

SOLVENCY MARGIN AND GUARANTEE FUND, Part A.**I. Eligible equity**

Legal basis: Art. 9, SchVV (Casualty Insurance Decree) and Art. 9, LeVV (Life Insurance Decree) EA07A BPV report 2001

	a	b
01	1. Paid-up share capital or initial fund of a mutual insurance companies	587'350'000
02	2. Half of the non-paid-up share capital or cooperative capital, if the paid-up portion is at least 25% of the subscribed share capital or cooperative capital	0
03	3. Participation capital	0
	4. Reserves (after distribution of profit)	
04	a) Organisation fund	0
05	b) Agio	1'220'706'117
06	c) Other capital reserves	0
07	d) Legal reserves	109'000'000
08	e) Appreciation reserve	0
09	f) Statutory reserves	36'000'000
10	g) Voluntary reserves	732'473'132
11	5. Profit (+) or loss (-) carried forward to new account (after distribution of profit)	2'052'375
12	6. In the case of mutual insurance companies, half the amount of the supplementary contributions which can be levied upon members in a given business year, but no more than 50% of the solvency margin.	0
13	7. Funds for later allocation (see form EA25)	0
14	8. Provision for participation in surplus (dividends) based on profit which has not already been allocated or declared to policyholders (life insurers only)	1'287'374'799
15	9. Subtotal 9. = total of 1. to 8.	3'974'956'423
16	10. Less intangible assets carried in the balance sheet	63'178'010
17	11. Subtotal 11. = 9. - 10.	3'911'778'413
18	12. Zillmerisation difference (life insurers only) a)	617'858'747
19	13. Hidden reserves resulting from underestimation of assets; the difference must be proved to the BPV (Federal Office of Private Insurance) b)	2'545'625'033
20	14. Cumulative preference shares and subordinated loans c)	1'253'259'741
21	15. Securities with maturity not fixed and other instruments d)	0
22	16. 50% of future profits (life insurers only) e)	0
23	17. Total 17., eligible equity = 11. + 12. + 13. + 14. + 15. + 16.	8'328'521'934

- a) Difference between unillmerised or partially zillmerised mathematical reserves and mathematical reserves zillmerised with the acquisition cost rate of the premium; this difference may not exceed 3.5 percent of the difference between the sum insured and the unillmerised mathematical reserve for all contracts for which zillmerising is possible and must be reduced by any deferred acquisition costs. (Under Swiss regulatory practice zillmerising is forbidden in Swiss direct life insurance business, but capitalisation of unamortised acquisition costs is permitted to a limited extent)
- b) Only on application and with the consent of the BPV, except for hidden reserves in the case of securities.
- c) Subject to the conditions of Art. 9a, cl. 1 and 2 of the Casualty Insurance Decree (SchVV). For life insurers: Only on application and with the consent of the BPV
- d) Subject to the conditions of Art. 9a, cl. 3 of the Casualty Insurance Decree (SchVV). For life insurers: Only on application and with the consent of the BPV
- e) On application and justification by the insurance institution and with the consent of the BPV, the future profits can be determined as follows:
- First, an estimated annual profit is calculated. This corresponds to the arithmetic mean of the profits achieved over the last five years in the insurance lines concerned. The Department determines which components of these profits enter into the calculation.
 - The annual profit calculated in accordance with letter a. above is multiplied by a factor representing the remaining maturity on all insurance business written. This multiplier may not be higher than 10. The result constitutes the future profits.

SOLVENCY MARGIN AND GUARANTEE FUND, Part G.

Calculation of life insurance solvency margin without unit-linked life insurance and without a/d/s supplementary insurance, second result and solvency margin b)

Legal basis: Art. 3 cl. 3 and 1, LeVV

Position	Capital at risk a) gross (not including negative capital at risk items)	Amount for own account	c) in %
a	b	c	d
A. Breakdown of capital at risk a) on balance sheet date			
01	Direct and indirect d) Total business written	260'172'552'291	204'449'277'884
02	Amount included in 1 for supplementary insurance e)	0	0
03	Total without supplementary insurance (1 - 2)	260'172'552'291	204'449'277'884
Of which capital at risk a):			
04	for term life insurance with a total duration of up to 3 years	157'623'655'184	106'003'277'903 67.25
05	for term life insurance with a total duration of 3-5 years	9'901'452'468	9'098'475'292 91.89
06	other insurance contracts including life insurance with a total duration exceeds 5 years	92'647'444'639	89'347'524'689 96.44
B. Calculation of "second result" for life insurance business			
07	(0.1 % of 4b x 4d) + (0.15 % of 5b x 5d) + (0.3 % of 6b x 6d)	387'697'162	
C. Calculation of solvency margin for life insurance without counting unit-linked life insurance or supplementary insurance			
08	First result + second result	3'522'297'598	
a)	Capital at risk refers to the total sum paid in the event of death, minus provisions for unearned premiums and mathematical reserve for the principal risk on the balance sheet date.		
b)	Without a/d/s supplementary insurance refers to supplementary insurance for accident, disability and sickness but includes supplementary life such as term and pension supplements		
c)	Retention (ratio) as % of gross amount, i.e. c: b, however at least 50% (lines 4, 5, 6)		
d)	Direct business = Reinsurance assumed		
e)	This line must only be completed if a/d/s supplementary insurance is included in line 1.		

SOLVENCY MARGIN AND GUARANTEE FUND, Part J.

III. Calculation of solvency margin, guarantee fund and excess/insufficient cover for overall business - condensed overview

a	b
A. Summary of Solvency Margin per line of business	
01 1. Casualty insurance excluding health insurance similar to life insurance (EA07C)	0
02 2. Independent health and disability insurance (EA07E)	10'197'819
03 3. Life insurance without unit-linked life insurance (EA07G)	3'522'297'598
04 4. a/d/s supplementary insurance to life insurance (EA07H)	145'983'124
05 5. Unit-linked life insurance (EA071)	73'065'442
06 6. Solvency margin for overall business = 1. + 2. + 3. + 4. + 5.	3'751'543'983
07 7. Eligible equity in accordance with EA07A, Total 17.	8'328'521'934
08 8. Excess cover (+)/ insufficient cover (-) = 7. - 6.	4'576'977'951
09 9. Eligible equity as % of solvency margin = 7. / 6. * 100	222
B. Guarantee fund and its provision (Legal basis: Art. 8, SchVV, Art. 8, LeVV, resp.)	
10 1. Guarantee fund a)	1'250'514'661
2. Eligible equity	
11 a) Casualty insurance cf. EA07A, Total 17.	0
12 b) Life insurance cf. EA07A, subtotal 11. + heading 13.	6'457'403'446
13 3. Excess cover (+)/ insufficient cover (-) = 2. -1.	5'206'888'785
a) Casualty insurers: Calculation on separate form EA07K, letter f (Ref. 19b) in accordance with Art. 8 and 3, SchVV Life insurers: The guarantee fund corresponds to one-third of the solvency margin, and must amount to at least CHF 1.5 million. (Art. 8, LeVV)	