

Instructions for Completing Form 11—International Insurance Transactions

Part I: nonlife insurance contracts with nonresident policyholders and cross-border reinsurance:

Reporting Instructions

Form 11 should be completed for the enterprise (and any subsidiaries in Newland) listed on page one of the form—unless different arrangements have been made with the Newland Ministry of Statistics.

Residents and Non-Residents

A *non-resident* is any individual, enterprise, or other organization ordinarily domiciled in a country other than Newland.

Conversion to Newland Dollars

All values should be reported in thousands of Newland dollars. Foreign currencies should be converted to Newland dollars at the **midpoint** of the buy and sell rates applicable on the date of the transaction.

Structure of Form 11

Form 11 Part A collects quarterly and/or annual information associated with **nonlife** insurance contracts between your resident insurance enterprise and non-resident policyholders; and reinsurance between your resident insurance enterprise and nonresident insurance enterprises:

The requested information refers to the following:

Direct written premiums are the amounts charged to and physically paid by the nonresident policyholders during the accounting (“risk”) period for insurance coverage.

Important: Direct written premium amounts should not be adjusted for reinsurance premiums, i.e. the part of the premiums that is ceded to reinsurers should be left included; any assumed premiums from other direct insurers should be excluded. These ceded or assumed premiums should be shown separately under cross-border reinsurance transactions.

Premiums earned refer to the proportion of actual premiums that relate to the accounting period (independent of whether they were paid during current or previous quarters) and that cover the risks incurred during the **current** accounting period.

Paid claims occur when actual payments of cash have been made to nonresident claimants for insured events of the current or previous periods.

Claims due / outstanding are claims that became due, in the **current** quarter, after the eventualities that gave rise to the claims; i.e. the cost of claims is assigned to the **relevant period**. It should include claims that have been reported but not yet settled, and claims that have been reported and settled but not yet paid at the end of the accounting period.

Claims due on extraordinary events are claims on catastrophic events including earthquakes, tsunami, floods, cyclones, hurricanes, hail storms, bush fires, etc., where these events are not periodic and not considered part of normal business.

Ceding commission is paid by the reinsurer to reimburse the ceding company for its acquisition expenses and other costs incurred to place the business with the reinsurer.

Profit commission represents a predetermined percentage of the profit realized by the reinsurer on the contracts ceded by the primary insurance companies and the cedants’ share of such profits.

Insurance technical reserves include details of *premiums paid and not yet earned* and *claims due but not yet paid*. These amounts refer to reserves set aside on the balance sheet for future commitments that arise out of nonlife insurance contracts (including any related administration expenses, taxes, etc.)

- a. **Unearned premium reserves** are that part of premiums written that apply to the unexpired part of the policy period: Please provide the stock of unearned premium reserves vis-à-vis nonresident policyholders at the beginning and at the end of the accounting period.
- b. Please provide the stock of estimated **loss reserves and reserves for claims incurred vis-à-vis nonresident policyholders but not reported** and provisions set aside to meet the estimated costs of settling claims that have occurred up to the end of the accounting period from policies currently in force and policies written in the past, after the deduction of amounts already paid. This amount would include funds for unpaid claims, claims adjustment and handling expenses known but not yet settled, and estimates for claims incurred but not yet notified (so called IBNR – Incurred But Not Reported) by the balance sheet date.

c. **Income earned refers to income from the investment of reserves** held against unearned premiums and unpaid claims (i.e., from investing policyholders' funds) during the period.

Part B collects quarterly and/or annual information associated with **life** insurance contracts between your resident insurance enterprise and non-resident policyholders.

Additional information:

Changes in life insurance actuarial reserves vis-à-vis nonresident policyholders refers to the changes in the present value of the future expected cash flows of an insurance policy

Country

Each question seeks information on country of transaction. Record the country of residence of the non-resident transactor.

Insurance Services Included

Form 11—International Insurance Transactions

Part I: Nonlife Insurance Contracts with Nonresident Policyholders and Cross-Border Reinsurance:

Part A. International Insurance Transactions of Newland Insurance Enterprises

(Report in thousands of Newland dollars)

	Total	Transactions by Country (specify)				
	A	B	C	D	E	F
Non-life Insurance Provided to Nonresidents						
1. Premiums written ¹						
Premiums earned during accounting period						
Claims paid						
Claims due during accounting period						
<i>Of which:</i> claims due on extraordinary events						
Re-insurance Accepted from Non-Resident Insurers (not included above)						
2. Premiums written						
Premiums earned						
<i>Of which:</i> “ceding commission” withhold by nonresident insurer (if applicable)						
Claims paid						
Claims due “Profit commission” ceded to nonresident insurer						
<i>Of which:</i> claims due on extraordinary events						
Re-insurance Business Ceded to Non-Resident Insurers (not included above)						
3. Premiums paid						
<i>Of which:</i> “ceding commission” deducted prior to remitting premiums (if applicable)						
Claims received						
“Profit commission” received from nonresident reinsurer (if not included in claim receipt)						
<i>Of which:</i> claims due on extraordinary events						
Life Insurance Provided to Nonresidents						
4. Premiums written ²						
Premiums earned by the end of accounting period						
Benefits paid						
Benefits due by the end of accounting period						

¹ Including premiums ceded to reinsurers, and excluding premiums assumed from other direct insurers.

² Including premiums received for cross-border beneficiaries of Group insurances.

Investment income allocated to nonresident beneficiaries in this period <i>Of which: allocated to individual actuarial reserves and added directly to insurance technical reserves</i>						
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Part B. Technical Reserves Due to Non-resident Policyholders
(Report in thousands of Newland dollars)

	Opening Position	Net Changes due to Transactions	Exchange rate and other Changes	Closing Position	Income Earned on Investment of Reserves
	A	B	C	D	E
Insurance Provided to Non-Residents					
Premiums					
Claims					
Re-insurance Accepted from Non-Resident Insurers					
Premiums					
Claims					
Life insurance					
Premiums					
Claims					

Part C. Payments for Services Settled Through Other Resident Organizations

10. Does this enterprise, or its subsidiaries in Newland:

- a. provide services to non-residents that are paid for on your behalf by another resident entity? Yes No
- b. receive services from non-residents for which payment is received on your behalf by another resident entity? Yes No

If the answer to question 10 (a) or (b) is *Yes*, please give the name and address of the resident company making or receiving payments.

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Part D. Revisions to Previously Reported Data

Please provide details of any significant revisions to data previously reported incorrectly.

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Part E. Final Questions

Please verify that the form has been correctly completed; mark the following boxes and strike out inappropriate phrases.

- The name of the enterprise shown on page one is correct. / I have corrected the name and address on page one.
- Details about the contact person have been entered on page one.
- The information in parts A through C has been completed in accordance with the instructions.
- There are no significant revisions to data for previous periods. / Details of significant revisions to data for previous periods have been included in part D.
- I have made a copy of this form for my records.

Name of person completing this form:

Signature: