A detailed look at Insurance industry KPIs in a post-IFRS 17 world

Author: Brian Heale

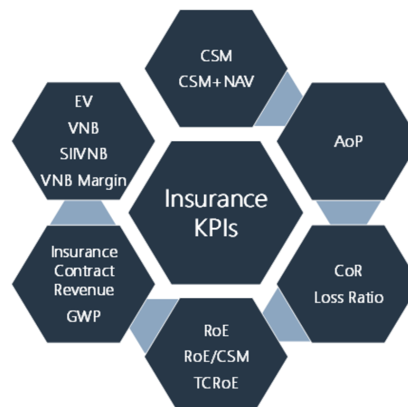
Introduction

Most Insurers are now entering the critical phase of their IFRS 17 project and are generating their first real numbers. However, there is still a long way to go in the next few years as Insurers look to assess the impact of IFRS 17 on their business and how their results compare with their peers. Whilst Solvency II had some impact on the business, the effect of IFRS 17 is considerably greater. Clearly IFRS 17 will impact profit and the amortisation of profit over time, but it will also impact claims recognition, expenses and particularly reinsurance with the separation from the underlying direct contracts. In fact, the impact of IFRS 17 will be felt across the board from the Balance Sheet, through to Director's remuneration and shareholder dividends.

IFRS 17 will also significantly impact an Insurer's existing Key Performance Indicators (KPIs) and introduce several new ones. The existing metrics such as AoP, CoR, GWP, NAV etc. will all have to be adjusted to consider IFRS 17. Equally, new measures such as the CSM, CSM + NAV, Insurance Contract Revenue will become relevant. New reinsurance disclosures will make transparent reinsurance information available to the market. Insurers will have to recalculate existing KPIs and generate a series of new KPIs.

Insurers will also want to be aware of the IFRS 17 results of their peers and compare/contrast their results. Thus, for a couple of years after the transition date, IFRS 17 results will be refined and adjusted. It is also important to consider the initial balances impact not only at transition but also for future reporting periods. Settling on the opening balances is critical and will require simulation and forecasting exercises to model the expected outcome of decisions, assess the holistic financial impact, and make optimal decisions.

Given the fact that the effective date for IFRS 17 - January 2023 - is rapidly approaching, many Insurers are now considering how their key metrics will change and how to explain the changes to stakeholders and the rating agencies. Currently there is no industry consensus or alignment on what the new KPIs should be, and it is expected to evolve over time. However, the metrics will be different for Life and P&C Insurers, and for with-profits and annuities businesses.



Life v P&C KPIs

From discussions with our clients and partners it seems that Life Insurers will continue to be focussed on **Adjusted Operating Profit (AoP**) as a key metric. However, **EBIT** (Earnings Before Interest and Taxes) adjustments will vary by measurement model by, for example, removing short term volatility caused by market fluctuation or economic variances. Solvency II **(SCR)** and own funds generation will remain key metrics for European Life Insurers but less so for P&C Insurers who will be more focused on Combined Operating Ratio (CoR) albeit adjusted for IFRS 17.

The **Value of New Business (VNB)** and cash generation metrics will continue in the UK and broadly in Europe and the **SII VNB** will remain important. In Asia, clients will be more focused on existing Embedded Value metrics and IFRS 17. Several clients also highlighted the need for a bridge from SII to IFRS 17 to understand and explain the deltas.

Insurers will also be interested in the impact IFRS 17 will have on the ability to pay dividends. Analysts are very interested in the impact of dividends under IFRS 17 and that they expect to see the KPIs on both an IFRS 17 and IFRS 4 basis at least for a few years!

The general view is that many existing KPIs will still be utilised ***but adjusted*** for IFRS 17 while new, specific IFRS 17 KPIs will need to be added.

Interpretation of the Standard

One of the major complications is that the Standard is unclear in many areas and is open to interpretation in many ways. In the complex world of insurance, this can lead to inconsistency. Consequently, there will be different client/market interpretations of the Standard, particularly around PAA measurement, with-profits, and reinsurance from both a regional and company basis. For example, Insurers can determine what discount rates to use, loss percentages, groupings, assumptions in the underlying fulfilment cash flows, etc. Each of these decisions will impact IFRS 17 results and opening balances.

In the coming months, Insurers will be looking to simulate and forecast their IFRS 17 results based on various scenarios and interpretations to determine optimal results in relation to business plans and ensure a level playing field when results are compared with their peers. Naturally the optimal results will impact KPIs.

Let's now take a detailed look at the impact of IFRS 17 on KPIs.

Life Insurers

Contractual Services Margin (CSM)

The introduction of the **CSM** and the **Risk Adjustment (RA)**, should provide more uniform measures globally and both will become important key metrics. The introduction of granular cohorts and their profitability, together with the associated narrative, will be pivotal to disclosing improved transparency under IFRS 17 particularly for Life Insurers.

The **CSM + NAV (Net Asset Value)** looks to become a major balance sheet/profit metric moving forward as it also aligns with an own fund's perspective under SII. Looking at the two together helps to understand balance sheet metrics such as gearing. The CSM and its release over time will become a ***key profit metric***

in addition to the existing metric of **AoP.** One of the main challenges here is that the CSM metric varies between books valued on a **GMM** or **VFA basis** and, of course, there is no prescribed CSM for PAA measured business.

As highlighted above under IFRS 17 there is the new requirement to calculate profitability based on annual cohorts, in the form of the CSM, for each group of policies. It also prescribes treatment for loss-making groups in that the estimated losses are recognised in profit and loss when they are identified, rather than being amortised over the duration of policies as with the CSM. However, for reporting purposes Insurers want to know the contribution to current profitability, in the form of CSM amortisation, from both current and historic cohorts.

The CSM shapes how profit emerges over time and flows through to income statement. But the CSM can be set in different ways depending on the needs of the business. Basically, an Insurer can have a large CSM which spreads profit more smoothly over time or a smaller CSM which releases profit earlier. However, the larger the CSM the lower the net assets and the bigger the impact on ***distributable profits.***

It's worth remembering a few points relating to the CSM:

- Firstly, it can be viewed as a store of value and makes growth profiles more evident
- Secondly, it can be considered a new type of operating profit
- Finally, it can be useful to show from a new, recurring, and run-off business perspective

Setting the optimal CSM

A good example of this is the release of the CSM (future profit). It can be "configured" high in the early stages with the profit profile falling-off unless the shortfall is made up with a commensurate increase in new business' profitability to compensate.

What does this mean in practice?

1. If investors and analysts are looking to see a sustainable (and non-decreasing) dividend stream, high profits in the near future produced by the use of "freedom of design" under IFRS 17 could raise unfavourable expectations if the CSM release cannot be compensated by new business (as above).

2. Additionally, the IFRS 17 disclosure requirements will reveal both the profitability of new business and the future pattern of CSM releases

3. A final point is that any estimate of profitability made when the business was written (the CSM), may not be satisfactory on its own as shareholders will want to see if this profit is actually delivered. Indeed, having no insight as to whether estimated new business profit was ever delivered was a major drawback under embedded value reporting.

Issues with the CSM

A major consideration when evaluating IFRS 17 based KPIs is how to capture the impact of non-life business. Insurers with large books of P&C and investment business might adopt Solvency II and EV-based KPIs profitability metrics that capture their entire book of business (and not just life). Thus, the CSM as a KPI alone cannot be regarded as ***"complete"*** picture of the profitability of the overall new business of an Insurer because:

- Onerous contracts generate an immediate loss recognised in the P&L
- PAA business may be profitable but does not generate a CSM. Similarly, contracts measured under IFRS 9/15 investment products (e.g., pensions) may generate profit and again do not contribute to the CSM
- Overall profitability depends also on the size and shape of the risk adjustment as well as on PV of non-attributable expenses. One point to be considered by the industry is should the risk adjustment be included in new business metrics? This is unresolved at the moment

Analysts and investors may consider the new business CSM a key measure as it is an indicator of the future profitability of the Insurer. For P&C insurers adopting a GMM approach, information about new business CSM will be more comprehensive.

Reconciliation of the CSM

Another market aspect emerging with our clients is the need to reconcile the CSM from opening to closing, showing separately:

- Effects on CSM of new business written (and compared to premium volumes)
- CSM recognized in P&L
- Other changes in CSM (e.g., finance effects and changes in Fulfilment Cash Flows from assumption updates)

In the first few years, an Insurer may also wish to reconcile from the VNB (see below) to the CSM and explain differences, including:

- Differences in the method to derive interest rates, to reflect risk in technical reserves or contract boundaries
- Allowing for effect of mutualisation under IFRS 17 for with-profits business

> To conclude, analysts believe that the CSM analysis of change will be an important disclosure because it helps in understanding the evolution of the business. It can show trends in performance by making it clear how expenses, claims, and strength of underwriting interact with the profitability of groups. Finally, Insurers will want to demonstrate to the market that they are writing profitable new business that adds value to the Insurer.

Embedded Value (EV) and Value of New Business (VNB)

Embedded Value (EV) will remain a core insurance metric and is a measure of the economic value of the shareholder capital in the business and the profits expected to emerge from the business currently in force. The EV is made up of two items, **value of in-force business (VIF)** which is the discounted value of future profits and movements/releases of regulatory capital, and **Adjusted net assets**, or shareholder assets in excess of the regulatory capital requirements, at face value. For this purpose, regulatory capital is allocated at a product-group level with a minimum of zero.

Analysts look at EV to analyse valuations. For example, an Insurer might have market capitalization of £10bn whereas its EV could be £2.5bn. This would imply that investors are willing to pay four times the company's EV, indicating a positive outlook. A consistent performance in the growth of EV indicates long term stability.

Large variations in the EV will need to be analysed as EV reflects changes in product strategy, distribution model, and expense performance.

The **Value of New Business (VNB)** is another important metric for Life Insurers. VNB is a measure of the economic value of the profits expected to emerge from new business net of the cost of supporting capital. VNB can also be considered as the increase in **EV* (Embedded Value)** over the period due to new business.

Some Insurers also use **VNB Margin** as a metric. VBN margin is calculated by dividing the VNB by Annualized Premium Equivalent (Regular Premium +10% of Single Premium) and is indicative of profit margins in an Insurer's book of business. The VNB will, of course, be different for open books versus "closed books," cash generation metrics will continue, and in the UK and Europe SII and VNB will remain important. In Asia, there is typically more of a focus on existing Embedded Value metrics and IFRS 17. VNB margins are important as they indicate the product mix an Insurer has. Typically, protection plans have the highest VNB Margin with unit-linked and traditional with-profits next in the chain.

In simple terms a **VNB Margin** of 30% would mean that if the Insurer generated a new business premium of £1000 for a particular mix in a year, the expected profit over the lifetime of that business would be £300.

Operating Profit or Adjusted Operating Profit (AOP)

AoP* is an important KPI for Life Insurers and there are discussions around what should be included in the AoP. It was pointed out that different adjustments are likely to be required and those adjustments are likely to be more complex under IFRS 17. Adopting an AOP approach based on IFRS 17 is likely to smooth-out an AOP profile, but other factors need to be considered in computing the metric. For example, do you:

- Exclude mismatches?
- Exclude short term market movements caused by market fluctuations and economic variances?
- Include the impact of management actions?
- Show real world investment returns for with-profit business as opposed to risk free rate returns?

***AoP** (a non-GAAP measure) represents earnings from continuing operations before income taxes (a GAAP measure), excluding restructuring and asset impairment costs, interest expense and other (income) expense, net, as reported in the Condensed Consolidated Statements of Earnings.

Insurance Contract Revenue

IFRS 17 introduces a new concept - **Insurance Contract Revenue (ICR)*** which differs considerably from the current equivalent of Gross Written Premium (GWP) under IFRS 4. ICR provides information about the amount of ***service*** provided in the relevant reporting year. Depending on the expected duration of the contracts, the scale of the differences can be significant, particularly for long-term life contracts.

Many Insurers, particularly P&C Insurers, use GWP as a key KPI and the general view is that it will remain a KPI. Many Insurers also currently disclose Annualised Premium Equivalent (APE) or Present Value of New Business Premiums (PVNBP), as KPIs, which provide a view of the volumes generated over the period. Certainly, for the next few years these metrics are likely to continue to be disclosed, although reconciled with ICR.

ICR might be considered as additional metric to measure volume and growth as it brings an alternative benefit view. But there are several considerations:

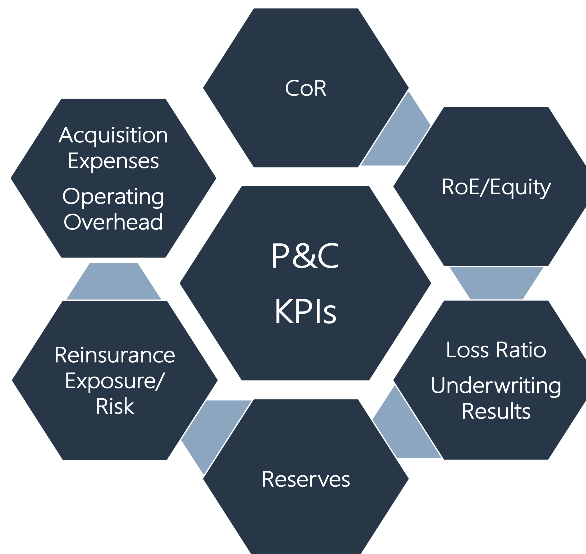
- What does an increase/decrease in ICR mean?
- How do you measure new business?
- How can differences to GWP/New Business Premium can be explained?
- What is the impact of the investment component?

In all likelihood a market best practice approach to these issues will emerge in the next few years.

*Insurance contract revenue under IFRS 17 requires an Insurer to report as insurance revenue the amount charged for insurance coverage when it is earned, rather than when the Insurer receives premiums.

General Insurers

Currently P&C Insurers disclose fairly limited information relating to profitability metrics of new business. Their KPIs are primarily based on loss ratios on an aggregated basis, including an allowance for prior period business. This perspective may alter under IFRS 17 and thus Insurers will have to adjust those measures accordingly. These are the current, typical metrics that will have to be adjusted to take IFRS 17 into account:



Combined Operating Ratio (CoR) will remain a key metric for P&C Insurers although the inputs to that measure will change because of IFRS 17 – e.g., the impact of discounting long term claims and the application of a risk adjustment. Additionally, Insurers have the choice of calculating CoR on a Net/Net or Net/Gross basis. From a P&C perspective the market seems to be moving towards a net-of-reinsurance result (Net/Gross) ratio.

For P&C insurers using the PAA measurement model, except for onerous contracts, there is no requirement to disclose the ultimate expected profitability on new business and doing so would require additional

calculation. We anticipate that PAA companies will look to retain any existing, reported non-IFRS metrics over new business as KPIs, for example current underwriting year loss ratio estimates.

Gross Written Premium (GWP) is an important existing P&C metric which is effectively replaced by Insurance Contract Revenue under IFRS 17. However, we expect many P&C insurers will continue to report GWP, but adjusted for IFRS 17, voluntarily as a growth metric. One inconsistency we have seen related to GIs is the relevance of operating profit. For example, if you are a composite insurer and you have an operating profit for life – how do you also align for the P&C portion of the business?

Gross UW results will be included under IFRS 17. Also underwriting results, a part of CoR, will need to be adjusted for which costs go into attributable (e.g., claims handling) and non-attributable expenses. This will be an interpretation. This may reduce the CoR, but expense will be the same. This may also cause complication from a competitive stance as the cost allocation between peers needs to be considered. The Standard adds to the complexity in that it does not give a clear definition of attributable costs, and this can significantly change some of the IFRS 17 calculations. It will also drive the measurement of onerous contracts – currently there is no distinction between the two types of costs.

The **Loss Ratio (LR)*** is another existing P&C metric and again this does not readily translate into the IFRS 17 world. Under IFRS 17, line items are derived by various adjustments, e.g., for the variance in cash flows or for time value of money. However, the losses incurred will stay the same regardless of accounting regime considered. As previously highlighted, the new requirement to discount those losses and the insurance contract revenue (from inception), means that results are subject to the sensitivity of the discount rates and the coverage units selected.

Over next few years it is likely that that a New CoR will emerge based on IFRS 17 data, but in the meantime parallel reporting will be critical. The IFRS 17 loss ratios may become more meaningful as discounting will make general insurance liabilities of different duration more comparable. Finally, from a competitive perspective, UK P&C companies are competing against Lloyds syndicates peers who report under UK GAAP and other insurers who report under US GAAP who measure their liabilities differently.

*The loss ratio is calculated as the claims incurred divided by net premiums earned

Impact on Reinsurance

Measuring reinsurance treaties under IFRS 17 will have a material impact on an Insurer's Balance Sheet not only at transition but at future reporting periods and the emergence of future profits. This, in turn, will have a knock-on impact on dividends, shareholder equity, and rating agencies expectations. The current practice is to account for reinsurance contracts held by using a ***'mirroring approach'***, essentially matching reinsurance contract revenue, costs, assets, and liabilities to the underlying insurance contracts. IFRS 17 moves way from this approach by introducing the requirement to value and account for reinsurance treaties separately. There is also the new concept of the reinsurance CSM that must be calculated and amortised over the reinsurance coverage period. Thus IFRS 17 requires the separation of both insurance contracts issued and reinsurance contracts held into assets and liabilities. As a result, there can be four categories:

1. Portfolios of insurance contracts issued that are assets

2. Portfolios of insurance contracts issued that are liabilities

3. Portfolios of reinsurance contracts held that are assets

4. Portfolios of reinsurance contracts held that are liabilities

Reinsurance held is treated as a separate contract under IFRS 17 with its own contractual service margin, which can be broadly thought of as the cost of the reinsurance to the direct Insurer. Unlike the directly held contracts***, a negative contractual service margin*** is possible for reinsurance held and there is no concept of an 'onerous' reinsurance held contract under IFRS 17. The separation between the reinsurance held and the direct contracts has implications for the recognition of reinsurance recoveries when the underlying contracts are onerous. Under current accounting, the impact of any losses due to onerous contracts to allow for expected recoveries of any reinsurance held. Under IFRS 17 this 'mirroring' approach does not apply and so IFRS 17 includes specific requirements for determining the reinsurance recoveries associated with underlying onerous contracts.

Onerous underlying contracts – initial recognition

If groups of underlying direct contracts are onerous at initial recognition, IFRS 17 allows recognition of reinsurance recoveries on the direct contracts by multiplying the loss recognised on the group of underlying insurance contracts, and the percentage of claims on underlying insurance contracts the entity expects to recover from the reinsurance held.

This calculation requires Insurers to identify the expected recovery amounts (as a percentage of underlying claims) applicable to the relevant underlying contracts.

Onerous underlying contracts – subsequent recognition

For underlying contracts on subsequent measurement, changes to fulfilment cash flows which extinguish the contractual service margin (and hence result in the establishment of a loss component) are recognised in the profit or loss statement and do not adjust the contractual service margin. IFRS 17 allows recognition of the reinsurance recoveries on contracts that become onerous on subsequent measurement by allowing the mirroring reinsurance cash flows to also be recognised in the profit or loss statement. This calculation requires Insurers to identify reinsurance cash flows relating to the underlying onerous contracts and recognise them in the profit or loss statement rather than adjusting them against the contractual service margin for the reinsurance held. The Insurer will thus have to set up or adjust a loss-recovery component for the asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.

The **Loss Recovery Component (LRC)** for reinsurance on new business which captures any offsetting of loss components on underlying contracts provided by profitable reinsurance contracts may also be considered a KPI by some insurers.

Reporting

IFRS 17 introduces new, granular disclosures and an important aspect will be for Insurers to consider the ***narrative of their performance*** to the market and shareholders considering the changes under IFRS 17. Certain accounting items which were previously detailed on income statements will no longer be disclosed. These include lines items such gross written premium, ceded premiums, gross paid and ceded claims or net operating expenses. These will have impacts on the KPIs.

The new reinsurance roll-forward disclosure will provide additional information on an Insurer's reinsurance arrangements. The same reporting requirement that is needed for the direct insurance contracts will be applied to reinsurance contracts held. As the face of the financial statements are at a more aggregated level than under IFRS 4, more granular information may require a closer examination of the key disclosures in the notes to the financial statements. For example, acquisition expense incurred for the period will be visible on the roll-forward disclosure, however it is grouped together with other expenses in insurance service expense on the income statement.

Reinsurance KPIs

Currently, few Insurers report specific reinsurance KPIs, but this is likely to change under IFRS 17. As a result of the separation of reinsurance in the P&L, the performance of an Insurer's reinsurance portfolio will be more visible - for example, the netting of ceding commissions which shows the numbers net of these gross ups. Ceding commissions paid to an Insurer can be offset against reinsurance premiums paid, instead of being a negative expense as under IFRS 4. Profit commissions are added to claims recoveries from reinsurers under IFRS 17, thus reducing net claims, instead of being a negative expense under IFRS. Ceding commissions and profit commissions typically lower net claims ratios when using the Net/Net approach under IFRS 17 versus under IFRS 4 or local GAAP reporting.

Another difference to consider is that the reinsurance result/profit will now be presented separately rather than its components being netted off against the various gross of reinsurance amounts. The consequence is that existing net of reinsurance expense and claims ratios using IFRS 17 data would produce different results.

For P&C Insurers assessing the impact of reinsurance under IFRS 17, they will have to consider the impact on the measurement of CoR based one of two calculations methodologies:

- ***Net/Net basis*** fundamentally maintains existing ratios but based on IFRS 17 data. However, the expenses used for the net ratio will be the same as the gross expenses (as commissions on reinsurance held no longer reduce expenses under IFRS 17).
- ***Net/Gross basis*** is a claims ratio that represents the net of reinsurance claims position.

The market view is that claims ratios under the Net/Gross method will be slightly higher than existing ratios, while under the Net/Net method they will be slightly lower. It should be noted that the results will vary by the type of reinsurance contract utilised – e.g., Quota Share v Excess of Loss.

Some analysts currently utilise ***claims incurred/net earned premium*** as key performance ratio. But, as with other metrics these don't easily transfer over to IFRS 17 due to several reasons:

- Insurance service expense/revenue are from a gross perspective, with the respective reinsurance related items presented separately

- The reinsurance items will then differ from current practice depending on constituent cashflows and their timing, e.g., ceding commissions and reinstatement premiums
- The discount rate unwind, or 'cost of carry', that was previously captured in the claims incurred item will now be separated and reported in insurance finance expenses/income, which will impact both direct and reinsurance contracts
- Insurance service expense will now also include incurred operating expenses and the risk adjustment release
- Net loss ratios for short duration contracts measured under PAA may deviate if those contracts are covered by multi-year reinsurance treaties and valued under the GMM model

The key aspect though is that from a strategic perspective an insurer may have to adopt a different focus moving away from viewing reinsurance and underlying policies separately rather than together. Whilst still important for underlying performance, cash flows and regulatory capital, IFRS 17 treats the recognition and measurement separately. Additionally, the risk appetite of an insurer may evolve as they become more familiar with IFRS 17.

Generic

Return on Equity (RoE)

RoE in insurance typically represents net income attributable to shareholders divided by the average shareholders' equity excluding unrealized gains/losses on bonds net of shadow accounting at the beginning of the period and at the end of the period. It is another indicator for performance for insurers and will continue to be calculated in the normal adjusted for IFRS 17- primarily in relation to the CSM. To obtain a useful RoE, it may make sense to increase the denominator by the CSM (and use a consistent numerator), particularly in the Life segment. Analysis of changes in the CSM would also be a useful indicator of the strength of underwriting, risk appetite of the insurer and of performance of claims and expenses.

AM Best for example suggest the CSM may be regarded as value that has already been created in balance sheet date of the RoE calculation. Thus, RoE could be calculated with a denominator that includes the CSM. Here the numerator would be IFRS 17 net profit + (taxed) unwind of the CSM + (taxed) CSM on business written in the period – (taxed) amortisation of CSM.

Conclusion

Analysts and the wider market eagerly await the first set of IFRS 17 annual reports to hit the press. Then they can properly assess the impact of the accounting changes on an Insurer's business. Clearly analysis between IFRS 17 and IFRS 4 numbers will have to be undertaken to understand the differences and many will look to calculate their KPIs under both regimes. IFRS 17 is more granular and therefore understanding the impacts on KPIs at different levels of aggregation will be critical. This analysis, while vital for the market, will also be important for internal management and shareholder reporting. A lucid explanation of the deltas will also be critical for the analysts.

As we have highlighted the new measurement of reinsurance will impact on an Insurer's balance sheet and the changes IFRS 17 brings are significant. Insurers will need to look closely at their current reinsurance

arrangements to optimise under the Standard and carefully consider detailed modelling of their treaties to determine the overall impact both on transition and subsequent emergence of profit. This is a complex area and time will be needed to be able to adequately work through all the implications. It may also mean that changes will have to be made to the capabilities of existing actuarial and finance systems and processes. As a result of IFRS 17, Insurers may decide to use different risk mitigation vehicles and alternative risk mitigation strategies such as co-insurance, cell captives and hedging financial risks through derivatives and banking products. Another option may be to sell run-off assets to entities located in Bermuda or elsewhere which utilise US GAAP for reporting.

Most Insurers are likely to run parallel IFRS17/4 reporting at least for the next few years. They are also going analyse the IFRS 17 returns of their peers. This may mean further optimisation of their own IFRS 17 numbers based on a comparison of their peers. This whole exercise will not be easy and will doubtless be a complex and time-consuming process. It is important that insurers start the process now, so they have ample time to model under various scenarios and analyse the results. Equally they will have to consider the education process both internally and externally.

Important Aptitude Software Notice

Aptitude Software Limited (formerly Microgen Aptitude Limited) is a wholly owned subsidiary of Aptitude Software Group plc which is listed on the London Stock Exchange (APTD).

The information contained in this document is confidential to Aptitude Software Limited and members of its group of companies (together "Aptitude Software"). Additionally, the information contained in, and the software described in, this document (all such things being “Protected Works”) are protected internationally by copyright and other intellectual property rights owned by Aptitude Software.

You must not use any of the Protected Works unless you have an Aptitude Software Licence (as defined below) to do so, in which case you may make only such use as is permitted by that Aptitude Software Licence. **You must keep all confidential information of Aptitude Software which is disclosed to you confidential and not use it for any purpose or disclose it to any person other than as permitted expressly by your Aptitude Software Licence.**

The provision of any Protected Works to you does not imply and shall not be deemed to entitle you to a licence, permission or consent to use such Protected Works for any purpose. The Protected Works have been provided to you pursuant to a written licence or non-disclosure agreement with Aptitude Software (each an "Aptitude Software Licence") and if you cease to have an Aptitude Software Licence entitling you to use the Protected Works (or if your rights under such Aptitude Software Licence terminate) you must cease to use the Protected Works immediately. **If you do not have an Aptitude Software Licence, the Protected Works have been provided to you in error or unlawfully and you must not use them; please destroy all copies of them and notify Aptitude Software immediately.**

References in this notice to "use" of any Protected Works are to use, copying and disclosure of any kind and in any form and includes without limitation use, reproduction, transmission, storage, and publication (in all cases whether or not for commercial purpose).

References in this notice to "this document" are to whatever means or medium is or was used to transfer to you the information in relation to which you have been given this notice (including without limitation physical documents, visual disclosure, oral disclosure, optical media, electronic media and files transferred by email, ftp or otherwise over the Internet).

The Protected Works are subject to change without notice and the provision of them does not represent a commitment on the part of Aptitude Software. All Protected Works are provided "as is" and without warranty except to the extent expressly provided in your Aptitude Software Licence.

This document is supplied to you by Aptitude Software in consideration of you agreeing to be bound by the provisions set out above, and by opening and/or reading this document you are confirming your acceptance of those provisions. Except to the extent of those provisions, this document is not a contract, nor does it or any part of it amount to an offer or promise to enter into a contract or other legally binding relationship.

Legal Notices

Copyright © Aptitude Software Limited 2014 - 2022. All Rights Reserved.

Aptitude Software Limited is a subsidiary of Aptitude Software Group plc.

Aptitude - U.S. and European Patents Pending (for more information please refer to our website: https://www.aptitudesoftware.com/patentsandtrademarks)

All references to ‘Aptitude Software’ contained herein shall be deemed to be a reference to Aptitude Software Limited and its group of companies.