

Insurance Authority (IA)

Risk Based Supervision

Risk Indicators Form

Insurance and/or Reinsurance.

Introduction

Risk Indicators Form has been designed to obtain the required qualitative and quantitative data related to the entities which shall be utilized to evaluate the risk within each entity.

The Risk Indicators Form consists of data elements classified in the following 7 categories:

1. Assets and Liabilities - Information pertaining to Statement of Financial Position
2. Revenue and Expenses - Information pertaining to Statement of Income (Insurance Operations and Shareholders Operations)
3. Operational Efficiency - Information pertaining to performance of business functions and/or processes.
4. Underwriting decisions - Information pertaining to processes and effectiveness of underwriting decisions and actuarial outputs.
5. AML and KSA Regulation - Information pertaining to adherence of AML and KSA Regulations
6. Counterparty Exposure - Information pertaining to outstanding exposures, ratings and concentration
7. Operational Efficiency - Information pertaining to customers complaints

Instructions to fill out Data Collection Template

- 1- All the data elements requisitioned needs to be provided as per the data format in the subsequent tabs.
- 2- In case a data element is not applicable, populate the cell with 0.
- 3- In case a data element is not available, Cell should be left blank and compulsorily provide a justification for its non-availability. Yet, it will affect the entity's risk score.
- 4- Data elements left blank shall be treated as 'Information not available'.
- 5- Unless specified otherwise, all amounts are to be provided in denominations of SAR '000
- 6- For qualitative assessments that are part of this form, the response should be provided based on information as on the date of data submission.
- 7- Wherever necessary, the explanation for data elements have been provided to enable insurance entities to accurately provide the information to the data element.
- 8- Period conventions to be considered as below:
 - a. "As at quarter" requires cumulative figures to be reported as at the end of the quarter
 - b. "For the quarter" requires figures to be reported for the particular quarter
 - c. "For the past 12 months" requires figures to be reported for the past 12 months
 - d. "For the month" requires figures to be reported for the particular month of the reporting quarter i.e. For Month 1, provide the data only for the first month of the reporting quarter, For Month 2, provide the data only for the second month of the reporting quarter and so on.
- 9- The numbers reported as a part of Data Collection Template should match with the numbers reported in the audited financial statements where applicable.
- 10- Following file naming convention is to be used while making submissions:
Forms_company code_QX_FY20XX

11- Below are the general rules and procedures to populate the template with requisitioned information:-

- a. The insurance companies are required to provide the data for current period and preceding quarters and / or years depending upon the requirements against respective data elements.
- b. Life insurance entities shall populate their responses against columns and rows provided for Protection and Savings Insurance Business and Non Life insurance entities shall populate their responses against columns and rows provided for General and Health Business. Where the insurance entity is engaged in both Life and Non-Life business lines, the requisitioned data should be populated for both the business sections.
- c. Wherever required, the data elements have been further split into Policyholders and Shareholders. The information pertaining to policyholders needs to be populated under Policyholders section and the information pertaining to Shareholders

12 - Colour schemes used in the template:

Blue	Column header
Green	Row header
Blank	Input cell (allows user input)
	Blocked cell (does not allow input)

Risk Indicators Form
Insurance and/or Reinsurance

Data Definition	
Data Elements	Data Definition

Form RBSO - Line of Business Form

Applicability by Line of Business	<p>For each Line of Business, please select (Yes) if the answer to any of the following questions is yes:</p> <p>a. Did the company earn any premiums for that LOB during the last 2 years?</p> <p>b. Did the company incur any claims (including movement in IBNR claim reserves) for that LOB in the last 2 years?</p>
-----------------------------------	--

RBS1 - Assets and Liabilities

Value of equity stocks in unlisted foreign companies	<p>Value of equity stocks of companies registered outside Saudi Arabia which are not traded on any exchange as at the end of each period.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
Value of equity stocks in foreign companies listed in OECD markets	<p>Value of equity stocks of companies registered outside Saudi Arabia and listed in Organization for Economic Co-operation and Development (OECD) markets as at the end of each period.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
Value of equity stocks in foreign companies listed in Non OECD markets	<p>Value of equity stocks of companies registered outside Saudi Arabia and listed in markets other than Organization for Economic Cooperation and Development (OECD) markets.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
Value of equity stocks in KSA companies	Refers to equity investments in common or preferred stocks issued by companies registered in Saudi Arabia
Value of equity derivative investments	<p>Value of derivative instruments whose value is derived from one or more underlying equity products. A derivative is an instrument whose value is derived from the value of one or more underlying assets.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p>
Value of equity derivative investments in KSA	<p>Value of derivative instruments whose:</p> <ul style="list-style-type: none"> a. value is derived from one or more underlying equity stocks and b. the issuer of derivative instrument is a company registered within Saudi Arabia. <p>A derivative is an instrument whose value is derived from the value of one or more underlying assets.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p>

<p>Value of equity derivative investments in unlisted foreign companies</p>	<p>Value of derivative instruments whose:</p> <ul style="list-style-type: none"> a. value is derived from one or more underlying securities; b. the issuer of derivative instrument is a company registered outside Saudi Arabia and c. the company is not listed on any exchange. <p>A derivative is an instrument whose value is derived from the value of one or more underlying assets.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
<p>Value of equity derivative investments in foreign companies listed in OECD markets</p>	<p>Value of derivative instruments whose:</p> <ul style="list-style-type: none"> a. value is derived from one or more underlying securities; b. the issuer of derivative instrument is a company registered outside Saudi Arabia and c. the company is listed in Organization for Economic Co-operation and Development (OECD) markets. <p>A derivative is an instrument whose value is derived from the value of one or more underlying assets.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
<p>Value of equity derivative investments in foreign companies listed in Non OECD markets</p>	<p>Value of derivative instruments whose:</p> <ul style="list-style-type: none"> a. value is derived from one or more underlying securities; b. the issuer of derivative instrument is a company registered outside Saudi Arabia and c. the company is listed in markets other than Organisation for Economic Co-operation and Development (OECD) markets. <p>A derivative is an instrument whose value is derived from the value of one or more underlying assets.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
<p>Value of over-the-counter derivatives</p>	<p>Value of over-the-counter derivatives refers to value of private contracts that are traded between two parties without going through an exchange or other intermediaries.</p> <p>A derivative is an instrument whose value is derived from the value of one or more underlying assets.</p> <p>Value should be derived basis methodology adopted in preparation of financial statements.</p>

Value of investments in sovereign bonds issued by foreign countries	<p>Value of bonds issued by Government of countries other than Saudi Arabia.</p> <p>Value should be derived on the basis of methodology adopted in preparation of financial statements.</p> <p>For foreign currency conversion, consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
Value of foreign currency assets	<p>Value of assets that are valued based on currency other than Saudi Riyals.</p> <p>Consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
Value of Intra-financial system assets	<p>This is calculated as a sum of:</p> <ul style="list-style-type: none"> - lending to financial institutions (including undrawn committed lines); - holding of securities issued by other financial institutions; - net mark to market reverse repurchase agreements with other financial institutions; - net mark to market securities lending to financial institutions and - net mark to market derivative with financial institutions
Book value of debt	<p>Book value of debt refers to outstanding value of loans or borrowings by the insurance companies as may be appearing in the financial statements.</p>
Value of foreign currency liabilities	<p>Value of liabilities that are valued based on currency other than Saudi Riyals.</p> <p>Consider valuation rate / conversion rate as used in financial statements as at end of each period.</p>
Accepted Reserves	<p>Amount of Reinsurance reserves ceded by other insurance companies.</p>
Unearned Premium Reserve	<p>Refers to the portion of premiums which is matched to a future period in accordance with the related policy risk and is unearned as of the end of the reporting period.</p>
Outstanding Claims Reserve	<p>Refers to the amount set aside by the insurer for claims that have been reported but not settled.</p>
Claims IBNR Reserve	<p>Refers to the amount set aside by the insurer for claims that have been incurred but not reported at the reporting date.</p>
Unexpired Risk Reserve	<p>Unexpired Risk Reserve is the present value of loss and expense payments to be provided for by premiums covering the period from the valuation date to expiry on all contracts in-force on the valuation date. The value should match with that disclosed in the financial statements.</p>
Catastrophe Risk Reserve	<p>The amount of reserve set aside to provide for Catastrophe events. Catastrophe event is an event causing great and usually sudden damage or suffering; a disaster. The value should match with that disclosed in the financial statements.</p>
Adjustment Expense Reserve	<p>Refers to the amount set aside by the insurer for any projected adjustment expense associated with future claims.</p>

General Expense Reserve	The liability to the insurer for expenses incurred but not paid. The value should match with that disclosed in the financial statements.
Other Reserves	Refers to any other form of reserves not accounted for in the above captions. The reserve should be net of the share of reinsurers

RBS2 - Revenue and Expenses

Gross Written Premium - Actual figures	Refers to all premiums for insurance accepted directly and reinsurance assumed/ accepted (inward reinsurance).
Gross Earned Premium - Actual figures	<p>Amount of gross earned premium during the period. Gross Earned Premium refers to the result of subtracting the change in unearned premiums between two reporting periods from the gross written premiums.</p> <p>Gross Earned Premium = Gross Written Premium - (Unearned Premium at the end of the period - Unearned Premium at the beginning of the period)</p>
Gross Earned Premium - Budgeted figures as per Business Plan	<p>Amount of gross earned premium as budgeted in the business plan. Gross Earned Premium refers to the result of subtracting the change in unearned premiums between two reporting periods from the gross written premiums.</p> <p>Gross Earned Premium = Gross Written Premium - (Unearned Premium at the end of the period - Unearned Premium at the beginning of the period)</p> <p>The budgeted value should be corresponding to the period provided at data point above i.e. "Gross Earned Premium - Actual figures".</p>
Net Written Premium - Actual figures	Refers to the result of subtracting premiums ceded (reinsurance ceded) from gross written premiums.
Net Earned Premium - Actual figures	<p>Amount of net earned premium during the period. Net Earned Premium refers to the result of subtracting the change in unearned premiums between two reporting periods from the net written premiums.</p> <p>Net Earned Premium = Net Written Premium - (Unearned Premium at the end of the period - Unearned Premium at the beginning of the period)</p>

<p>Net Earned Premium - Budgeted figures as per Business Plan</p>	<p>Amount of net earned premium as budgeted in the business plan. Net Earned Premium refers to the result of subtracting the change in unearned premiums between two reporting periods from the net written premiums.</p> <p>Net Earned Premium = Net Written Premium - (Unearned Premium at the end of the period - Unearned Premium at the beginning of the period)</p> <p>The budgeted value should be corresponding to the period provided at data point above i.e. "Net Earned Premium - Actual figures".</p>
<p>Capital Gains</p>	<p>Amount of capital gains which is an increase in the value of a capital asset (i.e. securities held by the company) that gives it a higher worth than the purchase price. The amount reported should match with the gains / losses reported in the financial statements.</p>
<p>Gross Claims incurred for Term Life Policies</p>	<p>Amount of gross incurred claims for Term Life Policies.</p> <p>Gross incurred claims refers to all claims reported to the company during the current period, including claims applicable to insurance placed directly, reinsurance accepted (i.e. inward reinsurance), and reinsurance ceded (i.e. outward reinsurance).</p>
<p>Net Claims incurred for Term Life Policies</p>	<p>Amount of net incurred claims for Term Life Policies.</p> <p>"Incurred" refers to all claims paid and outstanding (but excludes IBNR and other reserves)</p> <p>Net incurred claims is the result of adding changes in net reserves to net claims paid.</p> <p>Net Claims incurred = Net Claims paid + change in outstanding claims reserve + change in claims IBNR reserve + change in mathematical reserves</p>
<p>Gross Written Premium through Innovative channel</p>	<p>Amount of gross premium written through innovative channels such as online (internet), mobile applications.</p> <p>Gross Written Premium through innovative channels refers to all premiums for insurance business accepted through innovative channels such as online (internet), mobile applications.</p>
<p>Gross Written Premium for non-traditional products (Other products)</p>	<p>Amount of gross premium written through non traditional products (other products).</p> <p>Non-traditional products (other products) represent the line of business other than those specifically mentioned in Prudential Returns issued by IA i.e. classified under "Other General Business" or "Other Protection and Savings Business".</p>
<p>Amount of commission clawed back for agents / brokers</p>	<p>Business wise amount of commission actually clawed back during the period</p>
<p>Compensation paid to agents based on business performance</p>	<p>Amount of compensations paid to agents based on business generated and converted in actual policies by these agents.</p> <p>Business performance means business generated by agents and converted into actual policies.</p>

Average Yield on Corporate Bonds	<p>Average yield on Corporate Bonds is to be calculated as under:</p> <p>(Yield on Corporate Bonds at the start of the period + Yield on Corporate Bonds at the end of the period)/2</p> <p>The yield is the ratio of income return to an investment.</p>
Average Yield on KSA Sovereign Bonds	Average yield on KSA Sovereign Bonds (Bonds issued by Saudi Government) is to be calculated as under:
Average Yield on Foreign Sovereign Bond	Average yield on Foreign Sovereign Bonds (bonds issued by non-Saudi governments) is to be calculated as under:

RBS3 - Operational Efficiency

<p>Average time taken to settle claims</p>	<p>Average time taken by insurance company's claims department to settle claims received during the period to be calculated as under: Other than Health Claims</p> $= \frac{\text{Total of days elapsed between (Claim closed date - Claim intimation date)}}{\text{Total claims closed}}$ <p>Health Claims</p> $= \frac{\text{Total of hours elapsed between (Claim closed - Claim intimation)}}{\text{Total claims closed}}$
<p>Average time taken to redress complaints received from Customers, Agents, Brokers and TPA / Loss Adjustors</p>	<p>Average time taken by insurance companies to resolve complaints received from Customers, Agents, Brokers and TPA / Loss Adjustors</p> $= \frac{\text{Total of days elapsed between (Complaint resolution - Complaint lodge)}}{\text{total complaints resolved}}$ <p>Complaint is a statement of dissatisfaction addressed to an undertaking by a person / company relating to the insurance contract or service he/she has been provided with.</p> <p>Complaints falling under following bucket can be considered:</p> <ul style="list-style-type: none"> - claims complaint relating to the coverage or terms and conditions; - product suitability; - underwriting or premium issues; - suitability of advice given; - disputes over charges; - predict performance/features; or - product disclosure information. - claim - customer service; - claim - delay; - claim - standard of/duration/delay of repair; - cancellation / refund; - customer service - non-claims related; - errors / not following instructions; - delays / timescales; - other general administrative; - arrears related

Average time taken to redress complaints / queries received from Reinsurance Companies	<p>Average time taken by insurance companies to resolve complaints or queries received Reinsurance Companies</p> <p>=(Total of days elapsed between (Complaint or Query resolution - Complaint or Query lodge))/(total complaints or query resolved)</p> <p>Complaint is a statement of dissatisfaction addressed to an undertaking by a person / company relating to the insurance contract or service he/she has been provided with.</p> <p>Queries refers to an enquiry or a request for information.</p>
Number of valid complaints received	<p>Number of valid complaints received during the period.</p> <p>Valid is defined as complaints that have been upheld by the company internally and/or upheld externally by a regulator or other regulatory authorities.</p>
Total number of complaints received	<p>Total number of complaints received during the period.</p> <p>Complaints falling under following bucket can be considered:</p> <ul style="list-style-type: none"> - claims complaint relating to the coverage or terms and conditions; - product suitability; - underwriting or premium issues; - suitability of advice given; - disputes over charges; - predict performance/features; or - product disclosure information. - claim - customer service; - claim - delay; - claim - standard of/duration/delay of repair; - cancellation / refund; - customer service - non-claims related; - errors / not following instructions; - delays / timescales; - other general administrative; - arrears related
Number of complaints relating to claims	Total number of complaints relating to claims received during the period.
Number of complaints where compensation was paid	Total number of complaints where compensation was paid during the period.

Amount of compensation paid in relation to complaints	Amount of compensation paid during the period in relation to complaints received.
Number of instances wherein entity has been part of negative media coverage with audience higher than 10,000 people	Number of instances during the period wherein insurance company has been part of negative media coverage (i.e. news about insurance company either in television, radio, newspapers, internet sites (news sites) or any other social media which would affect its reputation in the market) with audience higher than 10,000 people.
Number of open customer complaints out of all the complaints received	Number of open complaints (i.e. complaints pending to be resolved) out of all the complaints received during the period i.e. number of complaints open as at end of each period.
Fraud by Employees, Intermediaries and Clients	Number of fraud and amount of loss due to fraud by Employees, Intermediaries (namely Agents, Brokers, Third Party Administrators and Loss Adjustors) and External parties. Fraud is any act committed with the intent to obtain a fraudulent outcome from an insurance process
Damages not related to the notified events	Number of events and amount of loss in which the client is already injured / the accident has already happened and it's not related to the notified event.
False declaration in underwriting	Number of events and amount of loss due to false declaration in underwriting namely false declaration of insured value or false declaration to obtain a better insurance premium price.
Fake incidents	Number of events and amount of loss due to incidents that never happened, however claims were filed by the insurers.
Client staged incidents	Number of events and amount of loss in which the client stages a fraudulent / false incident to obtain payments from the insurance entity.
Exaggerated claims made by clients	Number of events and amount of loss due to events where client increases the amount to be paid for a specific claim.
Fraudulent claims (Others)	Number of events and amount of loss due to events other than those reported under "Fake incidents", "Client staged incidents" and Exaggerated claims made by clients".
Employee Turnover	Employee turnover refers to the number or percentage of workers who leave an organization and are replaced by new employees.
Number of employees who left the organisation	Number of employees who left the organization during the period

Average number of employees	Average number of employees during the period to be calculated as $=(\text{number of employees at the start of the period} + \text{number of employees at the end of the period})/2$
Number of emails sent to external mail domains	Total number of emails sent to external mail domains through company email ids during the period.
Total number of emails sent	Total number of emails sent through company email ids during the period.
Number of recognized system errors due to poor IT applications	Number of recognized system errors due to poor IT applications i.e. identified failures in IT applications. This could be identified through exception reports generated by IT Help Desk, Call Logs / System Logs raised by users, internal / external auditors findings, IT audit within the company etc.
Number of unauthorized accesses to internal databases and systems	Number of instances of unauthorized access to internal databases and systems
Total number of internal database used by the entity for data storage	Total number of internal database (applications) used by the entity for data storage. The database would include production / live database servers, database used in test / development environment and also databases hosted on the cloud.
Volume of unprotected data	Volume of unprotected data (in terms of Gigabyte (GB)). Unprotected data stored in cloud satisfy any of the following: non-encrypted, with a non-certified provider (ISO 27000)
Volume of data	Total volume of data stored by the entity across various applications and storage devices (in terms of Gigabyte (GB)).
Number of entity employees with remote access rights to critical data	Number of employees of insurance company who have remote access rights to company's critical data Critical data is data that is critical to success of the organisation or data required to get the job done.
Volume of data which has not been classified and categorised either confidential or public	Volume of data (in terms of Gigabyte (GB)) which has not been classified for eg: "sensitive", "confidential", "public", "Client Identifying Data", "transaction information", "identity and access management data"

Number of externally hosted systems with critical data which are non-encrypted	Number of externally hosted systems with critical data which are non-encrypted including Client Identifying Data (CID), transaction information, identity and access management data. Unencrypted data is plain text which are not converted into secret code.
Volume of records stored across all the database	Volume of records stored across all the databases.
Database which are not integrated	Volume of databases which is not integrated (in terms of Gigabyte (GB)) i.e. absence of unique integrated system / data warehouse.
IT Applications and Systems developed in-house	Number of IT Applications and systems developed in-house by insurance company. In-house IT applications and systems are the one which are produced by a insurance entity for purpose of using it within the organization.
Total IT Applications and Systems	Total number of IT applications and systems used by insurance company for carrying out the operations.
Number of entity processes which are not fully automated	Number of entity processes (any processes within the entity) which are not fully automated or significantly exposed to the risk of human errors.
Number of customer due diligence conducted by third parties for new accounts opened	Number of customer due diligence conducted by third parties for new accounts opened during the period. Due diligence refers to additional / enhanced supervision exercised on selected accounts due to range of risks, the customer is exposed to.
Number of incurred claims handled by outsourced agencies	Number of incurred claims handled by outsourced agencies namely claims which are received, evaluated and processed by outsourced agencies (including intra-group outsourcing)
Amount of incurred claims handled by outsourced agencies	Amount of incurred claims handled by outsourced agencies namely claims which are received, evaluated and processed by outsourced agencies (including intra-group outsourcing)
Average time taken by the outsourced agency to close complaints / issues	Average time taken by the outsourced agency to close complaints / issues (such as operational, resourcing, IT related) lodged by the company with them. Average time taken to be calculated as under: $=(\text{Complaint resolution date} - \text{Complaint lodge date})/(\text{total complaints resolved})$
Number of events related to outsourcing in terms of failure of the external provider not influenced by the company	Number of events related to outsourcing in terms of failure of the external provider, outsourcer's failure to respect contract's terms and conditions, sub-optimal contract's terms and condition leading to poor service quality etc.

Gross value of all losses incurred by the company due to events relating to outsourcing of activities	Amount of loss incurred by the insurance company due to events relating to outsourcing of activities.
Number of Managing General Agent	Number of Managing General Agent. Managing General Agents refers to specialised type of agents / brokers vested with underwriting authority from an insurance company. Managing General Agents are generally not licensed in KSA, however the companies might deal with them outside KSA.
Amount of gross written premium processed by these Managing General Agent	Amount of gross written premium processed by these Managing General Agent Gross Written Premium refers to all premiums accepted for insurance business.
Number of open issues with outsourcers (number as at end of each period)	Number of issues (such as operational, resourcing, IT related pertaining to insurance operations) lodged with outsourcer which are open as at the end of current period. This represents issues raised by insurance entities with outsourcers.
Number of active customers	Number of active unique customers as at end of each period segregated into: <ul style="list-style-type: none"> - Individual customers - Joint Liability companies - Limited Partnership Companies - Joint Ventures - Joint Stock Companies - Limited Liability Companies Active customers refers to customer who have policy which is in-force status as at the end of each period.
Number of active commercial relationships with entities and individuals in countries under international sanctions (number as at end of each period)	Total number of active commercial relationships as at the end of the period with entities and individuals in countries under international sanctions Commercial relationships exist where a transaction has been made in the last 2 years between the two entities due to common interests, for example a shared client, or correspondent insurance services

Number of clients in urban area	<p>Number of clients in urban area.</p> <p>Urban area refers to Governorate within Saudi Arabia with population of 50,000 and above as provided in the latest Census results. For 13 administrative area wise population details refer to General Authority for Statistics Census data (www.stats.gov.sa)</p>
Total number of customers	Total number of clients acquired during the period (individuals + corporates)
Number of customers automatically renewing their policy	Number of customers automatically renewing their policy. Automatic renewal means the contract didn't go for the expiration at the end of the policy term. The policy shall be treated as auto renewed even if there have been changes or modifications in the contract term.
Total customer for whom the renewal was due	Number of customers for whom the renewal was due during the period
Total number of customer due diligence conducted for new accounts opened	<p>Total number of customer due diligence conducted for new accounts opened during the period.</p> <p>Due diligence refers to additional / enhanced supervision exercised on selected accounts due to range of risks, the customer is exposed to.</p>
Number of products launched in new business lines on which company does not have expertise or trained staff	Number of products launched in new business lines on which company does not have expertise or trained staff i.e. sufficient skills and experience from the past to handle similar products.
Total number of in-force policies during the period	<p>Number of in-force policies underwritten by insurance companies during the period.</p> <p>Policies in-force during the period would include policies underwritten by insurance companies during the period and are active as at the end of reporting period for e.g. For Q1 2017, number of policies underwritten during the period of January 2017 to March 2017 and are active as at March 2017.</p>
Number of in-force policies relating to complex products	<p>Number of in-force policies relating to complex products underwritten by insurance companies during the period.</p> <p>Policies in-force during the period would include policies underwritten by insurance companies during the period and are active as at the end of reporting period for e.g. For Q1 2017, number of policies underwritten during the period of January 2017 to March 2017 and are active as at March 2017.</p> <p>Complex products refers to products whose outcomes are exposed to risks which are not easy to understand for costumers, e.g. Life products offering financial guarantees, Payment Protection Insurance (sometimes sold together with loan products and not properly disclosed), products providing multiple non-life coverages, etc.</p>
Total number of policies - during the period	Total number of policies underwritten by insurance companies during the period

Number of policies underwritten to individual customers	Number of policies underwritten by the insurance companies to individual customers.
Number of policies cancelled	Number of policies cancelled during the period. Cancellations do not include non-renewals.
Number of policies lapsed	Number of policies lapsed during the period. Lapse refers to termination of a policy because of (i) failure to pay a renewal premium and (ii) only incase of Protection & Savings Insurance, due to lack of sufficient cash value to continue the policy
Number of policies not renewed	Number of policies due for renewal, however not renewed. Renewal refers to premiums or policies written for clients acquired in a prior period.
Number of policies available for renewal	Number of policies available for renewal. Renewal premiums are the subsequent premiums that are paid by the insured to the insurer in order to keep the policy in operation and avail the benefits of the policy accordingly.
Number of new policies issued	Number of new policies issued during the period. Refers to premiums or policies written for new / existing clients acquired during the current period. This does not include renewals.
Number of quotes issued	Number of quotes issued during the period. A quote is an estimate of premium for the insurance coverage you selected and information you entered. A quote is not an offer for insurance or an insurance contract.
Average of difference between price quoted to clients and Actual premium on policies issued	Average of difference between price quoted to clients and Actual premium on policies issued to be calculated as under: $=(\text{Price quoted to clients during the period} - \text{actual premium on policies issued during the period})/(\text{Number of policies issued during the period})$ This would include cases only where policies have been issued against a particular quote
Average of difference between the price for new policy and price at renewal	Average of difference between price for new policy and price at renewal to be calculated as under: $=(\text{Price for new policy during the period} - \text{price at renewal during the period})/(\text{Number of policies renewed during the period})$ This would include cases only where policies have been issued renewed
Total number of in-force policies as at the end of each reporting period	Total number of in-force policies as at the end of each period. Policies in-force at the end of period would include ones that are in force / active at end of reporting period.

Total number of policies - as at end of each period	Total number of policies as at end of each reporting period.
Number of departments and teams wherein knowledge is concentrated in just 1 person	Number of departments and teams wherein knowledge is concentrated in just 1 person i.e. There is absence of succession plan within a specific department or team.
Total number of departments and teams	Total number of departments and teams operating within the insurance company
Amount of losses incurred due to events that caused material damage to physical assets	<p>Amount of losses incurred due to events that caused material damage to physical assets.</p> <p>Material damage to physical assets is the risk of unexpected financial or reputational loss from damage to physical assets owned or operated by the firm, ranging from natural disasters or other events.</p> <p>Physical assets usually refer to cash, equipment, inventory and properties owned by the business.</p>
Total time taken to resume operations following physical damages (in months)	<p>Total time taken to resume operations following physical damages</p> <p>Physical damages refers to Losses arising from loss or damage to physical assets from natural disaster or other events.</p> <p>Physical assets usually refer to cash, equipment, inventory and properties owned by the business.</p>
Number of events of physical damages	<p>Total number of events of physical damages</p> <p>Physical damages refers to Losses arising from loss or damage to physical assets from natural disaster or other events.</p> <p>Physical assets usually refer to cash, equipment, inventory and properties owned by the business.</p>
Number of instances of theft and robbery	Number of instances of theft and robbery during the year
Amount of losses due to theft and robbery	Amount of losses due to theft and robbery during the year
Average time taken between loss event occurrence and loss event reported to related departments (in months)	<p>Average total time taken between loss event occurrence and loss event reported to related departments to be calculated as under: $\text{=(Loss event occurrence date - date on which loss has been reported)/(Number of events reported)}$</p> <p>The above formula to be divided by 30 days to arrive on final results in terms of months.</p>
Total number of events causing operational loss	Total number of events that cause operational loss to the entity
Claims Ratio	Claims ratio is the ratio of number of claims accepted out of total claims reported during the period i.e. claims acceptance ratio.

RBS4 - Underwriting Decisions

Gross Run off ratio	Gross Run off ratio is calculated as under: $= \frac{\text{Gross Paid Amount during current year for prior years Claims} + \text{Gross Outstanding Claims Reserve at the end of current year for prior years Claims} + \text{Gross IBNR Claims Reserve at the end of current year for prior years Claims}}{\text{Gross Outstanding Claims Reserve at the beginning of current year} + \text{Gross IBNR Claims Reserve at the beginning of current year}}$
Net Run off ratio	Net Run off ratio is calculated as under: $= \frac{\text{Net Paid Amount during current year for prior years Claims} + \text{Net Outstanding Claims Reserve at the end of current year for prior years Claims} + \text{Net IBNR Claims Reserve at the end of current year for prior years Claims}}{\text{Net Outstanding Claims Reserve at the beginning of current year} + \text{Net IBNR Claims Reserve at the beginning of current year}}$
Opening Previous Year Reserves (Gross)	Refers to amount of reserves (Outstanding + IBNR) set aside pertaining to previous years outstanding claims as at the beginning of current period (gross of reinsurance)
Paid on Previous Year Claims (Gross)	Refers to amount of claims paid during the year for events that occurred in previous years (gross of reinsurance)
Closing Previous Year Reserves (Gross)	Refers to amount of reserves (Outstanding + IBNR) set aside pertaining to previous years outstanding claims as at the end of current period (gross of reinsurance)
Opening Previous Year Reserves (Net)	Refers to amount of reserves (Outstanding + IBNR) set aside pertaining to previous years outstanding claims as at the beginning of current period (net of reinsurance)
Paid on Previous Year Claims (Net)	Refers to amount of claims paid during the year for events that occurred in previous years (net of reinsurance)
Closing Previous Year Reserves (Net)	Refers to amount of reserves (Outstanding + IBNR) set aside pertaining to previous years outstanding claims as at the end of current period (net of reinsurance)
Retention Ratio	It is a ratio of net premium written divided by gross premium written.

RBS5 - AML and KSA Regulations

High Risk Product and Services	<p>Total number of policies related to high risk products and services</p> <p>High risk products includes Single Premium Policies, Annuity Policies, refund of premiums during the cooling off period or deliberate overpaying of premiums, high top-ups, Policy Loans, transfer of ownership / designated beneficiary, or other products deemed high risk by the insurance/reinsurance companies.</p>
High Risk Delivery Channels	<p>Total number of policies sold through high risk delivery channels / mediums</p> <p>High risk service channels includes intermediaries which proved to be exposed/ linked to financial crime (e.g. money laundering), anonymous transactions (which may include cash); non-face-to-face business relationships or transactions; payments received from unknown or un-associated third parties; and other channels deemed as high-risk by the insurance/reinsurance companies.</p>
High Risk Customers (Individual customers)	<p>Total number of individual customers falling under a high risk category that have been on-boarded for the current period</p> <p>High risk customers are defined as individuals linked to higher-risk countries or business sectors (for example: sanctioned jurisdictions, countries identified in the FATF determined by relevant sanctions regimes, FATF guidance and the Transparency index; or who have unnecessarily complex or opaque beneficial ownership structures; Politically Exposed Persons (PEPs), individuals and their family members and close associates, whose prominent position in public life may make them vulnerable to corruption and other individuals deemed as high risk customers by the insurance/reinsurance companies.</p>
High Risk Entities	<p>Total number of high risk entities</p> <p>High risk entities includes foreign financial institutions (including money or value transfer services (MVTs)); nonbank financial institutions; foreign corporations and domestic business entities located in higher-risk geographical locations; deposit brokers; cash-intensive businesses; non governmental organizations; non-profit organizations (NPOs); professional service providers; and other entities deemed as high risk by the insurance/reinsurance companies.</p>
Entities or Counterparties from High Risk Countries or Geographies	<p>Total number of entities or counterparties from high risk countries or geographies</p> <p>High risk countries/geographies/regions may include: countries identified by credible sources as not having adequate AML/CFT systems; countries subject to sanctions, embargoes, or similar measures; countries identified by credible sources as having significant levels of corruption or other criminal activity; countries or geographical areas identified by credible sources as providing funding or support for terrorist activities; domestic higher risk areas such as HIFCAs (high-intensity financial crime areas); offshore financial centres; and other countries/geographies/regions deemed as high-risk by the entity)</p> <p>As a minimum it must include the FATF list of high risk and non-cooperative jurisdictions.</p>
Total number of cash transactions	<p>Total number of cash transactions during the period</p>

Total number of large cash transactions	Number of large cash transactions during the period. Large cash transactions are transactions, the value of which exceeds 10,000 Saudi Riyals.
Total number of transactions for which AML checks were performed	Total number of transactions during the period for which AML checks were performed.
Total Alerts generated	Total number of alerts generated during the period. Alerts generated refers to transactions identified as a part of AML checks.
Suspicious Activity Report initiated	Total number of suspicious activity reports generated during the period
Transactions confirmed as Suspicious transactions	Total number of transactions confirmed as suspicious transactions during the period Suspicious transaction: It is the transaction considered by the company's employee as bad or illegal. It is necessary to notify the competent authorities (FIU) about such transactions through the report of suspected transactions. The employee who notifies about such a transaction is free from any blame or charge, whether the transaction is legal or not, provided that notification was made with good intention.
Suspicious Transaction Report filed (STR)	Total number of suspicious transaction reports filed during the period with the competent authority as defined by IA vide its circular - Anti Money Laundering & Combating Terrorism Financing Rules
Average Lead time for suspicious activity reporting (in days)	Average lead time (in days) for reporting suspicious activity to be calculated as: $((\text{Actual Filing Date of STR}) - (\text{Finalization date of Internal investigation on STR})) / (\text{Total number of STR filed})$
Number of pending AML alerts and investigations	Total number of AML alerts pending investigation as at the end of each of the reporting period.

RBS6 - Counterparty exposure

<p>Maximum value of Investments in Equity stock of single company</p>	<p>Details of investment in the company in which the insurance entity has the highest equity stock investment (including intra company investments).</p> <p>For the purpose of reporting, companies falling under the same group shall be considered as single company.</p> <p>In case, the insurance company has maximum exposure to more than one single company as on the reporting period, the details for all such companies should be given in the list.</p> <p>Details includes Full Name of Counterparty, Description of Counterparty in terms of business line it is engaged in and value of investments as at the end of each period.</p>
<p>Maximum value of Investments in single real estate counterparty</p>	<p>Details of investment in real estate counterparty in which the insurance entity has the highest investment.</p> <p>Real estate counterparty refers to counterparty engaged in business of real estate (i.e. company which deals in land and buildings, property and other immovable resources)</p> <p>For the purpose of reporting, companies falling under the same group shall be considered as single company.</p> <p>In case, the insurance company has maximum exposure to more than one single real estate counterparty as on the reporting period, the details for all such companies should be given in the list.</p> <p>Details includes Full Name of Counterparty, Description of Counterparty in terms of business line it is engaged in and value of investments as at the end of each period.</p>
<p>Reserve ceded to reinsurers for Engineering, Marine, Aviation and Energy business</p>	<p>Value of reserves ceded to reinsurers towards Engineering, Marine, Aviation and Energy business at the end of each period.</p> <p>Reserve ceded is the portion of risk that a primary insurer passes to a reinsurer (including IBNR)</p>
<p>Value of bonds or credit derivatives having rating worse than BBB- (or equivalent)</p>	<p>Value of bonds or credit derivatives having rating worse than BBB- (or equivalent) as at the end of each period.</p> <p>Credit derivatives are financial assets such as forward contracts, swaps and options for which the price is driven by the credit risk of economic agents, such as private investors or governments.</p>

Value of bonds or credit derivatives having rating BBB- (or equivalent) or above	<p>Value of bonds or credit derivatives having rating BBB- (or equivalent) or above as at the end of each period.</p> <p>Credit derivatives are financial assets such as forward contracts, swaps and options for which the price is driven by the credit risk of economic agents, such as private investors or governments.</p>
Total Exposure to all the counterparties	Value of total outstanding exposure to all the counterparties as at the end of each period.
Amount of reserves ceded to the largest single reinsurance counterparty	<p>Amount of reserves ceded to the largest single reinsurance counterparty.</p> <p>Refers to amount of reserves ceded to reinsurance company for outward reinsurance</p>
Amount of reserves ceded to the second largest single reinsurance counterparty	<p>Amount of reserves ceded to the second largest single reinsurance counterparty.</p> <p>Refers to amount of reserves ceded to reinsurance company for outward reinsurance</p>