

MARKET BULLETIN

REF: Y4946

Title	TPD 598 and 599 form revision for the implementation of additional reporting requirements.
Purpose	To inform managing agents of the additional reporting requirements in the TPD 598 and 599 forms.
Type	Scheduled
From	Daniel Saravia, Market Reserving & Capital, Finance +44 (0)20 7327 5792 Daniel.Saravia@lloyds.com
Date	Wednesday 9 December 2015
Deadline	2:00pm Thursday 31 March 2016
Related links	

This bulletin provides:

- (a) background concerning the changes to the TPD;
- (b) description of the eight new measures that have been incorporated into the TPD 598 and 599 return forms for submission in 2016;
- (c) 2016 deadline;
- (d) contact details.

Background

The first submission of the TPD was in 2010, and for the first time agents had to provide best estimate provisions as well as held provisions. Lloyd's compares the best estimate to the held reserves to understand where any margin is being held. In line with Lloyd's Actuarial Function role of monitoring all aspects of Solvency II reserves, ENIDs are now required to be reported and monitored separately. This would enable:

1. Comparison of the held and the best estimates reserves with and without inclusion of ENIDs.
2. Evaluation of which risk codes and years of account the market is assuming for ENIDs.
3. Further analysis of ENIDs by Lloyd's.

To continue to have data on a consistent basis over time, Lloyd's still requires ENIDs to be included in the premium and claims provisions on the 598 and 599 as currently reported.

The amount of ENIDs reported in the TPD should reconcile to those reported in the QMC line 10. A validation test in CMR will monitor this requirement.

Summary

Lloyd's intends to start collecting ENIDs separately within the TPD return.

The current return will remain in its present form, with ENIDs continuing to be reported in the existing columns (fields) of the 598 and 599 forms. In addition, Lloyd's wishes to collect eight further columns of data on the 598 and 599 forms. The order of the existing columns will not be changed. The new columns are:

- **Gross Amount Premium Provisions Future ENIDs Claim Costs (column 370)**

Undiscounted amount of future ENIDs claims, gross of reinsurance, accounted for in the premium provision as at the reporting date relating to the pure year, risk code and currency.

- **Gross Amount Premium Provisions Future ENIDs Claim Costs Discount (column 380)**

Effect of discounting of future ENIDs claims, gross of reinsurance, accounted for in the premium provision as at the reporting date relating to the pure year, risk code and currency.

- **Gross Amount Claims Provisions Future ENIDs Claim Costs (column 390)**

Undiscounted amount of ENIDs claims, gross of reinsurance, accounted for in the claim provision as at the reporting date relating to the pure year, risk code and currency.

- **Gross Amount Claims Provisions Future ENIDs Claim Costs Discount (column 400)**

Effect of discounting of future ENIDs claims, gross of reinsurance, accounted for in the claim provision as at the reporting date relating to the pure year, risk code and currency.

- **Reinsurance Share Premium Provisions Future ENIDs Claim Costs (column 410)**

Undiscounted amount of reinsurance future ENIDs claims accounted for in the premium provision as at the reporting date relating to the pure year, risk code and currency.

- **Reinsurance Share Premium Provisions Future ENIDs Claim Costs Discount (column 420)**

Effect of discounting of reinsurance future ENIDs claims accounted for in the premium provision as at the reporting date relating to the pure year, risk code and currency.

- **Reinsurance Share Claims Provisions Future ENIDs Claim Costs (column 430)**

Undiscounted amount of reinsurance future ENIDs claims accounted for in the claim provision as at the reporting date relating to the pure year, risk code and currency.

- **Reinsurance Share Claims Provisions Future ENIDs Claim Costs Discount (column 440)**

Effect of discounting of reinsurance ENIDs claims accounted for in the claim provision as at the reporting date relating to the pure year, risk code and currency.

2016 Deadline

The TPD return must be submitted by no later than 2:00pm on Thursday 31 March 2016. If any concerns exist regarding the 2016 deadline, please contact MRC at the earliest opportunity.

Contacts

Reporting performance issues:

Agents are encouraged to report any issues they have with the submissions as soon as they arise. This will enable the ITG Help Desk to help resolve the issue earlier in the process and enable Lloyd's 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.

Specific queries in relation to ENIDs:

Agents with specific concerns around meeting this new requirement should address them to Lydia Rhodes (Lydia.Rhodes@lloyds.com)

General queries:

Any queries on the TPD should be submitted via e-mail to Daniel Saravia (Daniel.Saravia@lloyds.com), James Lane (James.Lane@lloyds.com), or MRC Help (Lloyds-MRC-Help@lloyds.com).