

MARKET BULLETIN

REF: Y4784

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|----------------------|---|
| Title | Q1 2014 QMR – major losses, exchange rates and other information. |
| Purpose | To provide managing agents with information required for the completion of the Q1 2014 Quarterly Monitoring Returns including the list of major losses to be reported and suggested exchange rates. |
| Type | Scheduled |
| From | Robert Smith, Manager, UK Reporting, Market Finance Contact details: +44 (0)20 7327 5459 robert.smith@lloyds.com |
| Date | 1 April 2014 |
| Deadline | QMA & QMB – 14:00 Thursday 15 May 2014 |
| Related links | |

This bulletin provides:

- (a) the list of major losses to be reported in QMA800u (see Appendix 1);
- (b) suggested exchange rates (see Appendix 2); and
- (c) other information relevant to the completion of the Q1 2014 Quarterly Monitoring Return.

Deadlines

The submission dates are as noted above. Both returns must be submitted by no later than 14:00 of the deadline date. The 2012 and 2013 forecasts as a percentage of capacity will be released to the Stock Exchange and included on Lloyds.com on Wednesday 21 May.

Forms and instructions

The instructions for the QMA remain “2013 version 2.0” and can be found on the left hand side of the return’s Homepage.

There are no major changes but agents are reminded of the note in section 2.15, QMA205: liabilities, that any profit from a closed year that is to be either distributed in Q2 or subsequently reported as FIS must, at Q1, be reported in line 25 of QMA 205.

Furthermore, at Q1 2014 the QMA990 form must include the ICA note as required in section 2.32 of the Instructions.

Other information

Reporting performance issues

We would encourage all agents to report any issues they have with the performance of the software and accessing the systems as soon as they arise. This will enable the ITG help desk to help resolve the issue earlier in the process and enable us to monitor service levels in real time and respond quickly as issues emerge. The contact number for the support team is +44 (0)20 7327 5252.

Queries

Any queries or comments on this bulletin should be submitted via e-mail to Market Reporting ([lloyds-MRD-ReturnQueries@lloyds.com](mailto:Lloyds-MRD-ReturnQueries@lloyds.com)).

Robert Smith

Major losses

The XIS catastrophe codes which must be reported in the Q1 2014 QMA800u are:

| | | | |
|----|------|---|-----------------------|
| 1 | 10E | Transocean MODU Deepwater Horizon | 22 April 2010 |
| 2 | 10P | New Zealand Earthquake | 4 September 2010 |
| 3 | 11C | New Zealand Earthquake | 22 February 2011 |
| 4 | 11N | Losses arising from New Zealand earthquake at Sumner | 13 June 2011 |
| 5 | 11R | Heavy rainfall and ensuing flooding in Thailand | 1 October 2011 |
| 6 | 11RX | CBI claims arising out of the 2011 Thailand floods | 1 October 2011 |
| 7 | 12A | Claims arising from the grounding of the Costa Concordia | 13 January 2012 |
| 8 | 12J | Hurricane Sandy from Caribbean and ongoing | 24 October 2012 |
| 9 | 13A | Cyclone Oswald affecting Queensland and New South Wales, Australia. | 27 to 29 January 2013 |
| 10 | 13F | Flooding following heavy rain in Alberta | 20 June 2013 |
| 11 | 13G | Asiana Airways 777-200ER crash landing at San Francisco | 6 July 2013 |
| 12 | 13K | SK Hynix Semiconductor Loss | 4 September 2013 |
| 13 | 13P | Cold Weather USA/Canada – “Polar vortex” | 30/12/13 to 02/01/14 |
| 14 | 13Q | UK Adverse Weather – Storms/Wind/Floods | 05/12/13 to 15/02/14 |
| 15 | 14A | Malaysian Airlines Loss of B777-200ER, 9M-MRO | 8 March 2014 |
| 16 | MADO | Collapse of Madoff Investment Securities LLC | - |
| 17 | SUBS | Losses arising from sub prime | - |
| 18 | FUME | Losses from fungal meningitis arising out of compounding operations of the New England Compounding Center | 01/01/14 |

As noted in section 2.24 to the current QMA instructions, if a further 2014 event receives a loss code after the bulletin has been published, notification that the event is required in the QMA800u will be made through inclusion in the FAQs.

Agents are reminded that if they have any major loss to be reported on QMA800u that does not have an XIS catastrophe code they need to ensure that the loss has been allocated a major loss code. Any agent wishing to request a new major loss code should send an e-mail to the Lloyd's-MRD-ReturnQueries address and the relevant procedures and template will be provided by return. The deadline for submission of requests for new major loss codes to Market Finance is Friday 31 January 2014.

Major loss codes

No major loss codes have yet been assigned for 2014.

Please note:

Major loss codes relating to 2013 and prior are still maintained in the database. Syndicates are asked to report on major losses in accordance with the QMA800u instructions.

Rates of Exchange

The settlement currency rates as at 31 March 2014 (balance sheet), average currency rates (profit and loss account) for the three months to 31 March 2014 are as follows (to the £):

| | Accounts etc | | GQD |
|--------------------|--------------|---------|---------------------|
| | Period end | Average | In-quarter average* |
| US dollars | 1.67 | 1.65 | 1.65 |
| Canadian dollars | 1.84 | 1.83 | 1.83 |
| Euro | 1.21 | 1.21 | 1.21 |
| Australian dollar | 1.80 | 1.85 | 1.85 |
| Danish krone | 9.03 | 9.01 | 9.01 |
| Hong Kong dollar | 12.93 | 12.84 | 12.84 |
| Japanese yen | 171.69 | 170.16 | 170.16 |
| New Zealand dollar | 1.92 | 1.98 | 1.98 |
| Norwegian krone | 9.98 | 10.08 | 10.08 |
| Singapore dollar | 2.10 | 2.10 | 2.10 |
| South African rand | 17.54 | 17.97 | 17.97 |
| Swedish krona | 10.81 | 10.69 | 10.69 |
| Swiss franc | 1.47 | 1.48 | 1.48 |

It is not a requirement that the above rates are used in your QMR submission but they may be used in the absence of another source for these indices.

* All original currencies that are reported in the GQD under 'currency code' OTH should be converted to Sterling either at the rates of exchange suggested by Lloyd's in this Market Bulletin or at the agent's chosen exchange rates (bearing in mind that outstanding claims should be converted at period-end spot rates).