

Appendix

Research questions:

1. General implications of Solvency II on the product strategy

1.1. How much has Solvency II affected your company’s product strategy during the last 5 years?
 (scale 0-10, 0 = not at all, 10 = major changes on the product portfolio)

Answer:

1.2. How much has Solvency II affected your company’s product development during the last 5 years?
 (scale 0-10, 0 = not at all, 10 = major changes on the products)

Answer.....

1.3. In particular, how much has the high solvency capital requirement which Solvency II is likely to impose on traditional (with-profits) life assurance affected your company’s product development and offerings?
 (scale 0-10, 0 = not at all, 10 = extensively)

Answer.....

1.4. As a consequence of the tightening solvency regulation, what products have you:

	Stopped,	Slightly modified,	Greatly modified,	Launched?
Traditional life				
UL with guarantees				
UL without guarantees				
Risk				
Other, what?				

(Mark the right alternatives, if “other” please specify below.)

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1.5. How has the share of traditional / all premiums developed in your company during the last five years?

(1 = decreased a lot, 2 = decreased, 3 = stayed at the same level, 4 = increased, 5 = increased a lot)

Answer

Give percentages, if possible, in five years ago..... and now

1.6. Solvency II can be found beneficial from company steering and strategic management point of view. Has your company practiced or will practice risk based steering

(a) already before Solvency II project was started,

(b) since the early years of Solvency II,

(c) since recently

(d) within a couple of years

(e) when Solvency II will be in force.

(Circle the right alternative)

2. Variable annuities

2.1. Has your company launched variable annuities? Yes / No (Circle the right alternative)

If you answered No, go to question 3.1.

2.2. Do they belong to categories GMDB, GMAB, GMWB or GMIB? (Circle the right alternative, more than one choice possible.)

2.3. Have you introduced an internal model to assess the solvency capital requirement of the variable annuities? Yes / No (Circle the right alternative)

2.4. How has the unsettled Solvency II treatment of variable annuities affected your product policy?

(a) In no way,

(b) We assume that variable annuities will be treated like traditional business,

(c) We have launched / will launch variable annuities in a rather small scale,

(d) We have launched / will launch variable annuities in a large scale,

(e) We have transferred / will transfer at least a part of the guarantee obligation to a third party like (f) a reinsurance company or (g) an investment bank.

(h) We use dynamic hedging process.

(Circle the right alternative, more than one choice possible.)

2.5. In which customer segments is the penetration of variable annuities highest?

(a) Private Banking customers,

(b) Upper (preferred) retail customers,

(c) Middle retail customers,

(d) Lower retail customers,

(e) Corporate customers

(Circle the right alternative, more than one choice possible.)

2.6. What is the premium share of the variable annuities compared to traditional premiums?.....%

2.7. What is the premium share of the variable annuities compared to non-guaranteed unit linked premiums?.....%

3. Annuities and longevity

3.1. How active is your company in the annuities market?

- (a) We do not offer annuities,
- (b) We offer annuities only for selected customers,
- (c) We offer annuities for all customers.

(Circle the right alternative.) If you answered (a), go to question 4.1.

3.2. Has the high solvency capital requirement which Solvency II is likely to impose on annuities carrying longevity risk affected your product development?

(scale 0-10, 0 = not at all, 10 = extensively)

Answer.....

3.3. Has the high solvency capital requirement which Solvency II is likely to impose on annuities carrying credit risk affected your product development? (scale 0-10, 0 = not at all, 10 = extensively)

Answer.....

3.4. Have you transferred the longevity risk to a third party?

- (a) no,
- (b) to a reinsurance company,
- (c) to an investment bank,
- (d) to a mortality underwriter?

(Circle the right alternative, more than one choice possible.)

4. Risk life insurance

4.1. Has the relatively light solvency treatment of risk insurance lines moved the weight in your business portfolio towards risk insurance?

- (a) No, (b) Yes, slightly, (c) Yes, considerably.

(Circle the right alternative.)

4.2. How much has your life risk premium changed in %?

- (a) in the last five years.....,
- (b) in the last three years.....

4.3. Has the possibly low average life insurance cover of people in the country/countries your company operates promoted life risk business? Yes / No (Circle the right alternative)

4.4. The EU court ruling on gender neutral tariffs decreased the number of possible tariff factors in life insurance. Have you introduced new tariff factors?

- (a) no,
- (b) we derived new factors from living habits of a customer,
- (c) we derived other new factors, what?

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(Circle the right alternative, more than one choice possible.)

5. Other regulation

5.1. Has the regulatory obligation to present the customer all expenses and yields of a policy affected your business and product development?

- (a) No, (b) Yes, slightly, (c) Yes, strongly. (Circle the right alternative.)

Please explain how.....

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6. Solvency regulation impact on Bancassurance

6.1. Does your company use bancassurance as sales channel solution?

Yes / No (Circle the right alternative)

If you answered (No), go to question 7.1.

6.2. Is your bancassurance model

- (a) captive model, i.e. you and the bank which sells your products belong to the same group of companies,
 - (b) exclusive alliance, i.e. you and your sales channel bank are independent but there is an exclusive sales agreement between you,
 - (c) non-exclusive alliance i.e. you and your sales channel bank are independent and there is a non-exclusive sales agreement between you,
 - (d) joint venture between you and your sales channel bank?
- (Circle the right alternative.)

6.3. What was your status three years ago? (See question 6.2.)

6.4. (a), (b), (c), (d) or (e) none of these. (Circle the right alternative.)

6.5. What was your status six years ago? (See question 6.2.)

(a), (b), (c), (d) or (e) none of these. (Circle the right alternative.)

6.6. What will your status be in three years in your opinion (See question 6.2.)

(a), (b), (c), (d) or (e) none of these. (Circle the right alternative.)

7. Company data

Please give the following information about your company:

- 7.1. Total technical reserves 31.12.2013.....
- 7.2. Unit linked technical reserves 31.12.2013.....
- 7.3. Traditional technical reserves 31.12.2013.....
- 7.4. Total GWP in 2013.....
- 7.5. Unit linked GWP in 2013.....
- 7.6. Traditional GWP in 2013.....
- 7.7. GWP of risk lines in 2013.....
- 7.8. Is your company
(a) a listed company, (b) a mutual company (Circle the right alternative.)
- 7.9. Have you encountered or do you anticipate problems in acquiring more capital because of the tightening solvency regulation?
(a) no, (b) minor, (c) major (Circle the right alternative.)