

MARKET BULLETIN

REF: Y4645

Title Market Returns to PMD Exposure Management and Reinsurance Team during 2013

Purpose To inform managing agents of the reporting deadlines for market returns to be submitted to the Exposure Management and Reinsurance team during 2013.

Type Scheduled

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Date Thursday 6 December 2012

Deadline Please see individual returns below

Related links Business Timetable on Lloyds.com

PURPOSE

This bulletin is to advise managing agents key dates for the reporting of those 2013 market returns that are the responsibility of the Lloyd's 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
3. Syndicate Reinsurance Programme (SRP)

1 LLOYD'S CATASTROPHE MODELLING (LCM)

1.1 DATA SUBMISSIONS

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 directly to the Lloyd's Exposure Management team four times per annum. The 2013 reporting dates are as follows:

LCM RETURN	AS AT DATE	REPORTING DATE
LCM 1/1	1 st January 2013	Noon, Thursday 21 st February 2013
LCM 1/4	1 st April 2013	Noon, Thursday 23 rd May 2013
LCM 1/7	1 st July 2013	Noon, Thursday 22 nd August 2013
LCM 1/10	1 st October 2013	Noon, Thursday 21 st November 2013

1.2 FORECAST FACTORS (FF)

All Managing Agents are required to submit, on a best-endeavours basis, best-estimate forecast factors for their syndicates as part of their LCM return using the Lloyd's prescribed template. This is essential to ensure that the projection of syndicate losses into the prospective calendar year is consistent with their LCR (Lloyd's Capital Return).

FF RETURN	CAL YEAR	LCM DATA APPLICABLE TO	REPORTING DATE
FF 1/1	2013	1 st January 2013	Noon, Thursday 21 st February 2013 (coinciding with LCM 1/1)
FF 1/4	2014	1 st April 2013	Coinciding with SBF 1 st submission in July (date to be advised)
FF 1/7	2014	1 st July 2013	Noon, Thursday 22 nd August 2013 (coinciding with LCM 1/7)

2 REALISTIC DISASTER SCENARIOS

Realistic Disaster Scenarios are submitted to Lloyd's twice per annum (the main RDS and the RDS Light (RDL)) via the Core Market Returns (CMR) system. The reporting date for the 2013 RDL return has been extended by one week to separate it from the LCM. **Please note that the regulatory ERRO return will now be collected within the RDS return as well as the RDL return. Please refer to Market Bulletin Y4644 for further information.**

The RDS and RDL return dates are as follows:

RDS RETURN	AS AT DATE	REPORTING DATE
RDS	1 st January 2013	Noon, Thursday 21 st March 2013
RDL	1 st July 2013	Noon, Thursday 29 th August 2013

3 SYNDICATE REINSURANCE PROGRAMME

The SRP return is submitted to Lloyd's four times per annum via the Core Market Returns (CMR) system. The 2013 reporting dates are as follows:

SRP RETURN	AS AT DATE	REPORTING DATE
Q1	1 st January 2013	Noon, Thursday 28 th February 2013
Q2	1 st April 2013	Noon, Thursday 18 th April 2013
Q3	1 st July 2013	Noon, Thursday 18 th July 2013
Q4	1 st October 2013	Noon, Thursday 17 th October 2013

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 does not yet fall within the fining regime, however, this does not detract 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 RDS 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 any member of the Exposure Management and Reinsurance team.

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