

MARKET BULLETIN

REF:Y4082

Title	US Reporting: Schedules F & P
Purpose	To advise managing agents of the Schedule F and P reporting requirements for the 2007 year end.
Type	Scheduled
From	Leslie Redmond, Manager Overseas Reporting, Market Reporting, Finance, Risk Management and Operations Direct phone number: 020 7327 5490 email: leslie.redmond@lloyds.com
Date	27 November 2007
Deadline	None - for information
Related links	None

The return

Instructions for Schedules F and P for the 2007 year end reporting exercise are attached to this market bulletin as Appendix 1. The forms in the packs for completion, which are in a format previously agreed with the New York Insurance Department (NYID), remain unchanged from previous years. If you would like copies of what they look like in advance of the issue of the software please advise us using the contact details below.

Schedule F and P returns must be made for each syndicate which has a Surplus Lines Trust Fund (SLTF) or a Credit for Reinsurance Trust Fund (CRTF) and which is required to complete quarterly filings for US reporting purposes on these funds. Schedule F and P returns should follow the reporting structure of the main US packs. **Returns for "incidental syndicates", and for syndicates with years of account managed by different agents, must be in line with their present reporting structure.** Schedule F and P returns must also be made for each syndicate which has transacted, or which has reinsured to close a syndicate which has previously transacted, Lloyd's American Trust Fund (LATF) business and which had years of account unclosed at 1 January 2007.

Schedule F and P returns are required for all syndicates which have ceased to trade but which still have open (including run-off) years and have transacted LATF, SLTF or CRTF business.

The SLTF and CRTF Schedule F and P returns will be submitted to NYID on an individual

syndicate basis as well as at a global level. For the 2007 year end, Schedule P information for SLTF and CRTF business must be completed on a “gross of reinsurance” basis.

The LATF return is made at a global level only, and LATF data must be submitted in respect of **both** the gross and net of reinsurance positions.

Electronic submission

An electronic version of the return for all three trust funds (as applicable) must be submitted to Market Reporting (MR) at the same time as the main US reporting packs for SLTF and CRTF business are filed on **14 February 2008**. The electronic package, which uses the same system as the previous returns, will be provided to managing agents in December, in order to include the most up-to-date LORS code set and the latest system validations. A final LORS code set, that you will need to apply to your packs, will be issued a week prior to the deadline date to ensure all packs contain the latest LORS code data.

The software will cross-validate the Schedule F and P returns with the main US returns, in order to ensure consistency between the two parts of the filings. Instructions on how to use the software will be issued to you along with the software.

Hard copy returns

Hard copy Schedule F and P returns for the SLTF and CRTF should be combined with the hard copy version of the main US reporting pack of the same trust fund of the same syndicate. Each such pack should then be notarised as a single document. Market Reporting will only require one notarised copy, but you should have a second copy notarised for your own files. It is currently envisaged that notarised packs will be due for submission on **19 February 2008**.

Please **DO NOT** provide Market Reporting with hard copy returns in respect of the **LATF** filings.

Nil returns

Schedule F and P returns are **not** required from syndicates which transacted US business after 1 January 1993 but which have ceased trading and closed all years of account by reinsurance to close into another syndicate at 1 January 2007. Schedule F and P returns are also **not** required from syndicates that have not signed US situs trust deeds.

If you have any queries on this bulletin, please contact David Cokayne on extension 6238 or me on the above number.

This bulletin is being sent to the compliance officer of all managing agents.

Leslie Redmond
Manager, Overseas Reporting
Market Reporting

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Appendix 2

Instructions:

Schedule F – LATF/SLTF/CRTF

Schedule P – LATF

Schedule P – SLTF/CRTF

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SCHEDULE F Instructions – 31 December 2007

Index to Schedule F – Reinsurance Ceded

- Part 2 - Portfolio Reinsurance
- Part 3 - Ceded Reinsurance
- Part 4 - Ageing of Ceded Reinsurance
- Part 5 - Provision for Unauthorised Reinsurance
- Part 6 - Provision for Overdue Authorised Reinsurance
- Part 7 - Provision for Overdue Reinsurance (Authorised over 20%)
- Part 8 - Restatement of Balance Sheet to identify net credit for ceded reinsurance

1. General

- 1.1 All parts of Schedule F must be filed with the annual statement within 60 days of the year end.
- 1.2 "Federal ID Number".
Most parts of Schedule F require that the "Federal Employer Identification Number" is reported for assuming or ceding insurers. Reinsurance intermediaries should not be listed because Schedule F is intended to identify only risk-bearing entities.
- 1.3 Use of Federal Employer Identification Number (FEIN).
The FEIN must be reported for each US domiciled insurer and US branch of an alien (i.e. non-US) insurer. The FEIN should not be reported as the "Federal ID Number" for other alien insurers even if such a number has been issued by the federal government.
- 1.4 Alien Insurer Identification Number (AIIN).
For transactions involving alien companies, the appropriate AIIN must be included on Schedule F instead of the FEIN. The AIIN is assigned by the NAIC and is listed in the NAIC Listing of Companies.
- 1.5 Pool and Association Numbers.
For transactions involving pools or associations consisting of non-affiliated companies, the appropriate Pool/Association Identification Number must be included on Schedule F. These numbers are listed in the NAIC Listing of Companies and should be used instead of any FEIN that may have been assigned. If a pool has been set up purely for administration purposes, and does not have an associated NAIC code, the constituent reinsurers (with NAIC codes) should be entered on Schedule F.
- 1.6 NAIC Company Code.
No NAIC Company Code is assigned to insurers domiciled outside of the US or to pools or associations. AIIN prefix AA must be entered in place of the NAIC Company Code where applicable.
- 1.7 Domiciliary Jurisdiction.
In those parts of Schedule F requiring disclosure of the "Domiciliary Jurisdiction" for each domestic reinsurer or US branch listed, the column should be completed with the state where the reinsurer maintains its statutory home office. For all non-US reinsurers, this column should be completed with the country where the reinsurer is domiciled (e.g. the domiciliary jurisdiction of Lloyd's syndicates is the United Kingdom).

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- 1.8 Details of FEINs, AINs, NAIC company codes and details of the domiciliary jurisdiction of reinsurers are built into the LORS code set. This has been incorporated in the Schedule F and P software as a look-up table in which details of individual reinsurers can be obtained on entry of the reinsurer's LORS code number. Agents should first attempt to obtain these details from the current LORS code set.
- 1.9 In the unlikely event that a LORS number or reinsurer is not recognised by the software, Bridget Angell (01634 887521) or Rebecca Queay (01634 887717) of Xchanging Ins-Sure Services should be contacted to ensure that a code is allocated. **Recoveries from uncoded and unidentified reinsurers must not be included within Schedule F.**
- 1.10 Lloyd's syndicates.
Cessions to Lloyd's syndicates under reinsurance arrangements having an inception date on or before 31 July 1995 (it would be expected that the large majority of LATF business would be covered by such policies) should be reported using the collective Lloyd's number AA – 1122000. This must be done on an aggregated basis under the category of Authorised Insurers - Lloyd's Syndicates.
- Cessions to Lloyd's syndicates under reinsurance arrangements having an inception, amendment or renewal date on or after 1 August 1995 must be reported using the specific number of each subscribing syndicate, as listed in the alien section of the NAIC Listing of Companies. Such syndicates should be listed individually under Authorised Insurers - Lloyd's Syndicates.
- Cessions on or after 1 August 1995 to syndicates for which an identification number does not appear in the NAIC Listing of Companies should be reported, on an aggregated basis, under Unauthorised Insurers - Lloyd's Syndicates, using the collective number AA - 1123000.
- 1.11 Dates.
All dates in Schedule F must be in the format MM/DD/YYYY. For example the date 7 June 2007 should be reported as 06/07/2007.
- 1.12 Aggregation of reinsurers.
The aggregation of reinsurers (except for certain Lloyd's syndicates as detailed in paragraph 1.10 above) is not permitted in any of Parts 2 to 7. All companies must be identified.
- 1.13 Determination of Authorised Status.
The determination of the authorised or unauthorised status of an insurer or reinsurer listed in any part of Schedule F shall be based on the status of that insurer or reinsurer in the State of New York. The NYID publishes (at least annually) a list of authorised reinsurers (i.e. licensed reinsurers or reinsurers which are accredited for credit for reinsurance purposes). Under New York law, cedants are allowed to take credit for reinsurance ceded to such reinsurers. Credit is also allowed under New York law for reinsurance which is ceded to an insurer which is not licensed or has no approved status in the State of New York but only to the extent that the reinsurance liabilities owed to the cedant by the reinsurer are secured by a letter of credit or a Regulation 114 trust agreement or similar collateral. The NAIC Listing of Companies supplied by Lloyd's (referred to in paragraph 1.4 above) will contain details of whether each company is authorised by NYID.
- 1.14 Schedule F, Parts 2 to 8, must be completed separately for LATF, SLTF and CRTF

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business, for all years combined. The SLTF and CRTF forms must be included within the notarised Annual US Situs trust fund reporting packs.

- 1.15 For the purpose of completing Schedule F, LCA balances should be treated as reinsurance recoveries settled. They should therefore be excluded from Parts 2 to 7 for all three funds and only included in Part 8 of the LATF return.
- 1.16 The software has been designed to facilitate the input of all data in dollars rather than round thousands of dollars for all forms: the software will perform the calculation of round thousand information where this needs to be reported on a particular form (i.e. Parts 3, 4 and 5).

2. Schedule F - Part 2: Premium Portfolio Reinsurance

- 2.1 This schedule should list by portfolio, i.e. by individual policy, any original premiums and reinsurance premiums for portfolio reinsurance transactions effected or cancelled during the year. Unlike Schedule F, Parts 3 to 7, where separate entries need to be made at reinsurer rather than policy level, Part 2 needs to show details of individual reinsurance policies where 100% reinsurance has been assumed or ceded.
- 2.2 Portfolio reinsurance is the transfer of the entire liability of an insurer for in-force policies in respect of a described segment of the insurer's business. Portfolio reinsurance therefore includes 100% quota share of a defined part of a syndicate's business, including the "closing" of a syndicate into another syndicate or an outwards reinsurer. For the avoidance of doubt, the closing of a predecessor underwriting year into a successor underwriting year of the same syndicate does **not** need to be included on this form. The 100% facultative reinsurance of single risks should also be excluded from this form.
- 2.3 Reasonable estimates may be used to allocate reinsurance ceded and assumed by portfolio by trust fund.
- 2.4 Where a syndicate has assumed the reinsurance to close of another syndicate, each of the three trust funds' shares of the reinsurance to close premium received should be disclosed in Column 3. There is no need to complete any details of 'Original Premium' in Column 2 for such business.

3. Schedule F - Part 3: Ceded reinsurance

- 3.1 This form is the basic source of information on reinsurance ceded. It shows both premiums ceded and reinsurance recoverable for each outward reinsurer.
- 3.2 Please complete this form in whole dollars. The software will automatically round to thousands of dollars.
- 3.3 If a syndicate has amounts reported for any of the following required groups, it must report the subtotal amount of the corresponding group. The software automatically generates these subtotals.

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<u>Group</u>	<u>Line Number</u>
Total Authorised - Lloyd's syndicates	0199999
Total Authorised - Affiliates	0499999
Total Authorised - Other	0899999
Total Authorised	0999999
Total Unauthorised - Lloyd's syndicates	1019999
Total Unauthorised - Affiliates	1499999
Total Unauthorised - Other	1799999
Total Unauthorised	1899999
Totals	9999999

All reinsurance transactions placed with a reinsurance company, which is either the holding company of the managing agent of a syndicate or another company within the same group, should be disclosed under affiliates. Reinsurance transactions with Lloyd's syndicates in the same group should not be classified as affiliates.

3.4 Reinsurance contracts ceding 75% or more of direct premiums written – unnumbered column.

Each individual contract, except those listed below, which provides for the cession of 75% or more of direct premiums written under such cession during the year, should be identified by inserting '2' in this column. In order to do this, the software provides the facility for agents to enter a 'Y' for yes where this situation applies and '2' will automatically be generated in this column. The reinsurance transactions so identified shall include both treaty and facultative cessions of direct business written by the company.

Entries in this column, headed "Reinsurance contracts ceding 75% or more of direct premiums written", should exclude:-

- Inter-company reinsurance transactions with affiliates.

This has been defined by the NAIC as all reinsurance transactions placed with a reinsurance company, which is either the holding company of the managing agent of a syndicate or another company within the same group, should be disclosed under affiliates. Reinsurance transactions with Lloyd's syndicates in the same group should not be classified as affiliates.

- Reinsurance transactions involving captive insurance companies.

Where there is more than one reinsurance contract with a particular reinsurer, the 75% rule in relation to direct business refers to the total underlying direct business covered by the reinsurer rather than the business covered on a contract by contract basis.

3.5 Reinsurance premiums ceded - column 1.

The data required is for the **calendar year** and relates to premiums ceded net of any commissions received. **Syndicates should follow their normal accounting policies with regards to adjustment for accrued reinsurance premiums.** Syndicates should therefore check that the total of this column reconciles with the total calendar year movement for reinsurance ceded for SLTF, CRTF and LATF business per the underlying accounting records which are used to produce the Syndicate Return and the Syndicate Accounts.

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- 3.6 Reinsurance recoverable on paid losses - column 2.
Lloyd's syndicates do not currently account for loss adjustment expenses separately. This represents amounts recoverable on paid losses, including loss adjustment expenses, **recoverable at the balance sheet date** (i.e. reinsurance accruals). Reinsurance recoverable should be reported net of any bad debts written off and gross of any reinstatement premiums payable by the syndicate as a consequence of making the reinsurance recovery: such reinstatement premiums payable should be included in column 6 - ceded balances payable.
- 3.7 Reinsurance recoverable on outstanding losses - column 3.
This column represents reinsurance recoverable on all outstanding losses at the balance sheet date. This must be completed in respect of all years of account including naturally open years. Reinstatement premiums payable in respect of reinsurance recoveries on outstanding claims should be netted off against the recoveries reported in column 3. For LATF business only, the grand total of column 3 should agree with total reinsurance recoverable on outstanding losses reported on Schedule P, Part 1 (summary), column 10, line12.
- 3.8 Reinsurance recoverable on IBNR losses - column 4.
This column must be completed in respect of all years of account, including naturally open years. Reinstatement premiums payable in respect of reinsurance recoveries on IBNR claims should be netted off against the recoveries reported in column 4. If necessary, a reasonable estimate can be used in order to allocate reinsurance recoverable on IBNR between individual reinsurers and between the three US Situs trust funds. For LATF business only, the grand total of column 4 should agree with total reinsurance recoverable on IBNR losses reported in Schedule P, Part 1 (summary), column 12, line12.
- 3.9 Column 5.
This represents the subtotals of columns 2 through to 4 and is automatically calculated by the software.
- 3.10 Reinsurance payable: ceded balances payable - column 6.
These amounts represent all ceded premiums payable to the reinsurer at the balance sheet date, e.g. original premium instalments, exposure or experience based premiums, reinstatement premiums except reinstatements on outstanding claims and IBNR as in accordance with paragraphs 3.7 and 3.8. Amounts should only be included in this column to the extent that they may be offset against reinsurance recoverable as reported in column 5 (i.e. where there is a right of set-off within the reinsurance contract).
- 3.11 Reinsurance payable: other amounts due to reinsurers - column 7.
This is a "miscellaneous" account and should include amounts due to reinsurers other than premiums, such as commission or profit sharing adjustments, subrogation recoveries, return of collateral no longer required and so on. It should exclude funds held by the syndicate under reinsurance treaties which are included in column 9. Amounts should only be included in this column to the extent that they can be offset against reinsurance recoverable as reported in column 5.
- 3.12 Net amount recoverable from reinsurers - column 8.
These amounts, which represent the net sum of all preceding columns other than ceded premiums, are the net amounts recoverable from each reinsurer and should include all offsets to the extent that they are allowable or appropriate. **This must not be less than zero. The software will make this restriction automatically, so**

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lines will not add across where restrictions apply.

- 3.13 Funds held by syndicate under reinsurance treaties - column 9.
Please include any amounts held under reinsurance treaties, including premiums and claims reserves. For the purpose of completing this form, reinsurance treaties include both proportional and non-proportional treaties.
- 3.14 Reinsurance recoveries on reinsurance to close assumed from another syndicate should be reported, by reinsurer, together with all other reinsurance recoveries in each of the relevant categories of reinsurer. Reinsurance premiums ceded in the calendar year in respect of such a closed year of account should be included in Column 1.
- 3.15 Reciprocal reinsurance arrangements, including quota share reciprocal arrangements.
Where a syndicate has entered into a reciprocal reinsurance arrangement with a reinsurer, including quota share reciprocal arrangements, the gross amount due from the reinsurer should be disclosed in columns 2 to 4 as appropriate. An example of this is where the reinsurer retrocedes 50% of the amount originally reinsured by the syndicate back to that syndicate. If reinsurance recoveries due back from the syndicate to the reinsurer can be offset against the recoveries due from the reinsurer to the syndicate according to the terms of the reinsurance contract, these should be reported in column 7.
- 3.16 Treatment of Outstanding Claims Advices (OCAs).
OCAs in respect of which the syndicate has received cash at the reporting date should be netted off against the recoveries on paid or outstanding claims to which they relate. The net recovery should be disclosed in column 3 or 4 as appropriate. For the avoidance of doubt, where an OCA facility exists but no cash advance has yet been received, no entry should be made in the Schedule F forms for the facility.
- 3.17 'Swing-rated' (loss sensitive) contracts written by the syndicate.
Where a syndicate has written swing-rated contracts, additional premiums payable by the insured consequent upon the payment of claims by the syndicate are sometimes treated as reinsurance recoveries in the accounting records of the insuring syndicate. Since these additional premiums receivable by the syndicate are not true reinsurance recoveries, they should not be reported as reinsurance recoveries receivable for Schedule F reporting purposes.

4. Schedule F - Part 4: Ageing of ceded reinsurance

- 4.1 The point at which the ageing process commences for the purpose of completing this form is the date of issue of the collection note.
- 4.2 Recoverable losses less than \$50,000 from a particular reinsurer.
Where the reinsurance agreement does not specify any timing and the recoverable losses are less than \$50,000 as to a particular reinsurer, amounts should be reported as current (column 1). If, however, they appeared in prior years' statements and have still not been collected, they become more than 120 days overdue and must be reported in column 5. The figure appearing in column 5 is calculated by the software and is the difference between the total of F Part 4 columns 1 to 4 and the figure appearing in F Part 3 Paid Losses (including LAE).
- 4.3 Please complete this form in whole dollars. The software will automatically round to

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thousands of dollars.

4.4 The total of column 7 on this form will agree to the total of column 2 on Schedule F, Part 3, being automatically fed through by the software.

4.5 Columns 8 & 9.
Percentages in the subtotal and total lines should be derived from subtotal and total data.

5. **Schedule F - Part 5: Provision for unauthorised reinsurance**

5.1 Full credit for reinsurance is obtained only if all reinsurance balances are secured, the payment record is current and the amounts are not disputed. Broadly the provision for unauthorised reinsurance equals: -

The smaller of the total amount recoverable - column 1 (A) or the net recoverable - column 7 (B) plus the smaller of (A-B) or 20% of "recoverable paid losses over 90 days past due not in dispute" (C), plus the smaller of (A-B) or 20% of "amounts in dispute" (D).

5.2 Please complete this form in whole dollars. The software will automatically round to thousands of dollars.

5.3 Column 1 - reinsurance recoverable, all items Schedule F, Part 3, column 5.
This is the net amount as shown in the unauthorised section of column 5, Schedule F, Part 3, being automatically fed through by the software.

5.4 Column 2 - Funds held by the syndicate under reinsurance treaties.
These are the same amounts as included in the unauthorised section of column 9, Schedule F, Part 3, being automatically fed through by the software.

5.5 Column 3 - Letters of Credit (LoCs).
This column should include any LoCs issued by reinsurers in favour of the syndicate where the facility has not yet been drawn down upon. If an LoC has been drawn down upon, the amount drawn down should be netted off against the reinsurance recovery to which it relates and the net recovery should be reported in Schedule F, Part 3, column 2 or 3 as appropriate.

5.6 Column 4 - Ceded balances payable & Column 5 - Miscellaneous balances.
Offsets should be included in columns 4 and 5 to the extent that they are allowable or appropriate. These will also agree with the unauthorised section of Schedule F, Part 3, columns 6 and 7 respectively, being automatically fed through by the software.

5.7 Column 6 - Other allowed offset items.
This should include any collateral other than funds withheld by the cedant or LoCs issued by the reinsurer. For example, trust account balances and other acceptable securities such as Regulation 114 trusts should be included in this column.

5.8 Column 7.
This relates to the sum of columns 2 to 6 but must not exceed the amounts reported in column 1. These figures will be derived automatically.

5.9 Column 8.
This subtotal should not be less than zero and is derived automatically.

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- 5.10 Column 9 - recoverable paid losses over 90 days past due not in dispute. This column represents all amounts over 90 days due which are not in dispute.
- 5.11 Column 11 - Smaller of column 7 or column 10. Amounts in this column are derived automatically and should never be less than zero.
- 5.12 Column 13 - Total provision for unauthorised reinsurance. If the syndicate's experience indicates that a higher amount should be provided, then this higher amount should be provided. Amounts in this column should never be less than zero.
- 5.13 For the purpose of completing this form, amounts 'in dispute' are losses in dispute by reason of notification, arbitration or litigation. "Notification" means a formal written communication from a reinsurer denying the validity of coverage.
- 5.14 Footnote 1 must include all reinsurance recoverable from unauthorised reinsurers which is in dispute and Footnote 2 must include such amounts in dispute which are over 90 days old.

6. Schedule F - Part 6: Provision for overdue authorised reinsurance

- 6.1 Please complete this form in whole dollars.
- 6.2 This form has a similar purpose to Part 5. It is intended to provide an analysis of the current performance of most authorised reinsurers against historical payment performance. The authorised reinsurer's payment record is measured by the proportion which overdue payments (i.e. over 90 days old) bear to the receipt of payments within the past 90 days and total remaining recoverables on paid losses. If that proportion is less than 20%, then a 20% provision is calculated against both overdue amounts and ceded amounts.
- 6.3 This form should therefore be completed for all authorised reinsurers having paid loss recoverable balances more than 90 days overdue as reported on Schedule F, Part 4. Reinsurance recoverable on paid and unpaid (including IBNR) losses in dispute by reason of notification, arbitration or litigation should be excluded from columns 1 and 2. "Notification" has the meaning defined in paragraph 5.13 above. Amounts excluded must be disclosed in Notes A and B.
- 6.4 The total of column 1 should equal Schedule F, Part 4, columns 4 and 5, Total Authorised x 1000 less the amount in Note (a) for each reinsurer shown.
- 6.5 The total of column 2 will equal Schedule F, Part 3, column 2, Total Authorised x 1000 less the amount in Note (b) for each reinsurer shown, being automatically fed through by the software.
- 6.6 Column 3 - amounts received prior to 90 days. Recoveries paid by the reinsurer in the last 90 days should be included in this column.
- 6.7 If the syndicate's experience indicates that a higher amount should be provided in column 8, this higher amount should be entered. The total of column 8 will be carried to Schedule F, Part 7, line 4 automatically by the software.

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6.8 Column 4 - column 1 divided by (columns 2 + 3).
If 20% or more, the reinsurer will be reported on Schedule F, Part 7.

7. Schedule F - Part 7: Provision for overdue reinsurance

7.1 Please complete this form in whole dollars.

7.2 This schedule has two purposes. First, it calculates a provision for overdue reinsurance for those authorised reinsurers where the overdue recoverables are greater than 20% of total recoverables and recent payments. For these companies, an offset analysis similar to that for unauthorised companies is performed and a specific provision is calculated equal to 20% of the greater of the amounts recoverable over 90 days or the total recoverable, including paid losses, not secured or offset. Thus, if more than 20% of an authorised reinsurer's current overall claims relationship with a syndicate is more than 90 days overdue it is treated in a manner similar to an unauthorised reinsurer. The syndicate should make an additional provision if the syndicate's experience indicates that a higher amount should be provided.

7.3 The second purpose of this schedule is to add the provisions calculated in Parts 5, 6 and 7 to create a total statutory provision for reinsurance recoverables.

7.4 Column 1 - reinsurance recoverable all items.
This will agree to Schedule F, Part 3, column 5 x 1000 (for each reinsurer shown), being automatically fed through by the software.

7.5 Column 2 - Funds held by syndicate under reinsurance treaties.
This will agree to Schedule F, Part 3, column 9 x 1000 (for each reinsurer shown), being automatically fed through by the software.

7.6 Column 3 - Letters of Credit (LoCs).
This column should include any LoCs issued by reinsurers in favour of the syndicate where the facility has not yet been drawn down upon. If the LoC has been drawn down upon, the amount drawn down should be netted off against the reinsurance recovery to which it relates and the net recovery should be reported in Schedule F, Part 3, column 2 or 3 as appropriate.
In order that the global return for LATF business can be correctly generated, it will be necessary for agents to provide details of LoCs for all authorised reinsurers for LATF business. This is regardless of whether these particular reinsurers' details need to be included in Part 7 of the individual syndicate's LATF return.

7.7 Column 4 - Ceded balances payable.
This will agree to Schedule F, Part 3, column 6 x 1000 (for each reinsurer shown), being automatically fed through by the software.

7.8 Column 5 - Other miscellaneous balances.
This will agree to Schedule F, Part 3, column 7 x 1000 (for each reinsurer shown), being automatically fed through by the software.

7.9 Column 6 - Other allowed offset items.
This will include any permissible items not included in columns 2, 3, 4 or 5.
In order that the global return for LATF business can be correctly generated, it will be necessary for agents to provide details of other allowed offset items for all authorised

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reinsurers for LATF business, regardless of whether these particular reinsurers' details need to be included in Part 7 of the individual syndicate's LATF return.

- 7.10 Line 3 - Line 1 x Line 2.
If the syndicate's experience indicates that a higher amount should be provided, this higher amount should be entered.

8. Schedule F - Part 8: Balance Sheet restatement

- 8.1 Please complete this form in whole dollars.
- 8.2 This schedule restates the balance sheet on a gross basis by adjusting the effect of ceded reinsurance on each line item and provides insurers' gross leverage and dependence upon outwards reinsurance. It therefore also provides an indication of the potential amount available which could be credited for reinsurance ceded.
- 8.3 Column 1 shows the amounts currently reported in the individual trust funds, gross in the situs trust funds and partly net in the LATF. The assets and liabilities reported for the situs trust funds should agree with those reported in the Assets and Gross Liabilities and Reconciliation of Movements in Trust Fund within the main body of the US situs trust fund reporting packs. For the LATF, the only assets to be included in this column are those admissible for NYID reporting purposes, namely cash and investments, LCA balances and accrued interest. These balances should be consistent with those reported in form(s) AR250 (LATF) of the annual return. LATF losses and loss adjustment expenses should be reported net of reinsurance recoverable and should be consistent with the reserves estimates provided for year end LATF on line 18 of form(s) AR223.
- LATF LCA balances should be reported within column 1, lines 2 and 15 for debit and credit amounts respectively (i.e. debit and credit balances should not be shown net).
- 8.4 Column 2 shows the adjustment for the credit allowed for reinsurance ceded, net of bad debt provisions as calculated in Schedule F, Parts 5 to 7.
- 8.5 Column 3 represents the balances after taking account of the credit on allowable reinsurance recoverable on paid losses and on outstanding losses.
- 8.6 Line 2: Agents' balances or uncollected premiums.
This asset will be reduced in Column 2 by the ceded reinsurance premiums payable offset against reinsurance recoverable in Schedule F, Part 3, Column 6 x 1000.
- 8.7 Line 3: Funds held by or deposited with reassureds.
CRTF balances should agree to the main US reporting pack, form RI2 line 2c.
- 8.8 Line 4: Reinsurance recoverable on loss and LAE payments.
An asset will be inserted in Column 2, being the total reinsurance recoverable on paid losses and loss adjustment expenses as shown in Schedule F, Part 3, Column 2 x 1000.
- 8.9 Line 5: Other Assets.
SLTF balances should agree to the main US reporting pack, form SL1 line 6.
- 8.10 Line 8: Losses and loss adjustment expenses.

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This liability will be reduced in Column 2 by the amount recoverable from reinsurers on outstanding losses and IBNR, as reported in Schedule F, Part 3, Columns 3 and 4 x 1000 for the situs trust funds. For LATF reporting purposes, the loss reserves in column 1 already take into account reinsurance recoverable so no adjustment is necessary on this line.

For SLTF and CRTF, Column 1 balances should agree to the main US reporting packs form SL/RI 2 line 1.

- 8.11 Line 12: Funds held by company under reinsurance treaties.
This liability will be increased in Column 2 by the amount shown in Schedule F, Part 3, Column 9 x 1000.
- 8.12 Line 14: Provision for reinsurance.
The provision for reinsurance calculated in Schedule F, Part 7, Column 9 will be included as a liability in Column 2.
- 8.13 Where applicable, other assets in Line 5 will be reduced and liabilities in Lines 9, 13 and 15 adjusted (the agent needs to decide this split) as appropriate for miscellaneous amounts due to reinsurers, offset against reinsurance recoverable in Schedule F, Part 3, Column 7 x 1000.
- 8.14 Line 17: Surplus as regards policyholders.
For the CRTF and SLTF, column 1 will include the amount that is required to be transferred (to)/from the trust fund per the Gross Liabilities and Reconciliation of Movements schedule within the main US reporting pack. For LATF business, column 1 will show the excess of admissible LATF assets over liabilities.
Column 2 should include the net of all reinsurance adjustments to the balance sheet, being a balancing figure.
- 8.15 For SLTF and CRTF business, the following lines should agree to the main US reporting pack as follows:

Schedule F part 8

Line 1 Column 1	Main US pack SL/RI1 line 5, all years
Line 3 Column 1	Main US pack RI2 line 2c, all years
Line 5 Column 1	Main US pack SL1 line 6, all years
Line 5 Column 1	Main US pack RI1 line 6 all years + RI2 lines 2a + 2b, all years
Line 8 Column 1	Main US pack SL/RI2 line 1, all years
CRTF Line 17 Column 1	Main US pack RI2 line 14 all years
SLTF Line 17 Column 1	Main US pack SL2 lines 1 minus 2 plus 14 all years

In addition Line 8, Column 1 should agree with Schedule P, Part 1 Summary as follows:

For SLTF and CRTF business - Column 19, Line 12.

For LATF business - Column 22, Line 12.

It is intended that the software will be able to map validations where there is more than one return for Schedules P or more than one Main US return to agree to the Schedules F return. Market Reporting has already requested agreement from agents with regards to syndicate mappings for this exercise.

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SCHEDULE P - LATF - 31 December 2007

1. General

- 1.1 Schedule P, as adapted for Lloyd's syndicates, includes the following parts:
- Part 1 - Detailed information on losses
 - Part 2 - History of incurred losses
 - Part 3 - History of loss payments
 - Part 4 - History of incurred but not reported reserves
 - Part 6 - History of premiums signed
 - Additional information
- 1.2 Schedule P is intended to display a summary containing 10 years of historical data for all lines of business. For Lloyd's syndicates, data for years of account 1993-1995 should be entered on form P part 1, line 1 (prior) by class of business.
- 1.3 Schedule P must be filed with the New York regulators within 60 days of the year end.
- 1.4 Signed premium is stated on a year of account basis gross of brokerage and commission.
- 1.5 Losses incurred should be assigned to the year of account to which the premium was assigned for the contract covering the loss. Where a syndicate has assumed the reinsurance to close of another syndicate, the underlying premiums and liabilities data by year of account for the syndicate reinsured should be aggregated with the data relating to the main syndicate. For LATF business, there is no need to report the underlying loss history of the syndicate reinsured separately from the main syndicate as this level of data is not filed with the regulators (i.e. Lloyd's files a market aggregation). If you opt to disclose such data separately please advise Market Reporting accordingly.
- 1.6 All parts of Schedule P must be reported in \$000s.
- 1.7 The various Parts of Schedule P should be completed for the same lines of business as used within the main LATF return submitted to NYID, and as used for US situs trust fund reporting purposes, namely:
- Ocean marine
 - Other accident and health
 - Other liability
 - Auto physical damage
 - Aircraft (all perils)
 - Goods in transit
 - Property
 - Pecuniary loss
- 1.8 For all Parts of Schedule P, **net** information should be provided for LATF business, **except** where gross, ceded and net information is required (i.e. in Parts 1 and 6).
- 1.9 The software will not allow agents to amend prior years' data within parts 2 to 6 without first obtaining a password from Market Reporting.

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2. Schedule P: Part 1 - Detailed information on losses

- 2.1 Assumed and ceded figures must be entered in the relevant columns (1 to 12 and 19 to 28) for the LATF filing, thereby providing information net of reinsurances.
- 2.2 For LATF business, premiums net of brokerage should be grossed up by a factor of 100/81.6. This gross up factor should be applied to premiums gross of reinsurance ceded only and does not change from year to year. Reserves (net of reinstatement premiums on recoveries of outstanding claims and IBNR) should also be consistent with the reserves reported for solvency purposes on form AR223 within the syndicate return. The data in Schedule P must also reflect any corrections arising from transfers between trust funds.
"Direct" means business which is directly written.
"Assumed" means reinsurance business assumed.
"Ceded" means reinsurance ceded on business so reported as direct or assumed.
- 2.3 Agents should report cumulative amounts paid or received for specific years of account. Gross premiums and reinsurance premiums ceded should include any accruals made at the reporting date.
- 2.4 Unlike the position for SLTF and CRTF business, there is no need to calculate separately, or disclose, additional IBNR on unearned premiums, future (unsigned) premiums or the provision for earned, unsigned premiums. Columns 13 to 18 within the LATF return will therefore be blank. The normal UK reserving methodology will apply for LATF business.
- 2.5 Columns 8 and 21 concern salvage and subrogation recoveries received and anticipated. These columns should be completed by inserting details of **all** known salvage and subrogation recoveries, regardless of whether these amount to 10% or more of gross paid or outstanding claims, in order that the aggregation of these items for the total LATF return can be performed correctly. These are memorandum columns only which are not added into any of the total columns and therefore paid and outstanding losses should be stated **net** of any salvage and subrogation recoveries.
- 2.6 Column 19 is equal to Column 9 + Column 11 and column 20 is equal to Column 10 + Column 12 (since Columns 13 to 18 will be blank for LATF business).
Column 22 is equal to Column 19 - Column 20.
Column 25 is equal to Column 23 - Column 24, which equals Column 7 + Column 22.
Column 28 is equal to Column 25 / Column 4 as, unlike for SLTF and CRTF business, this shows incurred losses as a percentage of signed premiums only (not signed plus unsigned premiums)
- 2.7 The following lines should agree to Schedule F

Schedule P part 1 (Summary)

Column 10, line 12	Schedule F Part 3, column 3 grand total
Column 12, line 12	Schedule F Part 3, column 4 grand total
Column 22, line 12	Schedule F Part 8, line 8, column 1

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3. Schedule P: Part 2 - History of incurred losses

- 3.1 Schedule P, Part 2, displays losses incurred data reported in Schedule P, Part 1, of the current and prior years. The schedule format provides a loss development overview to test the adequacy of the insurer's reserves. A memorandum summary form is included for parts 2 to 6, which can be individually selected to print (for control purposes) but which does not print as part of the pack submitted to this department.
- 3.2 Incurred losses are cumulative paid losses plus outstanding claims plus IBNR (less reinstatement premiums in respect of recoveries on outstanding claims and IBNR) at the relevant development stage for the particular year of account. The incurred losses reported in this section should be net of reinsurance recovered and recoverable.
- 3.3 At all development stages the incurred losses should reflect the ultimate losses envisaged for the syndicate. For the latest year end stage, i.e. at 31 December 2006, total losses incurred should agree with Schedule P, Part 1, Column 25.
- 3.4 Columns 12 and 13 - Development
These columns are derived automatically by the system and represent the one and two year development figures.

4. Schedule P: Part 3 - History of incurred loss payments

- 4.1 Schedule P, Part 3, displays losses paid data reported in Schedule P, Part 1, of the current and prior years. The schedule format establishes payment patterns for cash flow projections and actuarial projections.
- 4.2 These forms should be completed net for LATF business.

5. Schedule P: Part 4 - History of incurred but not reported reserves

- 5.1 Schedule P, Part 4, shows the historical IBNR reserves as reported. It does not show the development of these reserves, and it will not, by itself, provide a test of the adequacy of these reserves. A test of the adequacy of these reserves can be obtained by one of several actuarial techniques, usually based on premium volume or the incurred amounts in Schedule P, Part 2.
- 5.2 IBNR reserves are to be reported net for LATF business.
- 5.3 The IBNR reserves are intended to include reserves for incurred but not reported claims, for reopened claims, for development on case reserves of reported claims, and for aggregate reserves on newly reported claims without specific case reserves. The IBNR reserves should equal the IBNR reserves reported in Schedule P, Part 1, Column 11 minus Column 12, and therefore are inclusive of reinstatement premiums on recoveries of IBNR.

6. Schedule P: Part 5 - History of cumulative claim numbers

- 6.1 Part 5 of Schedule P does not apply to Lloyd's syndicates.

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7. Schedule P: Part 6 - History of premiums signed

- 7.1 The objective of this form is to show the development of premiums on a consistent basis with loss development.
- 7.2 The premiums to be reported are cumulative signed premiums / reinsurance premiums ceded for each relevant year of account at each year end stage. Gross premiums signed should be included in Part 6, Section 1, and reinsurance premiums ceded should be included in Part 6, Section 2.
- 7.3 Gross premiums and reinsurance premiums ceded should include any accruals made at the relevant year end stages and should agree with the amounts reported in Schedule P, Part 1, Columns 2 and 3 respectively for the latest year end stage. The signed premiums gross of reinsurance ceded reported in Part 6, Section 1, should be grossed up for brokerage and commission using the standard gross up factor of 100/81.6.
- 7.4 Both Sections 1 and 2 of these forms will need to be completed for LATF business.
- 7.5 Column 12 shows the calendar year movement in premiums signed / ceded and is calculated by the system.

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SCHEDULE P - SLTF and CRTF – 31 December 2007

1. General

- 1.1 Schedule P, as adapted for Lloyd's syndicates, includes the following parts:
- Part 1 - Detailed information on losses
 - Part 2 - History of incurred losses
 - Part 3 - History of loss payments
 - Part 4 - History of incurred but not reported reserves
 - Part 6 - History of premiums signed
 - Additional information
- 1.2 Schedule P is intended to display a summary containing 10 years of historical data for all lines of business. For Lloyd's syndicates, data the 1993-1997 years of account must be reported on form P part 1, line 1 (prior) by class of business.
- 1.3 All parts of Schedule P must be filed with the annual statement, within 60 days of the year-end, as part of the notarised packs.
- 1.4 Signed premium is stated on a year of account basis gross of brokerage and commission.
- 1.5 Losses incurred should be assigned to the year of account to which the premium was assigned for the contract covering the loss. Where a syndicate has assumed the reinsurance to close of another syndicate the premium received and the liabilities assumed should be included in the Schedule P returns (Parts 1, 2, 3, 4 and 6) for the main syndicate unless you wish to complete a separate return for these reinsured years. Where Market Reporting allowed the aggregation of data within the 2006 returns, aggregation of data for the 2007 return will continue unless you request otherwise.
- 1.6 All Parts of Schedule P must be reported in \$000s.
- 1.7 The various Parts of Schedule P should be completed for the same lines of business as the Underwriting and Investment Exhibits within the existing SLTF and CRTF Reporting Packs, namely:
- Ocean marine
 - Other accident and health
 - Other liability
 - Auto physical damage
 - Aircraft (all perils)
 - Goods in transit
 - Property
 - Pecuniary loss
- 1.8 For all Parts of Schedule P, gross information only should be completed for CRTF and SLTF business.
- 1.9 The gross reserves included in all parts of Schedule P for CRTF business should be stated before deducting any of the allowable deductions in the Gross Liabilities and Reconciliation of Movements schedule, i.e. before deducting Letters of Credit deposited, deferred instalments and funds withheld by reassureds.

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- 1.10 The software will not allow agents to amend prior years' data within parts 2 to 6 without first obtaining a password from Market Reporting.

2. Schedule P: Part 1 - Detailed information on losses

- 2.1 The forms for gross CRTF and SLTF business need only show data within the columns showing gross figures, i.e. columns 2, 5, 9, 11, 13, 15, 15g, 17, 19, 23, 26 and 8 and 21 where applicable.
- 2.2 Premiums signed and losses paid, unpaid and incurred (in columns 2, 5, 9 and 19) should reconcile with the Underwriting and Investment Exhibit. In most cases, these figures should agree with the amounts reported in the main packs as set out in paragraph 2.11 below. Premiums signed should be reported gross of brokerage and commission, in order to agree with premiums reported in the rest of the US reporting packs, and should include any adjustments made at the reporting date. The working papers setting out reinsurance adjustments and other reconciling items, such as RITC from other syndicates excluded, should be available on request for examination by the NYID. Reserves should also be consistent with the reserves reported for solvency purposes on form AR223 within the syndicate return.

"Direct" means business which is directly written.

"Assumed" means reinsurance business assumed.

"Ceded" means reinsurance ceded on business so reported as direct or assumed.

- 2.3 Report cumulative amounts paid or received for specific years of account.
- 2.4 For Schedule P reporting purposes, the NYID requires syndicates to reserve for SLTF and CRTF business using the 'modified UK basis of reserving'. This method of reserving is explained in the market bulletin entitled 'US Reporting: Modified UK Basis of Reserving' (reference **Y748** issued 4th December 1997). This bulletin should be read in conjunction with these instructions when completing Schedule P.
- 2.5 Under this basis of reserving, the IBNR element of reserves must be based on ultimate premiums net of commission and brokerage (i.e. signed premiums plus an estimate of unsigned premiums) as estimated for each year of account at the end of each development year. However, where an element of that premium is unearned, the NYID requires that the ultimate loss ratio applied to premium net of commission and brokerage is no less than 100% in order that profits are not treated as earned before the actual premiums have been earned. Where a syndicate has calculated reserves based on an ultimate loss ratio of less than 100%, it will be necessary to calculate an additional IBNR bringing reserves on the unearned proportion of premium income (net of brokerage and commission) up to 100%. The gross of reinsurance element of this additional IBNR should be included in column 13. This additional IBNR must bring reserves on unearned premiums in total (i.e. for all classes of business combined) to at least 100%. Thus, there can be some 'cross subsidisation' of this adjustment between classes of business. For example, if one class is reserved at 130% and another at 75%, the IBNR in excess of the 100% level on the unearned premium for the class reserved at over 100% can be used to offset the need to create additional IBNR on unearned premium for the class of business reserved at only 75%.
- 2.6 The element of ultimate gross premiums (net of brokerage and commission) which has not yet been signed through Xchanging at the date of the return should be included in column 15. This amount will be deducted from the other elements of

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reserves in arriving at total gross unpaid liabilities in column 19. In allowing reserves to be reduced by the level of unsigned premiums, however, the NYID was concerned to ensure that Lloyd's syndicates do not under-reserve by effectively taking full credit for any anticipated profits on earned, unsigned premium before it is certain that such premium will actually be received. Lloyd's syndicates are therefore required to set up a bad debt provision of no less than 25% of the earned, unsigned premiums (net of commission and brokerage), the gross of reinsurance element of which should be included in column 17. This provision of at least 25% of earned, unsigned premiums must be created regardless of the level of the loss ratio applied to ultimate premiums. In addition, the NYID has indicated that it will not be acceptable to reserve earned, unsigned premiums across all classes of business at less than 100%, including the 25% minimum provision referred to above. So where a syndicate has applied a loss ratio of less than 75% to earned, unsigned premiums, it will be necessary to create a provision of 100% minus the ultimate loss ratio as a minimum in column 17. This provision is added into the calculation of total unpaid liabilities. As with the additional IBNR on unearned premiums, the provision on earned, unsigned premiums applies to all classes of business combined, rather than each individual class of business, so there can be some cross subsidisation of provisions between individual classes of business.

- 2.7 Reinstatement premiums and other premiums receivable under 'swing-rated' (loss sensitive) contracts which are as yet unsigned must be included in unsigned premiums calculations rather than being netted off against outstanding claims. The adjustments in columns 15 and 17 will therefore be inclusive of adjustments on unsigned reinstatement premiums.
- 2.8 Columns 8 and 21, concerning salvage and subrogation recoveries received and anticipated, should only be completed when salvage and subrogation recoveries are material, i.e. where they amount to 10% or more of gross paid or outstanding claims. In this case, the appropriate box should be marked as 'yes' in the additional information form and salvage and subrogation should be completed for all classes of business. These are memorandum columns only which are not added into any of the total columns and therefore paid and outstanding losses should be stated net of any salvage and subrogation recoveries.
- 2.9 Column 19 is equal to Column 9 + Column 11 + Column 13 - Column 15 + Column 17. The total unpaid liabilities in Column 19 within the summary must agree with the actuarially certified reserves for all classes of business combined as reported in line 1 of form SL / RI 2 within the main US reporting pack.
- 2.10 Column 23 is equal to Column 5 + Column 9 + Column 11.
Column 26 is equal to Column 23 / (Column 2 + unsigned premiums gross of brokerage and commission: a separately input figure in input field '15g' within the software, which will now be shown on the Schedule P, Part 1 form).

Unsigned future premiums gross of brokerage and commission should be entered in column 15g being the equivalent of column 15 but gross of brokerage and commission.

- 2.11 The following lines should agree to Schedule F and the main US reporting pack.

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Schedule P Part 1

Part 1 Column 19, Line 12	F Part 8, Line 8 Column 1
Part 1a etc column 2 for each yoa and class of business for each yoa at 36 months or prior stage of development.	Main US pack SL/RI 5 line 1 etc for each yoa at 36 months or prior stage of development - lines as appropriate for each class of business.
Part 1 Column 19, for each yoa at 36 months or prior stage of development.	Main US Pack SL/RI6 line7 column 2, for each yoa at 36 months or prior stage of development.
Part 1a etc column 9 for each yoa at 36 months or prior stage of development and each class of business.	Main US pack SL/RI 7 column 1, for each yoa at 36 months or prior stage of development, lines as appropriate for each class of business.
Part 1a etc columns 19 for each yoa at 36 months or prior stage of development and each class of business.	Main US pack SL/RI 7 Column 3, for each yoa at 36 months or prior stage of development - lines as appropriate for each class of business.

The software is able to map validations where there is more than one return for Schedules P or more than one Main US return to agree to the Schedule F return. Market Reporting has already requested agreement from agents with regard to syndicate mappings for this exercise.

2.11.1 Validation rules in respect of syndicates with years of account in run-off

Due to the complexity of the Schedules F & P packs the validation rules have been designed on the assumption that a syndicate has no run-off years of account. Therefore, comparisons made between the F & P and main US Reporting packs in respect of years of account greater than 36 months old will be between Sch P 1 and SL/RI 6a/7a of an open year of account. Syndicates with run-off years will not be able to meet this rule, as the validation rule will not be looking at SL/RI 6a/7a of a run-off year, nor the SL/RI 6/7 of the run-off year itself, in the main US Reporting pack. In these instances you must satisfy yourself that the data reported in Sch P 1 is correctly reflected in the US Reporting pack before verifying the warnings.

3. Schedule P: Part 2 - History of incurred losses

- 3.1 Schedule P, Part 2, displays losses incurred data reported in Schedule P, Part 1, of the current and prior years. The schedule format provides a loss development overview to test the adequacy of the insurer's reserves. A memorandum summary form is included for parts 2 to 6, which can be individually selected to print for control purposes but which does not print as part of the pack for submission to the NYID.
- 3.2 Incurred losses are cumulative paid losses plus outstanding claims plus IBNR at the relevant development stage for the particular year of account.
- 3.3 Incurred losses should reflect the ultimate loss envisaged for each syndicate year of account, and should agree with Schedule P, Part 1, Columns 19 and 5.

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- 3.4 Columns 12 and 13 - Development
These columns are derived automatically and represent the one and two year development figures.
- 4. Schedule P: Part 3 - History of incurred loss payments**
- 4.1 Schedule P, Part 3, displays losses paid data reported in Schedule P, Part 1, of the current and prior years. The schedule format establishes payment patterns for cash flow projections and actuarial projections.
- 5. Schedule P: Part 4 - History of incurred but not reported reserves**
- 5.1 Schedule P, Part 4, shows the historical IBNR reserves as reported and agrees with Schedule P, Part 1, Column 11, for the appropriate year of account. It does not show the development of these reserves, and it will not, by itself, provide a test of the adequacy of these reserves. A test of the adequacy of these reserves can be obtained by one of several actuarial techniques, usually based on premium volume or the incurred amounts in Schedule P, Part 2.
- 5.2 The IBNR reserves are intended to include reserves for incurred but not reported claims, for reopened claims, for development on case reserves of reported claims, and for aggregate reserves on newly reported claims without specific case reserves. The IBNR reserves should equal the IBNR reserves reported in Schedule P, Part 1, Column 19 minus Column 9.
- 6. Schedule P: Part 5 - History of cumulative claim numbers**
- 6.1 Part 5 of Schedule P does not apply to Lloyd's syndicates.
- 7. Schedule P: Part 6 - History of premiums signed**
- 7.1 The objective of this form is to show the development of premiums on a consistent basis with loss development.
- 7.2 The premiums to be reported are cumulative signed premiums for each relevant year of account at each year end stage. Gross premiums signed should be included in Part 6, Section 1. There is no need to report reinsurance premiums ceded for SLTF or CRTF business and therefore Part 6, Section 2, should be left blank.
- 7.3 Gross premiums should include any adjustments to the main US pack at the relevant year end stages and should agree with the amounts reported in Schedule P, Part 1, Column 2, for the latest year end stage.
- 7.4 Column 12 shows the calendar year movement in premiums signed and is derived automatically. There is a validation check (P6.1) between this column and the main US Reporting pack

P part 6 Summary, >36 mths col 12 = -RI/SL 3 line 3 all years + 6a col 1, line 7/1000.

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Where a syndicate has a year of account in run-off this validation rule will not be met as the data on form 3 becomes cumulative, not pure year, and the years of account reinsured are at least >48 months. You will therefore need to manually check your data before verifying the warnings.

8. Schedule P: Additional Information

8.1 Agents should indicate on this form:

- i) Whether salvage and subrogation recoveries are material, i.e. whether they amount to 10% or more of gross paid or unpaid losses.
- ii) Whether the syndicate has accepted the RITC of another syndicate.

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IMPORTING DATA TO SCHEDULES F & P RETURN

There is a facility in the software to import (and export) data to csv. To access this facility click on the 'Add Form' button on the lower left hand side of the syndicate trust fund screen. To download data to a csv file click on the 'Create CSV file' in the top right hand corner and to upload a csv file click on the 'Load CSV file' below. On selecting the 'Load CSV file' button, a standard Windows file picker dialogue box is presented. Point the dialogue box to the location of the import file, which must have an extension '.CSV' and select/de-select from the files available. The file will then be validated, and the results of this previewed, before optionally allowing the system to post any valid entries to the forms. A report is available, whether or not the update is allowed to proceed.

Instructions on the format and naming of the files for the relevant parts of the return are below.

Importing data to Schedule F Part 2

The data must be in a file named with the extension is CSV, (e.g. FP?7777F.CSV) where '?' is S,R or L (to indicate the Trust Fund), 7777 is the syndicate number and 'F' indicates that the file contains data for loading in the following format. Each line in this file contains details which can be entered on screen and must be in the format:

"Syndicate",
"Fund code", ("SL", "RI", or "LA")
"Unique reference", (maximum 10 characters)
#"LORS code",
"Band" (eg "0199999"),
"Date of Contract", (YYYYMMDD),
Original Premium,
Reinsurance Premium

Notes:

If no LORS code, set to "UNCODED" which allows manual entry of reinsurer details

sample: "0001", "SL", "123/456", "B02017", "0499999", "19981112", 1500000, 850000

NB: The data will completely overwrite all data for these forms for any trust fund with records included in the data file.

The system processes this file and places the amount into the forms, exactly as if it had been manually entered.

A report is available showing the action taken on each item in the import file.

After running this import procedure, you should review the Return to ensure that the updated forms are as required.

Importing data to Schedule F Parts 3 to 7

The data must be in a file named with the extension is CSV, (e.g. FP?7777P.CSV) where '?' is S,R or L (to indicate the Trust Fund), 7777 is the syndicate number and 'P' indicates that the file contains reinsurer data for loading in the following format. Each line in this file contains details which can be entered on screen and must be in the format: (All amounts in dollars, not thousands)

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"Syndicate",
"Fund code", ("SL", "RI", or "LA")
"Unique reference", (maximum 10 characters)
#"LORS code",
##Part 3, Reinsurance contracts ceding 75% or more of Direct Premiums Written,
Part 3, Column 1,
Part 3, Column 2,
Part 3, Column 3,
Part 3, Column 4,
Part 3, Column 6,
Part 3, Column 7,
Part 3, Column 9,
Part 4, Column 1,
Part 4, Column 2,
Part 4, Column 3,
Part 4, Column 4,
Part 5, Disputed amounts included in Column 1,
Part 5, Column 3, (Letters of Credit figure also used for Part 7 column 3)
Part 5, Column 6,
Part 5, Disputed amounts excluded from Column 9,
Part 6, Disputed amounts excluded from Part 6, Column 1,
Part 6, Disputed amounts excluded from Part 6, Column 2,
Part 6, Column 3,
Part 7, Column 6
##Affiliate

If no LORS code, set to "UNCODED" which allows manual entry of reinsurer details
Blank or 'Y'

sample: "0001", "SL", "3/0001", "L51", "Y", 2800000, 621987, 1400000, 449000, 86000, 42001, 0, 66000, 200100, 144000, 123987, 0, 5000, 0, 0, 10000, 59987, 57773, 0, Y

NB: The data will completely overwrite all data for these forms for any trust fund with records included in the data file.

The system processes this file and places the amount into the forms, exactly as if it had been manually entered.

A report is available showing the action taken on each item in the import file.

After running this import procedure, you should review the Return to ensure that the updated forms are as required.

Importing data to Schedule P Part 1

The data must be in a file named with the extension is CSV, (e.g. FP?7777L.CSV) where '?' is S,R or L (to indicate the Trust Fund), 7777 is the syndicate number and 'L' indicates that the file contains data for loading to the losses forms in the following format. Each line in this file contains all details for a row in the format:

"Syndicate",
"Fund code", ("SL", "RI", or "LA")
"Business Code", (A-H)
"Underwriting Year",

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Column 2 amount,
*Column 3 amount,
Column 5 amount,
*Column 6 amount,
Column 8 amount,
Column 9 amount,
*Column 10 amount,
Column 11 amount,
*Column 12 amount,
#Column 13 amount,
#Column 15 amount,
#Column 15 Gross amount,
#Column 17 amount,
Column 21 amount

* These columns contain zero except for LATF fund items

These columns zero for LATF fund items

e.g. "0001","SL","A","1999",20400,0,5191,0,1005,6229,0,9344,0,4517,8743,9000,262,0

"0001","LA","A","1997",24289,10000,12880,7000,3351,3313,2001,2208,1000,0,0,0,0,1100

Prior Years

All prior year data (1993-1997) will be posted to the Prior Years line. An export of the data to csv will show all the prior year data as being 1997 year including the LATF.

Importing data to Schedule P Parts 2 to 6

The data must be in a file named with the extension is CSV, (e.g. FP?7777T.CSV) where '?' is S,R or L (to indicate the Trust Fund), 7777 is the syndicate number and 'T' indicates that the file contains data for loading to the triangulation forms in the following format. Each line in this file contains all details for a row / column in the format:

"Syndicate",

"Fund code", ("SL", "RI", or "LA")

"Section", (3 characters, 2A ,3A ,4A ,5A ,6A1,6A2 where A is the class of business code)

"Underwriting Year",

"Column", (2 to 11) (i.e. for 1999 the column number is 7)

Amount

e.g. "0001","SL","2A","1998","5",14429

Note: See the comment about the 'Prior Years' line in the previous section