UPDATE HISTORY

Version	Modified	Modified By	Comments
0.63	14/03/2011	David McClune	Updated the Attritional Outwards tab to reflect a better description of the Unearned Attritional Loss Ratio. This allows the use case documentation to refer more accurately to what is happening
0.62	07/12/2010	Vinod Warrier	Updated Outwards Premium Values to include changes made for FORE-372
0.61	17/09/2010	Joanne Sandell	Added paid and oustanding metrics to cat and large loss specials tabs, added in actual outward premium metrics for fac and prop
0.60	29/07/2010	Joanne Sandell	update Inwards Claims Actuals with USM share paid changes Jira FORE 255
0.59	26/01/2010	David McClune	Tab: Inward Claims Forecasts: Updated I_UE_CAT_CLAIMS to reflect new calculation options based on Adjustment Code in Ref Data Table (See FOR-2129)
0.58	07/01/2009	Francis Oconnor	Tab: Outward Earned Premium :O_E_P(P.C), O_E_TTY_PC and O_E_TTY_ORC formulas updated to refer to item names(codes) rather than the descriptive long names of the components
0.57	07/01/2009	Francis Oconnor	Tab: Inward Earned Premium. I_E_P(P.C) formula updated to refer to item names (codes) rather than the descriptive
0.56	27/11/2008	Francis Oconnor	Tab: Inward Claim Forecast. Renamed this tab from "Inwards Claims". Moved I_B_****_CLAIMS to a new tab called Inwards Claims Actuals, and added split for for paid and outstanding to it. Tab: Inward Claim Actuals. This tab was created. Moved I_B_****_CLAIMS to this tab (from Inwards Claims). Added split for for paid and outstanding (I_P_****_CLAIMS and I_OS_****_CLAIMS)
0.55	30/10/2008	Francis Oconnor	Tab: Outward Earned Premium. Updated the switching between scaling to ultimate and using variance so that it is the same as inwards. Must have a full year of EPI before it switches to ultimate based calculation
0.54	21/10/2008	Francis Oconnor	
0.53	07/10/2008	Francis Oconnor	Removed the concept of 'earned' syndicate expenses previously discussed with Rick Lewis. James Dover not keen to introduce another value (different to elsewhere). Allocation of Syndicate expenses to CCYs is still required
0.52	07/10/2008	Francis Oconnor	added version control tab. Provided additional clarification for item O_UE_SLIP_REC(Prop)
0.51	02/10/2008	Francis Oconnor	added allocation to DURG details for O_E_ATT_REC (FAC & XL)
0.50	01/10/2008	Francis Oconnor	
0.49	01/10/2008	Francis Oconnor	
0.48	01/10/2008	Francis Oconnor	added tab for Syndicate Items (Syndicate Expenses)
0.47	25/09/2008	Francis Oconnor	Updated O_ULT_P(Pure)(FAC)&(XL) and O_E_P(Pure)(FAC)&(XL) indicated how to allocate these amounts to DURGs
0.46	23/09/2008	Francis Oconnor	Clarification on Outwards CATS and Large Losses (UNEARNED) for PROPORTIONAL contracts. Identified exactly which reference data rate to use.
0.45	04/09/2008	Francis Oconnor	
0.44	03/09/2008	Francis Oconnor	Updated inwards earned calc to mention that switch t oultimate occurs wjen calc is run on the 31st of december .... not when being run for that calculation date (if it is in the future)
0.43	02/09/2008	Francis Oconnor	
0.42	29/08/2008	Francis Oconnor	Updated calculation of suggested placed tty ORC
0.41	29/08/2008	Francis Oconnor	
0.40	26/08/2008	Francis Oconnor	Changed O_E_TTY_ORC to use 'Pure' instead of 'Total' Premium (In line with final signed copy of 1B requirements)
0.39	21/08/2008	Francis Oconnor	
0.38	14/08/2008	Francis Oconnor	
0.37	05/08/2008	Francis Oconnor	
0.36	30/07/2008	Francis Oconnor	30 July: corrected S_ULT_ATT_LR and ULT_ATT_LR on the suggested attrional loss ratio tabs for inwards and outwards prop treaties
0.35	29/07/2008	Francis Oconnor	Updated the following items in the calculation document by adding a (...... * -1) in order to produce negative amounts: I_E_ATT_CLAIMS I_E_SLIP_CLAIMS I_UE_CAT_CLAIMS I_UE_LRG_CLAIMS I_UE_SLIP_CLAIMS I_UE_ATT_CLAIMS
0.34	22/07/2008	Francis Oconnor	updated inwards claim tab - clarified IBNR lines
0.33	03/07/2008	Francis Oconnor	added page numbers to document footer
0.32	01/07/2008	Francis Oconnor	added calculation for outwards attritional non-prop unearned recovery ratio
0.31	24/06/2008	Francis Oconnor	Updated with Phase 1B writing and Earning impacts
0.30	17/06/2008	Francis Oconnor	
0.29	12/06/2008	Francis Oconnor	
0.28	28/05/2008	Francis Oconnor	
0.27	22/05/2008	Francis Oconnor	
0.26	21/05/2008	Francis Oconnor	
0.25	20/05/2008	Francis Oconnor	
0.24	15/05/2008	Francis Oconnor	
0.23	14/05/2008	Francis Oconnor	Made Changes due to new DURG level premium table: Tab: Inward Booked Premium Tab: Inward Earned Premium Tab: Inward Unearned Premium Tab: Inward Ultimate Premium
0.22	07/05/2008	Francis Oconnor	
0.21	18/04/2008	Francis Oconnor	
0.20	15/04/2008	Francis Oconnor	updated inwards IBNR suggested Loss Ratios. Indicated that premium is excluding slip specials.
0.19	09/04/2008	Francis Oconnor	updated field names on policy groupings
0.18	08/04/2008	Francis Oconnor	
0.17	03/04/2008	Francis Oconnor	
0.16	02/04/2008	Francis Oconnor	removed teh different method for calculating getting the unearned/unpurchased FAC/XL buckets as they are now modelled like other contracts
0.15	27/03/2008	Francis Oconnor	
0.14	26/03/2008	Francis Oconnor	
0.13	25/03/2008	Francis Oconnor	
0.12	20/03/2008	Francis Oconnor	
0.11	20/03/2008	Francis Oconnor	
0.10	20/03/2008	Francis Oconnor	added inwards booked EPI
0.09	17/03/2008	Francis Oconnor	
0.08	14/03/2008	Francis Oconnor	
0.07	14/03/2008	Francis Oconnor	
0.06	12/03/2008	Francis Oconnor	
0.05	11/03/2008	Francis Oconnor	

INWARD Booked Premium

Performed per Syndicate, Division, DURG, CCY, YOA
(using the values as at each quarter you want to
calculate) The boxes in Red are the levels suggested
for accessing the components of the calculation

Premium

I_B_P(Total)

I_B_P(inc Slips)

COMPONENTS OF
TOTAL BOOKED
PREMIUM

Booked (or Actual)
Premium
(Including Slip
Specials)

→

Actual_inward_DURG_premium.Cuml_pure_premium
+
Actual_inward_DURG_premium.Cuml_reinst_premium
+
Actual_inward_DURG_premium.Cuml_profit_commission

Has Monthly History

I_B_P(Slips)

Booked (or Actual)
Premium
for Slip Specials

→

Actual_inward_premium.Cuml_pure_premium
+
Actual_inward_premium.Cuml_reinst_premium
+
Actual_inward_premium.Cuml_profit_commission

(where inward_contract.slip_treatment_key NOT IN (NULL, "X"))

To-Date Snapshot Only

Also sometimes required for
a single policy at a time (eg.
on Slip Specials Screen)

Note that the SLIPs premium
is not 'additive' with the
DURG level table from the
calculation above, it is
already included there.

EPI

I_B_EPI(Total)

I_B_EPI(Inc Slips)

COMPONENTS OF
TOTAL EPI

Booked (or Actual)
EPI
(Including Slip
Specials)

→

Actual_inward_DURG_premium.cuml_written_premium (which is actually EPI)

Has Monthly History

I_B_EPI(Slips)

Booked (or Actual)
EPI
for Slip Specials

→

Actual_inward_premium.cuml_written_premium (which is actually EPI)

(where inward_contract.slip_treatment_key NOT IN (NULL, "X"))

To-Date Snapshot Only

Note that the SLIPs premium
is not 'additive' with the
DURG level table from the
calculation above, it is
already included there.

UPDATE HISTORY

03 Apr: corrected EPI field name back to "cuml_written_premium" as column name will remain the same
14 May: changes due to new DURG level premium table

INWARDS Earned Premium

Performed per Syndicate, Division, DURG, CCY, YOA
(using the values as at each quarter you want to
calculate) The boxes in Red are the levels suggested
for accessing the components of the calculation

INWARDS

I_E_P(Total)

COMPONENTS OF TOTAL EARNED PREMIUM

Earned Reinstatements

I_E_P(Reinst)

See the tab "Inward Ultimate Premium" as Reinstatements are now counted as 100% Earned when forecast.

I_ULT_P(Reinst) (DURG Incl Slip)

Earned Pure Premium

I_E_P(Pure)

Earned Pure Premium (Including Slip Specials)

I_E_P(Pure)(DURG Incl Slip)

YOA < Current YOA

YES

DURG PURE EARNED (including slip)

Actual_DURG_Earned.Earned_Percentage * Forecast_inwards_DURG_premium.Forecast_Ultimate_Pure_Premium

NO

DURG PURE EARNED (including slip)

Actual_Inward_DURG_Premium.cuml_earned_Premium * Actual_DURG_Earned.Ultimate_Variance

Note that the switching between the two methods is dependent on having a full year's EPIs (once we have that, we switch to scaling using the ultimate. So therefore the switch would actually happen on the evening of the 31st of December.

Earned Profit Commission

I_E_P(P.C)

DURG PC EARNED

I_E_P(Pure) * (I_ULT_P(P.C) / I_ULT_P(Pure))

Note that the SLIPs premium is not 'additive' with the DURG level table from the calculation above, it is already included there.

Slip Specials Earned Premium

I_E_P(Slip)

SLIP SPECIALS EARNED PREMIUM

Inward_Contract.earned_percentage * Forecast_slip_special_inwards.Forecast_ultimate_total_premium where inward_contract.slip_treatment_key not in(NULL, "X")

"**CURRENT YOA**" use "Quarter_Lookup" table, lookup quarter_status = 'open', get the field "YEAR_YYYY". The year in that field is the current YOA.
IF there are INWARD_ACTUAL_PREMIUM records with Transaction_month_lookup_key in DECEMBER the current year, then take the "YES" route. (ie, only take the "NO" route if we have progressed <= 11 months into the Current Year.

UPDATE HISTORY

03 Mar @ 15:00: Labeled the three components as"Total Premium"
14 May: changes due to new DURG level premium table
24 June : Complete change to the following items:
 I_E_P(Reinst) = forecast ultimate is 100% earned
 I_E_P(P.C) = an earned % of the ultimate
07 Jan :I_E_P(P.C) formula updated to refer to item names(codes) rather than the descriptive long names of the components

INWARDS Unearned Premium

Performed per Syndicate, Division, DURG, CCY, YOA
(using the values as at each quarter you want to
calculate) The boxes in Red are the levels suggested
for accessing the components of the calculation

I_UE_P(Total)

COMPONENTS OF
TOTAL UNEARNED
PREMIUM

UNEARNED
Reinstatements

I_UE_P(Reinst)

Ultimate
Reinstatements

−

Earned
Reinstatements

**Unearned reinstatements will always
be zero as reinstatements are only
forecast when they are earned.**

This is intentional.

UNEARNED Pure
Premium

I_UE_P(Pure)

Ultimate Pure
Premium

−

Earned Pure
Premium

Can be done as a DURG TOTAL or just for SLIP Specials (see below for Slip specials)

UNEARNED Profit
Commission

I_UE_P(P.C)

Ultimate Profit
Commission

−

Earned Profit
Commission

Note that the SLIPs premium
is not 'additive' with the
DURG amounts from the
calculation above, it is
already included there.

Slip specials
Unearned
Premium

I_UE_P(Slip)

Ultimate Slip
Premium

−

Earned Slip
Premium

UPDATE HISTORY

03 Mar @ 15:00 Labeled the three components as "Total Premium"
14 May: changes due to new DURG level premium table

INWARDS Ultimate Premium

Performed per Syndicate, Division, DURG, CCY, YOA
(using the values as at each quarter you want to
calculate) The boxes in Red are the levels suggested
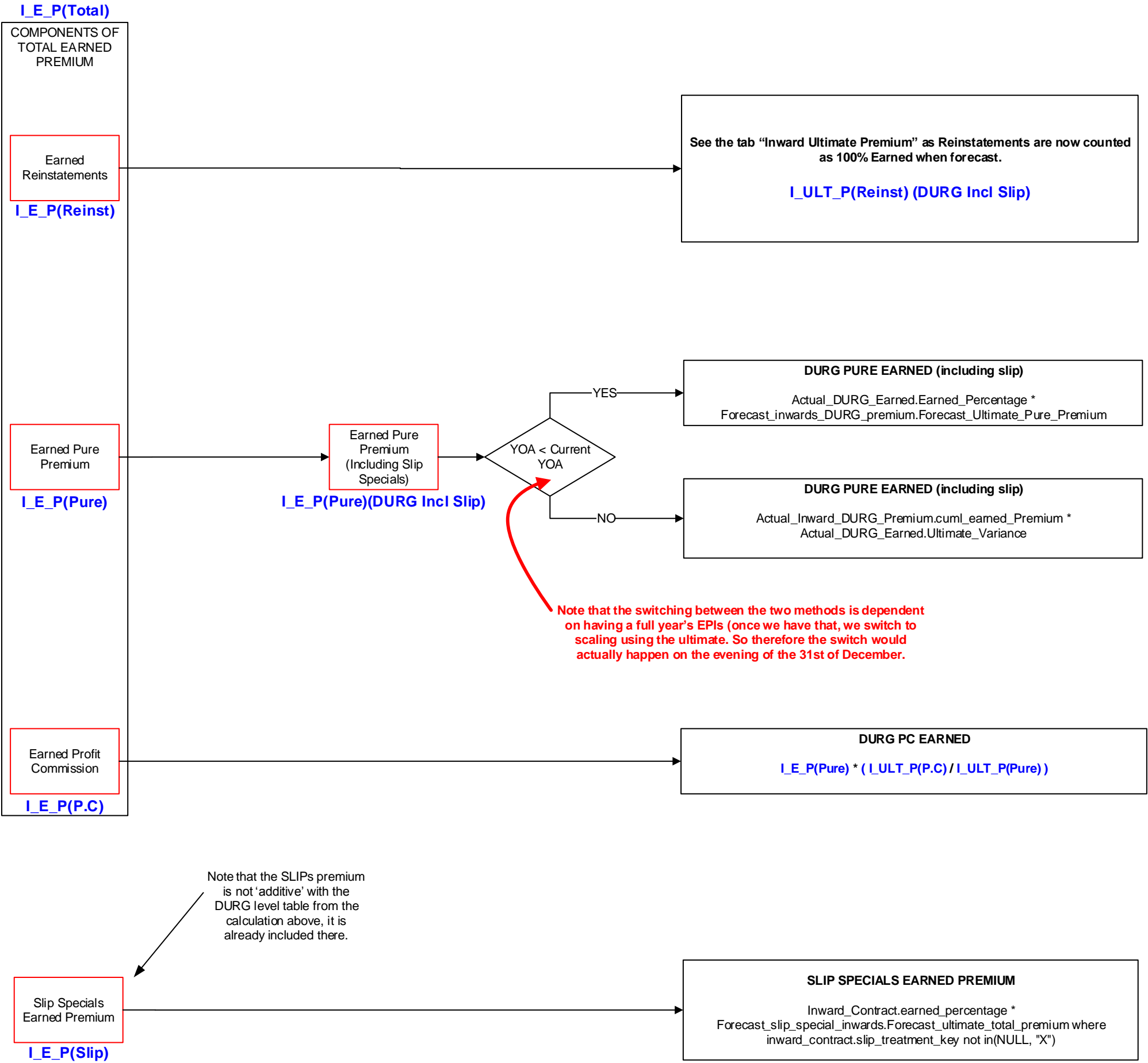for accessing the components of the calculation

I_ULT_P(Total)

COMPONENTS OF
TOTAL ULTIMATE
PREMIUM

Ultimate
Reinstatements

I_ULT_P(Reinst)

ULTIMATE REINSTATEMENTS

Forecast_inward_premium.Forecast Ultimate_reinst_premium

I_ULT_P(Reinst) (DURG Incl Slip)

Ultimate Pure
Premium

I_ULT_P(Pure)

ULTIMATE PURE PREMIUM (DURG TOTAL)

Forecast_inward_premium.Forecast Ultimate_Pure_premium

I_ULT_P(Pure)(DURG incl Slip)

Ultimate Profit
Commission

I_ULT_P(P.C)

ULTIMATE DURG PC

Forecast_Inward_Premium.Forecast_Ultimate_profit_commission

I_ULT_P(P.C)(DURG Inc Slip)

Note that the SLIPs premium
is not 'additive' with the
DURG amounts from the
calculation above, it is
already included there.

Ultimate Total
Premium for Slip
specials

I_ULT_P(Slip)

(Forecast_Slip_Special_Inward.Forecast_Ultimate_Total_premium
WHERE Slip_treatment_lookup_key <> "X"

UPDATE HISTORY

20 Feb @ 16:00   ULTIMATE REINSTATEMENTS formula corrected
29 Feb @ 16:00   Added B-L and B-X to reinstatements
03 Mar @ 15:00 Labeled the three components as"Total Premium"
26 Mar @ 12:00 corrected ULTIMATE PURE PREMIUM AND REINSTATEMENTS (SLIP SPECIALS)
14 May: changes due to new DURG level premium table

OUTWARD Booked Premium

Premium

Performed per Outward Contract

Booked (or Actual) Premium
O_B_P

Proportional Treaty
Actual_outward_premium.Cuml_pure_premium

Actual_outward_premium.Cuml_reinst_premium

Actual_outward_premium.Cuml_profit_commission

O_B_P_PURE_PROP

O_B_P_REINST_PROP

O_B_P_PC_PROP

FAC
Actual_outward_premium.Cuml_pure_premium

Actual_outward_premium.Cuml_reinst_premium

O_B_P_PURE_FAC

O_B_P_REINST_FAC

Non-Proportional XL
Actual_outward_premium.Cuml_pure_premium

Actual_outward_premium.Cuml_reinst_premium

O_B_P_PURE_XL

O_B_P_REINST_XL

EPI

Booked (or Actual) EPI
O_B_EPI

Actual_Outward_Premium.cuml_epi_budget_amt

Note: The historical EPIs are recorded on the actuals tables, but the latest is only stored on the Inward/Outward Contract table

Calculated per Syndicate, Division, DURG.CCY,YOA, **OUTWARD CONTRACT** AND PERIOD

OUTWARDS Earned Premium

Note: Inwards DURG is obtained for the non-proportional contract level amounts by allocating them using the allocation table specified in the outwards premium use case. The Proportional contracts have their earned amounts and percentages saved by the earnings calculation per inwards DURG

OUTWARDS

O_E_P(Total)

COMPONENTS OF TOTAL EARNED PREMIUM

Reinstatements Earned

O_E_P(Reinst)

Proportional Treaty Reinstatements Earned

O_E_P(Reinst)(Prop)

FAC Reinstatements Earned

O_E_P(Reinst)(FAC)

Non-Proportional XL Reinstatements Earned

O_E_P(Reinst)(XL)

See the tab "Outward Ultimate Premium" as Reinstatements are now counted as 100% Earned when forecast.

O_ULT_P(Reinst)(Prop)
O_ULT_P(Reinst)(FAC)
O_ULT_P(Reinst)(XL)

Earned Pure Premium

O_E_P(Pure)

Proportional Treaty

O_E_P(Pure)(Prop)

(YOA < Current YOA)

YES →

PROPORTIONAL EARNED

Actual_Outward_DURG_Earned_PROP.earned_percentage *
O_ULT_P(Pure)(Prop)
WHERE CONTRACT_TYPE = (PROP)

NO →

PROPORTIONAL PURE EARNED

Actual_Outward_Premium.cuml_earned_premium *
Actual_DURG_Earned.Ultimate_Variance

WHERE CONTRACT_TYPE = PROP

Note that the switching between the two methods is dependent on having a full year's EPIs (once we have that, we switch to scaling using the ultimate. So therefore the switch would actually happen on the evening of the 31st of December.

FAC

O_E_P(Pure)(FAC)

Non-Proportional XL

O_E_P(Pure)(XL)

FAC OR XL PURE EARNED

(FAC Contracts)
Allocated to: INWARD DURG OF FIRST ATTACHING INWARDS CONTRACT

(XL Contracts),(XL Buckets),(FAC Buckets)
Allocated using: (DURG_ALLOCATION.ALLOCATION_PERCENTAGE)

Outward_Contract.**XL_FAC_earned_percentage** *
O_ULT_P(Pure)(Fac or XL))
WHERE CONTRACT_TYPE = (FAC or XL)

This is captured for Proportional Treaty only

Earned Profit Commission

O_E_P(P.C)

Proportional Treaty

DURG PC EARNED

O_E_P(Pure)(Prop) * (O_ULT_P(P.C)(Prop) / O_ULT_P(Pure)(Prop))

This is the Profit Commision we've paid out, that is 'claimed back' from reinsurers

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ADDITIONAL COMPONENTS OF EARNED PREMIUM, BUT ONLY INCLUDED IN SOME SPECIFIED CALCULATIONS

EARNED Placed TTY Profit Commission

O_E_TTY_PC

PLACED TTY EARNED PROFIT COMMISSION

O_E_P(Pure)(Prop) * (O_ULT_TTY_PC(Prop) / O_ULT_P(Pure)(Prop))

EARNED Placed TTY ORC

O_E_TTY_ORC

PLACED TTY ORC EARNED

O_E_P(Pure)(Prop) * (O_ULT_TTY_ORC(Prop) / O_ULT_P(Pure)(Prop))

UPDATE HISTORY

21 Feb. Updated comments for Placed TTY PC and Placed TTY ORC
03 Mar @ 15:00 Labeled the three components as"Total Premium"
25 Mar: updated PROPORTIONAL, FAC OR XL PURE EARNED to refer to the correct location of earned percentage (on the outward contract rather than actuals)
24 June : Complete change to the following items: **O_E_P(Reinst)** = forecast ultimate is 100% earned
O_E_P(P.C) = an earned % of the ultimate
OE_TTY_PC = an earned % of the ultimate
O_E_TTY_ORC = an earned % of the ultimate
26th August. Changed **O_E_TTY_ORC** to use 'Pure' instead of 'Total' Premium (In line with final signed copy of 1B requirements)
25 Sep: Updated **O_E_P(Pure)(FAC)** and **O_E_P(Pure)(XL)** indicated how to allocate these amounts to DURGs
21 Oct: Updates to align with Forecasting application schema 9.0.15. Changes to Outward Earned calculations **O_E_P(Pure)(FAC)&(XL)** and **O_E_P(Pure)(Prop)** Changes are highlighted in orange
30 Oct: updated the switching between scaling to ultimate and using variance so that it is the same as inwards. Must have a full year of EPI before it switches to ultimate based calculation comment in red
07 Jan :O_E_P(P.C), O_E_TTY_PC and O_E_TTY_ORC formulas updated to refer to item names(codes) rather than the descriptive long names of the components
3/10/2010: Simplified calcs for outwards FAC and XL. There is only one calc method per CALC-30

OUTWARDS Unearned Premium

Performed per Syndicate, Division, DURG, CCY, YOA
(using the values as at each quarter you want to
calculate) The boxes in Red are the levels suggested
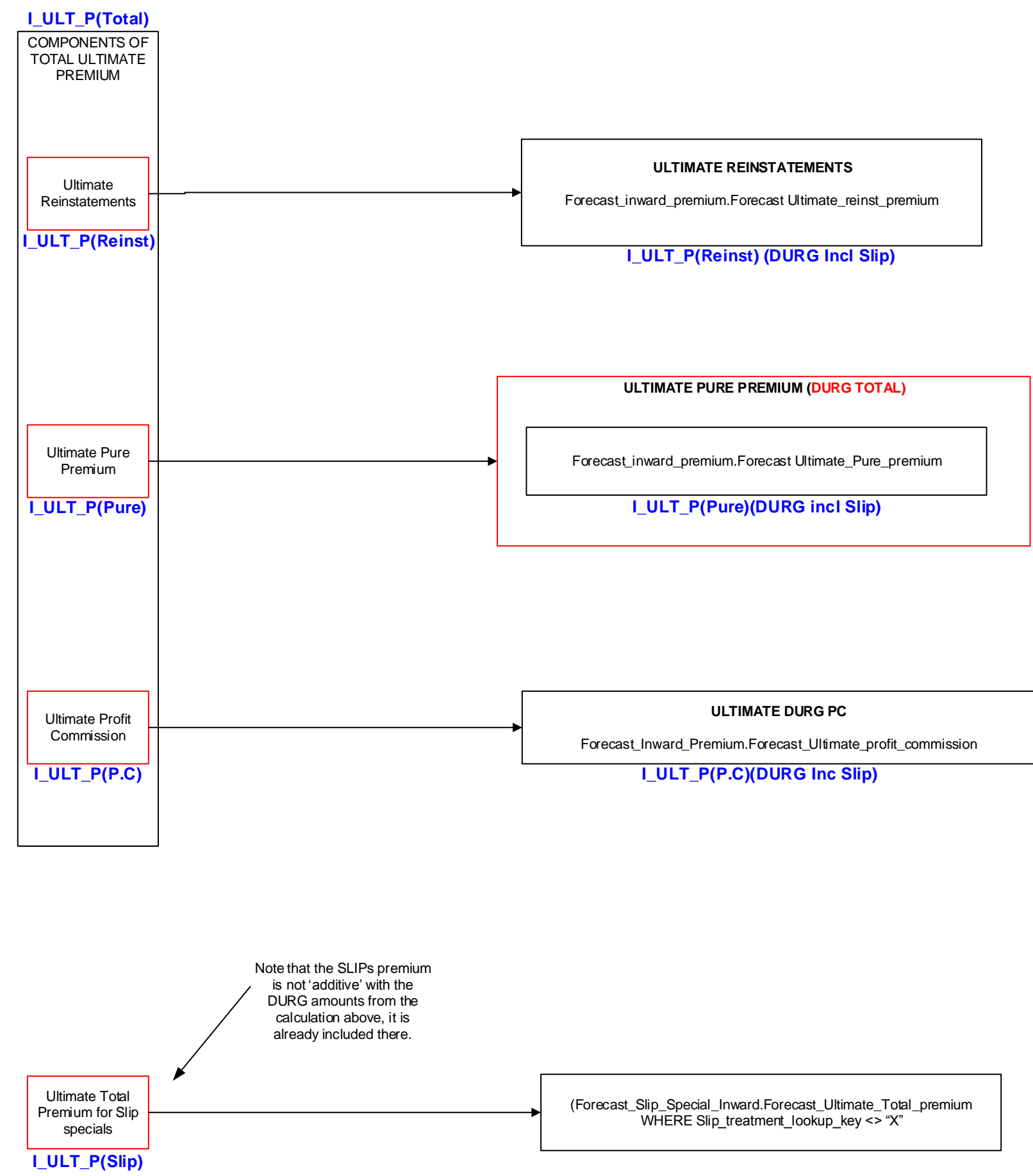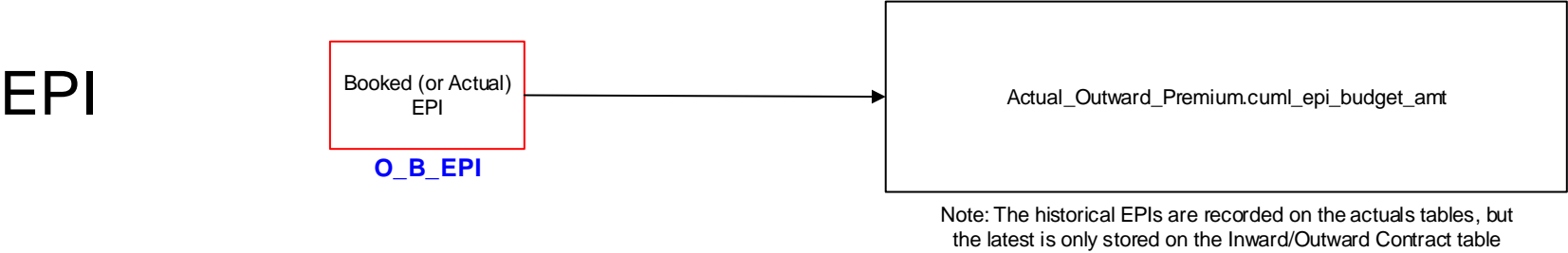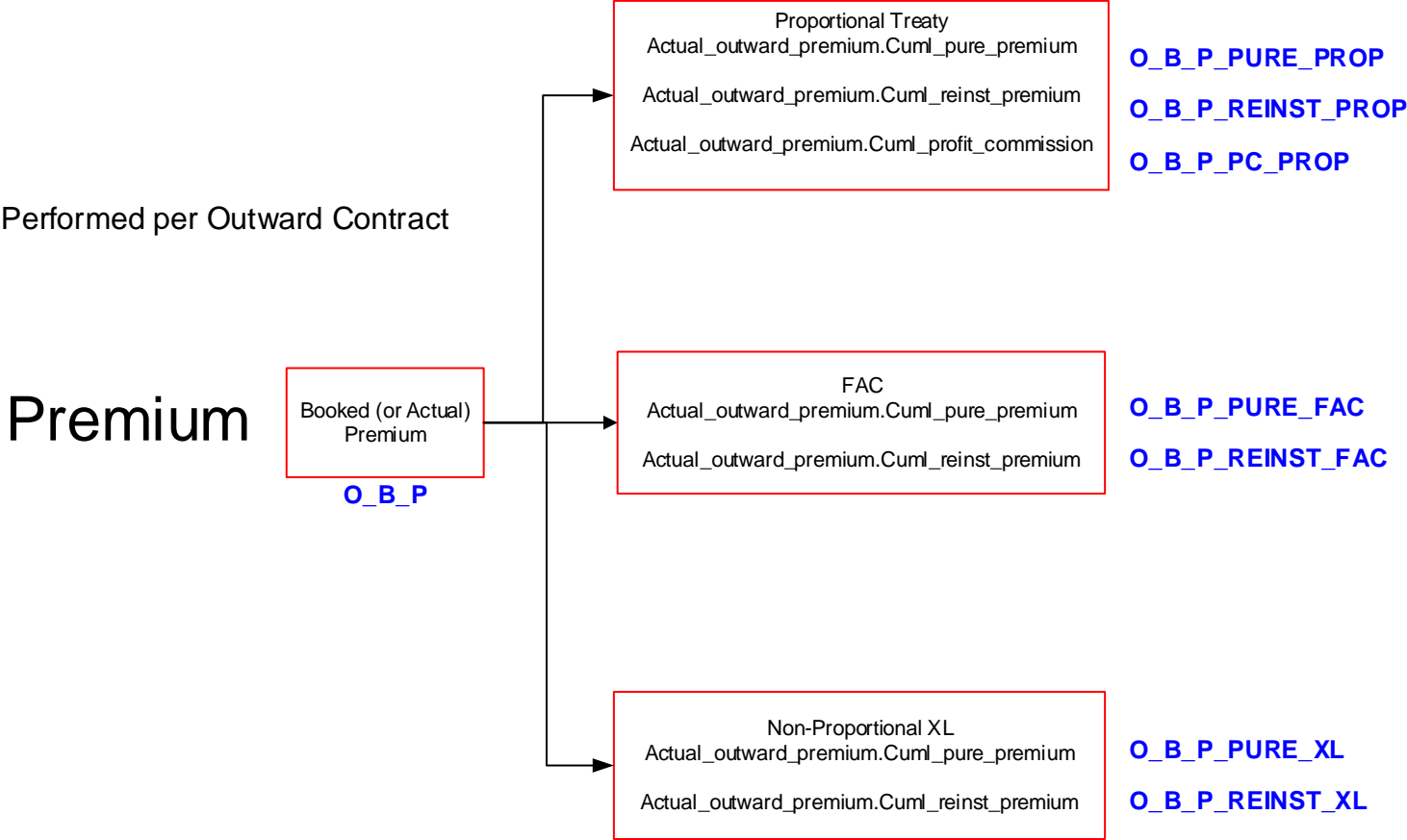for accessing the components of the calculation

COMPONENTS OF
TOTAL UNEARNED
PREMIUM
O_UE_P(Total)

UNEARNED
Reinstatements

O_UE_P(Reinst)

Proportional
Treaty

O_UE_P(Reinst)(Prop)

FAC

O_UE_P(Reinst)(FAC)

Non-Proportional
XL

O_UE_P(Reinst)(XL)

Ultimate
Reinstatement
Premium

−

Earned
Reinstatement
Premium

**Unearned reinstatements will always
be zero as reinstatements are only
forecast when they are earned.**

This is intentional.

UNEARNED Pure
Premium

O_UE_P(Pure)

Proportional
Treaty

O_UE_P(Pure)(Prop)

FAC

O_UE_P(Pure)(FAC)

Non-Proportional
XL

O_UE_P(Pure)(XL)

Ultimate Pure
Premium

−

Earned Pure
Premium

This is captured for
Proportional Treaty only

UNEARNED Profit
Commission

O_UE_P(P.C)

Proportional
Treaty

Ultimate Profit
Commission

−

Earned Profit
Commission

ADDITIONAL
COMPONENTS OF
UNEARNED
PREMIUM, BUT
ONLY INCLUDED IN
SOME SPECIFIED
CALCULATIONS

UNEARNED
Placed TTY Profit
Commission

O_UE_TTY_PC

ULTIMATE
Placed TTY Profit
Commission

−

EARNED
Placed TTY Profit
Commission

UNEARNED
Placed TTY ORC

O_UE_TTY_ORC

ULTIMATE
Placed TTY ORC

−

EARNED
Placed TTY ORC

UPDATE HISTORY

03 Mar @ 15:00 Labeled the three components as"Total Premium"

24 June : Complete change to **O_UE_P(Reinst)** = forecast ultimate is 100%
earned, so THERE ARE NO UNEARNED REINSTATEMENTS

OUTWARDS Ultimate Premium

Calculated per Syndicate,
Division, DURG.CCY,YOA,
OUTWARD CONTRACT
AND PERIOD

OUTWARDS

COMPONENTS OF TOTAL ULTIMATE PREMIUM
O_ULT_P(Total)

Ultimate Reinstatements

O_ULT_P(Reinst)

FAC

O_ULT_P(Reinst)(FAC)

..(CAT) → CAT Specials (inc. IBNR lines) → Forecast_Catastrophe_Outward.forecast_ultimate_reinstatement WHERE CONTRACT_TYPE = FAC And CAT Treatment Code is not "X".

..(LRG) → Large Loss Specials (inc. IBNR lines) → Forecast_Large_Loss_Special_Outward.forecast_ultimate_reinstatement WHERE CONTRACT_TYPE = FAC And Large Loss Treatment Code is not "X".

...(Slip) → Slip Specials → Forecast_Slip_Special_Outward.forecast_ultimate_reinstatement WHERE CONTRACT_TYPE = FAC And Slip Treatment Code is not "X".

Non-Proportional XL

O_ULT_P(Reinst)(XL)

..(CAT) → CAT Specials (inc. IBNR lines) → Forecast_Catastrophe_Outward.forecast_ultimate_reinstatement WHERE CONTRACT_TYPE = XL And CAT Treatment Code is not "X".

..(LRG) → Large Loss Specials (inc. IBNR lines) → Forecast_Large_Loss_Special_Outward.forecast_ultimate_reinstatement WHERE CONTRACT_TYPE = XL And Large Loss Treatment Code is not "X".

...(Slip) → Slip Specials → Forecast_Slip_Special_Outward.forecast_ultimate_reinstatement WHERE CONTRACT_TYPE = XL And Slip Treatment Code is not "X".

Proportional

O_ULT_P(Reinst)(Prop)

→ **ULTIMATE REINSTATEMENTS (Proportional)**
Forecast_Outward_Premium.Reinst_Premium *
Outw_Contract.Total_Placed_PCT

Ultimate Pure Premium

O_ULT_P(Pure)

Proportional

O_ULT_P(Pure)(Prop)

→ Forecast_outward_Premium.Forecast_Ultimate_Pure_Premium *
Outw_Contract.Total_Placed_PCT

FAC

O_ULT_P(Pure)(FAC)

(FAC Contracts) → Allocate to: INWARD DURG OF FIRST ATTACHING INWARDS CONTRACT Forecast_outward_Premium_Non_Prop.Forecast_Outward_Premium_Non_Prop * Outw_Contract.Total_Placed_PCT WHERE CONTRACT_TYPE = FAC.

(FAC Buckets) → (DURG_ALLOCATION.ALLOCATION_PERCENTAGE) X Forecast_outward_Premium_Non_Prop.Forecast_Outward_Premium_Non_Prop * Outw_Contract.Total_Placed_PCT WHERE CONTRACT_TYPE = FAC.

XL

O_ULT_P(Pure)(XL)

(XL Contracts)
(XL Buckets) → (DURG_ALLOCATION.ALLOCATION_PERCENTAGE) X Forecast_outward_Premium_Non_Prop.Forecast_Outward_Premium_Non_Prop * Outw_Contract.Total_Placed_PCT WHERE CONTRACT_TYPE = XL.

This is captured for Proportional Treaty only

Ultimate Profit Commission

O_ULT_P(P.C)

→ Forecast_outward_Premium.Forecast_Ultimate_Profit_Commission *
Outw_Contract.Total_Placed_PCT

ADDITIONAL COMPONENTS OF ULTIMATE PREMIUM, BUT ONLY INCLUDED IN SOME SPECIFIED CALCULATIONS

ULTIMATE Placed TTY Profit Commission

O_ULT_TTY_PC

→ Forecast_Outward_Premium.Forecast_placed_tty_PC

ULTIMATE Placed TTY ORC

O_ULT_TTY_ORC

→ Forecast_Outward_Premium.Forecast_placed_tty_overriding_commission

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UPDATE HISTORY

21 Feb: Completed
03 Mar @ 15:00 Labeled the three components as"Total Premium"
02 Apr Removal of the difference in picking up "unpurchased" contracts for FAC and XL
25 Sep: Updated **O_ULT_P(Pure)(FAC)** and **O_ULT_P(Pure)(XL)** indicated how to allocate these amounts to DURGs

INWARDS IBNR Tables and Attritional Losses Screen

Performed per Syndicate, Division, DURG, CCY, YOA (using the values as at each quarter you want to calculate) The boxes in Red are the levels suggested for accessing the components of the calculation
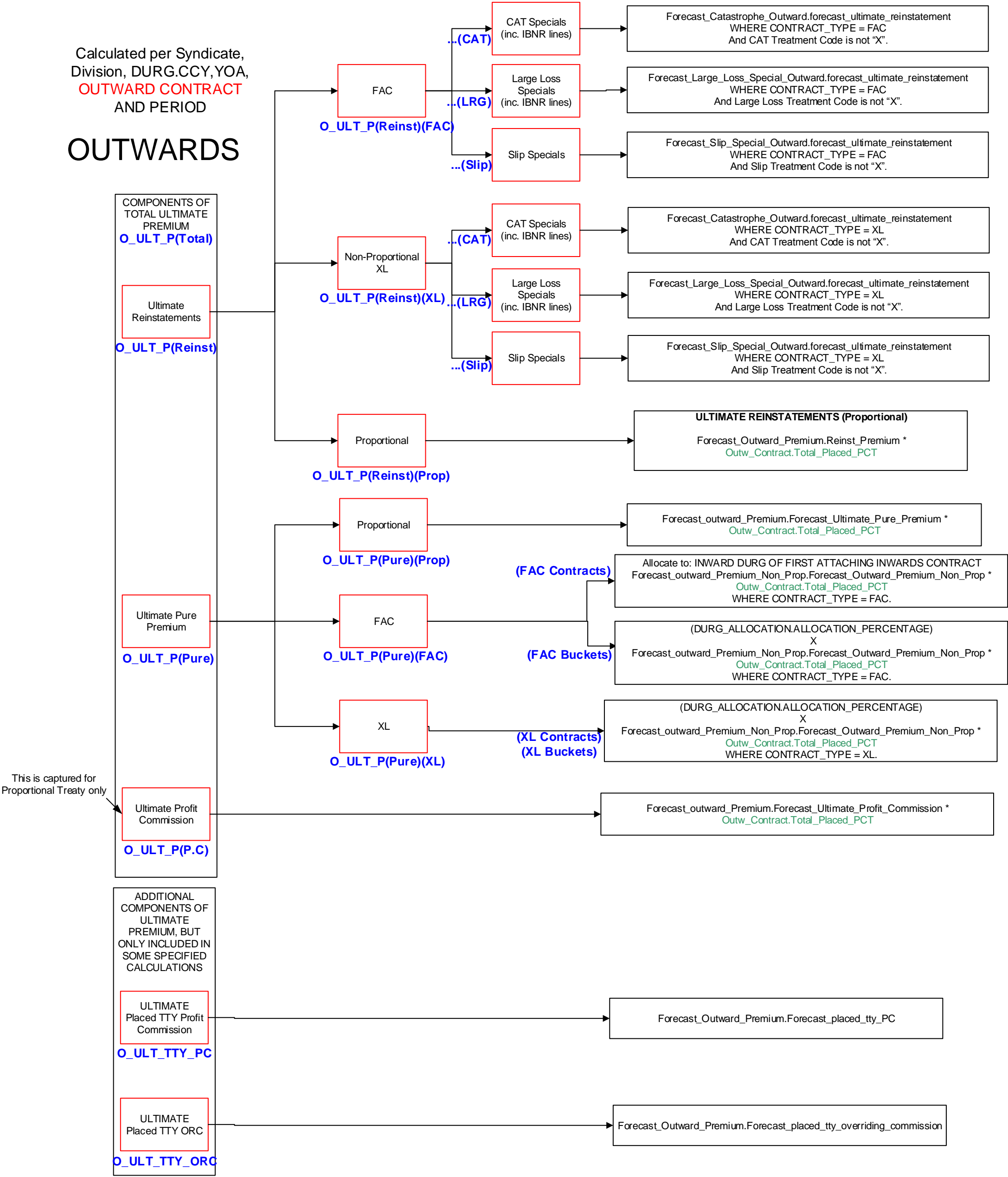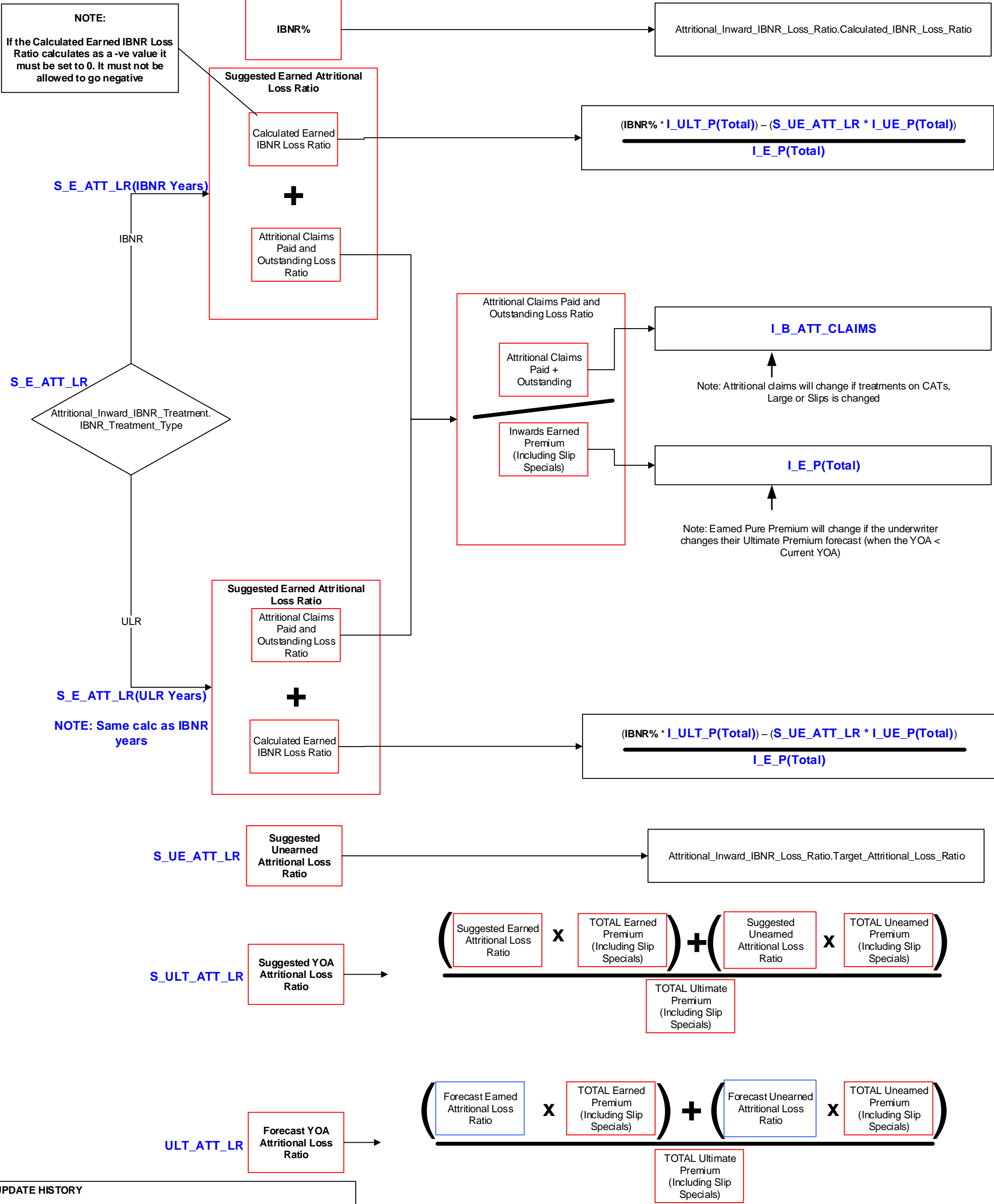
NOTE:

If the Calculated Earned IBNR Loss Ratio calculates as a -ve value it must be set to 0. It must not be allowed to go negative

IBNR%

Attritional_Inward_IBNR_Loss_Ratio.Calculated_IBNR_Loss_Ratio

Suggested Earned Attritional Loss Ratio

Calculated Earned IBNR Loss Ratio

$$\frac{(IBNR\% * I\_ULT\_P(Total)) - (S\_UE\_ATT\_LR * I\_UE\_P(Total))}{I\_E\_P(Total)}$$

+

Attritional Claims Paid and Outstanding Loss Ratio

S_E_ATT_LR(IBNR Years)

IBNR

S_E_ATT_LR

Attritional_Inward_IBNR_Treatment. IBNR_Treatment_Type

Attritional Claims Paid and Outstanding Loss Ratio

Attritional Claims Paid + Outstanding

I_B_ATT_CLAIMS

Note: Attritional claims will change if treatments on CATs, Large or Slips is changed

Inwards Earned Premium (Including Slip Specials)

I_E_P(Total)

Note: Earned Pure Premium will change if the underwriter changes their Ultimate Premium forecast (when the YOA < Current YOA)

ULR

Suggested Earned Attritional Loss Ratio

Attritional Claims Paid and Outstanding Loss Ratio

+

S_E_ATT_LR(ULR Years)

NOTE: Same calc as IBNR years

Calculated Earned IBNR Loss Ratio

$$\frac{(IBNR\% * I\_ULT\_P(Total)) - (S\_UE\_ATT\_LR * I\_UE\_P(Total))}{I\_E\_P(Total)}$$

S_UE_ATT_LR

Suggested Unearned Attritional Loss Ratio

Attritional_Inward_IBNR_Loss_Ratio.Target_Attritional_Loss_Ratio

S_ULT_ATT_LR

Suggested YOA Attritional Loss Ratio

$$\frac{\left(\begin{array}{c}\text{Suggested Earned Attritional Loss Ratio}\end{array} \times \begin{array}{c}\text{TOTAL Earned Premium (Including Slip Specials)}\end{array}\right) + \left(\begin{array}{c}\text{Suggested Unearned Attritional Loss Ratio}\end{array} \times \begin{array}{c}\text{TOTAL Unearned Premium (Including Slip Specials)}\end{array}\right)}{\text{TOTAL Ultimate Premium (Including Slip Specials)}}$$

ULT_ATT_LR

Forecast YOA Attritional Loss Ratio

$$\frac{\left(\begin{array}{c}\text{Forecast Earned Attritional Loss Ratio}\end{array} \times \begin{array}{c}\text{TOTAL Earned Premium (Including Slip Specials)}\end{array}\right) + \left(\begin{array}{c}\text{Forecast Unearned Attritional Loss Ratio}\end{array} \times \begin{array}{c}\text{TOTAL Unearned Premium (Including Slip Specials)}\end{array}\right)}{\text{TOTAL Ultimate Premium (Including Slip Specials)}}$$

UPDATE HISTORY

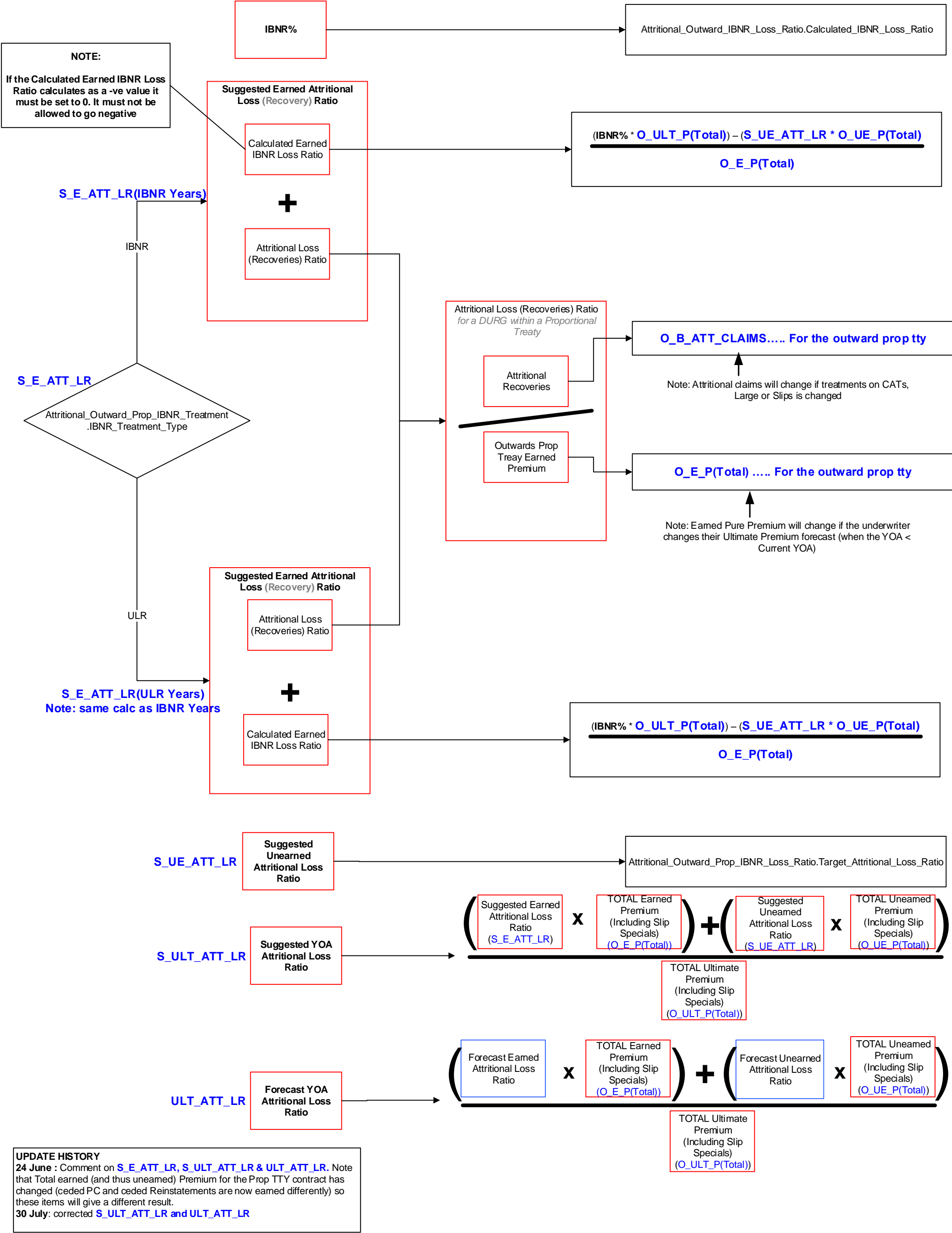**14 May:** changes due to new DURG level premium table
24 June : Comment on **S_E_ATT_LR, S_ULT_ATT_LR & ULT_ATT_LR.** Note that Total earned (and thus unearned) Premium for the DURG has changed (PC and Reinstatements are now earned differently) so these items will give a different result.
30 July: corrected **S_ULT_ATT_LR and ULT_ATT_LR**
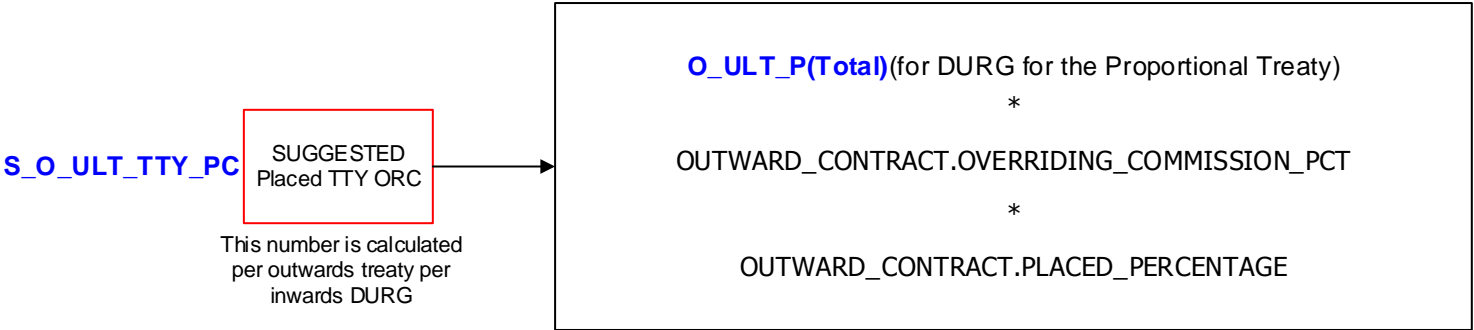**16/8/10:** FORE-246 change to **S_E_ATT_LR** and ULR = IBNR calc

OUTWARDS IBNR Tables and Attritional Losses (Recoveries) Screen

Performed per Proportional Treaty, Syndicate, Division, DURG, CCY, YOA (using the values as at each quarter you want to calculate) The boxes in Red are the levels suggested for accessing the components of the calculation

IBNR% → Attritional_Outward_IBNR_Loss_Ratio.Calculated_IBNR_Loss_Ratio

NOTE:
If the Calculated Earned IBNR Loss Ratio calculates as a -ve value it must be set to 0. It must not be allowed to go negative

Suggested Earned Attritional Loss (Recovery) Ratio

Calculated Earned IBNR Loss Ratio →

$$\frac{(IBNR\% * O\_ULT\_P(Total)) - (S\_UE\_ATT\_LR * O\_UE\_P(Total))}{O\_E\_P(Total)}$$

+

Attritional Loss (Recoveries) Ratio

S_E_ATT_LR(IBNR Years)

IBNR

S_E_ATT_LR

Attritional_Outward_Prop_IBNR_Treatment.IBNR_Treatment_Type

Attritional Loss (Recoveries) Ratio
for a DURG within a Proportional Treaty

Attritional Recoveries →

O_B_ATT_CLAIMS….. For the outward prop tty

Note: Attritional claims will change if treatments on CATs, Large or Slips is changed

Outwards Prop Treay Earned Premium →

O_E_P(Total) ….. For the outward prop tty

Note: Earned Pure Premium will change if the underwriter changes their Ultimate Premium forecast (when the YOA < Current YOA)

ULR

Suggested Earned Attritional Loss (Recovery) Ratio

Attritional Loss (Recoveries) Ratio

+

Calculated Earned IBNR Loss Ratio →

$$\frac{(IBNR\% * O\_ULT\_P(Total)) - (S\_UE\_ATT\_LR * O\_UE\_P(Total))}{O\_E\_P(Total)}$$

S_E_ATT_LR(ULR Years)
Note: same calc as IBNR Years

S_UE_ATT_LR

Suggested Unearned Attritional Loss Ratio → Attritional_Outward_Prop_IBNR_Loss_Ratio.Target_Attritional_Loss_Ratio

S_ULT_ATT_LR

Suggested YOA Attritional Loss Ratio

$$\frac{\left(\begin{array}{c}\text{Suggested Earned Attritional Loss Ratio} \\ (S\_E\_ATT\_LR)\end{array} X \begin{array}{c}\text{TOTAL Earned Premium (Including Slip Specials)} \\ (O\_E\_P(Total))\end{array}\right) + \left(\begin{array}{c}\text{Suggested Unearned Attritional Loss Ratio} \\ (S\_UE\_ATT\_LR)\end{array} X \begin{array}{c}\text{TOTAL Unearned Premium (Including Slip Specials)} \\ (O\_UE\_P(Total))\end{array}\right)}{\begin{array}{c}\text{TOTAL Ultimate Premium (Including Slip Specials)} \\ (O\_ULT\_P(Total))\end{array}}$$

ULT_ATT_LR

Forecast YOA Attritional Loss Ratio

$$\frac{\left(\begin{array}{c}\text{Forecast Earned Attritional Loss Ratio}\end{array} X \begin{array}{c}\text{TOTAL Earned Premium (Including Slip Specials)} \\ (O\_E\_P(Total))\end{array}\right) + \left(\begin{array}{c}\text{Forecast Unearned Attritional Loss Ratio}\end{array} X \begin{array}{c}\text{TOTAL Unearned Premium (Including Slip Specials)} \\ (O\_UE\_P(Total))\end{array}\right)}{\begin{array}{c}\text{TOTAL Ultimate Premium (Including Slip Specials)} \\ (O\_ULT\_P(Total))\end{array}}$$

UPDATE HISTORY
24 June : Comment on **S_E_ATT_LR, S_ULT_ATT_LR & ULT_ATT_LR.** Note that Total earned (and thus unearned) Premium for the Prop TTY contract has changed (ceded PC and ceded Reinstatements are now earned differently) so these items will give a different result.
30 July: corrected **S_ULT_ATT_LR and ULT_ATT_LR**

Suggested Placed Treaty ORC

Performed per Syndicate, Division, DURG, CCY, YOA, Outwards Proportional
Contract (using the values as at each quarter you want to calculate) The boxes in
Red are the levels suggested for accessing the components of the calculation
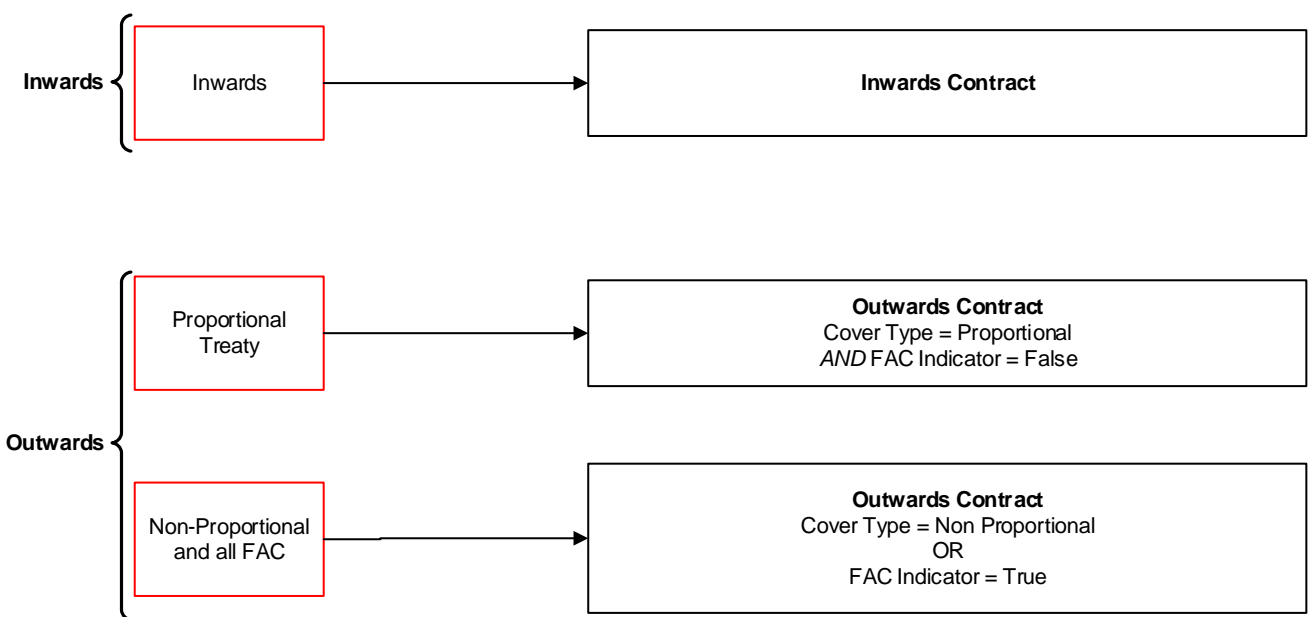
S_O_ULT_TTY_PC

SUGGESTED
Placed TTY ORC

This number is calculated
per outwards treaty per
inwards DURG

O_ULT_P(Total)(for DURG for the Proportional Treaty)

*

OUTWARD_CONTRACT.OVERRIDING_COMMISSION_PCT

*

OUTWARD_CONTRACT.PLACED_PERCENTAGE

UPDATE HISTORY

06 March: Overriding commission percentage is one rate per outward
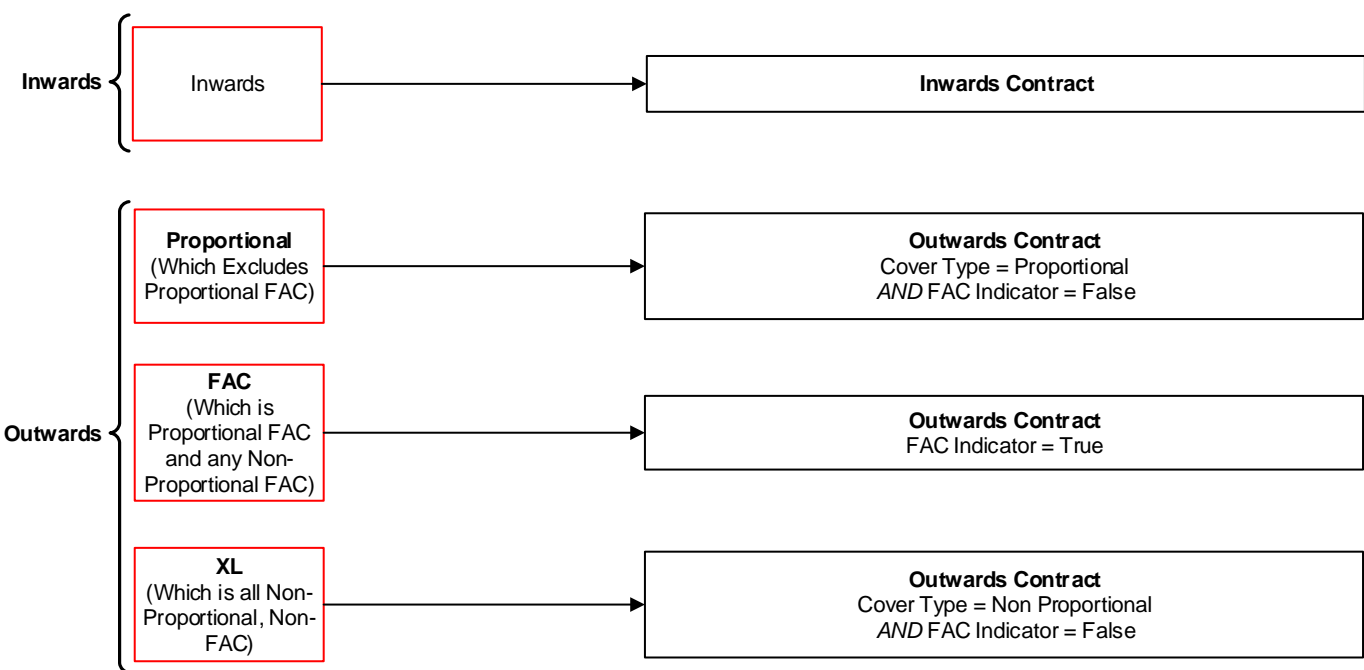proportional treaty contract.
29 August: Updated to reflect that the suggested amount is calculated only at the
placed percentage.

For Writing and Earning Calculation

Inwards

| Inwards | → | **Inwards Contract** |

Outwards

| Proportional Treaty | → | **Outwards Contract**
Cover Type = Proportional
AND FAC Indicator = False |

| Non-Proportional and all FAC | → | **Outwards Contract**
Cover Type = Non Proportional
OR
FAC Indicator = True |

Note: **Inwards, Outwards Non-Proportional and All Outwards FAC** policies need a writing and earning pattern assigned to them in the London Underwriting system
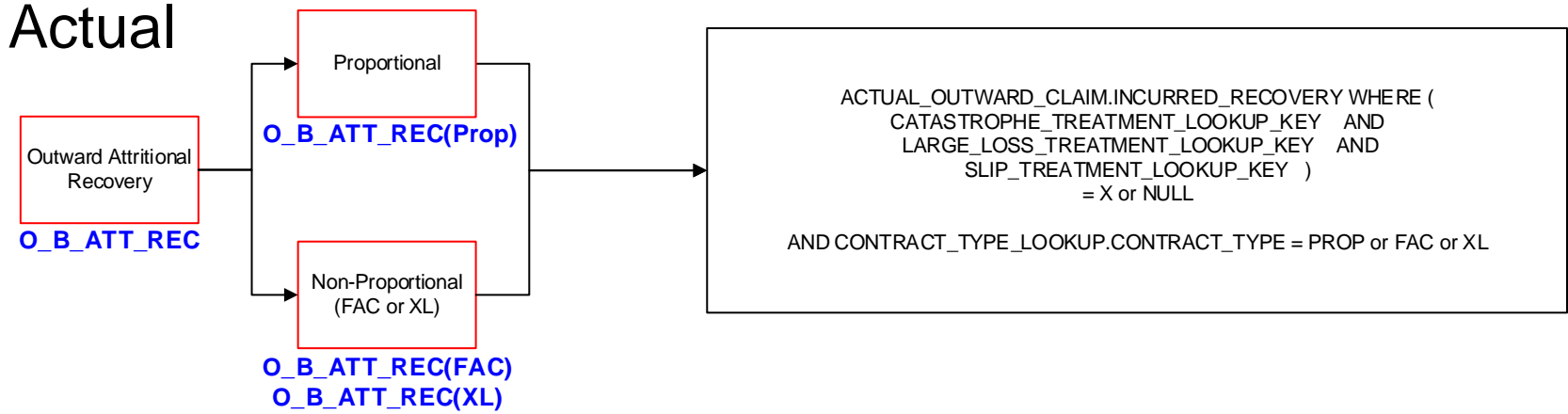
For Forecasting Screens

Inwards

| Inwards | → | **Inwards Contract** |

Outwards

| **Proportional**
(Which Excludes Proportional FAC) | → | **Outwards Contract**
Cover Type = Proportional
AND FAC Indicator = False |

| **FAC**
(Which is Proportional FAC and any Non-Proportional FAC) | → | **Outwards Contract**
FAC Indicator = True |

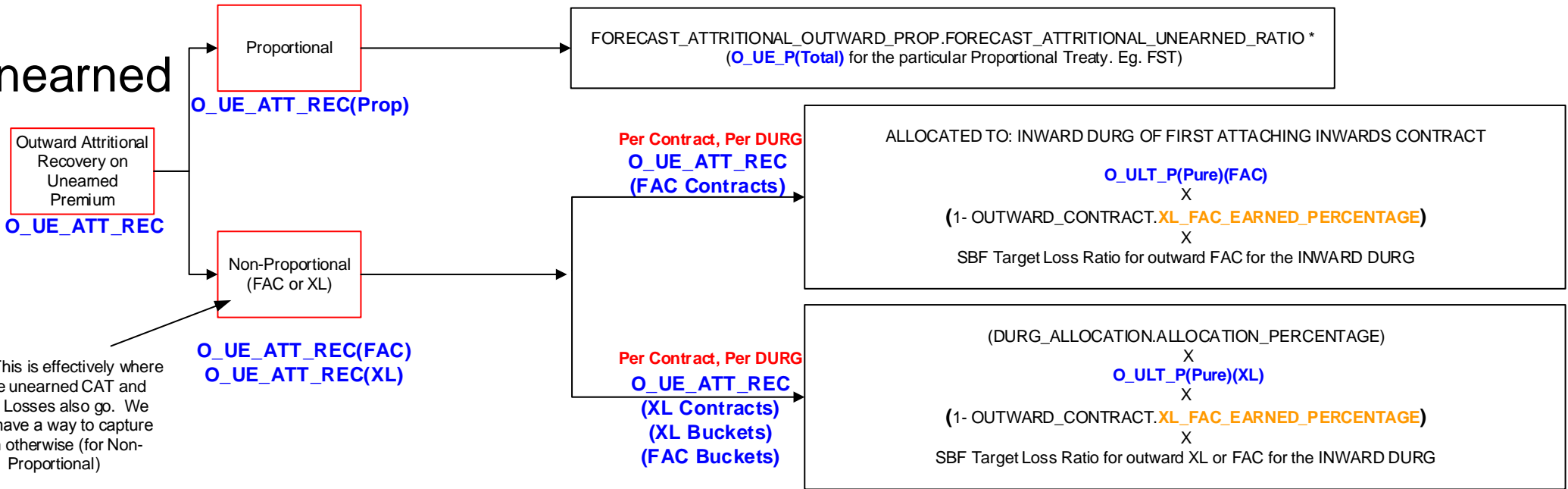| **XL**
(Which is all Non-Proportional, Non-FAC) | → | **Outwards Contract**
Cover Type = Non Proportional
AND FAC Indicator = False |

UPDATE HISTORY

08 Apr: Updated grouping for writing and earning to indicate that all outward non-proportional and FAC (both proportional and non-proportional) are treated the same way.
07 May: Corrected selection criteria for "*Non-Proportional and all FAC*" should include FAC Indicator = True

24 June : Inserted 'AND' for clarity in the following items:
    For Writing and Earning calculation:
        OUTWARDS Proportional Treaty
    For Forecasting Screens:
        OUTWARD Proportional (Which Excludes Proportional FAC)
        OUTWARDS XL (Which is all Non-Proportional, Non-FAC)

Outward Attritional Recoveries

Booked or Actual

Outward Attritional Recovery
O_B_ATT_REC

→ Proportional
O_B_ATT_REC(Prop)

→ Non-Proportional (FAC or XL)
O_B_ATT_REC(FAC)
O_B_ATT_REC(XL)

ACTUAL_OUTWARD_CLAIM.INCURRED_RECOVERY WHERE (
CATASTROPHE_TREATMENT_LOOKUP_KEY   AND
LARGE_LOSS_TREATMENT_LOOKUP_KEY   AND
SLIP_TREATMENT_LOOKUP_KEY   )
= X or NULL

AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Unearned

Outward Attritional Recovery on Unearned Premium
O_UE_ATT_REC

→ Proportional
O_UE_ATT_REC(Prop)

FORECAST_ATTRITIONAL_OUTWARD_PROP.FORECAST_ATTRITIONAL_UNEARNED_RATIO *
(**O_UE_P(Total)** for the particular Proportional Treaty. Eg. FST)

→ Non-Proportional (FAC or XL)
O_UE_ATT_REC(FAC)
O_UE_ATT_REC(XL)
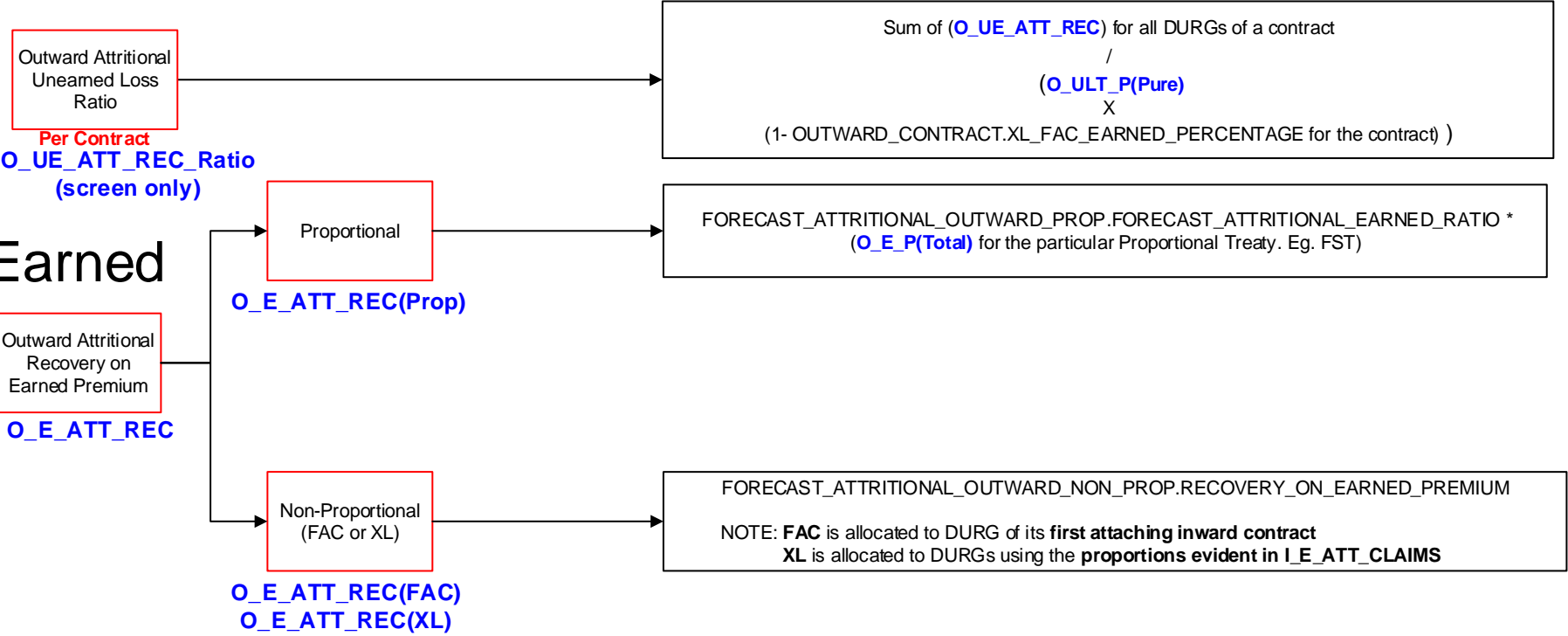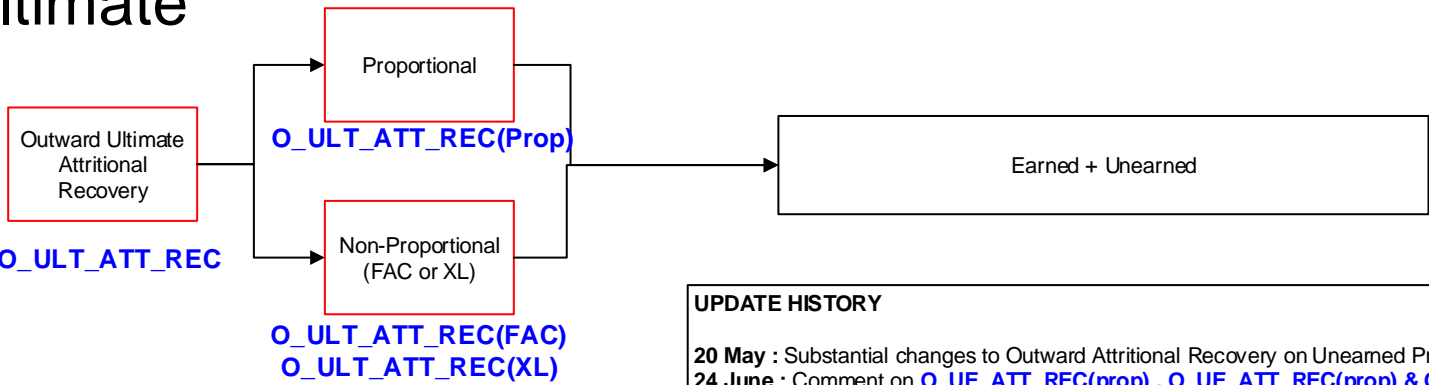
Note: This is effectively where all the unearned CAT and Large Losses also go. We don't have a way to capture them otherwise (for Non-Proportional)
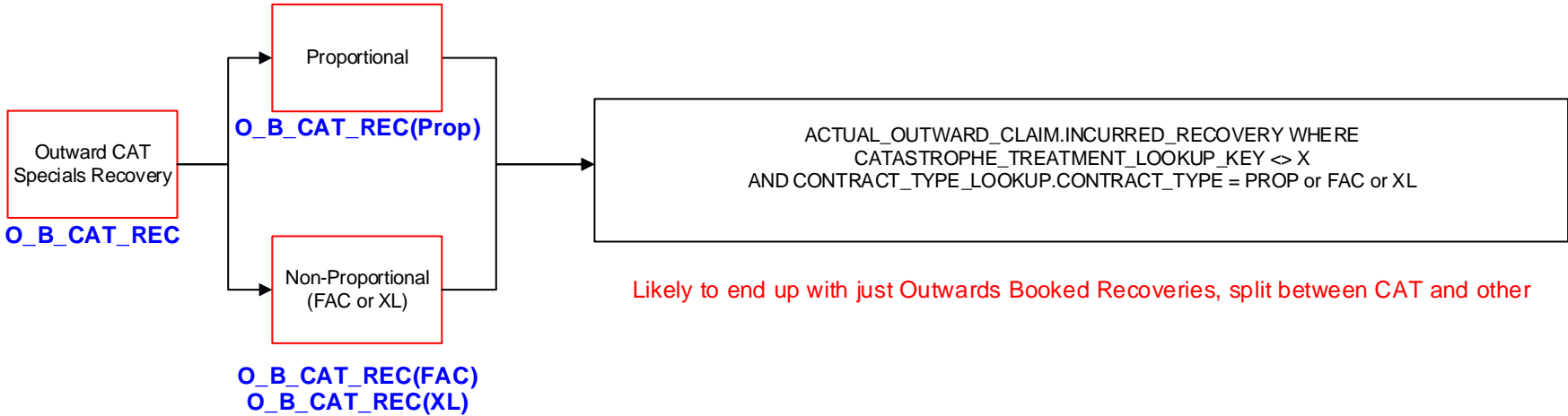
Per Contract, Per DURG
O_UE_ATT_REC (FAC Contracts)

ALLOCATED TO: INWARD DURG OF FIRST ATTACHING INWARDS CONTRACT

$$\frac{\textbf{O\_ULT\_P(Pure)(FAC)}}{X}$$
(1- OUTWARD_CONTRACT.XL_FAC_EARNED_PERCENTAGE)
X
SBF Target Loss Ratio for outward FAC for the INWARD DURG

Per Contract, Per DURG
O_UE_ATT_REC (XL Contracts) (XL Buckets) (FAC Buckets)

(DURG_ALLOCATION.ALLOCATION_PERCENTAGE)
X
O_ULT_P(Pure)(XL)
X
(1- OUTWARD_CONTRACT.XL_FAC_EARNED_PERCENTAGE)
X
SBF Target Loss Ratio for outward XL or FAC for the INWARD DURG

Outward Attritional Unearned Loss Ratio
Per Contract
O_UE_ATT_REC_Ratio (screen only)

Sum of (**O_UE_ATT_REC**) for all DURGs of a contract
/
(**O_ULT_P(Pure)**
X
(1- OUTWARD_CONTRACT.XL_FAC_EARNED_PERCENTAGE for the contract))

Earned

Outward Attritional Recovery on Earned Premium
O_E_ATT_REC

→ Proportional
O_E_ATT_REC(Prop)

FORECAST_ATTRITIONAL_OUTWARD_PROP.FORECAST_ATTRITIONAL_EARNED_RATIO *
(**O_E_P(Total)** for the particular Proportional Treaty. Eg. FST)

→ Non-Proportional (FAC or XL)
O_E_ATT_REC(FAC)
O_E_ATT_REC(XL)

FORECAST_ATTRITIONAL_OUTWARD_NON_PROP.RECOVERY_ON_EARNED_PREMIUM

NOTE: **FAC** is allocated to DURG of its **first attaching inward contract**
XL is allocated to DURGs using the **proportions evident in I_E_ATT_CLAIMS**

Ultimate

Outward Ultimate Attritional Recovery
O_ULT_ATT_REC

→ Proportional
O_ULT_ATT_REC(Prop)

→ Non-Proportional (FAC or XL)
O_ULT_ATT_REC(FAC)
O_ULT_ATT_REC(XL)

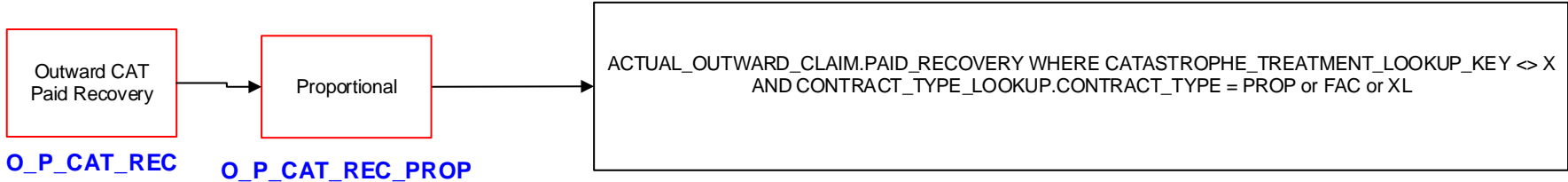Earned + Unearned

UPDATE HISTORY

20 May : Substantial changes to Outward Attritional Recovery on Unearned Premium (**O_UE_ATT_REC**)
24 June : Comment on **O_UE_ATT_REC(prop) , O_UE_ATT_REC(prop) & O_ULT_ATT_REC(prop).** Total earned (and thus unearned) Premium for the contract has changed (ceded PC and ceded Reinstatements are now earned differently) so this item will give a different result.
01 July : Added **O_UE_ATT_REC ratio for contract.**
28 August: Update **O_E_ATT_REC** for XL/FAX and Prop
02 Oct: Updated **O_E_ATT_REC(FAC)** and **O_E_ATT_REC(XL)** to include note on allocation method to DURG
21 Oct: Updates to align with Forecasting application schema 9.0.15. Changes to Outward Unearned calculations
O_UE_ATT_REC (FAC Contracts)
O_UE_ATT_REC (XL Contracts)(XL Buckets)(FAC Buckets)
O_UE_ATT_REC rato for contract
Changes are highlighted in orange
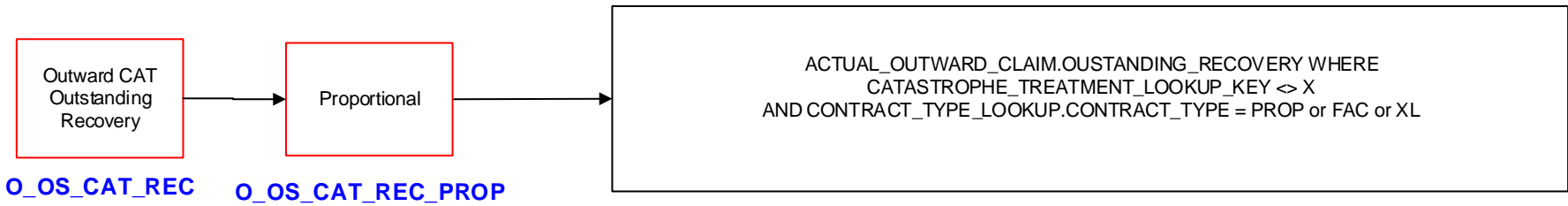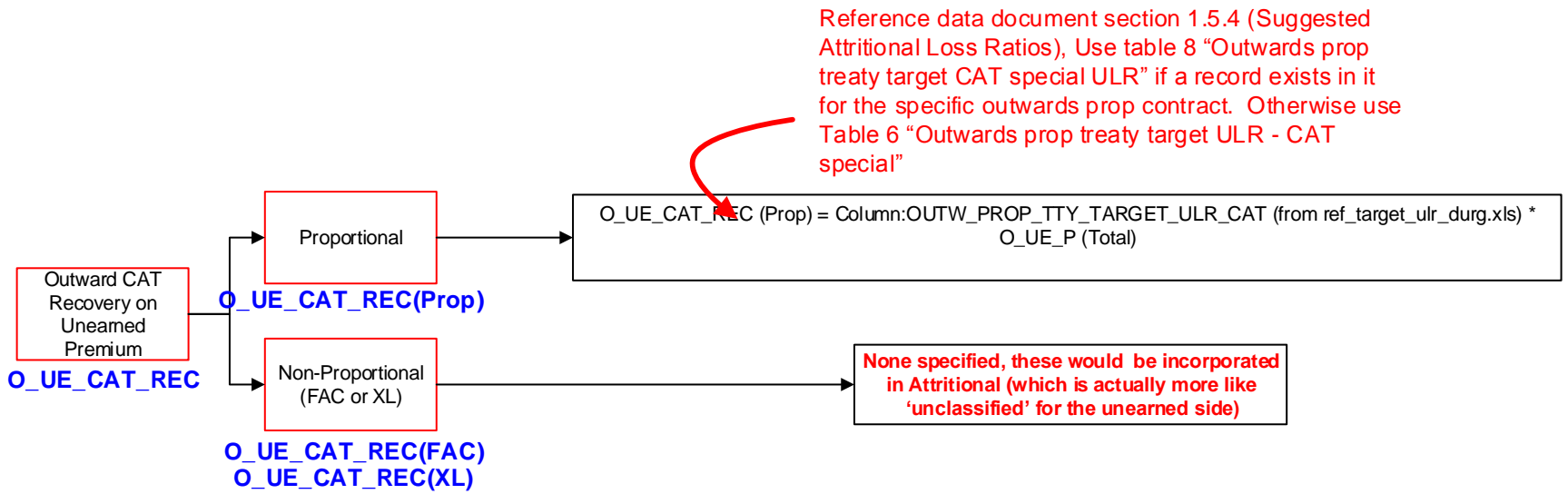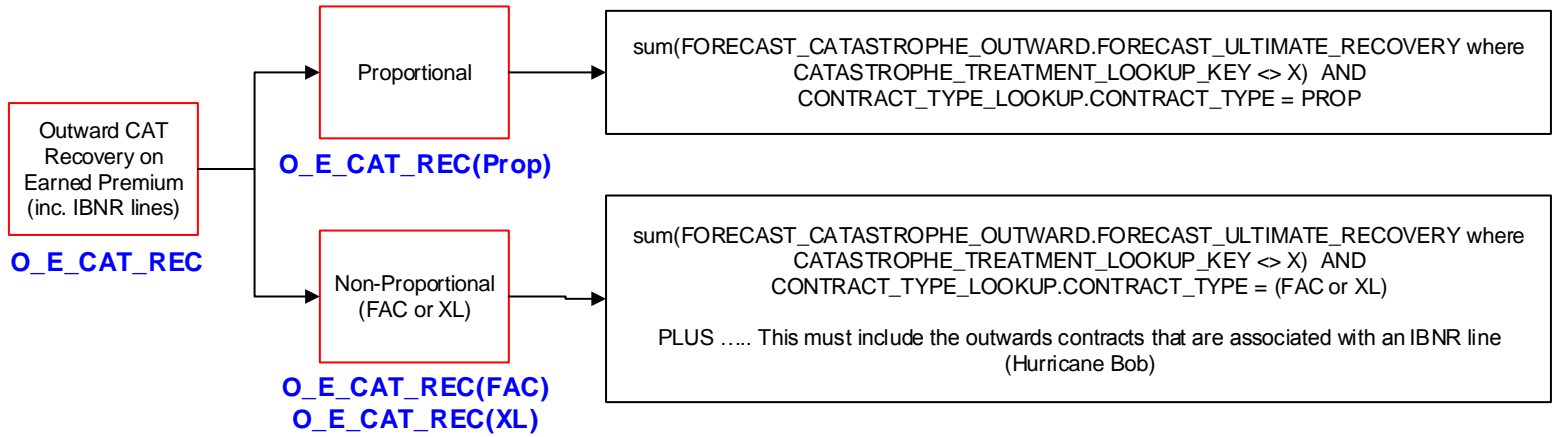
Outward CAT Recoveries

Booked or Actual

O_B_CAT_REC

Outward CAT Specials Recovery

→ Proportional — **O_B_CAT_REC(Prop)**

→ Non-Proportional (FAC or XL) — **O_B_CAT_REC(FAC)** **O_B_CAT_REC(XL)**

ACTUAL_OUTWARD_CLAIM.INCURRED_RECOVERY WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Likely to end up with just Outwards Booked Recoveries, split between CAT and other

Paid

O_P_CAT_REC

Outward CAT Paid Recovery

→ Proportional — **O_P_CAT_REC_PROP**

ACTUAL_OUTWARD_CLAIM.PAID_RECOVERY WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Outstanding

O_OS_CAT_REC

Outward CAT Outstanding Recovery

→ Proportional — **O_OS_CAT_REC_PROP**

ACTUAL_OUTWARD_CLAIM.OUSTANDING_RECOVERY WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Unearned

O_UE_CAT_REC

Outward CAT Recovery on Unearned Premium

→ Proportional — **O_UE_CAT_REC(Prop)**

Reference data document section 1.5.4 (Suggested Attritional Loss Ratios), Use table 8 "Outwards prop treaty target CAT special ULR" if a record exists in it for the specific outwards prop contract. Otherwise use Table 6 "Outwards prop treaty target ULR - CAT special"

O_UE_CAT_REC (Prop) = Column:OUTW_PROP_TTY_TARGET_ULR_CAT (from ref_target_ulr_durg.xls) * O_UE_P (Total)

→ Non-Proportional (FAC or XL) — **O_UE_CAT_REC(FAC)** **O_UE_CAT_REC(XL)**

None specified, these would be incorporated in Attritional (which is actually more like 'unclassified' for the unearned side)

Earned

O_E_CAT_REC

Outward CAT Recovery on Earned Premium (inc. IBNR lines)

→ Proportional — **O_E_CAT_REC(Prop)**

sum(FORECAST_CATASTROPHE_OUTWARD.FORECAST_ULTIMATE_RECOVERY where CATASTROPHE_TREATMENT_LOOKUP_KEY <> X) AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP

→ Non-Proportional (FAC or XL) — **O_E_CAT_REC(FAC)** **O_E_CAT_REC(XL)**

sum(FORECAST_CATASTROPHE_OUTWARD.FORECAST_ULTIMATE_RECOVERY where CATASTROPHE_TREATMENT_LOOKUP_KEY <> X) AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = (FAC or XL)

PLUS ..... This must include the outwards contracts that are associated with an IBNR line (Hurricane Bob)

Ultimate

O_ULT_CAT_REC

Outward CAT Recovery (inc. IBNR lines)

→ Proportional — **O_ULT_CAT_REC(Prop)**

Earned + Unearned

→ Non-Proportional (FAC or XL) — **O_ULT_CAT_REC(FAC)** **O_ULT_CAT_REC(XL)**

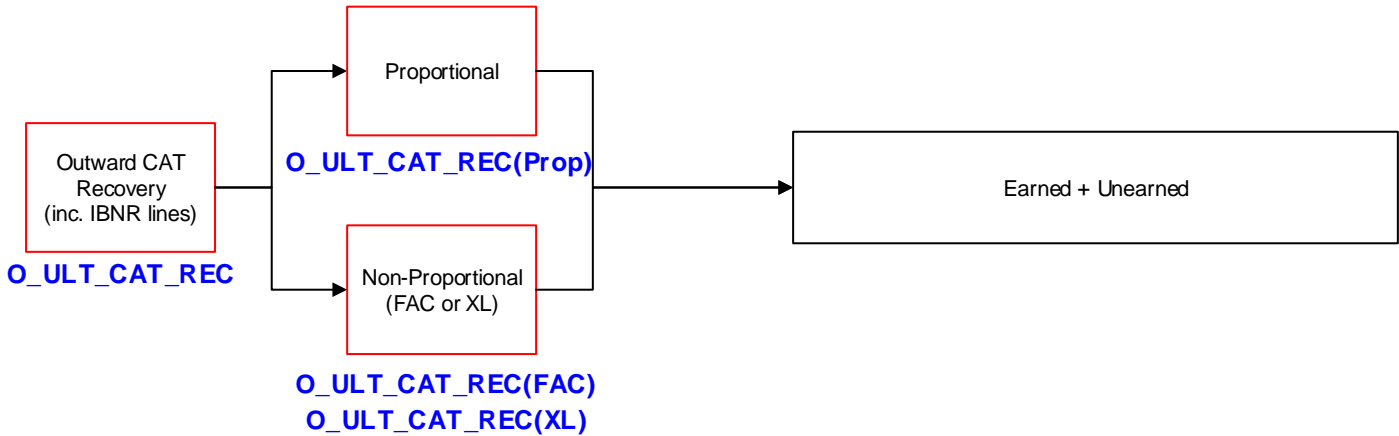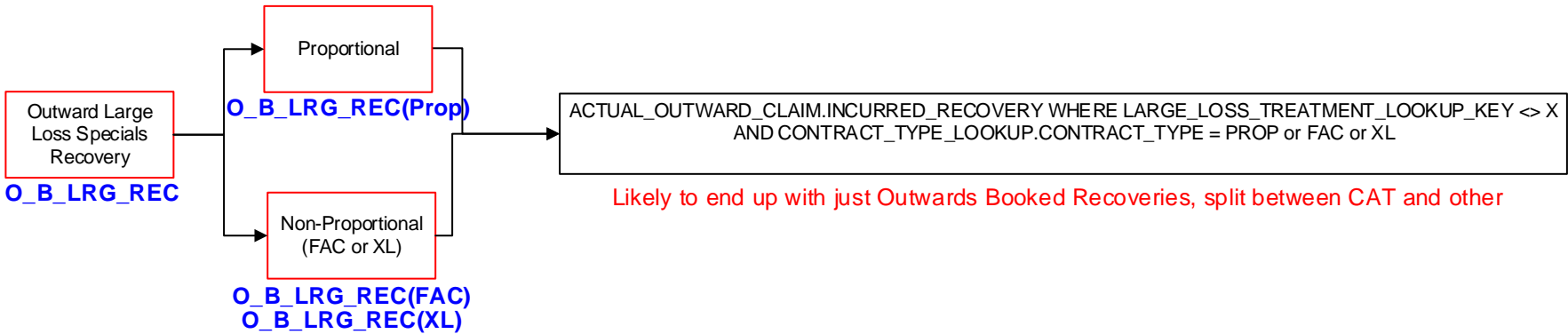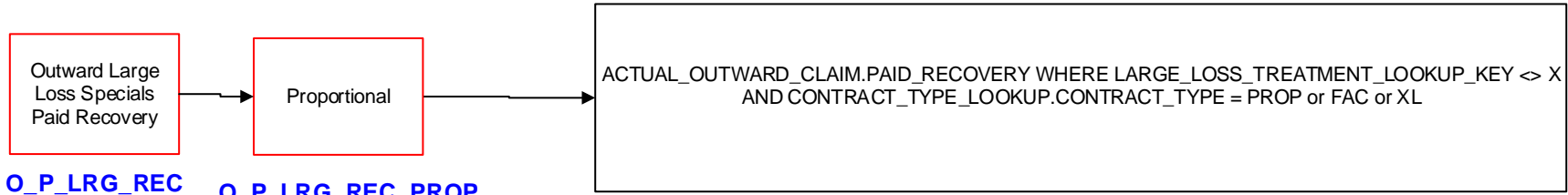**UPDATE HISTORY**

24 June : Comment on **O_UE_CAT_REC(prop).** Total Unearned Premium for the contract has changed (ceded PC and ceded Reinstatements are now earned differently) so this item will give a different result.

23 Sept: Clarified **O_UE_CAT_REC(Prop).** Indicated exactly where to find the rate in reference data.
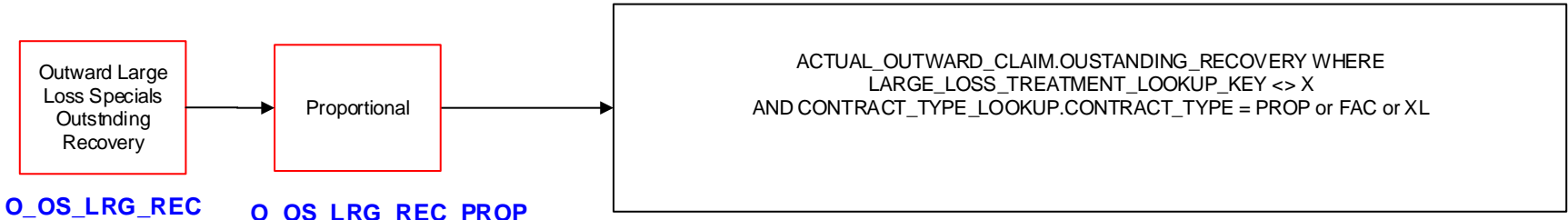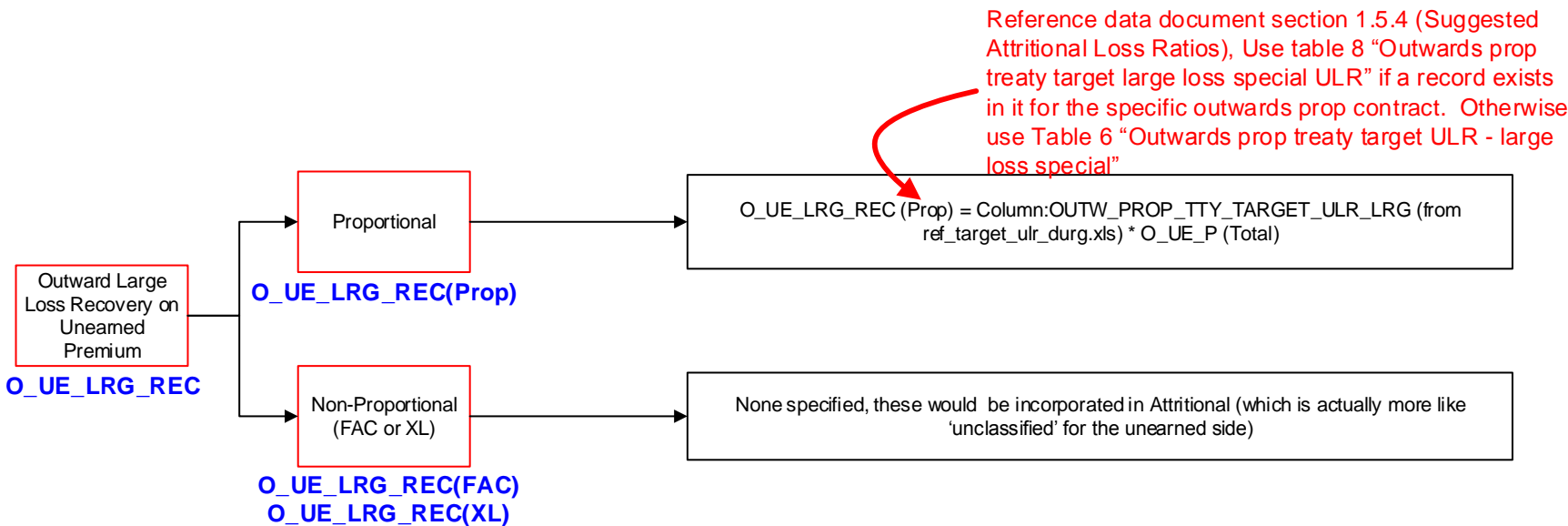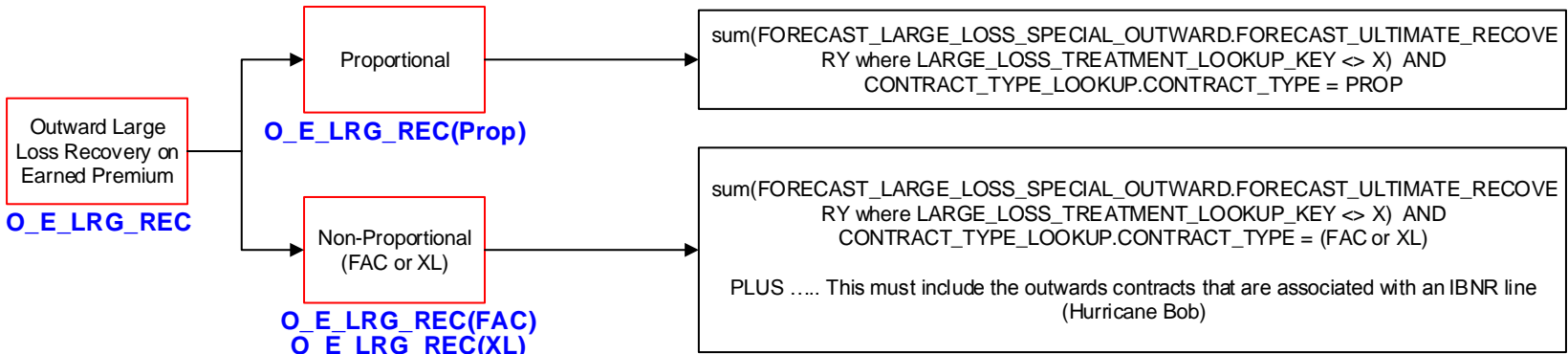
Outward Large Loss Recoveries

Booked or Actual

Outward Large Loss Specials Recovery
O_B_LRG_REC

Proportional
O_B_LRG_REC(Prop)

Non-Proportional (FAC or XL)
O_B_LRG_REC(FAC)
O_B_LRG_REC(XL)

ACTUAL_OUTWARD_CLAIM.INCURRED_RECOVERY WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Likely to end up with just Outwards Booked Recoveries, split between CAT and other

Paid

Outward Large Loss Specials Paid Recovery
O_P_LRG_REC

Proportional
O_P_LRG_REC_PROP

ACTUAL_OUTWARD_CLAIM.PAID_RECOVERY WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Outstanding

Outward Large Loss Specials Outstnding Recovery
O_OS_LRG_REC

Proportional
O_OS_LRG_REC_PROP

ACTUAL_OUTWARD_CLAIM.OUSTANDING_RECOVERY WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Unearned

Reference data document section 1.5.4 (Suggested Attritional Loss Ratios), Use table 8 "Outwards prop treaty target large loss special ULR" if a record exists in it for the specific outwards prop contract. Otherwise use Table 6 "Outwards prop treaty target ULR - large loss special"

Outward Large Loss Recovery on Unearned Premium
O_UE_LRG_REC

Proportional
O_UE_LRG_REC(Prop)

O_UE_LRG_REC (Prop) = Column:OUTW_PROP_TTY_TARGET_ULR_LRG (from ref_target_ulr_durg.xls) * O_UE_P (Total)

Non-Proportional (FAC or XL)
O_UE_LRG_REC(FAC)
O_UE_LRG_REC(XL)

None specified, these would be incorporated in Attritional (which is actually more like 'unclassified' for the unearned side)

Earned

Outward Large Loss Recovery on Earned Premium
O_E_LRG_REC

Proportional
O_E_LRG_REC(Prop)

sum(FORECAST_LARGE_LOSS_SPECIAL_OUTWARD.FORECAST_ULTIMATE_RECOVERY where LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X) AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP

Non-Proportional (FAC or XL)
O_E_LRG_REC(FAC)
O_E_LRG_REC(XL)

sum(FORECAST_LARGE_LOSS_SPECIAL_OUTWARD.FORECAST_ULTIMATE_RECOVERY where LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X) AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = (FAC or XL)

PLUS ….. This must include the outwards contracts that are associated with an IBNR line (Hurricane Bob)

Ultimate

Outward Large Loss Recovery (inc. IBNR lines)
O_ULT_LRG_REC

Proportional
O_ULT_LRG_REC(Prop)

Non-Proportional (FAC or XL)
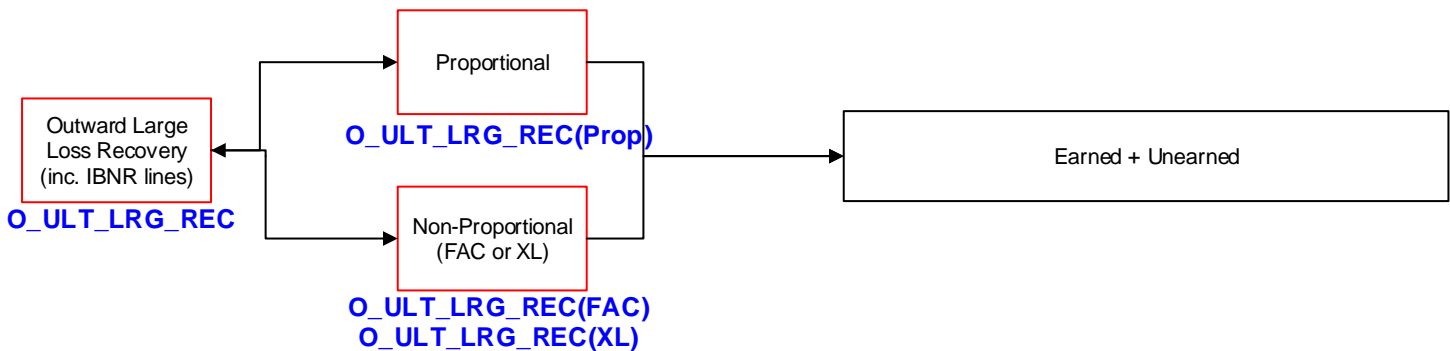**O_ULT_LRG_REC(FAC)**
O_ULT_LRG_REC(XL)
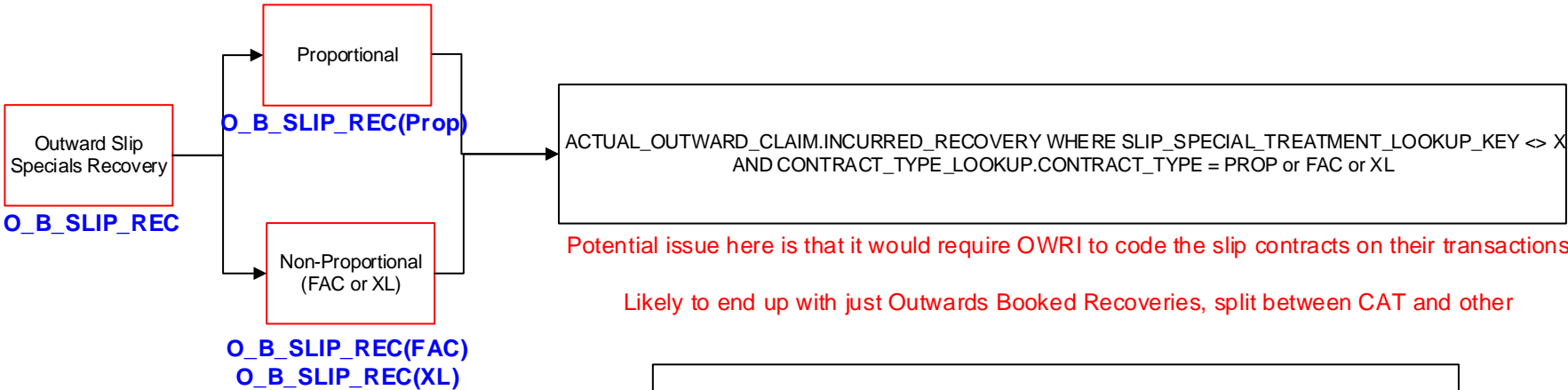
Earned + Unearned

UPDATE HISTORY

24 June : Comment on **O_UE_LRG_REC(prop).** Total Unearned Premium for the contract has changed (ceded PC and ceded Reinstatements are now earned differently) so this item will give a different result.
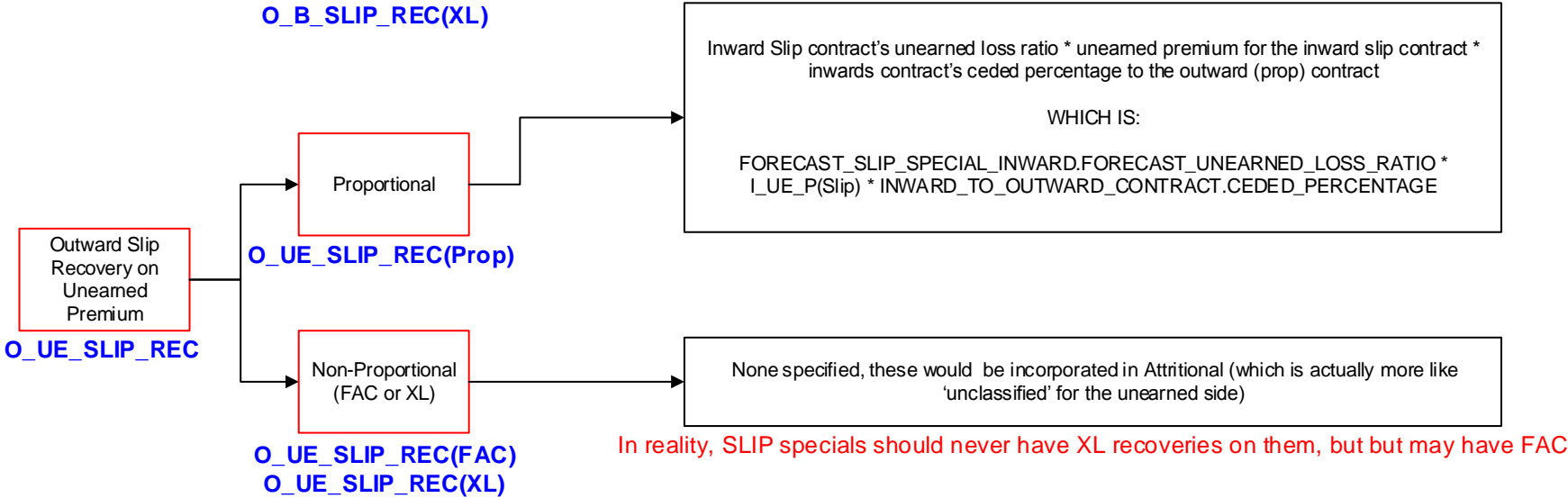
23 Sept: Clarified **O_UE_LRG_REC(Prop).** Indicated exactly where to find the rate in reference data.
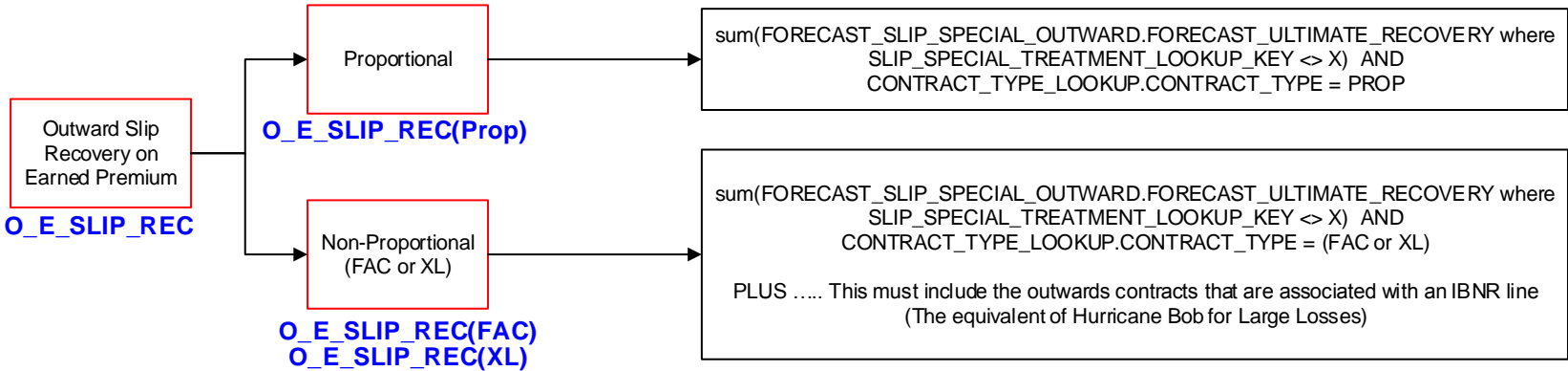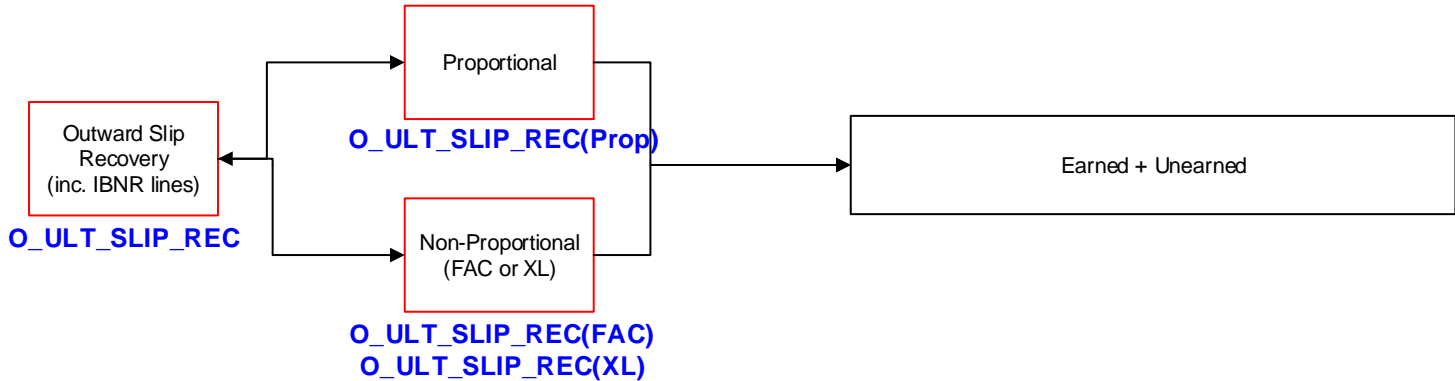
Outward Slip Special Recoveries

Booked or Actual

Outward Slip Specials Recovery
O_B_SLIP_REC

Proportional
O_B_SLIP_REC(Prop)

Non-Proportional (FAC or XL)
O_B_SLIP_REC(FAC)
O_B_SLIP_REC(XL)

ACTUAL_OUTWARD_CLAIM.INCURRED_RECOVERY WHERE SLIP_SPECIAL_TREATMENT_LOOKUP_KEY <> X AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP or FAC or XL

Potential issue here is that it would require OWRI to code the slip contracts on their transactions

Likely to end up with just Outwards Booked Recoveries, split between CAT and other

Unearned

Outward Slip Recovery on Unearned Premium
O_UE_SLIP_REC

Proportional
O_UE_SLIP_REC(Prop)

Non-Proportional (FAC or XL)
O_UE_SLIP_REC(FAC)
O_UE_SLIP_REC(XL)

Inward Slip contract's unearned loss ratio * unearned premium for the inward slip contract * inwards contract's ceded percentage to the outward (prop) contract

WHICH IS:

FORECAST_SLIP_SPECIAL_INWARD.FORECAST_UNEARNED_LOSS_RATIO * I_UE_P(Slip) * INWARD_TO_OUTWARD_CONTRACT.CEDED_PERCENTAGE

None specified, these would be incorporated in Attritional (which is actually more like 'unclassified' for the unearned side)

In reality, SLIP specials should never have XL recoveries on them, but but may have FAC

Earned

Outward Slip Recovery on Earned Premium
O_E_SLIP_REC

Proportional
O_E_SLIP_REC(Prop)

Non-Proportional (FAC or XL)
O_E_SLIP_REC(FAC)
O_E_SLIP_REC(XL)

sum(FORECAST_SLIP_SPECIAL_OUTWARD.FORECAST_ULTIMATE_RECOVERY where SLIP_SPECIAL_TREATMENT_LOOKUP_KEY <> X) AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = PROP

sum(FORECAST_SLIP_SPECIAL_OUTWARD.FORECAST_ULTIMATE_RECOVERY where SLIP_SPECIAL_TREATMENT_LOOKUP_KEY <> X) AND CONTRACT_TYPE_LOOKUP.CONTRACT_TYPE = (FAC or XL)

PLUS ….. This must include the outwards contracts that are associated with an IBNR line (The equivalent of Hurricane Bob for Large Losses)

Ultimate

Outward Slip Recovery (inc. IBNR lines)
O_ULT_SLIP_REC

Proportional
O_ULT_SLIP_REC(Prop)

Non-Proportional (FAC or XL)
O_ULT_SLIP_REC(FAC)
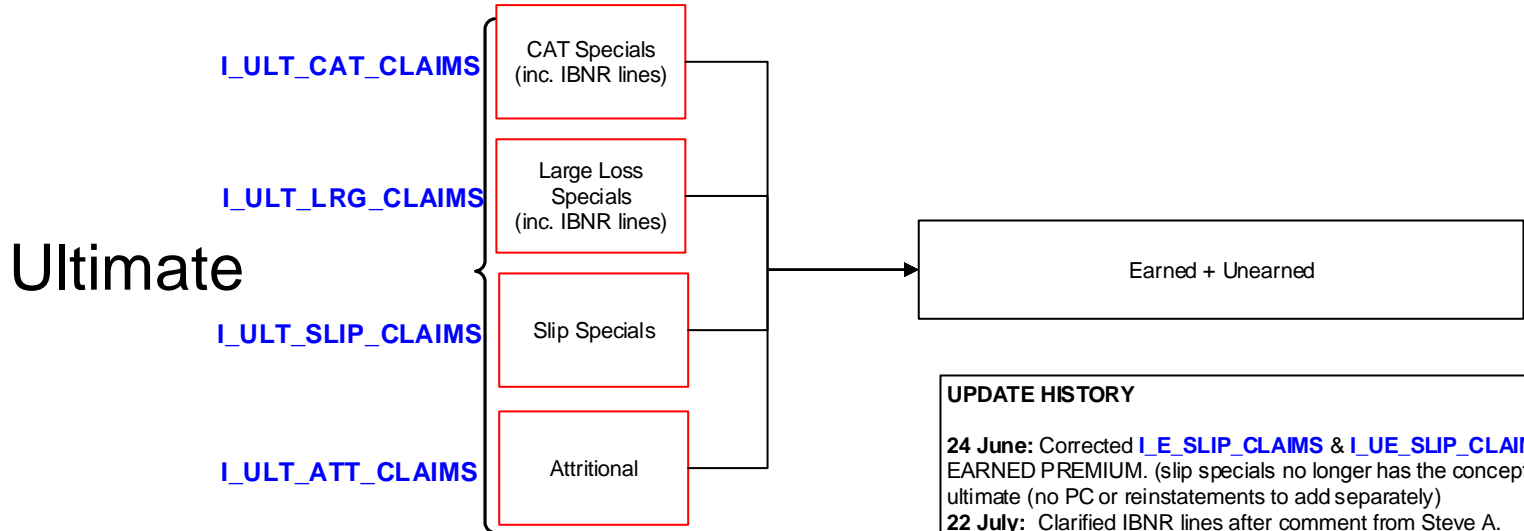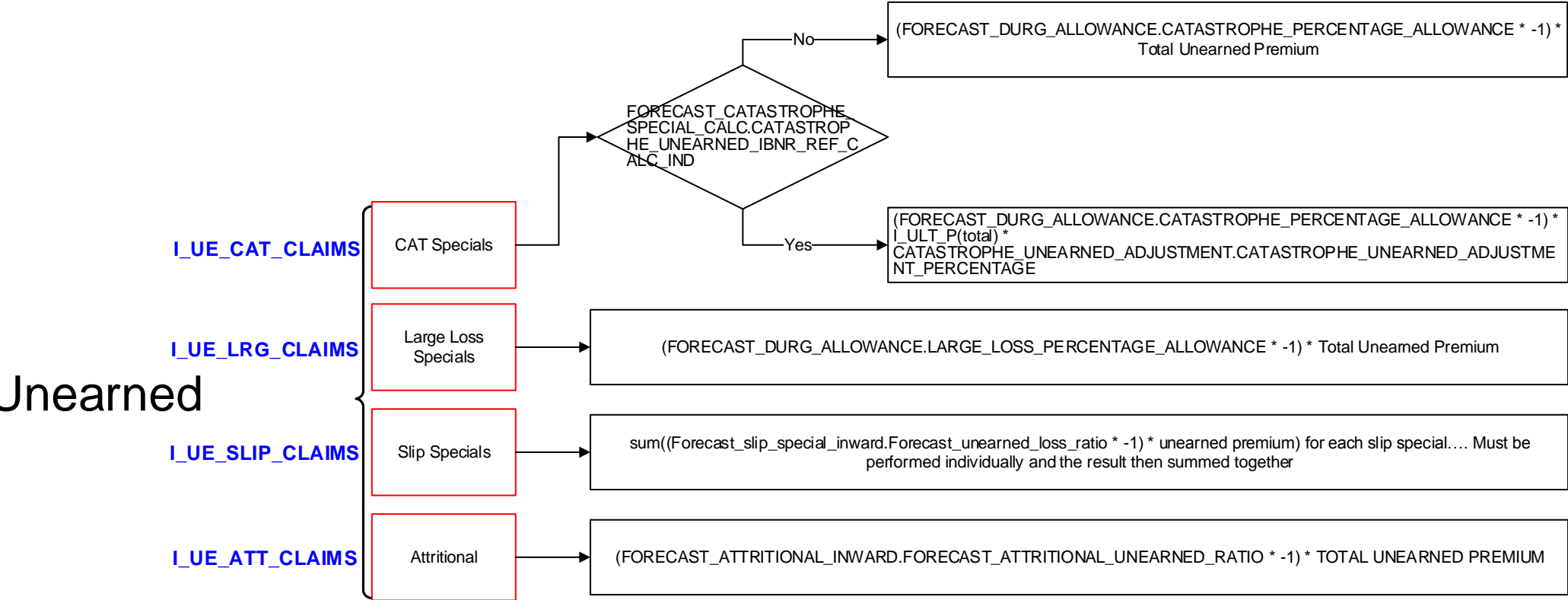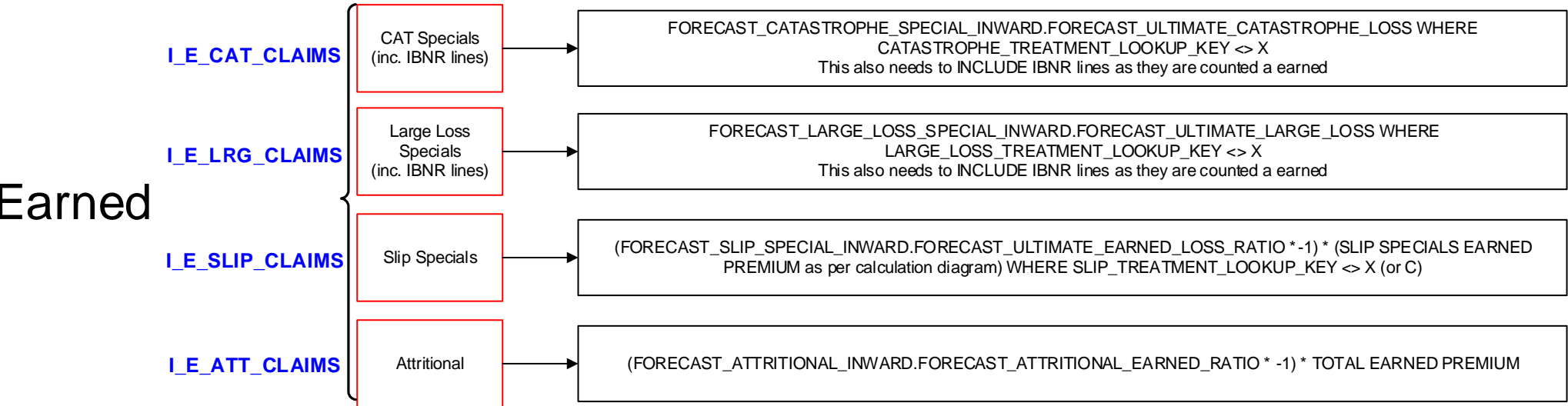**O_ULT_SLIP_REC(XL)**

Earned + Unearned

UPDATE HISTORY

24 June : Corrected **O_E_SLIP_REC(prop).** Removed 'TOTAL' from 'Total unearned premium for the inwards contract'. (slip specials no longer has the concept of 'total earned', just Slip earned as there is a single % x ultimate (no PC or reinstatements to add separately)

Inwards Claims (Cat, Large, Slip, Attritional)

Performed per Syndicate, Division, DURG, CCY, YOA (using the values as at each quarter you want to calculate) The boxes in Red are the levels suggested for accessing the components of the calculation

Earned

I_E_CAT_CLAIMS → CAT Specials (inc. IBNR lines) → FORECAST_CATASTROPHE_SPECIAL_INWARD.FORECAST_ULTIMATE_CATASTROPHE_LOSS WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X
This also needs to INCLUDE IBNR lines as they are counted a earned

I_E_LRG_CLAIMS → Large Loss Specials (inc. IBNR lines) → FORECAST_LARGE_LOSS_SPECIAL_INWARD.FORECAST_ULTIMATE_LARGE_LOSS WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X
This also needs to INCLUDE IBNR lines as they are counted a earned

I_E_SLIP_CLAIMS → Slip Specials → (FORECAST_SLIP_SPECIAL_INWARD.FORECAST_ULTIMATE_EARNED_LOSS_RATIO * -1) * (SLIP SPECIALS EARNED PREMIUM as per calculation diagram) WHERE SLIP_TREATMENT_LOOKUP_KEY <> X (or C)

I_E_ATT_CLAIMS → Attritional → (FORECAST_ATTRITIONAL_INWARD.FORECAST_ATTRITIONAL_EARNED_RATIO * -1) * TOTAL EARNED PREMIUM

Unearned

I_UE_CAT_CLAIMS → CAT Specials →

FORECAST_CATASTROPHE_SPECIAL_CALC.CATASTROPHE_UNEARNED_IBNR_REF_CALC_IND

- No → (FORECAST_DURG_ALLOWANCE.CATASTROPHE_PERCENTAGE_ALLOWANCE * -1) * Total Unearned Premium
- Yes → (FORECAST_DURG_ALLOWANCE.CATASTROPHE_PERCENTAGE_ALLOWANCE * -1) * I_ULT_P(total) * CATASTROPHE_UNEARNED_ADJUSTMENT.CATASTROPHE_UNEARNED_ADJUSTMENT_PERCENTAGE

I_UE_LRG_CLAIMS → Large Loss Specials → (FORECAST_DURG_ALLOWANCE.LARGE_LOSS_PERCENTAGE_ALLOWANCE * -1) * Total Unearned Premium

I_UE_SLIP_CLAIMS → Slip Specials → sum((Forecast_slip_special_inward.Forecast_unearned_loss_ratio * -1) * unearned premium) for each slip special…. Must be performed individually and the result then summed together

I_UE_ATT_CLAIMS → Attritional → (FORECAST_ATTRITIONAL_INWARD.FORECAST_ATTRITIONAL_UNEARNED_RATIO * -1) * TOTAL UNEARNED PREMIUM

Ultimate

I_ULT_CAT_CLAIMS → CAT Specials (inc. IBNR lines)

I_ULT_LRG_CLAIMS → Large Loss Specials (inc. IBNR lines)

I_ULT_SLIP_CLAIMS → Slip Specials

I_ULT_ATT_CLAIMS → Attritional

→ Earned + Unearned

UPDATE HISTORY

24 June: Corrected **I_E_SLIP_CLAIMS** & **I_UE_SLIP_CLAIMS**. Removed 'TOTAL' from SLIP SPECIALS TOTAL EARNED PREMIUM. (slip specials no longer has the concept of 'total earned', just Slip earned as there is a single % x ultimate (no PC or reinstatements to add separately)

22 July: Clarified IBNR lines after comment from Steve A.
- No actuals exist for IBNR lines
- IBNR lines are only included in the 'earned' (and thus 'ultimate') items.

29 July: Corrected the following by adding multiplication by -1 in order to produce a negative amounts
> **I_E_ATT_CLAIMS**
> **I_E_SLIP_CLAIMS**
> **I_UE_CAT_CLAIMS**
> **I_UE_LRG_CLAIMS**
> **I_UE_SLIP_CLAIMS**
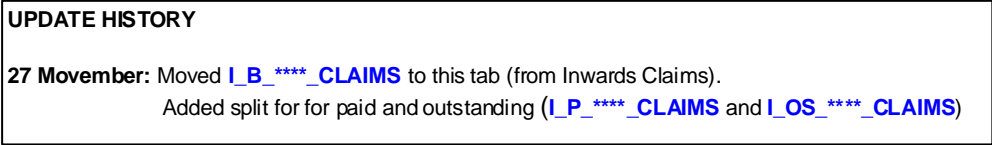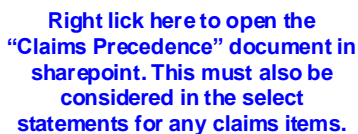> **I_UE_ATT_CLAIMS**

27 Movember: Moved **I_B_****_CLAIMS** to tab called Inwards Claims Actuals, and added split for for paid and outstanding to it

2010
26 January: Updated **I_UE_CAT_CLAIMS** to reflect new calculation options based on Adjustment Code in Ref Data Table (See FOR-2129)
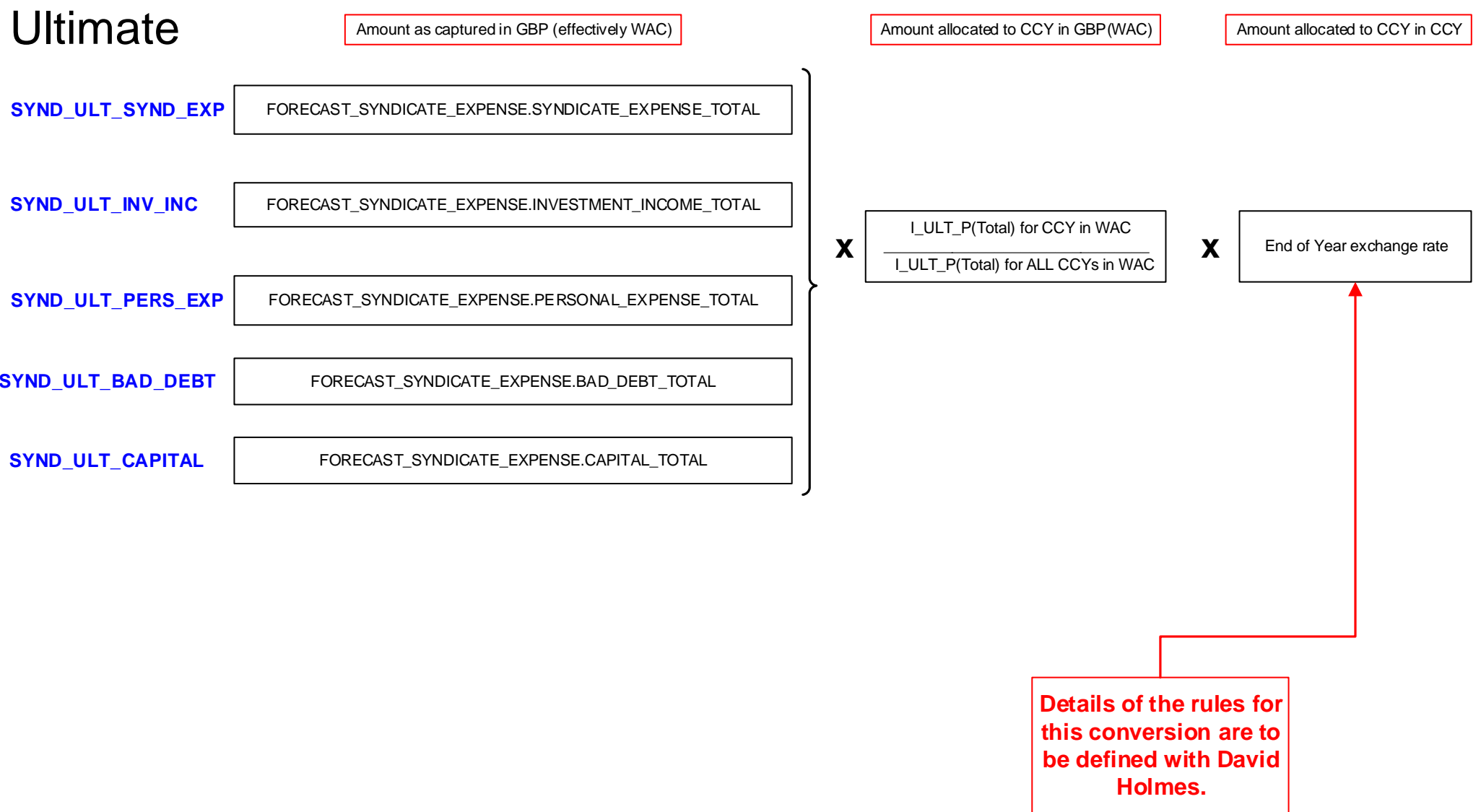
Inwards Claims (Cat, Large, Slip, Attritional)

Performed per Syndicate, Division, DURG, CCY, YOA (using the values as at each quarter you want to calculate) The boxes in Red are the levels suggested for accessing the components of the calculation

Paid

I_P_CAT_CLAIMS — CAT Specials →
ACTUAL_INWARD_CLAIM.SHARE_PAID WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X
(Note that the IBNR lines will not have any actuals)

I_P_LRG_CLAIMS — Large Loss Specials →
ACTUAL_INWARD_CLAIM.SHARE_PAID WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X)
(Note that the IBNR lines will not have any actuals)

I_P_SLIP_CLAIMS — Slip Specials →
ACTUAL_INWARD_CLAIM_USM_MONTH.SHARE_PAID WHERE SLIP_TREATMENT_LOOKUP_KEY <> X (or C)

I_P_ATT_CLAIMS — Attritional →
ACTUAL_INWARD_CLAIM_USM_MONTH.SHARE_PAID –
((ACTUAL_INWARD_CLAIM.SHARE_PAID
WHERE (CATASTROPHE_TREATMENT_LOOKUP_KEY AND LARGE_LOSS_TREATMENT_LOOKUP_KEY)<> X) +
(ACTUAL_INWARD_CLAIM_USM_MONTH.SHARE_PAID
WHERE SLIP_TREATMENT_LOOKUP_KEY <> X (or C)))

Outstanding

I_OS_CAT_CLAIMS — CAT Specials →
ACTUAL_INWARD_CLAIM.SHARE_OS_INC_KILN_ADDITL WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X
(Note that the IBNR lines will not have any actuals)

I_OS_LRG_CLAIMS — Large Loss Specials →
ACTUAL_INWARD_CLAIM.SHARE_OS_INC_KILN_ADDITL WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X)
(Note that the IBNR lines will not have any actuals)

I_OS_SLIP_CLAIMS — Slip Specials →
ACTUAL_INWARD_CLAIM.SHARE_OS_INC_KILN_ADDITL WHERE SLIP_TREATMENT_LOOKUP_KEY <> X (or C)

I_OS_ATT_CLAIMS — Attritional →
ACTUAL_INWARD_CLAIM.SHARE_OS_INC_KILN_ADDITL WHERE (
CATASTROPHE_TREATMENT_LOOKUP_KEY AND
LARGE_LOSS_TREATMENT_LOOKUP_KEY AND
SLIP_TREATMENT_LOOKUP_KEY)
= X or NULL

Incurred

I_B_CAT_CLAIMS — CAT Specials →
ACTUAL_INWARD_CLAIM.SHARE_INCURRED_INC_KILN_ADDITL WHERE CATASTROPHE_TREATMENT_LOOKUP_KEY <> X
(Note that the IBNR lines will not have any actuals)

I_B_LRG_CLAIMS — Large Loss Specials →
ACTUAL_INWARD_CLAIM.SHARE_INCURRED_INC_KILN_ADDITL WHERE LARGE_LOSS_TREATMENT_LOOKUP_KEY <> X)
(Note that the IBNR lines will not have any actuals)

I_B_SLIP_CLAIMS — Slip Specials →
ACTUAL_INWARD_CLAIM_USM_MONTH.SHARE_PAID + ACTUAL_INWARD_CLAIM.SHARE_OS_INC_KILN_ADDITL WHERE SLIP_TREATMENT_LOOKUP_KEY <> X (or C)

I_B_ATT_CLAIMS — Attritional →
ACTUAL_INWARD_CLAIM_USM_MONTH.SHARE_PAID – ((ACTUAL_INWARD_CLAIM.SHARE_PAID
WHERE (CATASTROPHE_TREATMENT_LOOKUP_KEY AND LARGE_LOSS_TREATMENT_LOOKUP_KEY)<> X) +
(ACTUAL_INWARD_CLAIM_USM_MONTH.SHARE_PAID
WHERE SLIP_TREATMENT_LOOKUP_KEY <> X (or C))) +
ACTUAL_INWARD_CLAIM.SHARE_OS_INC_KILN_ADDITL WHERE (CATASTROPHE_TREATMENT_LOOKUP_KEY AND
LARGE_LOSS_TREATMENT_LOOKUP_KEY AND SLIP_TREATMENT_LOOKUP_KEY) = X or NULL

Previously referred to as:
"Booked or Actual"

Right lick here to open the "Claims Precedence" document in sharepoint. This must also be considered in the select statements for any claims items.

CATs Priority 1

Large Losses Priority 2

Slip Specials Priority 3

Pool / Attritional Bucket Priority 4

(Load Reprioritisation / Load Priority 1 / Load Priority 2 (or Manual) / Load Priority 3 (Or Manual) / "X" - Manual / "X" - Manual (OR Delete))

Syndicate Items:

Syndicate Expenses
Investment Income
Personal Expenses
Bad Debt
Capital

Captured initially per Syndicate, Division, DURG, YOA (always entered against GBP only). This needs to be allocated across CCYs in the proportions evident in Gross Inward Premium "I_ULT_P(Total)"

Ultimate

| Amount as captured in GBP (effectively WAC) | | Amount allocated to CCY in GBP(WAC) | Amount allocated to CCY in CCY |

SYND_ULT_SYND_EXP   FORECAST_SYNDICATE_EXPENSE.SYNDICATE_EXPENSE_TOTAL

SYND_ULT_INV_INC   FORECAST_SYNDICATE_EXPENSE.INVESTMENT_INCOME_TOTAL

SYND_ULT_PERS_EXP   FORECAST_SYNDICATE_EXPENSE.PERSONAL_EXPENSE_TOTAL

SYND_ULT_BAD_DEBT   FORECAST_SYNDICATE_EXPENSE.BAD_DEBT_TOTAL

SYND_ULT_CAPITAL   FORECAST_SYNDICATE_EXPENSE.CAPITAL_TOTAL

$$X \quad \frac{\text{I\_ULT\_P(Total) for CCY in WAC}}{\text{I\_ULT\_P(Total) for ALL CCYs in WAC}} \quad X \quad \text{End of Year exchange rate}$$

Details of the rules for this conversion are to be defined with David Holmes.

UPDATE HISTORY

01 Oct: Creation of this page
07 Oct: Removed the concept of 'earned' syndicate expenses previously discussed with Rick Lewis. James Dover not keen to introduce another value (different to elsewhere). Allocation of Syndicate expenses to CCYs is still required

OUTWARDS EARNED ACQUISITION COSTS

Performed for TTY outward contracts only. i.e. where PROPORTIONAL_IND='Y'
and FAC_IND='Y' on outw_contract.

NOTE: Inwards Acquisition Costs are calculated from the Brokerage, Commission
and Other Commission percentages from Eclipse

O_E_ACQ_COSTS   Outward Earned Acquisition Costs ⟶ **I_E_ACQ_COSTS** * Ceded Percentage (for the Outwards Treaty)
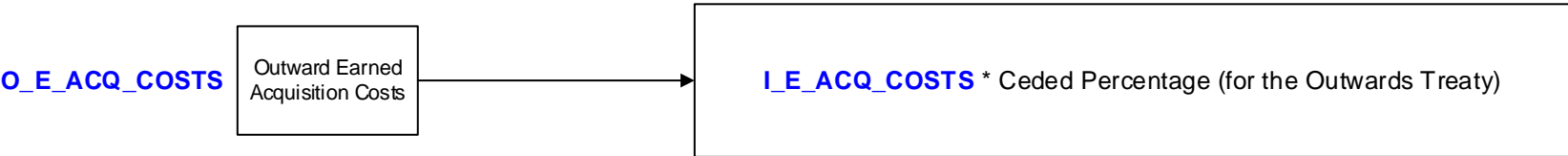
OUTWARDS WRITTEN ACQUISITION COSTS

Performed for TTY outward contracts only. i.e. where PROPORTIONAL_IND='Y'
and FAC_IND='Y' on outw_contract.

NOTE: Inwards Acquisition Costs are calculated from the Brokerage, Commission
and Other Commission percentages from Eclipse

O_W_ACQ_COSTS | Outward Written Acquisition Costs | → | **I_W_ACQ_COSTS** * Ceded Percentage (for the Outwards Treaty)