



IAIS

INTERNATIONAL ASSOCIATION OF
INSURANCE SUPERVISORS

Public

2020 Questionnaire
for the April 2020 Insurance Capital Standard (ICS) Data Collection Exercise of the
Monitoring Period Project
(“the ICS Questionnaire”)

The ICS Questionnaire has been developed as a supporting document for groups participating in the 2020 ICS Data Collection Exercise and must be read in conjunction with the associated ICS Technical Specifications, ICS data collection Template and Yield Curve documentation. All documents are provided for information only.

These documents do not replace or supersede the ICS Level 1 and Level 2 documents, which have been agreed and published by the IAIS.

Contents

1	Introduction.....	3
1.1	Preamble.....	3
1.2	Confidentiality	3
1.3	Instructions.....	3
2	Identification	4
3	General Questions	5
4	Perimeter of the ICS Calculation.....	7
5	Market-adjusted valuation	9
6	Capital Requirement.....	11
6.1	Self-assessment template for natural catastrophe models	11
6.2	Non-insurance risk charges.....	15
7	Additional Reporting	16
7.1	GAAP Plus	16
7.1.1	Reconciliations	30
7.2	Internal Models	35
8	Supplementary Reporting.....	39
8.1	Commercial Mortgages.....	39
9	Self-assessment Template for Internal Models.....	42
	Prerequisite 1: Description of the scope of application of internal models.....	42
	Prerequisite 2: Validation	44
	Prerequisite 3: Sign-off of the Board of Directors of the IAIG.....	46
	Prerequisite 4: Statistical quality test	46
	Prerequisite 5: Calibration test.....	49
	Prerequisite 6: Use test and governance.....	51
	Prerequisite 7: Documentation standards.....	53
	Prerequisite 8: Absence of cherry-picking (for partial models).....	54
	Prerequisite 9: The resulting ICS capital requirement more appropriately reflects the risk profile of the insurer (for partial models).....	55
	Prerequisite 10: Explain how the partial internal model and standard method's results can be integrated (for partial models)	55

1 Introduction

1.1 Preamble

This Questionnaire focuses on supplementary information in relation to data provided in the Template for the 2020 ICS Data Collection Exercise of the Monitoring Period Project, and is due **31 October 2020**.

Defined terms in this document shall have the same meaning as ascribed to them in the Guidelines unless otherwise defined herein.

1.2 Confidentiality

This Questionnaire forms part of the documentation for the Monitoring Period Project. Please refer to the Introduction and Purpose and the Applicable Technical Standards in the 2020 ICS Data Collection Technical Specifications, as well as the Monitoring Period Guidelines, for information in relation to confidentiality of this document and the information submitted by Volunteer Groups using this document. For avoidance of doubt, responses to this Questionnaire that are received in line with the processes outlined in the 2020 ICS Data Collection Technical Specifications will benefit from the same level of confidentiality as the information submitted via the Template for the 2020 ICS Data Collection Exercise of the Monitoring Period Project.

1.3 Instructions

Please:

- Provide your answers **ONLY** in the spaces in the table provided for responses to each question.
- **DO NOT** alter the structure of this document (e.g. do not add additional rows or boxes for your answers, unless they are within the space already provided).
- **DO NOT** enter any information in blank spaces between questions or sections. The structure provided in this document is used to collate responses across Volunteer Groups. Any information entered outside this structure may result in that information being discarded during collation of the responses.

If this results in any problems with providing a response to any question in this Questionnaire, please email IAIS_ICS_Confidential_Reporting@bis.org with details of the problem.

Please refer to the 2020 ICS Data Collection Technical Specifications for instructions on submitting this Questionnaire. In particular, please adhere to the deadlines and the file naming convention provided therein.

2 Identification

1	Please provide the name of your IAIG/Volunteer Group below:	
	IAIG / Volunteer Group name	
	Insert text	
2	Please indicate the date of submission of this questionnaire (dd/mm/yyyy). If an earlier submission of this Questionnaire has been updated please indicate a new date here:	
	Date of this submission	
	Insert text	
3	Please indicate the name of the contact persons for queries about the responses to this Questionnaire, including email address and telephone number.	
	Primary Contact	Information
	Name:	Insert text
	Email:	Insert text
	Phone:	Insert text
	Backup Contact	Information
	Name:	Insert text
	Email:	Insert text
	Phone:	Insert text

3 General Questions

Template sheet(s) referred to in this section:	Various
Key Technical Specification section(s) relevant to this section	Various

4	Were any material assumptions or simplifications used when providing data on the reference ICS? Examples of assumptions or simplifications follow the questions.						
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, complete the following question for <u>each</u> material assumption or simplification used. Please specify the item or issue, including a reference to the Technical Specifications or Template, and provide a description with sufficient detail to allow an assessment of materiality and potential impact. In the description, also indicate whether you anticipate future reliance on the assumption or simplification or was it due to circumstances such as a resource constraint. <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 25%;">Item name</th><th style="width: 25%;">Reference</th><th style="width: 50%;">Description</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td><td>Insert text</td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i> Examples where assumptions or simplifications may have been used: 8.2 Deferred tax from the ICS Adjustments – Was difficulty encountered being able to offset deferred taxes arising from the ICS Adjustment where an assumption or simplification was used?	Item name	Reference	Description	Insert text	Insert text	Insert text
Item name	Reference	Description					
Insert text	Insert text	Insert text					
5	Were any material changes made in reporting data for sections that have remained unchanged between 2019 Field Testing and the Monitoring Period (eg simplifications that were used during Field Testing that are no longer being used for the Monitoring Period)?						
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please specify the item or issue, including a reference to the Technical Specifications or Template, and provide a description as well as rationale for its relevance to analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact.						

	<table border="1"> <tr> <th>Item name</th><th>Reference</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td><td>Insert text</td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Reference	Description and rationale	Insert text	Insert text	Insert text
Item name	Reference	Description and rationale					
Insert text	Insert text	Insert text					
6	Do you have further comments regarding ICS Version 2.0 for the monitoring period not specifically addressed elsewhere in the Questionnaire? Where appropriate, this includes comments on data, additional relevant data, and/or calculations that you consider relevant to the analysis (that is, have the potential to have a material impact on any conclusions reached based on the data and/or its analysis).						
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please specify the item or issue, including a reference to the Technical Specifications or Template, and provide a description as well as rationale for its relevance to analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact. <table border="1"> <tr> <th>Item name</th><th>Reference</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td><td>Insert text</td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Reference	Description and rationale	Insert text	Insert text	Insert text
Item name	Reference	Description and rationale					
Insert text	Insert text	Insert text					

4 Perimeter of the ICS Calculation

Template Sheets referred to in this section:	GAAP and ICS Balance Sheets
Key Technical Specification sections relevant to this section	4. Reference ICS: Perimeter of the ICS Calculation

7	For the starting ICS balance sheet, did you encounter any difficulties splitting the insurance and non-insurance operations?				
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide a description of issues that were encountered. <table border="1"> <thead> <tr> <th>Amount</th><th>Description</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> </tbody> </table> (Add additional rows as necessary)	Amount	Description	Insert text	Insert text
Amount	Description				
Insert text	Insert text				
8	For the non-insurance portion of the ICS balance sheet, did you encounter any difficulties re-stating consolidated entities in your consolidated GAAP to a different basis of accounting (eg, joint ventures and joint operations)?				
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide a description of issues that were encountered. <table border="1"> <thead> <tr> <th>Amount</th><th>Description</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> </tbody> </table> (Add additional rows as necessary)	Amount	Description	Insert text	Insert text
Amount	Description				
Insert text	Insert text				
9	Has an amount been reported in the worksheet <i>GAAP and ICS Balance Sheets</i> , table <i>Balance sheets</i> , Row (-) <i>adjustments already included in other equity items</i> ?				

	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide a description of what was included in the amount in sufficient detail to understand why the offset was necessary. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr style="background-color: #d3d3d3;"> <th style="width: 20%;">Amount</th> <th>Description</th> </tr> <tr> <td style="height: 40px; vertical-align: top;">Insert text</td> <td style="height: 40px; vertical-align: top;">Insert text</td> </tr> </table> <i>(Add additional rows as necessary)</i>	Amount	Description	Insert text	Insert text		
Amount	Description						
Insert text	Insert text						
10	Has an amount been reported in the <i>Other</i> line in the <i>Equity</i> section of the worksheet <i>GAAP and ICS Balance Sheets</i>?						
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide additional information on the amount so that the IAIS can determine whether that amount should be included within ICS capital resources. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr style="background-color: #d3d3d3;"> <th style="width: 20%;">Amount</th> <th>Description</th> </tr> <tr> <td style="height: 40px; vertical-align: top;">Insert text</td> <td style="height: 40px;"></td> </tr> <tr> <td style="height: 40px;"></td> <td style="height: 40px;"></td> </tr> </table> <i>(Add additional rows as necessary)</i>	Amount	Description	Insert text			
Amount	Description						
Insert text							

5 Market-adjusted valuation

MP Template Sheets referred to in this section:	GAAP and ICS Balance Sheets
Key MP Technical Specification sections relevant to this section	5. Reference ICS: Market-Adjusted Valuation

11	Are the Middle Bucket criteria appropriate? Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO, please describe in detail how and why the criteria should be changed. Please describe in summary, but with sufficient detail to allow an assessment of materiality and direction of impact. <table border="1"> <thead> <tr> <th>Item name</th><th>Description and rationale</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
12	Were either of the possible proxies for non-life premium liabilities applied? Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please indicate which proxy was used and provide details on the difficulties faced in the calculation of non-life premium liabilities. Provide details on alternative proxies (including formulas) which the IAIS could consider (references/ links to external sources are also welcome). <table border="1"> <thead> <tr> <th>Item name</th><th>Description and rationale</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> </tbody> </table>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								

<i>(Add additional rows as necessary)</i>										
13	Was the IAIS base yield curve methodology applied to any additional currency beyond the 35 for which the IAIS published data?									
Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe any difficulties experienced with the process. Please describe in summary. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>			Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale									
Insert text	Insert text									

6 Capital Requirement

6.1 Self-assessment template for natural catastrophe models

Template Sheets referred to in this section:	N/A
Key Technical Specification sections relevant to this section	7.2.4.7 Safeguards for Natural Catastrophe Models

14	<u>Safeguard 1 – Description of the scope of application</u> <i>The IAIG describes the perimeter of the natural catastrophe model's calculation.</i> Is Safeguard 1 met?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe the scope of application of the natural catastrophe model. <table border="1"> <thead> <tr> <th>Item name</th><th>Description and rationale</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td></td><td></td></tr> <tr> <td></td><td></td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
15	Do you have any natural catastrophe models that were developed internally?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe the scope of application of each CAT model. <table border="1"> <thead> <tr> <th>Item name</th><th>Description and rationale</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td></td><td></td></tr> </tbody> </table>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								

(Add additional rows as necessary)										
16	<u>Safeguard 2 – Validation</u> <i>The IAIG demonstrates that a rigorous process is in place by which they can establish whether their natural catastrophe model framework is sound or whether improvements are needed.</i> Is Safeguard 2 met?									
Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, Please describe the validation process for the CAT model. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> (Add additional rows as necessary)			Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale									
Insert text	Insert text									
17	<u>Safeguard 3 – Sign-off by senior management</u> <i>The senior management of the IAIG has ownership of the natural catastrophe model, and the model complies with the validation process prescribed by the natural catastrophe model governance process.</i> Is Safeguard 3 met?									
Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO, please explain whether a change is planned and the expected timeline. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table>			Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale									
Insert text	Insert text									

(Add additional rows as necessary)										
18	<u>Safeguard 4 – Statistical quality test</u> <i>The statistical quality test addresses issues related to the following technical aspects of the natural catastrophe model:</i> <i>methodology and assumptions;</i> <i>coverage of material risks;</i> <i>data (including external data) and expert judgment;</i> <i>aggregation of risks and diversification effects;</i> <i>consistency with the method used for the calculation of technical provisions;</i> <i>allowance for risk mitigation techniques and future management actions; and</i> <i>financial guarantees and contractual options.</i> Is Safeguard 4 met?									
Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe in summary how statistical quality tests are used in the natural catastrophe model. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table> (Add additional rows as necessary)			Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale									
Insert text	Insert text									
19	<u>Safeguard 5 – Use test and governance</u> <i>The use test reflects the IAIG's view of its risks and is used in decision-making.</i> Is Safeguard 5 met?									
Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> Not Applicable										

	If YES, please describe, in summary, how the use test is carried out, as well the model governance and internal controls at different stages of the model. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Item name</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
20	<u>Safeguard 6 – Documentation standards</u> <i>The documentation of the natural catastrophe model includes its use and other related aspects, such as:</i> • <i>facilitates the supervisory review of the model;</i> • <i>facilitates Senior Management's understanding; and</i> • <i>recognises the weaknesses of the model.</i> Is Safeguard 6 met?								
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe, in summary, the documentation that is currently available. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Item name</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
21	<u>Safeguard 7 – List of catastrophe risk sources that are not modelled</u> <i>The IAIG recognises the limitations in the scope of their natural catastrophe model. IAIGs make a list of natural catastrophe risks specified in the ICS but not modelled, and explain why those risks are not modelled.</i> Is Safeguard 7 met?								
	Provide your response by placing an 'x' in the relevant cell:								

	☐ YES	☐ NO	☐ Not Applicable
If YES, please list those natural catastrophe risks that are not modelled, the reason those risks are not modelled, and an assessment of the impact.			
Item name		Description and rationale	
Insert text		Insert text	
<i>(Add additional rows as necessary)</i>			

6.2 Non-insurance risk charges

Template Sheets referred to in this section:	ICS Non-Insurance & Baseline
Key Technical Specification sections relevant to this section	7.7 Non-Insurance Risk Charges

22	For the non-insurance entities reported as equity method investments (eg, joint ventures and joint operations) that are consolidated under GAAP, were there any reporting issues?												
Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable													
If YES, please describe the issue that you encountered.													
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Item name</th> <th style="width: 20%;">Reference</th> <th style="width: 50%;">Description and rationale</th> </tr> <tr> <td>Insert text</td> <td>Insert text</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>		Item name	Reference	Description and rationale	Insert text	Insert text							
Item name	Reference	Description and rationale											
Insert text	Insert text												
<i>(Add additional rows as necessary)</i>													

7 Additional Reporting

7.1 GAAP Plus

Template Sheets referred to in this section:	ICS Summary.GAAP+ ICS Balance Sheet.GAAP+ Financial Instruments.GAAP+ Tier 2 Non-Paid-Up ICS Insurance Risk Charges.G+ ICS Non-Insurance & Baseline ICS Other Methods.GAAP+
Key Technical Specification sections relevant to this section	9.1 GAAP Plus

23	Has an amount been reported in the worksheet <i>ICS Balance Sheet.GAAP+</i> , table <i>Balance sheets</i> , Row (-) <i>adjustments already included in other equity items</i> ?				
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide a description of what was included in the amount in sufficient detail to understand why the offset was necessary. <table border="1"> <thead> <tr> <th>Amount</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> </tbody> </table> (Add additional rows as necessary)	Amount	Description	Insert text	Insert text
Amount	Description				
Insert text	Insert text				
24	Has an amount been reported in the <i>Other</i> line in the <i>Equity</i> section of the worksheet <i>ICS Balance Sheet.GAAP+</i> ?				
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable				

	If YES, please provide additional information on the amount so that the IAIS can determine whether that amount should be included within ICS capital resources. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th style="width: 20%;">Amount</th><th>Description</th></tr> <tr> <td>Insert text</td><td></td></tr> <tr> <td></td><td></td></tr> </table> <i>(Add additional rows as necessary)</i>	Amount	Description	Insert text					
Amount	Description								
Insert text									
25	Were any material reclassifications made between reported general purpose audited financial statements (GAAP) and GAAP Plus in <i>ICS Balance Sheet.GAAP+</i> (table <i>Balance sheets</i>, Column [7] <i>Reclassification from GAAP</i>)?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe the reclassifications made between reported GAAP and GAAP Plus. Reclassifications may include, for example, any amounts that are adjusted due to changes in balance sheet presentation, netting or grossing of balances, differences in the scope of the group, or application of different consolidation methods or rules. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th style="width: 20%;">Item name</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td></td><td></td></tr> <tr> <td></td><td></td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
26	Did you conclude that the reference ICS and GAAP Plus are materially the same (and hence you did not prepare a separate GAAP Plus balance sheet with explicit adjustments)?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable								

	If YES, please describe the analyses performed to determine that the balances under GAAP Plus did not materially differ from the reference ICS, and specify the key factors in support of that determination. Please describe in summary, but with sufficient detail to allow an assessment of materiality and direction of impact. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th style="width: 30%;">Item name</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
27	Were any GAAP Plus specifications not followed or simplifying assumptions made in calculating the GAAP Plus Balance Sheet?								
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe, for each GAAP Plus specification not followed and each simplifying assumption made, the impact of using such alternative treatment (from the specifications, or simplification) particularly if this may not be justifiable using the proportionality principle. Please provide your rationale for the approach taken. Please describe in summary, but with sufficient detail to allow an assessment of materiality and direction of impact. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th style="width: 30%;">Item name</th><th>Description and rationale</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale								
Insert text	Insert text								
28	U.S. GAAP Plus – Were there any difficulties encountered when applying US GAAP Plus?								

	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact. Please list in order of difficulty. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Item Reference</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item Reference	Response	Insert text	Insert text						
Item Reference	Response										
Insert text	Insert text										
29	IFRS GAAP Plus – Were balances reported under the IFRS GAAP Plus approach? Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO: 1. Explain what prevented you from reporting the data in 2020. 2. Would these issues or limitations be resolved before 2021 Field Testing of GAAP Plus? 3. Are there any simplifying assumptions or practical expedients that could be applied in future Field Testing that would address these issues or limitations? <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Question Reference</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td>1.</td> <td> </td> </tr> <tr> <td>2.</td> <td> </td> </tr> <tr> <td>3.</td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Question Reference	Response	Insert text	Insert text	1.		2.		3.	
Question Reference	Response										
Insert text	Insert text										
1.											
2.											
3.											

30	IFRS GAAP Plus – If you are an IFRS reporter (regardless of whether you reported under IFRS GAAP Plus for 2020 Field Testing), please review the technical specifications presenting the IFRS GAAP Plus approach. Do you foresee any difficulties that you could encounter if you were to apply this approach to create an IFRS GAAP Plus balance sheet?								
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please provide details of any anticipated difficulties in applying this approach and any solutions that you can propose. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%; padding: 5px;">Difficulty identified</th> <th style="padding: 5px;">Explanation and proposed solution</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Insert text</td> <td style="padding: 5px;">Insert text</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Difficulty identified	Explanation and proposed solution	Insert text	Insert text				
Difficulty identified	Explanation and proposed solution								
Insert text	Insert text								
31	IFRS GAAP Plus – Were any simplifying assumptions or practical expedients applied in the reporting of balances under IFRS GAAP Plus for Field Testing?								
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES: 1. Please describe the method used to estimate balances in accordance with IFRS 17. 2. Please disclose any other information that would assist in the analysis of such figures. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%; padding: 5px;">Question Reference</th> <th style="padding: 5px;">Response</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Insert text</td> <td style="padding: 5px;">Insert text</td> </tr> <tr> <td style="padding: 5px;">1.</td> <td style="height: 30px;"></td> </tr> </tbody> </table>	Question Reference	Response	Insert text	Insert text	1.			
Question Reference	Response								
Insert text	Insert text								
1.									

	2.											
	(Add additional rows as necessary)											
32	IFRS GAAP Plus (Use of solvency reporting) – Were figures from solvency reporting adapted to approximate IFRS 17 figures for the purpose of GAAP Plus reporting?											
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES: - Please describe, for each adaptation made, the impact of using such alternative treatment (from the specifications) particularly if this may not be justifiable using the proportionality principle. - Please summarise, but with sufficient detail to allow an assessment of materiality and direction of impact, your rationale for the approach taken. - Please provide details of any expected sources of material difference between IFRS 17 and solvency reporting that have not been adjusted. <table border="1"> <thead> <tr> <th>Item Reference</th><th>Response</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td>1.</td><td></td></tr> <tr> <td>2.</td><td></td></tr> <tr> <td>3.</td><td></td></tr> </tbody> </table> If NO, please provide details of any expected sources of material difference between IFRS 17 and solvency reporting that have not been adjusted.		Item Reference	Response	Insert text	Insert text	1.		2.		3.	
Item Reference	Response											
Insert text	Insert text											
1.												
2.												
3.												
33	IFRS GAAP Plus (Life Liabilities) – Were there, or do you expect there to be, significant differences in the way that future cash flows are estimated between IFRS GAAP Plus (applying IFRS 17) and the reference ICS?											
	Provide your response by placing an 'x' in the relevant cell:											

	☐ YES	☐ NO	☐ Not Applicable						
	If YES, please describe the driver(s) of these differences and if possible a sense of the materiality for each impacted product segment. Examples may include: • Contract Boundaries • Overhead expenses • Level of aggregation used to estimate fulfillment cash flows								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Item Reference</th> <th>Response</th> </tr> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>			Item Reference	Response	Insert text	Insert text		
Item Reference	Response								
Insert text	Insert text								
	<i>(Add additional rows as necessary)</i>								
34	IFRS GAAP Plus (Non-Life Liability for Remaining Coverage) – Were there, or do you expect there to be, significant differences in the way that future non-life liability for remaining coverage cash flows are estimated between IFRS GAAP Plus (applying IFRS 17) and the reference ICS? Please indicate in your response whether (or not) you are using the premium allocation approach.								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe the driver(s) of these differences and, if possible, a sense of the materiality for each impacted product segment. Examples might include: • Discounting • Contract boundaries • Overhead expenses • Level of aggregation used to estimate fulfillment cash flows								
	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Item Reference</th> <th>Response</th> </tr> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> </table>			Item Reference	Response	Insert text	Insert text		
Item Reference	Response								
Insert text	Insert text								

	<i>(Add additional rows as necessary)</i>						
35	IFRS GAAP Plus (Non-Life Claims) – Were there, or do you expect there to be, significant differences in the way future non-life claim cash flows are estimated between IFRS GAAP Plus (applying IFRS17) and the reference ICS?						
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe the driver(s) of these differences and if possible a sense of the materiality for each impacted product segment. Examples might include: - Discounting - Contract boundaries - Overhead expenses - Level of aggregation used to estimate fulfillment cash flows <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 50%;">Item Reference</th><th style="width: 50%;">Response</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td style="height: 30px;"></td><td></td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item Reference	Response	Insert text	Insert text		
Item Reference	Response						
Insert text	Insert text						
36	IFRS GAAP Plus – Did you develop or are you developing a methodology for calculating a discount rate or curve for purposes of implementing IFRS GAAP Plus? Does this differ from your currently expected approach under IFRS17?						

Provide your response by placing an 'x' in the relevant cell:

☐

YES

☐

NO

☐

Not Applicable

If YES, please describe your current thinking on this methodology including:

1. Did you, or will you, use multiple curves/rates? If so please describe how these will be applied and how they might differ.
2. Did you, or will you, apply a top-down or bottom-up method to develop a discount rate/curve?
3. If top-down, describe how the yield curve that reflects the current market rates of return implicit in the fair value measurement of a reference portfolio of assets was or may be determined, as well as other relevant considerations requiring judgment (e.g. what was or may be used as the reference portfolio, how a risk premium and expected default were or may be calculated and deducted).
4. If bottom-up, describe relevant considerations requiring judgement such as how a liquidity premium were or may be calculated and how the risk-free rate/curve was, or may be, constructed.
5. What was considered to be the observable period (last liquid point)?
6. Did you, or do you intend to, use a spot rate or a forward rate for the ultimate rate? How is that rate determined?
7. When does it begin to apply?
8. Describe the technique that was, or will be used, if any, to extrapolate between the last liquid point and the ultimate rate. How did or how might the discount curve construction differ by currency?
9. Describe any other adjustments that were, or may be, made.

Question Reference	Response
Insert text	Insert text
1.	
2.	

(Add additional rows as necessary)

If NO, please provide a discussion of what elements are being considered and the timeline for concluding on a discounting methodology

37	IFRS GAAP Plus – Have you developed, or are you developing a methodology for calculating a risk adjustment for purposes of implementing IFRS 17?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe your methodology including: 1. What method was or may be used (e.g. VaR, TVaR, Cost of Capital) and what is the rationale for choosing this method? 2. What time period was or may be used and what is the rationale for choosing that time period? 3. What risks were or may be captured in your non-financial risks? 4. What level of aggregation was or may be used? 5. How was or will reinsurance be applied or addressed? 6. Did you, or do you intend to, incorporate a diversification effect, if so, please describe. 7. How did or will you determine your confidence level to develop a risk adjustment and what was the level? 8. How did or would the risk adjustment differ from the MOCE defined in the reference ICS? 9. For those products for which you used, or intend to use, the Premium Allocation Approach, describe how/if the risk adjustment would be calculated. 10. If applicable, how does or might the risk adjustment differ from the risk margin in the regime in your jurisdiction (eg Solvency II)? <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%;">Question Reference</th><th>Response</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td>1.</td><td></td></tr> <tr> <td>2.</td><td></td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Question Reference	Response	Insert text	Insert text	1.		2.	
Question Reference	Response								
Insert text	Insert text								
1.									
2.									
38	IFRS GAAP Plus – Have you developed a policy for determining portfolio allocation for purposes of implementing IFRS 17?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, Please describe this methodology including: 1. Is or will the portfolio allocation under IFRS 17 be more or less granular than the ICS segments? Please describe any material differences.								

	2.	Is or will the portfolio allocation under IFRS 17 be different from what you have currently under your jurisdiction's solvency regime? Please describe.								
		<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Question Reference</th><th>Response</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td>1.</td><td></td></tr> <tr> <td>2.</td><td></td></tr> </table> <i>(Add additional rows as necessary)</i> If NO, please provide a discussion of what you are currently considering and the timeline for concluding on assigning/defining portfolios.	Question Reference	Response	Insert text	Insert text	1.		2.	
Question Reference	Response									
Insert text	Insert text									
1.										
2.										
39		IFRS GAAP Plus – Did you or do you intend to apply the Premium Allocation Approach (PAA) to any products? If you intend to apply the PAA to any life products, please indicate this separately.								
		Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 20px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please indicate what portion of liabilities were reported on an undiscounted basis on the GAAP Plus Balance Sheet. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Item name</th><th>Reported amount</th></tr> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td></td><td></td></tr> <tr> <td></td><td></td></tr> </table> <i>(Add additional rows as necessary)</i>	Item name	Reported amount	Insert text	Insert text				
Item name	Reported amount									
Insert text	Insert text									
40		IFRS GAAP Plus – Did you or will you apply the PAA to any contracts with a coverage period greater than one year?								
		Provide your response by placing an 'x' in the relevant cell:								

	☐ YES	☐ NO	☐ Not Applicable								
If YES, please describe the products and the rationale for applying the PAA. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%;">Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>				Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale										
Insert text	Insert text										
41	IFRS GAAP Plus – Have you developed a timeline for the implementation of IFRS 17 and IFRS 9?										
Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES: 1. If you have not submitted an IFRS GAAP Plus balance sheet for Field Testing, does that timeline allow for preparation of a balance sheet reflecting each of IFRS 17 and IFRS 9, perhaps with some simplifying assumptions, for the Field Testing of GAAP Plus in 2021? 2. Can you provide any additional commentary that would explain possible limitations to providing a balance sheet reflecting IFRS 17 and IFRS 9 for 2021 Field Testing? <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%;">Question Reference</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td>1.</td> <td> </td> </tr> <tr> <td>2.</td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i> If NO, please explain the issues that would prevent you from submitting a balance sheet reflecting new accounting rules for 2021 Field Testing.				Question Reference	Response	Insert text	Insert text	1.		2.	
Question Reference	Response										
Insert text	Insert text										
1.											
2.											

42	China GAAP Plus – Did you have any difficulties in applying the China GAAP Plus approach?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES: - Can you explain the reason for the difficulty? - Do you have any suggestions that would help to resolve the difficulty or clarify the technical specifications? <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Question Reference</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td>1.</td> <td></td> </tr> <tr> <td>2.</td> <td></td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Question Reference	Response	Insert text	Insert text	1.		2.	
Question Reference	Response								
Insert text	Insert text								
1.									
2.									
43	AOCI adjustment– Did you have any difficulties in applying the AOCI adjustment?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable 1. If YES, can you explain the reason for the difficulty? 2. Do you have any suggestions that would help to resolve the difficulty or clarify the technical specifications? <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Question Reference</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Question Reference	Response						
Question Reference	Response								

	Insert text	Insert text								
	1.									
	2.									
	(Add additional rows as necessary)									
	If NO, please explain why this segregation was not performed.									
44	Do you have any suggested improvements or refinements to the 2020 GAAP Plus Technical Specifications?									
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 30px; height: 30px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please specify the improvement and the rationale for its relevance to the Field Testing analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%; padding: 5px;">Item name</th> <th style="padding: 5px;">Description and rationale</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Insert text</td> <td style="padding: 5px;">Insert text</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table> (Add additional rows as necessary)		Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale									
Insert text	Insert text									
45	Do you have further comments regarding this section?									
	Where appropriate, this includes comments on data, additional relevant data, and/or calculations that you consider relevant to the Field Testing analysis (that is, have the potential to have a material impact on any conclusions reached based on the data and/or its analysis).									
	Provide your response by placing an 'x' in the relevant cell:									

	☐ YES	☐ NO	☐ Not Applicable												
If YES, please specify the item or issue, including a reference to the Technical Specifications or Template, and provide a description as well as rationale for its relevance to the Field Testing analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 33%;">Item name</th> <th style="width: 33%;">Reference</th> <th style="width: 34%;">Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>				Item name	Reference	Description and rationale	Insert text	Insert text							
Item name	Reference	Description and rationale													
Insert text	Insert text														

7.1.1 Reconciliations

Reconciliations: Life Insurance Liabilities - GAAP Plus to MAV

Template Sheets referred to in this section:	ICS Balance Sheet.GAAP+
Key Technical Specification sections relevant to this section	9.1 GAAP Plus

46	Reconciliation of life insurance liabilities GAAP Plus to MAV includes two user-defined columns to report any material adjustments required to move from GAAP Plus to MAV excluding changes to contract boundaries, cash flow projections and discounting. Were these columns utilised?				
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide a description for the adjustment amounts reported in each column. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 33%;">Item name</th> <th style="width: 67%;">Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> </tbody> </table>	Item name	Description and rationale	Insert text	Insert text
Item name	Description and rationale				
Insert text	Insert text				

	(Add additional rows as necessary)									
47	Reconciliation of life insurance liabilities GAAP Plus to MAV includes a column labelled <i>other</i> to report any additional adjustments required to move from GAAP Plus to MAV excluding changes explicitly reported in previous columns. Was this column utilised?									
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please provide a description for the amounts reported. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> (Add additional rows as necessary)		Item name	Description and rationale	Insert text	Insert text				
Item name	Description and rationale									
Insert text	Insert text									
48	Do you have further comments regarding this section? Where appropriate, this includes comments on data, additional relevant data, and/or calculations that you consider relevant to the analysis (that is, have the potential to have a material impact on any conclusions reached based on the data and/or its analysis).									
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please specify the item or issue, including a reference to the Technical Specifications or Template, and provide a description as well as rationale for its relevance to the analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact.									

Item name	Reference	Description and rationale
Insert text	Insert text	

(Add additional rows as necessary)

Reconciliations: Non-Life Insurance Liabilities - GAAP Plus to MAV

Template Sheets referred to in this section:	ICS Balance Sheet.GAAP+
Key Technical Specification sections relevant to this section	9.1 GAAP Plus

49	Did you report any amount in the Other columns for the premium liability reconciliations? Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe all the amounts reported as part of <i>Other</i> in each table, provide the rationale supporting your adjustments, and indicate the impact of adopting your adjustments. Please describe in summary, but with sufficient detail to allow an assessment of materiality (Please express the amounts as a % of Total Assets) and direction of impact. <table border="1"> <thead> <tr> <th>Table</th> <th>Item name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>GAAP to MAV</td> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td>GAAP to GAAP Plus</td> <td></td> <td></td> </tr> <tr> <td>GAAP Plus to MAV</td> <td></td> <td></td> </tr> </tbody> </table> (Add additional rows as necessary)	Table	Item name	Description and rationale	GAAP to MAV	Insert text	Insert text	GAAP to GAAP Plus			GAAP Plus to MAV		
Table	Item name	Description and rationale											
GAAP to MAV	Insert text	Insert text											
GAAP to GAAP Plus													
GAAP Plus to MAV													
50	Do you have any other comments on the premium liability reconciliations? Where appropriate, this includes comment on data, additional relevant data, and/or calculation that you provide which you consider relevant to the analysis (that is, have												

	the potential to have a material impact on any conclusions reached based on the data and/or its analysis).									
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please specify the item or issue and discuss it and the rationale for its relevance to the analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Item name</th><th>Description and rationale</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item name	Description and rationale	Insert text	Insert text					
Item name	Description and rationale									
Insert text	Insert text									
51	Did you report any amounts in the <i>Other</i> columns for the claim liability reconciliation?									
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe all the amounts reported as part of <i>Other</i> in each table, provide the rationale supporting your adjustments, and indicate the impact of adopting your adjustments. Please describe in summary, but with sufficient detail to allow an assessment of materiality (Please express the amounts as a % of Total Assets) and direction of impact. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;">Table</th><th style="width: 30%;">Item name</th><th>Description and rationale</th></tr> </thead> <tbody> <tr> <td>GAAP to GAAP Plus</td><td>Insert text</td><td>Insert text</td></tr> <tr> <td>GAAP Plus to MAV</td><td> </td><td> </td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Table	Item name	Description and rationale	GAAP to GAAP Plus	Insert text	Insert text	GAAP Plus to MAV		
Table	Item name	Description and rationale								
GAAP to GAAP Plus	Insert text	Insert text								
GAAP Plus to MAV										

52	Do you have further comments regarding this section? Where appropriate, this includes comments on data, additional relevant data, and/or calculations that you consider relevant to the analysis (that is, have the potential to have a material impact on any conclusions reached based on the data and/or its analysis).												
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please specify the item or issue, including a reference to the Technical Specifications or Template, and provide a description as well as rationale for its relevance to the analysis. Please describe in summary, but with sufficient detail to allow an assessment of materiality and potential impact. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 33%; padding: 5px;">Item name</th> <th style="width: 33%; padding: 5px;">Reference</th> <th style="width: 33%; padding: 5px;">Description and rationale</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Insert text</td> <td style="padding: 5px;">Insert text</td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;"></td> <td style="padding: 5px;"></td> <td style="padding: 5px;"></td> </tr> <tr> <td style="padding: 5px;"></td> <td style="padding: 5px;"></td> <td style="padding: 5px;"></td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item name	Reference	Description and rationale	Insert text	Insert text							
Item name	Reference	Description and rationale											
Insert text	Insert text												

7.2 Internal Models

Template Sheets referred to in this section:	ICS Other Methods
Key MP Technical Specification sections relevant to this section	9.2.1 Internal Models

The purpose of this section is to enable IAIGs to provide supplementary qualitative information (with respect to the quantitative data submission) to support the assessment of the appropriateness of the use of internal models for the reference ICS. This will facilitate a better understanding of:

- The reasons for differences in outcomes between the ICS standard method and risk charges determined by internal models at the same calibration level; and
- The nature and scope of application of internal models used by IAIGs

53	Do any of the risk charges calculated using a VaR 99.5% over a one-year time horizon (in 9.2 <i>Other methods</i>) differ materially from the equivalent ICS risk charges determined according to the ICS standard method?												
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please quantify and outline the key drivers of any material differences for each risk. Please also outline any material differences in your definition of each risk compared to that used by the IAIS. Please describe in summary, but with sufficient detail to allow an assessment of materiality and direction of impact. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Risk</th><th>Key drivers of differences between IAIG's reported capital amounts for regulatory purposes and ICS standard method risk charges. Please also include outline of any material differences in the definitions of risks.</th></tr> </thead> <tbody> <tr> <td>Mortality risk</td><td>Insert text</td></tr> <tr> <td>Longevity risk</td><td></td></tr> <tr> <td>Morbidity/Disability risk</td><td></td></tr> <tr> <td>Lapse risk</td><td></td></tr> <tr> <td>Expense risk</td><td></td></tr> </tbody> </table>	Risk	Key drivers of differences between IAIG's reported capital amounts for regulatory purposes and ICS standard method risk charges. Please also include outline of any material differences in the definitions of risks.	Mortality risk	Insert text	Longevity risk		Morbidity/Disability risk		Lapse risk		Expense risk	
Risk	Key drivers of differences between IAIG's reported capital amounts for regulatory purposes and ICS standard method risk charges. Please also include outline of any material differences in the definitions of risks.												
Mortality risk	Insert text												
Longevity risk													
Morbidity/Disability risk													
Lapse risk													
Expense risk													

	Premium risk									
	Claims reserve risk									
	Catastrophe risk									
	Interest Rate risk									
	Non-default Spread risk									
	Equity risk									
	Real Estate risk									
	Currency risk									
	Asset Concentration risk									
	Credit risk									
	Operational risk									
<i>(Add additional rows as necessary)</i>										
54	Did you report other risks not captured by the ICS?									
Provide your response by placing an 'x' in the relevant cell: <input style="width: 40px; height: 20px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 40px; height: 20px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 40px; height: 20px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe those risks and the materiality of each risk if more than one risk is reported in that cell. Please provide the rationale for modelling these risks. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Risk name</th> <th>Description and rationale</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>			Risk name	Description and rationale	Insert text	Insert text				
Risk name	Description and rationale									
Insert text	Insert text									

55	Does the ICS standard method cover risks that are not included in your internal economic capital model(s)?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please explain why those risks are not explicitly modelled, and how this is addressed. Please describe in summary, but with sufficient detail to allow an assessment of materiality and direction of impact. <table border="1" data-bbox="248 750 1484 1032"> <thead> <tr> <th data-bbox="248 750 571 819">Risk name</th><th data-bbox="571 750 1484 819">Description and rationale of why the risk is not modelled</th></tr> </thead> <tbody> <tr> <td data-bbox="248 819 571 889">Insert text</td><td data-bbox="571 819 1484 889">Insert text</td></tr> <tr> <td data-bbox="248 889 571 958"></td><td data-bbox="571 889 1484 958"></td></tr> <tr> <td data-bbox="248 958 571 1032"></td><td data-bbox="571 958 1484 1032"></td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Risk name	Description and rationale of why the risk is not modelled	Insert text	Insert text				
Risk name	Description and rationale of why the risk is not modelled								
Insert text	Insert text								
56	For the actual internal model results where the risk measure and/or confidence interval differ from 99.5% VaR over a one-year time horizon, please detail the reasons why a different target calibration is used and outline any adjustments used when providing data at 99.5% VaR over a one-year time horizon.								
	Please describe in summary, but with sufficient detail to allow an assessment of materiality and direction of impact. <table border="1" data-bbox="248 1388 1484 1709"> <thead> <tr> <th data-bbox="248 1388 571 1496">Item where different from ICS calibration</th><th data-bbox="571 1388 1484 1496">Reasons and adjustments when providing data using same calibration as ICS</th></tr> </thead> <tbody> <tr> <td data-bbox="248 1496 571 1565">Insert text</td><td data-bbox="571 1496 1484 1565">Insert text</td></tr> <tr> <td data-bbox="248 1565 571 1635"></td><td data-bbox="571 1565 1484 1635"></td></tr> <tr> <td data-bbox="248 1635 571 1709"></td><td data-bbox="571 1635 1484 1709"></td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Item where different from ICS calibration	Reasons and adjustments when providing data using same calibration as ICS	Insert text	Insert text				
Item where different from ICS calibration	Reasons and adjustments when providing data using same calibration as ICS								
Insert text	Insert text								
57	Where you have indicated the results come from a model whose use has been approved by a supervisory authority, please provide details and scope of the approval – has the approval been granted by the group-wide supervisor, a single legal entity supervisor or a supervisory college?								

	Model approved	Details of the approval		
	Insert text	Insert text		
(Add additional rows as necessary)				
58	Please explain the diversification benefits in worksheet 9.2 <i>Other methods</i> and demonstrate that it is adequate. You may need to provide a short description of the dependency modelling.			
	Difference	Description of difference		
	Insert text	Insert text		
(Add additional rows as necessary)				
59	Considering the risk profile of your group, is there any area for which the ICS standard method does not appropriately capture the risk profile of your group and for which an internal economic capital modelling approach would be more appropriate?			
Provide your response by placing an 'x' in the relevant cell:				
☐ YES ☐ NO ☐ Not Applicable				
If YES, please describe why an internal economic capital modelling approach would capture your risk profile more appropriately in the context of a consistent assessment of risk needed for the ICS.				
	Item name	Description and rationale		
	Insert text	Insert text		
(Add additional rows as necessary)				

8 Supplementary Reporting

8.1 Commercial Mortgages

Template Sheets referred to in this section:	Commercial Mortgages
Key MP Technical Specification sections relevant to this section	10.5 Commercial Mortgages

With a view to potentially refine the ICS calibration of Credit risk factors for commercial mortgages, the IAIS is seeking to continue its collection of information on the commercial mortgage loan portfolios of IAIGs

60	Portfolio Performance: By Cohort Level – Annual Defaults For average LTV, please clarify how LTV is measured (eg on the basis of LTV at underwriting or a recent property/collateral appraisal, etc.)		
	<table border="1"> <tr> <td>Description</td></tr> <tr> <td>Insert text</td></tr> </table>	Description	Insert text
Description			
Insert text			
61	Portfolio Performance: By Cohort Level – Annual Defaults For average DSCR, please clarify whether DSCR is at loan underwriting or the reported DSCR.		
	<table border="1"> <tr> <td>Description</td></tr> <tr> <td>Insert text</td></tr> </table>	Description	Insert text
Description			
Insert text			
62	Portfolio Performance: By Cohort Level – Annual Defaults Please describe how LGD is measured, and indicate whether the average is weighted by loan or by exposure.		
	<table border="1"> <tr> <td>Description</td></tr> <tr> <td>Insert text</td></tr> </table>	Description	Insert text
Description			
Insert text			
63	Portfolio Performance: By Cohort Level – Annual Defaults Please describe how default is measured.		

	Description Insert text										
64	Location of risk: Please elaborate on any risk-sharing arrangements in place.										
	Description Insert text										
65	Business model: Please describe your business model, sharing insight on the following: • Underwriting practices • Loan objectives • Risk mitigation measures • Other features										
	<table border="1"> <thead> <tr> <th>Item</th><th>Description</th></tr> </thead> <tbody> <tr> <td>Underwriting practices</td><td>Insert text</td></tr> <tr> <td>Loan objectives</td><td>Insert text</td></tr> <tr> <td>Risk mitigation measures</td><td>Insert text</td></tr> <tr> <td>Other features</td><td>Insert text</td></tr> </tbody> </table>	Item	Description	Underwriting practices	Insert text	Loan objectives	Insert text	Risk mitigation measures	Insert text	Other features	Insert text
Item	Description										
Underwriting practices	Insert text										
Loan objectives	Insert text										
Risk mitigation measures	Insert text										
Other features	Insert text										
66	Transparency of data inputs: As the IAIS looks to the monitoring period and further refinement of the ICS, it is necessary that any data underlying ICS risk calibrations be readily available for review and analysis. Please indicate whether the data underlying your commercial mortgage loan portfolio would be accessible to the IAIS and whether it can be included in aggregate anonymised results that are publicly disclosed in future IAIS papers, describing the calibration methodologies employed within the ICS. Would the underlying data be accessible to the IAIS?										

	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO, please explain. Explanation Insert text
67	Can the underlying data be included in aggregate anonymised results that are publicly disclosed in future IAIS papers?
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO, please explain. Explanation Insert text

9 Self-assessment Template for Internal Models

IAIGs participating in the additional reporting for internal models should complete and submit the self-assessment template, which assesses the degree of compliance with the list of prerequisites.

The scope of application of internal models is limited to the calculation of the ICS capital requirement and not to other areas of the ICS such as capital resources or valuation (eg MAV). Therefore, the development of internal models is meant to introduce only an alternative calculation of the ICS capital requirement, while the valuation of the assets and liabilities of the IAIG would continue to be calculated according to the methods set out by the IAIS. However, the IAIS expects convergence between the valuation basis embedded in the internal model and the valuation basis for the ICS during the monitoring period.

Prerequisite 1: Description of the scope of application of internal models

IM1	<u>Prerequisite 1 – Description of the scope of application of internal models</u> <i>IAIGs must describe the scope of application of their internal model (ie the perimeter of the internal model's calculation).</i> Is Prerequisite 1 met?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If Yes, please describe the scope of application of the internal model. <table border="1" data-bbox="236 1301 1474 1581"> <thead> <tr> <th>Description item</th><th>Description rationale</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Description item	Description rationale	Insert text	Insert text				
Description item	Description rationale								
Insert text	Insert text								
IM2	If Prerequisite 1 is met, two possible approaches are considered for the additional reporting of internal model results during the monitoring period. Do you use a full internal model?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If No, please describe which type of partial internal model you use.								

	Please describe in summary, but with sufficient detail to allow an assessment of the perimeter of the internal model.							
	Partial model type	Description						
	Partial – One or more risk charges of the ICS standard method capital requirement	Insert text if this partial model type is used						
	Partial – One or more sub-risk charges of the ICS standard method capital requirement	Insert text if this partial model type is used						
	Partial – One or more risk charges or sub-risk charges not captured by the ICS standard method capital requirement	Insert text if this partial model type is used						
	Partial – Only one or more major business units or legal entities	Insert text if this partial model type is used						
	Other model structure	Insert text if this partial model type is used						
	<i>(Add additional rows as necessary)</i>							
IM3	Do you use the partial internal model for calculation of risk charges in any of the below mentioned risk categories?							
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe in summary, how the internal model is used to calculate risk charges in below mentioned risk categories. <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <th style="width: 30%; background-color: #f2f2f2;">Risk category</th> <th style="background-color: #f2f2f2;">Description of the usage</th> </tr> <tr> <td>Mortality risk</td> <td></td> </tr> <tr> <td>Longevity risk</td> <td></td> </tr> </table>		Risk category	Description of the usage	Mortality risk		Longevity risk	
Risk category	Description of the usage							
Mortality risk								
Longevity risk								

	Morbidity/Disability risk	
	Lapse risk	
	Expense risk	
	Premium risk	
	Claims reserve risk	
	Catastrophe risk	
	Interest Rate risk	
	Non-default Spread risk	
	Equity risk	
	Real Estate risk	
	Currency risk	
	Asset Concentration risk	
	Credit risk	
	Operational risk	
	<i>(Add additional rows as necessary)</i>	

Prerequisite 2: Validation

IM4	<u>Prerequisite 2: Validation</u> <i>Describe the validation process detailing the process and the scope at different stages, segment of the model, detailing the departments involved and the periodicity of the validation and the tools used (eg benchmarking).</i> <i>Explain how the validation process ensures that the model remains fit for capital purposes in changing circumstances against the criteria of the statistical quality test, calibration test and use test.</i> <i>Demonstrate that the model has been independently validated (externally or internally) from those who develop, change, update, run and use the model.</i> Is Prerequisite 2 met?
	Provide your response by placing an 'x' in the relevant cell:

	☐ YES	☐ NO	☐ Not Applicable																																				
If Yes, please describe the validation process of the internal model.																																							
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 30%;">Description item</th> <th>Description rationale</th> </tr> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </table>					Description item	Description rationale	Insert text	Insert text																															
Description item	Description rationale																																						
Insert text	Insert text																																						
<i>(Add additional rows as necessary)</i>																																							
IM5	If Prerequisite 2 is met, please, provide details of the validation process in the table below.																																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 15%;">Item</th> <th style="width: 15%;">Is the validation policy formalised in the following areas?</th> <th style="width: 15%;">Is the validation done?</th> <th style="width: 25%;">What is the periodicity of the validation? (Monthly/ Quarterly/ Biannually/ Annually/ Ad hoc/ Other)</th> <th style="width: 30%;">Description of the scope of the validation</th> </tr> <tr> <td>Development</td> <td>Yes/No</td> <td>Internally/Externally</td> <td> </td> <td> </td> </tr> <tr> <td>Parameterisation</td> <td>Yes/No</td> <td>Internally/Externally</td> <td> </td> <td> </td> </tr> <tr> <td>Results</td> <td>Yes/No</td> <td>Internally/Externally</td> <td> </td> <td> </td> </tr> <tr> <td>Model change</td> <td>Yes/No</td> <td>Internally/Externally</td> <td> </td> <td> </td> </tr> <tr> <td>Expert judgement</td> <td>Yes/No</td> <td>Internally/Externally</td> <td> </td> <td> </td> </tr> <tr> <td>Auditing</td> <td>Yes/No</td> <td>Internally/Externally</td> <td> </td> <td> </td> </tr> </table>					Item	Is the validation policy formalised in the following areas?	Is the validation done?	What is the periodicity of the validation? (Monthly/ Quarterly/ Biannually/ Annually/ Ad hoc/ Other)	Description of the scope of the validation	Development	Yes/No	Internally/Externally			Parameterisation	Yes/No	Internally/Externally			Results	Yes/No	Internally/Externally			Model change	Yes/No	Internally/Externally			Expert judgement	Yes/No	Internally/Externally			Auditing	Yes/No	Internally/Externally		
Item	Is the validation policy formalised in the following areas?	Is the validation done?	What is the periodicity of the validation? (Monthly/ Quarterly/ Biannually/ Annually/ Ad hoc/ Other)	Description of the scope of the validation																																			
Development	Yes/No	Internally/Externally																																					
Parameterisation	Yes/No	Internally/Externally																																					
Results	Yes/No	Internally/Externally																																					
Model change	Yes/No	Internally/Externally																																					
Expert judgement	Yes/No	Internally/Externally																																					
Auditing	Yes/No	Internally/Externally																																					
<i>(Add additional rows as necessary)</i>																																							
IM6	If Prerequisite 2 is met, please provide in the table below information on the outstanding validation findings, if any.																																						

Validation finding	Description of the finding
Insert text	Insert text

(Add additional rows as necessary)

Prerequisite 3: Sign-off of the Board of Directors of the IAIG

IM7	Prerequisite 3: Sign-off of the Board of Directors of the IAIG <i>This prerequisite aims to ensure that there is ownership of the internal model by the Board of Directors and that the model is compliant with the validation process inscribed in the governance of the internal model. Moreover, ICP 17 recommends a certain level of engagement by the Board of Directors concerning the internal models as part of the use test.</i> Is Prerequisite 3 met?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO, please explain whether a change is planned, and the expected timeline. <table border="1"> <thead> <tr> <th>Comment name</th> <th>Comment description</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> (Add additional rows as necessary)	Comment name	Comment description	Insert text	Insert text				
Comment name	Comment description								
Insert text	Insert text								

Prerequisite 4: Statistical quality test

IM8	Prerequisite 4: Statistical quality test <i>Building on ICP 17.4 IAIGs need:</i> <i>“... to conduct a ‘statistical quality test’ which assesses the base quantitative methodology of the internal model, to demonstrate the appropriateness of this methodology, including the choice of</i>
-----	--

	<i>model inputs and parameters, and to justify the assumptions underlying the model”; and provide evidence</i> <i>“... that the determination of the regulatory capital requirement using an internal model addresses the overall risk position of the insurer and that the underlying data used in the model is accurate and complete”.</i> Is Prerequisite 4 met?								
	Provide your response by placing an ‘x’ in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe in summary on how statistical quality tests are used in the internal model. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Statistical quality test</th><th>Description of the test</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Statistical quality test	Description of the test	Insert text	Insert text				
Statistical quality test	Description of the test								
Insert text	Insert text								
IM9	Do you use expert judgement in the statistical quality tests?								
	Provide your response by placing an ‘x’ in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable Please describe in summary the areas where expert judgement is predominantly used. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #d3d3d3;"> <th style="width: 30%;">Model area</th><th>How the expert judgement is used</th></tr> </thead> <tbody> <tr> <td>Insert text</td><td>Insert text</td></tr> <tr> <td> </td><td> </td></tr> <tr> <td> </td><td> </td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Model area	How the expert judgement is used	Insert text	Insert text				
Model area	How the expert judgement is used								
Insert text	Insert text								
IM10	Do you use external data in the statistical quality tests?								
	Provide your response by placing an ‘x’ in the relevant cell:								

	☐ YES	☐ NO	☐ Not Applicable								
Please describe in summary which external data is predominantly used for which areas. Eg Interest rate data for interest rate risk, claims data for benchmarking, probabilities of default for credit risk, etc. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%;">Data used</th> <th>Part of the model where it is applied</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>				Data used	Part of the model where it is applied	Insert text	Insert text				
Data used	Part of the model where it is applied										
Insert text	Insert text										
IM11	Do you use an external/vendor model in the statistical quality tests? Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable Please describe in summary the areas /risk categories where an external/ vendor model is predominantly used. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%;">Risk category</th> <th>Details of the external/vendor model and how it is integrated into the internal model</th> </tr> </thead> <tbody> <tr> <td>Cat model</td> <td>Insert text</td> </tr> <tr> <td>Economic Scenario Generator</td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>			Risk category	Details of the external/vendor model and how it is integrated into the internal model	Cat model	Insert text	Economic Scenario Generator			
Risk category	Details of the external/vendor model and how it is integrated into the internal model										
Cat model	Insert text										
Economic Scenario Generator											
IM12	Were there any major model changes in the previous 5 years? Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable Please describe in summary the model changes in the previous 5 years.										

	Model change	Description of the change and process related to the change
	Insert text	Insert text
(Add additional rows as necessary)		
IM13	Do you use statistical methods (deterministic or stochastic) to aggregate risks?	
	Provide your response by placing an 'x' in the relevant cell:	
	☐ YES	☐ NO ☐ Not Applicable
	Please describe how risks are aggregated, the steps where diversification effects are used and, if possible, quantify these effects. Please give a justification why they are adequate. The answer should address if tail dependencies are explicitly modelled and whether scenarios are used.	
	Aggregation / diversification	Description
	Insert text	Insert text
(Add additional rows as necessary)		

Prerequisite 5: Calibration test

IM14	<u>Prerequisite 5: Calibration test</u> <i>Building on ICP 17.15 the IAIG should "... conduct a 'calibration test' to demonstrate that the regulatory capital requirement determined by the internal model satisfies the specified modelling criteria".</i> Does the existing model have a specific calibration test?
------	--

	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe in summary, but with sufficient detail how you calculate the calibration test. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 30%;">Calibration test</th> <th>Description of the test</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Calibration test	Description of the test	Insert text	Insert text				
Calibration test	Description of the test								
Insert text	Insert text								
IM15	Can the existing model be calibrated at a 99.5% VaR over a one-year time horizon?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If NO, please describe in summary the differences between your internal model and a 99.5% VaR over a one-year time horizon <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #cccccc;"> <th style="width: 30%;">Comment</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Comment	Description	Insert text	Insert text				
Comment	Description								
Insert text	Insert text								
IM16	Some risks, such as basis risk, comprise a blend of different risk components. Are such risks captured in your model?								
	Provide your response by placing an 'x' in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable								

	If YES, please identify and provide an explanation as to how they are reflected and quantified in the model.	
	Comment	Description
	Insert text	Insert text
(Add additional rows as necessary)		

Prerequisite 6: Use test and governance

IM17	<u>Prerequisite 6: Use test and governance</u> <i>Building on ICP 17.16, IAIGs need:</i> <i>“... to fully embed the internal model, its methodologies and results, into the insurer’s risk strategy and operational processes (the ‘use test’)”;</i> <i>their “Board and Senior management to have overall control of and responsibility for the construction and use of the internal model for risk management purposes, and ensure sufficient understanding of the model’s construction at appropriate levels within the insurer’s organisational structure”. In particular, they would need to provide evidence that the insurer’s Board and Senior management understand the consequences of the internal model’s outputs and limitations for risk and capital management decisions; and</i> <i>“... to have adequate governance and internal controls in place with respect to the internal model”</i> Is Prerequisite 6 met?						
	Provide your response by placing an ‘x’ in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe in summary, how the use test is met. <table border="1"> <tr> <th>Use test</th> <th>Description</th> </tr> <tr> <td>Business planning</td> <td>Insert text</td> </tr> <tr> <td>Mergers and Acquisitions</td> <td></td> </tr> </table>	Use test	Description	Business planning	Insert text	Mergers and Acquisitions	
Use test	Description						
Business planning	Insert text						
Mergers and Acquisitions							

	Reinsurance	
	Investment	
	Underwriting	
	Risk Management	
	Capital Management (assessment and allocation)	
	Performance Management	
	<i>(Add additional rows as necessary)</i>	
IM18	Please describe the model governance and internal controls at different stages of the model.	
	Model stage	Description
	Model development	Insert text
	Model deployment	
	Model implementation	
	Model usage	
	Model validation	
	Model changes	
	Data quality	
	Use test checking	
	Roles and relationships of different governance	
	<i>(Add additional rows as necessary)</i>	

Prerequisite 7: Documentation standards

IM19	<u>Prerequisite 7: Documentation standards</u> <i>Building on ICP 17.17 the IAIG should "... document the design, construction and governance of the internal model, including an outline of the rationale and assumptions underlying its methodology". The documentation should be sufficient to demonstrate compliance with the regulatory validation requirements for internal models, including the statistical quality test, calibration test and use test.</i> Is Prerequisite 7 met?												
	Provide your response by placing an 'x' in the relevant cell: <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe in summary, how Prerequisite 7 is met. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%; padding: 5px;">Documentation type</th><th style="padding: 5px;">Description</th></tr> </thead> <tbody> <tr> <td style="padding: 5px;">Insert text</td><td style="padding: 5px;">Insert text</td></tr> <tr> <td style="height: 30px;"></td><td></td></tr> <tr> <td style="height: 30px;"></td><td></td></tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Documentation type	Description	Insert text	Insert text								
Documentation type	Description												
Insert text	Insert text												
IM20	Please describe the model documentation process at different stages of the model.												
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%; padding: 5px;">Model stage</th><th style="padding: 5px;">Description</th></tr> </thead> <tbody> <tr> <td style="padding: 5px;">Model development</td><td style="padding: 5px;">Insert text</td></tr> <tr> <td style="padding: 5px;">Model deployment</td><td></td></tr> <tr> <td style="padding: 5px;">Model implementation</td><td></td></tr> <tr> <td style="padding: 5px;">Model usage</td><td></td></tr> <tr> <td style="padding: 5px;">Model validation</td><td></td></tr> </tbody> </table>	Model stage	Description	Model development	Insert text	Model deployment		Model implementation		Model usage		Model validation	
Model stage	Description												
Model development	Insert text												
Model deployment													
Model implementation													
Model usage													
Model validation													

	Model changes	
	Data quality	
	Use test checking	
	Roles and relationships of units responsible for documentation	
(Add additional rows as necessary)		

Prerequisite 8: Absence of cherry-picking (for partial models)

IM21	<u>Prerequisite 8: Absence of cherry-picking</u> <i>According to ICP 17.12.4 Guidance, “The IAIS supports the use of internal models where appropriate as they can be a more realistic, risk-responsive method of calculating capital requirements, but discourages any ‘cherry-picking’ practices by insurers”.</i> Is Prerequisite 8 met?								
	Provide your response by placing an ‘x’ in the relevant cell: ☐ YES ☐ NO ☐ Not Applicable If YES, please describe in summary, how Prerequisite 8 is met. <table border="1"> <thead> <tr> <th>Comment</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>Insert text</td> <td>Insert text</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> (Add additional rows as necessary)	Comment	Description	Insert text	Insert text				
Comment	Description								
Insert text	Insert text								

Prerequisite 9: The resulting ICS capital requirement more appropriately reflects the risk profile of the insurer (for partial models)

IM22	<u>Prerequisite 9: The resulting ICS capital requirement more appropriately reflects the risk profile of the insurer</u> <i>According to ICP 17.12.15, “an insurer should be required to justify the limited scope of the model and why it considers that using partial internal modelling for determining regulatory capital requirements is more consistent with the risk profile of the business than the standardised approach or why it sufficiently matches regulatory capital requirements”.</i> Is Prerequisite 9 met?								
	Provide your response by placing an ‘x’ in the relevant cell: <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> YES <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> NO <input style="width: 40px; height: 25px; border: 1px solid black;" type="checkbox"/> Not Applicable If YES, please describe in summary how Prerequisite 9 is met, describing the scope of the model and quantifying the differences against the ICS standard formula. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr style="background-color: #f2f2f2;"> <th style="width: 30%; padding: 5px;">Comment</th> <th style="padding: 5px;">Description</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Insert text</td> <td style="padding: 5px;">Insert text</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> </tbody> </table> <i>(Add additional rows as necessary)</i>	Comment	Description	Insert text	Insert text				
Comment	Description								
Insert text	Insert text								

Prerequisite 10: Explain how the partial internal model and standard method's results can be integrated (for partial models)

IM23	<u>Prerequisite 10: Explain how the partial internal model and standard method's results can be integrated</u> <i>It is essential that the integration of the partial internal model and the standard method results is being carried out prudently and consistently to derive the overall ICS capital requirement. To this end, the IAIG should provide evidence that the partial internal model and standard method results can be integrated. This prerequisite is particularly relevant for IAIGs whose internal model construction does not follow a similar design to the standard method (eg risks have not been defined or split along similar lines to the standard method, the target criteria are different, etc.).</i> Is Prerequisite 10 met?
------	---

Provide your response by placing an 'x' in the relevant cell:

☐

YES

☐

NO

☐

Not Applicable

If YES, please present the results and explain how the internal model results can be integrated within the standard method.

Comment	Description
Insert text	Insert text

(Add additional rows as necessary)