

# MARKET BULLETIN

<b>From</b>	Director, Franchise Performance (extn 6743)
<b>Date</b>	30 November 2005
<b>Reference</b>	Y3682
<b>Subject</b>	<b>Truncated RDS Summary Return &amp; 2006 Reinsurance Schematic</b>
<b>Subject areas</b>	All active syndicates in 2006
<b>Action points</b>	<b>Managing agents to complete RDS summary return</b>
<b>Deadlines</b>	<b>Reinsurance Schematic – 1 February 2006</b> <b>Truncated RDS Summary Return – 1 March 2006</b>

## Purpose of bulletin

The purpose of this bulletin is to notify managing agents of a Truncated RDS Summary Return to monitor syndicates' exposures to five RDS events and a Reinsurance Schematic to monitor their outwards treaty reinsurance programmes as at 1 January 2006.

## Truncated RDS Summary Return

The RDS summary return is compulsory for all active syndicates in 2006. The five events to be returned are:

- Florida Windstorm (Miami-Dade event)
- California Earthquake (Los Angeles event)
- New Madrid Earthquake (USD 35bn event)
- European Windstorm
- Gulf of Mexico Windstorm

This return will be in the form of a Microsoft Excel spreadsheet. Franchisees will be asked to declare their "Aggregate", "Gross Loss", "Net Loss", "Reinstatement Premiums In", "Reinstatement Premiums Out" and "Final Net Loss" to each of the five selected events.

The return is to be based on the scenarios as described in the 2005 Guidance and Instructions.

The Truncated RDS Summary Return template will be available for download from the Market Reporting web-site from 22 December 2005, and completed returns should be returned to the Market Reporting web-site by noon on 1 March 2006.

### **Treaty Reinsurance Schematic**

Managing agents are asked to provide syndicate specific details, in a prescribed format, of syndicate outwards treaty reinsurance protections, in force as of 1 January 2006.

The template format, including example programmes, can be downloaded from the Market Reporting Website from 22 December 2005 and should be returned by noon on 1 February 2006.

### **Further information**

A Frequently Asked Questions (FAQ) support document will also be posted on the Market Reporting web-site to assist managing agents to complete their returns.

If you have any queries about this market bulletin, please contact a member of the Loss Modelling team within the Franchise Performance Directorate: Paul Nunn on 020 7327 6402, Trevor Maynard on 020 7327 6141, James Boyce on 020 7327 6534 and Junsang Choi on 020 7327 6496

This market bulletin has been sent to active underwriters and to the compliance officers of managing agents.

Rolf Tolle  
Director,  
Franchise Performance