

**Comments Template on  
CP9 – GR - Reporting**

**Deadline  
20 January 2012  
12:00 CET**

Name of Company:	RSA Insurance Group plc	
Disclosure of comments:	Please indicate if your comments should be treated as confidential:	Public
<p>Please follow the following instructions for filling in the template:</p> <ul style="list-style-type: none"> <li>⇒ Do <b>not</b> change the numbering in the column "reference"; if you change numbering, your comment cannot be processed by our IT tool</li> <li>⇒ Leave the last column <u>empty</u>.</li> <li>⇒ Please fill in your comment in the relevant row. If you have <u>no comment</u> on a paragraph or a cell, keep the row <u>empty</u>.</li> <li>⇒ Our IT tool does not allow processing of comments which do not refer to the specific numbers below.</li> </ul> <p><b>Please send the completed template, in Word Format, to <a href="mailto:cp009@eiopa.europa.eu">cp009@eiopa.europa.eu</a>. Our IT tool does not allow processing of any other formats.</b></p> <p>The numbering of the paragraphs refers to this Consultation Paper.</p>		
<b>Reference</b>	<b>Comment</b>	
General Comment	<p>RSA Insurance Group and its subsidiaries welcome the opportunity to respond to EIOPA's consultation on public reporting and disclosure.</p> <p>As part of our preparations for the introduction of Solvency II, the Group has undertaken a full dry-run of the proposed disclosure requirements. The comments made in this document are often based on the practical experiences of doing the dry-run during 2011.</p> <p>The entities covered by the exercise were:</p> <ul style="list-style-type: none"> <li>• RSA Insurance Group plc (consolidated Group)</li> </ul>	

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- Royal & Sun Alliance Insurance plc (UK)
- Royal & Sun Alliance Reinsurance Ltd (UK)
- The Marine Insurance Company Ltd (UK)
- Sun Insurance Office Ltd (UK)
- Codan Forsikring A/S (Denmark)
- Trygg-Hansa Försäkrings AB (Sweden)
- Forsikringsselskabet Privatsikring A/S (Denmark)
- Holmia Livförsäkring AB (Sweden)
- Sveland Sakförsäkringar AB (Sweden)
- RSA Insurance Ireland Ltd (Irish Republic)
- RSA Reinsurance Ireland Ltd (Irish Republic)
- Link4 Towarzystwo Ubezpieczen Na Zycie SA (Poland)
- AS Balta (Latvia)
- Direct - Pojistovna AS (Caech Republic)
- Lietuvos Draudimas (Lithuania)

In addition, due to the need to gather consolidated data for the Group, our operations and branches around the world, in particular outside the EEA, were also involved to varying extents.

Summary of key points:

- We welcome the harmonisation of reporting across member states; however we are concerned at the level of detail being required, with very little justification as to why some of it is really needed.
- We are concerned that a number of the guidelines seek to extend the scope of the Level 2 requirements, rather than merely seek to provide clarification.
- We are also consider the proposal for the RSR to be a stand-alone document, thereby forbidding cross-references even to other information submitted to the same supervisor, to be excessive and unduly bureaucratic.

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3.13.	<p>There is the potential for parts (d) and (e) to overlap with Guideline 26 – if so, any such reporting should also be placed in the RSR.</p> <p>Further, such reporting would appear to be in any case excessive: supervisors will always have the option of consulting the internal model documentation should they require such information. Such information is not required by the public, however.</p>	
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3.29.	<p>Requiring details on “processes and procedures” is too much detail, not just for the SFCR but outright: the description of the internal control system, combined with that of the system of governance, should already be enough for a reader to understand the strength of the overall control environment in this regard.</p> <p>Further, this is not a clarification or explanation of the Level 2 requirements, but a significant extension, effectively requiring disclosure of the disclosure and reporting policies required under Articles 55(1) and 35(5) of the Directive. This is not in either the Level 1 or Level 2 texts. If the supervisors require such details, the policies will be available to them. We therefore believe this requirement ought to be dropped.</p>	
3.30.		
3.31.	Part (b) requires information in respect of “each” capital instrument: we believe this level of detail is excessive; whereas the Level 2 text (Article 288 PDS7 (1)(b)) requires information only by tier.	
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3.35.	<p>Guideline 26 requests disclosure of the “operational performance” of the internal model: this is beyond any other disclosure concerning the internal model in the SFCR, being an unwarranted extension of Article 288 PDS 7 (4) of the draft Level 2 text. This information belongs instead in the model documentation, which will be available to supervisors.</p> <p>There is also the potential for overlap with Guideline 5 – if so, any such reporting should also be placed in the RSR.</p>	
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3.37.	The guideline should clarify that the data for parts (a) and (b) are as at the end of the reporting period, as opposed to (in the case of (a)) averages for the period. For instance, part (d) is in respect of the whole period.	
3.38.	Guideline 29 overlaps somewhat with QRTs Re-J1 and Re-J2. We believe all of these proposed requirements should be evaluated in their totality to ensure duplicative reporting is eliminated.	
3.39.	This seeks to extend group-level requirements to subsidiaries – but this information is already in a) the IGT templates and b) the group-level SFCR (Article 341 PDG1 (2)(a)(ii)) and the group-level RSR (Article 353 SRS1 (2)(a)(iv)). We believe this request should not be made.	
3.40.	This seeks to extend group-level requirements to subsidiaries – but this information is already in a) the IGT templates and b) the group-level SFCR (Article 341 PDG1 (2)(a)(ii)) and the group-level RSR (Article 353 SRS1 (2)(a)(iv)). We believe this request should not be made.	
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3.55.	<p>Part (c) should be clarified to ensure that it concerns only that information in the public domain which is to be used to satisfy SFCR requirements, as opposed to all publicly-available information.</p> <p>We believe, contrary to what is set out in parts (d) and (e), that the disclosure policy should set out only guidelines and principles on what is and is not to be reported, as opposed to any specific items.</p>	
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3.62.	<p>This is a very bureaucratic requirement, insofar that it prevents the RSR from referring to other information supplied to the same supervisory body.</p> <p>For example, based on the latest draft Level 2 text, Section A3 of the RSR appears to require information from Section A3 of the SFCR. That is before duplicative elements of this draft Level 3 text are taken into account.</p> <p>This is also inconsistent with the requirements for public reporting (Article 53(3) of the Directive).</p> <p>If the RSR is indeed to be a stand-alone document, only information not contained in other documents available to supervisors ought to be included in it, to minimise the reporting burden</p>	

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	on undertakings. We request that this proposal be dropped.	
3.63.	We believe "guarantee" actually creates an unrealistic requirement, especially where estimates are employed. "Provide proportionately reasonable comfort" might be a more suitable alternative.	
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4.57.	See 3.29 above.	
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4.67.	We disagree with this proposal. Disclosing such information may be appropriate once the Solvency II regime has been embedded for a few years. We believe, however, such disclosure would not be appropriate now as it is commercially sensitive.	
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4.69.	See 3.35 above.	

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4.76.	See 3.39 above.	
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4.78.	See 3.40 above.	
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4.92.	No decision has been made about the use of external auditors in connection with the SFCR or RSR. We believe paragraph (j) may be seen to prejudge this decision and therefore ought to remove	

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	such references.	
4.93.	We suggest that such reporting should be made using freeform text, as opposed to any prescribed template.	
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4.108.	See 3.62 above.	
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4.110.	We believe "guarantee" actually creates an unrealistic requirement, especially where estimates are employed. "Provide proportionately reasonable comfort" might be a more suitable alternative.  Although the Guideline no longer refers to "accuracy", 4.110 still does – this needs to be changed.	
4.111.		