

Appendix 11

1.1.1 Summary of data provided by Lloyd's

Data Received from Lloyd's

In writing the draft Independent Expert's report, we have relied upon the accuracy of certain documents and information provided by Lloyd's Staff. These included the following:

Balance sheets

- Audited Statutory Belgium GAAP accounts for Lloyd's Insurance Company SA as at 31 December 2018
- Solvency II balances sheet for Lloyd's Insurance Company SA as at 31 December 2018
- Investment funds composition of Lloyd's Insurance Company SA
- Pro-forma balance sheets (GAAP and SII) for post-Transfer Lloyd's Insurance Company SA as at 31 December 2019, 31 December 2020, 31 December 2021, 31 December 2022

Quality of data

- Dear CEO letter to Managing Agents, dated May 2019, providing an overview of the data requirements for the Part VII transfer
- Dear CEO letter to Brokers, dated September 2019, providing an update to Brokers on the Part VII process and the data requirements
- Part VII Transfer Data Workstream Independent Expert Paper setting out a description and explanation of the approach taken by the data team for the Lloyd's Part VII transfer
- Lloyd's of London – Part VII Transfer, Part VII Data Approach report explaining the approach taken to data analysis, validation and use throughout the Lloyd's Part VII transfer process
- Lloyd's of London Data architecture landscape diagrams for the Part VII exercise
- Data Workstream – validation & valuation process report. An overview of the data environment including the data quality rules, data dictionary and submission templates, approach to data validation and reconciliation
- Supporting data templates detailing:
 - Managing Agent Submission Data Templates
 - Segmentation logic
 - Results of data validation and data quality testing
- Lloyd's Part VII Transfer documents - results from the Data Validation Pilots

Capital

- Solvency II: 2018 Year-end standard formula exercise guidance notes (September 2018) prepared by Lloyd's
- Standard Formula Return: the 2020 projection Guidance and Instructions for Lloyd's Insurance Company SA
- Standard Formula calculations, including projected Standard Formula models at years end 31 December 2019 to 31 December 2022 for Lloyd's Insurance Company SA ("Lloyd's Insurance Company SA") for pre- and post- Transfer
- ORSA model overview for Standard Formula calculations for Lloyd's Insurance Company SA
- The 2018 and 2019 Annual ORSA Report for Lloyd's Insurance Company SA
- The 2018 and 2019 Annual ORSA Report for the Corporation of Lloyd's
- Presentations on the Financial implications of the Part VII transfer for Lloyd's members, the Lloyd's central fund and Lloyd's Insurance Company SA prepared for the IE and regulators
- The Lloyd's Internal Validation Reports

Reserving

- Lloyd's Chief Actuary's Report for year end 31 December 2018
- Lloyd's Chief Actuary's Report for the proposed Part VII transfer
- Lloyd's Brussels Part VII: Reserves & Capital report
- Data summary spreadsheets detailing premiums, paid claims and outstanding claims from the Regulatory Reporting Database (RRD) on a Global basis split by class of business, Year of Account and with segmentation logic applied
- Part VII – Projections Summary files
- An external report on the Assessment of the effectiveness of reserving controls and outcomes for the Lloyd's market **Policy communications**
- Communication Plan proposals and Notifications design proposals to the PRA and FCA
- Estimated costing of the notification analysis
- Draft communications and notifications documents
- Draft Policyholder Notifications Strategy document and supporting appendices
- Letter to the FCA dated 10 December 2019 detailing the proposed notification approach and the waivers Lloyd's will be seeking from the Court.
- Lloyd's Part VII Lookback analysis document, dated December 2019, and supporting data summary spreadsheets for Lookback periods **Other Non-financial information**
- Draft scheme documents and draft Transferor and Transferee Witness Statements
- National Bank of Belgium (NBB) licence application, dated February 2018

- Draft Quota Share Reinsurance Agreement to be entered into between Lloyd's Brussels and Managing Agents for the transferred business
- Lloyd's Insurance Company SA Part VII Operational Framework documents, presentations and walkthroughs, detailing the proposed operating model for Lloyd's Insurance Company SA for the transferred business post-Transfer
- Lloyd's document setting out the Background to the Transferring Business and preliminary Lookback Period analysis
- Lloyd's Part VII – analysis of reinsurance business in-scope for the transfer
- Copies of the outsourcing agreement entered into between Lloyd's Insurance Company SA and Managing Agents for 2019 year of account
- Copies of the Quota Share Reinsurance Agreement entered into between Lloyd's Insurance Company SA and Managing Agents for 2019 year of account
- Lloyd's presentation to the regulators regarding the Implications of Transfer to Policyholders
- Analysis of reinsurer domicile based on 30 June 2019 balance sheet reporting
- Copies of Monthly Presentations to the Lloyd's Market Association regarding the Part VII transfer, the data requirements, the progress made to date, and the Lloyd's Insurance Company SA operating model

Other specialist advice

- Copy of the Locke Lord LLP Comity Opinion dated June 2019 and subsequently updated
- Copy of the Appleby (Bermuda) Limited Comity Opinion dated June 2019 and subsequently updated
- Copy of legal advice from Freshfields Bruckhaus Deringer LLP on the Applicability of the UK Financial Services Compensation Scheme (FSCS) and jurisdiction of the UK Financial Ombudsman Service post-Transfer
- Copy of legal advice from Freshfields Bruckhaus Deringer LLP regarding the legal analysis on the outwards reinsurance structure and exercise of relevant FSMA power
- Deloitte UK VAT analysis of the proposed Part VII transfer
- Deloitte Belgium analysis of the accounting and corporation tax implications for the proposed Part VII transfer

Other information available in the public domain

- Individual Solvency Financial Condition Reports (SFCR) 2018 and 2019 for the Corporation of Lloyd's and Lloyd's Insurance Company SA
- Lloyd's Insurance Company SA financial statements for the year ended 31 December 2018
- Background to the Lloyd's Part VII transfer, the Corporation of Lloyd's and Lloyd's Insurance Company SA from Lloyds.com and Lloydsbrussels.com



Accountants &
business advisers