

MARKET BULLETIN

REF: Y4529

Title	Market Returns to PMD Exposure Management and Reinsurance Team during 2012
Purpose	To inform managing agents of the reporting deadlines for the market returns to be submitted to the Exposure Management and Reinsurance team during 2012.
Type	Scheduled
From	Trevor Maynard, Head, Exposure Management and Reinsurance Performance Management Directorate 020 7327 6141 trevor.maynard@lloyds.com
Date	Monday 31 st October 2011
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 2012 market returns that are the responsibility of the Exposure Management and Reinsurance team.

The specific returns referenced with this Bulletin are:

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

1 LLOYD'S CATASTROPHE MODELLING (LCM) DATA SUBMISSIONS

From 2010, Lloyd's Franchise Board has established the need to monitor market catastrophe risk on a probabilistic basis. In addition to providing a better understanding of tail risk and losses at shorter return periods than the RDS, the probabilistic market cat risk profile is now an important 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 2012 reporting dates are as follows:

LCM RETURN	AS AT DATE	REPORTING DATE
LCM 1/1	1 January 2012	Thursday 23 rd February 2012
LCM 1/4	1 April 2012	Thursday 24 th May 2012
LCM 1/7	1 July 2012	Thursday 23 rd August 2012
LCM 1/10	1 October 2012	Thursday 22 nd November 2012

2 REALISTIC DISASTER SCENARIOS

The RDS and RDL returns are submitted to Lloyd's twice per annum via the Core Market Returns (CMR) system. The reporting date for the 2012 RDL return has been extended by one week to separate it from the LCM.

The RDS and RDL return dates are as follows:

RDS RETURN	AS AT DATE	REPORTING DATE
RDS	1 st January 2012	Noon, Thursday 22 nd March 2012
RDL	1 st July 2012	Noon, Thursday 30 th August 2012

3 SYNDICATE REINSURANCE PROGRAMME

The SRP return is submitted to Lloyd's four times per annum via the Core Market Returns (CMR) system. The 2012 reporting dates are as follows:

SRP RETURN	AS AT DATE	REPORTING DATE
Q1	1 st January 2012	Noon, 1 st March 2012
Q2	1 st April 2012	Noon, 19 th April 2012
Q3	1 st July 2012	Noon, 19 th July 2012
Q4	1 st October 2012	Noon, 18 th October 2012

FINING

Managing agents are advised that a fining regime will be effective for late return of the 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 LCM return is not yet part of the fining regime, however, this does not distract it from its importance. We stress that the LCM deadlines must be met to allow Lloyd's to process data and meet our own regulatory deadlines.

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 from me.

SYNDICATE LEVEL REPORTING

For the avoidance of doubt and to ensure consistency with other reported data, managing agencies are required to complete separate returns for all syndicates rather than reporting consolidated figures. This is applicable to 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:

LCM/RDS/RDL:

David Singh	020 7327 6496	david.singh@lloyds.com
Phil Holt	020 7327 5983	phil.holt@lloyds.com
Suzanne Laurent	020 7327 6402	suzanne.laurent@lloyds.com

SRP

Chris Wallings	020 7327 5048	chirs.wallings@lloyds.com
Tracey Bainbridge	020 7327 5400	tracey.bainbridge@lloyds.com
Bingyan Hong	020 7327 5919	bingyan.hong@lloyds.com

Trevor Maynard
Head, Exposure Management and Reinsurance
Performance Management Directorate
020 7327 6141
trevor.maynard@lloyds.com