

Draft GRF_460_0: Reinsurance Assets by Counterparty

New Form

Australian Business Number

Entity identifier, to be provided

Institution Name

Name of general insurer

Reporting Period

As at financial year end

Scale Factor

Thousands of dollars no decimal place

Reporting Consolidation

Level 1

Name of counterparty (reinsurer) (1)	Reinsurer identifier (2)	Counterparty group name (3)	APRA counterparty grade (4)	Major form of collateral / guarantee (5)	Amount of collateral / guarantee (6)	APRA counterparty grade after collateral / guarantee (7)	Counterparty domicile (8)	Group domicile (9)	Central estimate of reinsurance recoverables (10)	Net reinsurance recoverable on paid claims overdue for more than 6 months - central estimate (11)	Reinsurance recoverable outstanding from second annual balance date after the event - central estimate (12)	Deferred reinsurance expense (13)
Other												
Total												

General reporting instructions

This reporting form is required to be completed annually at the end of the financial year of the general insurer.
All reinsurance exposures are reported on this form such that 95-99% (TBC) of total reinsurance recoverables is reported in total.
This reporting form is not subject to the audit requirements detailed under *Prudential Standard GPS 310 Audit and Related Matters*.

Specific reporting instructions

Column	Definitions and instructions
(1) Name of counterparty (reinsurer)	This is the name of the counterparty to the reinsurance exposure.
(2) Reinsurer identifier	Record the reinsurer identifier for the reinsurer reported in column 1 based on APRA's reinsurer identifier list available on APRA's website. If the reinsurer is not on APRA's reinsurer identifier list, use the first three letters of the reinsurer's legal name, along with '9999'.
(3) Counterparty group name	This is the name of the group to which the counterparty to the reinsurance exposure belongs.
(4) APRA counterparty grade	Indicate the counterparty grade of the reinsurer as grade 1 to 7 in accordance with <i>Prudential Standard GPS 001 Definitions</i> (GPS 001).
(5) Major form of collateral / guarantee	For example, trust, letter of credit or guarantee. If there is more than one type of collateral or guarantee, provide the type that has the greatest monetary exposure.
(6) Amount of collateral / guarantee	This is the monetary amount of the collateral or guarantee that has been provided as support for reinsurance recoverables.
(7) APRA counterparty grade after collateral / guarantee	This is the counterparty grade of the collateral or guarantee, reported as grade 1 to 7 in accordance with GPS 001. If there is more than one type of collateral or guarantee, provide the grade for the type that has the greatest monetary exposure.
(8) Counterparty domicile	This is the domicile where the reinsurance counterparty is legally incorporated. For example, the domicile of a branch reinsurer would be based on its parent entity.
(9) Group domicile	This is the domicile where the group owning the reinsurance counterparty, entered into column 3, is legally incorporated.
(10) Central estimate of reinsurance recoverables	Record the central estimate component of the recoverable from the reinsurer recorded in column 1. Exclude any amounts recorded in columns 11 and 12. The amount should include recoverables on incurred but not reported (IBNR) claims.
(11) Net reinsurance recoverable on paid claims overdue for more than 6 months - central estimate	Record the central estimate of recoverables on reinsurance contracts due from reinsurers, if: (a) the recoverable has become a receivable (i.e. it is due and payable); and (b) the receivable is overdue for more than six months since a request for payment has been made to the reinsurer; and (c) there is no formal dispute between the insurer and reinsurer in relation to that receivable.
(12) Reinsurance recoverable outstanding from second annual balance date after the event - central estimate	Record the central estimate of recoverables on reinsurance contracts incepting on or after 31 December 2008 that are amounts outstanding on and from the second balance date after the end of the financial year in which the event giving rise to the recoverables occurred regardless of whether the reinsurance recoverables are supported by collateral, guarantee or a letter of credit. The amount should include IBNR.
(13) Deferred reinsurance expense	Record the amount of deferred reinsurance expense by reinsurer counterparty.

Row	Definitions and instructions
Other	For column 6, this is a balancing item. This is a derived item and is the total reported for column 6 less amounts reported for each counterparty. For columns 10 to 13, this is a balancing item and represents amounts from other reinsurer counterparties below the form threshold whereby only 95 - 99% (TBC) of the total reinsurance recoverables from <i>Reporting Form GRF_300_0_L: Statement of Financial Position (L)</i> need to be allocated to individual reinsurers. This is a derived item as the totals reported for columns 10 to 13 less the amounts reported in columns 10 to 13 for each counterparty.
Total	This is the total amount of collateral / guarantee (column 6), central estimate of reinsurance recoverables (column 10), net reinsurance recoverables on paid claims overdue for more than 6 months - central estimate (column 11), reinsurance recoverable outstanding from second annual balance date after the event - central estimate (column 12) and deferred reinsurance expense (column 13), as applicable.

Draft GRF_460_1: Exposure analysis by Reinsurance Counterparty

New Form

Australian Business Number

Entity identifier, to be provided

Institution Name

Name of general insurer

Reporting Period

As at financial year end

Scale Factor

Thousands of dollars no decimal place

Reporting Consolidation

Level 1

Impact on capital base and prescribed capital amount

Name of counterparty (reinsurer) (1)	Reinsurer identifier (2)	Counterparty group name (3)	APRA counterparty grade (4)	Counterparty domicile (5)	Group domicile (6)	Total impact on capital base (7)	Total impact on Insurance Risk Charge (8)	Total impact on Insurance Concentration Risk Charge (9)	Total impact on Asset Risk Charge (after aggregation formula) (10)	Total impact on Asset Concentration Risk Charge (11)	Total impact on Operational Risk Charge (12)	Total impact on prescribed capital amount (13)

General reporting instructions

This reporting form captures the impact on the capital base and prescribed capital amount of a general insurer due to the failure of a reinsurance counterparty. A general insurer must complete this form for all reinsurance counterparties that would have a material impact on either the capital base and/or the prescribed capital amount of the general insurer. The threshold for including a reinsurer on this form is for a 5% change in the capital coverage (capital base divided by prescribed capital amount) of the general insurer.

This reporting form is required to be completed annually at the end of the financial year of the general insurer. The analysis is forward-looking and considers the reinsurance program in place for the next six to 12 months (or longer), rather than the program that applied on the reporting date.

This reporting form is not subject to the audit requirements detailed under *Prudential Standard GPS 310 Audit and Related Matters*.

Specific reporting instructions

Column	Definitions and instructions
(1) Name of counterparty (reinsurer)	This is the name of the counterparty to the reinsurance exposure.
(2) Reinsurer identifier	Record the reinsurer identifier for the reinsurer reported in column 1 based on APRA's reinsurer identifier list available on APRA's website. If the reinsurer is not on APRA's reinsurer identifier list, use the first three letters of the reinsurer's legal name, along with '9999'.
(3) Counterparty group name	This is the name of the group to which the counterparty to the reinsurance exposure belongs.
(4) APRA counterparty grade	Indicate the counterparty grade of the reinsurer as grade 1 to 7 in accordance with <i>Prudential Standard GPS 001 Definitions</i> (GPS 001).
(5) Counterparty domicile	This is the domicile where the reinsurance counterparty is legally incorporated. For example, the domicile of a branch reinsurer would be based on its parent entity.
(6) Group domicile	This is the domicile where the group owning the reinsurance counterparty, entered into column 3, is legally incorporated.
(7) Total impact on capital base	This is the total impact on the capital base due to the failure of the reinsurer reported in column 1. This takes into account changes as a result of the loss of the reinsurer on net outstanding claims provisions, net premiums liabilities, OCP surplus/deficit and PL surplus/deficit.
(8) Total impact on Insurance Risk Charge	This is the total impact on the Insurance Risk Charge due to the failure of the reinsurer reported in column 1. This takes into account the impact on the OCP and PL risk charges. A general insurer may use the data reported on <i>Reporting Form GRF_460_0: Reinsurance Assets by Counterparty</i> (GRF_460_0) and simplifying assumptions as long as those assumptions do not have a material impact on the overall prescribed capital amount outcome.
(9) Total impact on Insurance Concentration Risk Charge	This is the total impact on the Insurance Concentration Risk Charge (ICRC) due to the failure of the reinsurer reported in column 1. This takes into account the impact on each component of the ICRC and the current ICRC of the general insurer. This would typically involve calculating each component of the ICRC (i.e. NP VR, NP HR, OA VR and LMICRC), including each sub-component such as reinsurance recoverables, reinstatement premiums, reinsurance reinstatement costs and PL offset and aggregate offset, where applicable.
(10) Total impact on Asset Risk Charge (after aggregation formula)	This is the total impact on the Asset Risk Charge due to the failure of the reinsurer reported in column 1. The amount reported must be after the aggregation formula is applied. A general insurer may estimate this by applying the percentage of the aggregated risk charge components to the sum of the risk charge components on <i>Reporting Form GRF_114_0: Asset Risk Charge</i> . Report an increase in the Asset Risk Charge as a positive amount and a decrease as a negative amount.
(11) Total impact on Asset Concentration Risk Charge	This is the total impact on the Asset Concentration Risk Charge due to the failure of the reinsurer reported in column 1. Where a general insurer has an existing Asset Concentration Risk Charge, as a result of an exposure to a reinsurer that exceeds the prudential limits prescribed in <i>Prudential Standard GPS 117 Capital Adequacy: Asset Concentration Risk Charge</i> , the general insurer must report the change in the Asset Concentration Risk Charge due to the reinsurer failure. The general insurer must also report whether any other counterparties that the general insurer is exposed to would raise an Asset Concentration Risk Charge due to the capital base impact reported in column 7 of this form, due to a reinsurer failure. Report an increase in the Asset Concentration Risk Charge as a positive amount and a decrease as a negative amount.
(12) Total impact on Operational Risk Charge	This is the total impact on the Operational Risk Charge due to the failure of the reinsurer reported in column 1. This takes into account changes in the net insurance liabilities central estimate. A general insurer may use the data reported on GRF_460_0 and simplifying assumptions as long as those assumptions do not have a material impact on the overall prescribed capital amount outcome. Report an increase in the Operational Risk Charge as a positive amount and a decrease as a negative amount.
(13) Total impact on prescribed capital amount	This is the total impact on the prescribed capital amount due to the failure of the reinsurer reported in column 1. The total change in the prescribed capital amount is to be reported as the change in the each component of the prescribed capital amount reported in columns 8 to 12 after applying the aggregation benefit in accordance with <i>Prudential Standard GPS 110 Capital Adequacy</i> .