Cash out flows — Future benefits	Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50. The cash flows are the ones stemming from future benefits regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Insurance with profit participation.
C0020/R0010–R0330	Future cash flows used in the Best estimate, Insurance with profit participation (gross), Cash out flows — Future	Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50. The cash flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle

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	expenses and other cash out-flows	<p>the insurance obligations, for line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Insurance with profit participation.</p> <p>Cash out-flows from non-life insurance contracts that will change to Annuities but not yet formally settled as Annuities, and dealt with within the same company shall also be included.</p>
C0030/R0010-R0330	Future cash-flows used in the Best estimate, Insurance with profit participation (gross), Cash in-flows — Future premiums	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from future premiums and any additional cash-flows that result from those premiums, for line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Insurance with profit participation.</p>
C0040/R0010-R0330	Future cash-flows used in the Best estimate, Insurance with profit participation (gross), Cash in-flows — Other cash in-flows	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones not included in Future premiums and not including investment returns, for line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Insurance with profit participation.</p>
C0050/R0010-R0330	Future cash-flows used in the Best estimate, Index-linked and unit-linked insurance (gross), Cash out-flows — Future benefits	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from Future benefits regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Index-linked and unit-linked insurance.</p>
C0060/R0010-R0330	Future cash-flows used in the Best estimate, Index-linked	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval</p>

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	and unit-linked insurance (gross), Cash out-flows — Future expenses and other cash out-flows	<p>of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash-flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle the insurance obligations, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Index-linked and unit-linked insurance.</p> <p>Cash-out-flows from non-life insurance contracts that will change to Annuities but not yet formally settled as Annuities, and dealt with within the same company shall also be included.</p>
C0070/R0010-R0330	Future cash-flows used in the Best estimate, Index-linked and unit-linked insurance (gross), Cash in-flows — Future premiums	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from future premiums and any additional cash-flows that result from those premiums, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Index-linked and unit-linked insurance.</p>
C0080/R0010-R0330	Future cash-flows used in the Best estimate, Index-linked and unit-linked insurance (gross), Cash in-flows — Other cash in-flows	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones not included in Future premiums and not including investment returns, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Index-linked and unit-linked insurance.</p>
C0090/R0010-R0330	Future cash-flows used in the Best estimate, Other life insurance (gross), Cash	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p>

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	<p>out flows — Future benefits</p>	<p>The cash flows are the ones stemming from Future benefits regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Other life insurance.</p>
<p>C0100/R0010– R0330</p>	<p>Future cash flows used in the Best estimate, Other life insurance (gross), Cash out flows — Future expenses and other cash out flows</p>	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle the insurance obligations, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Other life insurance.</p> <p>Cash out flows from non-life insurance contracts that will change to Annuities but not yet formally settled as Annuities, and dealt with within the same company shall also be included.</p>
<p>C0110/R0010– R0330</p>	<p>Future cash flows used in the Best estimate, Other life insurance (gross), Cash in flows — Future premiums</p>	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones stemming from future premiums and any additional cash flows that result from those premiums, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Other life insurance.</p>
<p>C0120/R0010– R0330</p>	<p>Future cash flows used in the Best estimate, Other life insurance (gross), Cash in flows — Other cash in flows</p>	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones not included in Future premiums and not including investment returns, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Other life insurance.</p>
<p>C0130/R0010– R0330</p>	<p>Future cash flows used in the Best</p>	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval</p>

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	estimate, Annuities stemming from non-life contracts (gross), Cash out-flows — Future benefits	<p>of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones stemming from Future benefits regarding lines of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Annuities stemming from non-life contracts relating to insurance obligations, including health insurance obligations.</p> <p>Cash out flows from non-life insurance contracts that will change to Annuities but are not yet formally settled as Annuities and shall not be included.</p>
C0140/R0010–R0330	Future cash-flows used in the Best estimate, Annuities stemming from non-life contracts (gross), Cash out-flows — Future expenses and other cash out-flows	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash-flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle the insurance obligations, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Annuities stemming from non-life contracts relating to insurance obligations, including health insurance obligations.</p> <p>Cash out-flows from non-life insurance contracts that are not yet settled as Annuities and will change to Annuities and dealt with within the same company shall not be included.</p>
C0150/R0010–R0330	Future cash-flows used in the Best estimate, Annuities stemming from non-life contracts (gross), Cash in-flows — Future premiums	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones stemming from future premiums and any additional cash-flows that result from those premiums, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Annuities stemming from non-life contracts relating to insurance obligations, including health insurance obligations.</p>

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		<p>Cash out-flows from non-life insurance contracts that are not yet settled as Annuities and will change to Annuities shall not be included.</p>
C0160/R0010-R0330	<p>Future cash-flows used in the Best estimate, Annuities stemming from non-life contracts (gross), Cash in-flows — Other cash in-flows</p>	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones not included in Future premiums and not including investment returns, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Annuities stemming from non-life contracts relating to insurance obligations, including health insurance obligations.</p> <p>Cash out flows from non-life insurance contracts that are not yet settled as Annuities and will change to Annuities shall not be included.</p>
<u>C0165/R0010-R0330</u>	<p><u>Annuities stemming from non-life insurance contracts - Total recoverable from reinsurance - (after the adjustment)</u></p>	<p><u>Amount of undiscounted future cash flows estimated for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</u></p> <p><u>The future cash flows relate to annuities stemming from non-life insurance contracts. These cash flows are to not include annuities stemming from non-life accepted reinsurance contracts.</u></p> <p><u>The future cash flows undiscounted from amounts recoverables from reinsurance and SPVs/Finite Re, including ceded intra group reinsurance, including future reinsurance premiums. Amount shall be reported net of adjustment for counterparty default risk.</u></p>
C0170/R0010-R0330	<p>Future cash-flows used in the Best estimate, Accepted reinsurance (gross), Cash out-flows — Future benefits</p>	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from Future benefits regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Life reinsurance.</p>

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<p>C0180/R0010–R0330</p>	<p>Future cash-flows used in the Best estimate, Accepted reinsurance (gross), Cash out-flows — Future expenses and other cash out-flows</p>	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash-flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle the insurance obligations, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Life reinsurance.</p> <p>Cash out-flows from non-life insurance contracts that will change to Annuities but not yet formally settled as Annuities, and dealt with within the same company shall also be included.</p>
<p>C0190/R0010–R0330</p>	<p>Future cash-flows used in the Best estimate, Accepted reinsurance (gross), Cash in-flows — Future premiums</p>	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from future premiums and any additional cash flows that result from those premiums, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Life reinsurance.</p>
<p>C0200/R0010–R0330</p>	<p>Future cash-flows used in the Best estimate, Accepted reinsurance (gross), Cash in-flows — Other cash in-flows</p>	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones not included in Future premiums and not including investment returns, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Life reinsurance.</p>
<p>C0210/R0010–R0330</p>	<p>Future cash-flows used in the Best estimate, Health insurance (gross), Cash out-flows —</p>	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from Future benefits regarding line of business, as defined in</p>

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	Future benefits	Annex I to Delegated Regulation (EU) 2015/35, Health insurance.
C0220/R0010-R0330	Future cash-flows used in the Best estimate, Health insurance (gross), Cash out-flows — Future expenses and other cash out-flows	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash-flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle the insurance obligations, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Health insurance.</p>
C0230/R0010-R0330	Future cash-flows used in the Best estimate, Health insurance (gross), Cash in-flows — Future premiums	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from future premiums and any additional cash flows that result from those premiums, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Health insurance.</p>
C0240/R0010-R0330	Future cash-flows used in the Best estimate, Health insurance (gross), Cash in-flows — Other cash in-flows	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones not included in Future premiums and not including investment returns, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Health insurance.</p>
C0250/R0010-R0330	Future cash-flows used in the Best estimate, Health reinsurance (gross), Cash out-flows —	<p>Amount of undiscounted cash-flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash-flows are the ones stemming from Future benefits regarding line of business, as defined in</p>

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	Future benefits	Annex I to Delegated Regulation (EU) 2015/35, Health reinsurance.
C0260/R0010-R0330	Future cash flows used in the Best estimate, Health reinsurance (gross), Cash out flows — Future expenses and other cash out flows	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones related to expenses that will be incurred in servicing insurance and reinsurance obligations, and other cash flow items such as taxation payments which are, or expected to be, charged to policyholders or are required to settle the insurance obligations, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Health reinsurance.</p> <p>Cash out flows from non-life insurance contracts that will change to Annuities but not yet formally settled as Annuities, and dealt within the same company shall also be included.</p>
C0270/R0010-R0330	Future cash flows used in the Best estimate, Health reinsurance (gross), Cash in flows — Future premiums	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones stemming from future premiums and any additional cash flows that result from those premiums, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Health reinsurance.</p>
C0280/R0010-R0330	Future cash flows used in the Best estimate, Health reinsurance (gross), Cash in flows — Other cash in flows	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p> <p>The cash flows are the ones not included in Future premiums and not including investment returns, regarding line of business, as defined in Annex I to Delegated Regulation (EU) 2015/35, Health reinsurance.</p>
C0290/R0010-R0330	Future cash flows used in the Best estimate, Total	<p>Amount of undiscounted cash flows expected for each year from year 1 to year 30, aggregated for the interval of years 31 to 40, aggregated for the interval of years 41 to 50 and aggregated for all the years after year 50.</p>

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	recoverable from reinsurance (after the adjustment)	The future cash flows undiscounted from amounts recoverable from reinsurance and SPVs/Finite Re, including ceded intra group reinsurance, including future reinsurance premiums. Amount shall be reported net of adjustment for counterparty default risk.
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Draft for consultation