

MARKET BULLETIN

REF: Y4432

Title	Market Returns to PMD Exposure Management and Reinsurance Team during 2011
Purpose	To inform managing agents of the reporting deadlines for the market returns to be submitted to the Exposure Management and Reinsurance team during 2011.
Type	Scheduled
From	Paul Nunn, Head, Exposure Management and Reinsurance Performance Management Directorate 020 7327 6402 paul.nunn@lloyds.com
Date	Monday 8 th November 2010
Deadline	Please see individual returns below
Related links	Business Timetable on Lloyds.com

PURPOSE

The purpose of the Bulletin is to outline the key dates for the reporting of those 2011 market returns that are the responsibility of the Exposure Management and Reinsurance team.

The specific returns referenced within this Bulletin are:

1. Lloyd's Catastrophe Modelling (LCM) data submissions
2. Realistic Disaster Scenarios (RDS & RDL)
3. Syndicate Reinsurance Programme (SRP and QMA 710u)

1 LLOYD'S CATASTROPHE MODELLING DATA SUBMISSIONS (LCM)

From 2010, Lloyd's Franchise Board has established the need to monitor market catastrophe risk on a probabilistic basis. In addition to providing a holistic view of cat risk across return periods, the probabilistic market cat risk profile will form an integrated part of Lloyd's Internal Model under Solvency II.

Please note that all (LCM) exceedance probability (EP) data should be submitted in GBP and conversions should be carried out using the exchange rates outlined in the relevant quarter's Market Bulletin.

The LCM return is submitted to Lloyd's four times per annum. The 2011 reporting dates are as follows:

EP RETURN	AS AT DATE	REPORTING DATE
LCM 1/1	1 st January 2011	Noon, Thursday 24 th February 2011
LCM 1/4	1 st April 2011	Noon, Thursday 26 th May 2011
LCM 1/7	1 st July 2011	Noon, Thursday 25 th August 2011
LCM 1/10	1 st October 2011	Noon, Thursday 24 th November 2011

2 REALISTIC DISASTER SCENARIOS

The RDS returns are submitted to Lloyd's twice per annum via the Core Market Returns (CMR) system. The 2011 reporting dates are as follows:

RDS RETURN	AS AT DATE	REPORTING DATE
RDS	1 st January 2011	Noon, Thursday 24 th March 2011
RDL	1 st July 2011	Noon, Thursday 25 th August 2011

3 SYNDICATE REINSURANCE PROGRAMME

The SRP return is submitted to Lloyd's four times per annum via the Core Market Returns (CMR) system. The 2011 reporting dates are as follows:

SRP RETURN	AS AT DATE	REPORTING DATE
Q1 2011	1 st January 2011	Noon, Thursday 3 rd March 2011
Q2 2011	1 st April 2011	Noon, Thursday 21 st April 2011
Q3 2011	1 st July 2011	Noon, Thursday 21 st July 2011
Q4 2011	1 st October 2011	Noon, Thursday 20 th October 2011

Details regarding the reinsurance recoverables and associated return (QMA 710u) can be found in Market Bulletin Y4421.

FURTHER INFORMATION

FINING REGIME

Managing agents are advised that the fining regime will remain in force for the late return of SRP, RDS & RDL. This is in line with other key market submissions, including the QMA/B and PMD returns, and has been approved by the Market Supervision and Review Committee (MSARC).

The following fines may be applied in respect of late returns:

Per return per syndicate – flat fine £5,000

Per return per syndicate – additional fine per working day late £1,000

Persistent delays will lead to further disciplinary action. Copies of the fining policy are available upon request.

SPECIAL PURPOSE SYNDICATES (SPS) REPORTING

For the avoidance of doubt and to ensure consistency with other reported data, managing agencies should complete separate returns for Special Purpose Syndicates and parallel syndicates rather than reporting consolidated figures. This is applicable to all SPSs and all returns outlined above

EXCHANGE RATES

Exchange rates are updated on a quarterly basis and will be advised to the market via a market bulletin.

FURTHER INFORMATION

Should you have any further questions or require any additional information regarding these market returns please contact my colleagues, for the respective returns, below:

Catastrophe Modelling Data/RDS/RDL:

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SRP/QMA 710u

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