

Market Bulletin

Ref: Y5285

Title Q1 2020 QMR – major losses, exchange rates and instructions

Purpose To provide managing agents with information required for the completion of the Q1 2020 Quarterly Monitoring Returns, including the list of major losses to be reported, suggested exchange rates and confirmation of the instructions.

Type Scheduled

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Date 1 April 2020

Deadline QSR/QAD – 2:00pm, Friday 1 May 2020
QMA – 2:00pm, Thursday 21 May 2020
Please note: these deadlines reflect the extensions advised in John Neal's Dear CEO letter dated 30 March 2020, which reduced the market's reporting burden in response to the COVID-19 pandemic.

Related links n/a

This bulletin provides:

- (a) the list of major losses to be reported in QMA800u (see Appendix 1);
- (b) suggested exchange rates (see Appendix 2);
- (c) other information relevant to the completion of the Q1 2020 Quarterly Monitoring Returns; and
- (d) contact details.

Deadlines

The submission dates are as noted above. All returns must be submitted by no later than 2:00pm of the deadline date. Any return submitted after that time will be considered to be late. The 2018 and 2019 forecasts as a percentage of capacity will be released to the Stock Exchange and included on Lloyd's.com on Wednesday 27 May 2020.

Return instructions

QMA

The QMA instructions "QMA Instructions_2019 v2.1 CLEAN VERSION", remain unchanged and are available on the QMA page on the MDC site.

Please note: the planned changes on MDC impacting QMA 130/131/132 and QMA 800 have been postponed until later in 2020 (likely Q3 or Q4) and this additional information is not required for Q1 2020 reporting. This section of the QMA 800 instructions can be disregarded for Q1 2020 reporting.

QSR/QAD

The QSR/QAD reporting instructions have been updated to include specific guidance on how to report acquisition value related to the Central Fund syndicate loan in QAD 230.

- QAD: A small number of amendments have been made to QAD validations.
- QSR: No further changes have been made since Q4 2019/Annual 2019. (Syndicate loans should continue to be classified as XT34, as in the 2019 ASR.)

These updates will be included in the document “QSR QAD Return Instructions Q1 2020”, which will be available from both the Lloyd’s website as well as CMR.

Software

The software for the Q1 2020 QMA is already available in the Production environment. The software for the Q1 2020 QSR/QAD will be available from Friday 3 April 2020 onwards..

Contacts

Reporting performance issues (not validation or content 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 IT help desk to resolve the issue earlier in the process, monitor service levels in real time, and respond quickly as issues emerge. The contacts e-mail is itcustomersupport@lloyds.com or call 020 7327 5333. Any questions concerning the MDC platform should be directed to MDCsupport@lloyds.com.

General queries

Any queries on the returns should be submitted via e-mail to

Return	Department	E-mail
QMA	Market Finance	Lloyds-MRD-ReturnQueries@lloyds.com
QSR/QAD	Market Finance	Lloyds-SolvencyReturns@lloyds.com

Jake Tomlin

Appendix 1

Major losses

The XIS catastrophe codes which must be reported in the Q1 2020 QMA800u are:

	Code	Loss name	Loss date
1	10P	New Zealand Earthquake	4 September 2010
2	11C	New Zealand Earthquake	22 February 2011
3	11N	Losses arising from New Zealand earthquake at Sumner	13 June 2011
4	12J	Hurricane Sandy from Caribbean and ongoing	24 October 2012
5	13A	Cyclone Oswald affecting Queensland and New South Wales, Australia.	27 to 29 January 2013
6	13F	Flooding following heavy rain in Alberta	20 June 2013
7	14F	Brisbane and South-East Queensland Storm	27 to 28 Nov. 2014
8	MADO	Collapse of Madoff Investment Securities LLC	-
9	SUBS	Losses arising from sub prime	-
10	16D	Wildfire – Fort McMurray, Alberta, Canada	1 May 2016 & ongoing
11	16N	New Zealand earthquake, South Island near Hammer Springs	14 November 2016
12	FPSO	Losses arising from Kwame Nkrumah in the jubilee oil field	20 March to 31 Dec 16
13	17D	Tropical cyclone Debbie (Australia)	27 March 2017
14	ADNC	Losses arising from the Vapour Cloud explosion at the ADNOC/Takreer Ruwais Refinery	11 January 2017
15	17F#	Hurricane Harvey	24 August 2017
16	17G#	Hurricane Irma	1 September 2017
17	17H	Hurricane Maria	17 September 2017
18	17J	Mexico Earthquake	19 September 2017
19	17L#	Northern California wildfires	8 October 2017
20	17N	Thomas wildfire in Santa Barbara and Ventura Counties	4 December 2017
21	18A	Winter storm affecting the US Eastern Seaboard and parts of Canada	3 January 2018
22	HONA	Losses arising from the Maersk Honam fire in the Arabian Sea	6 March 2018
23	18B	Volcanic eruption affecting Hawaii	3 May 2018
24	18C	Carr Wildfire, Redding, and affecting Shasta County and Trinity County, California.	23 July 2018
25	18D	Ranch Fire (Mendocino Complex) affecting Colusa County, Lake County and Mendocino County	27 July 2018
26	18E	Hurricane Lane affecting Hawaii	22 August 2018
27	18F#	Hurricane Florence	4 September 2018
28	18G	Typhoon Jebi	29 August 2018
29	18H	Typhoon Mangkhut	9 September 2018
30	SASS	Losses arising from the Lürssen Shipyard fire damaging superyacht "Sassi"	14 September 2018
31	18J	Hurricane Michael	6 October 2018
32	18K	Camp Wildfire	8 November 2018
33	18L	Woolsey Wildfire	8 November 2018
34	USCC	Capture costs arising out of climate change litigation for claims originating in the US	1 January 2018

35	RWCC	Capture costs arising out of climate change litigation for claims not originating in the US	1 January 2018
36	USOC	Capture claim payments and costs arising out of opioid claims origination in the US	1 January 2018
37	RWOC	Capture claim payments and costs arising out of opioid claims not origination in the US	1 January 2018
38	19A	Brumadinho dam burst in Minas Gerais, Brazil	29 January 2019
39	RCMB	Claims arising out of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry in Australia	1 November 2017
40	BOEI	Losses arising out of accidents and groundings of the Boeing 737 MAX Aircraft from October 2018	October 2018
41	19B	Ridgecrest Earthquakes encompassing a series of earthquakes, emanating in the vicinity of Ridgecrest, California	4 July 2019
42	19C	Storm Barry	10 July 2019
43	19D#	Storm Dorian affecting the Caribbean/Bahamas	26 August 2019
44	19E	Typhoon Faxai	6 September 2019
45	19F	Typhoon Hagibis	10 October 2019
46	THOM	Losses arising from out of the administration of Thomas Cook in September 2019	1 September 2019
47	HHSB	All personal lines household claims where subsidence has occurred in the UK within 2019	1 January 2019
48	DLTR	Dallas Tornado strikes	20 October 2019
49	CHLR	2019 Chilean Protests	1 October 2019
50	19G#	California Wildfires	1 January 2019
51	20A	Australian Wildfires within 2019	1 August 2019
52	20B#	Australian hailstorms	20 January 2020
53	20C	Storm Ciara	5 February 2020
54	20D	Storm Dennis	15 February 2020
55	20E	Tornadoes affecting Tennessee, United States	2 March 2020
56	MAFU	Losses arising out of vessel engine problems resulting or connected to the implementation of the IMO 2020 regulations and use of low sulphur fuels	1 January 2020
57	CORO	Losses arising from or connected to the current outbreak of novel coronavirus (2019-nCov) that was first reported from Wuhan, China	31 December 2019

– A number of state level codes were issued for these losses, but for the purposes of the QMA800, all losses relating to the storm, wherever located, should be reported under the single code provided.

As noted in section 2.21 to the current QMA instructions, if an event receives a loss code after this 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 Lloyds-MRDReturnQueries@lloyds.com or MajorLossCodes@lloyds.com 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 8 May 2020.

Major loss codes

Major loss codes previously assigned by Lloyd's where loss reporting is required are:

	Code	Loss name	Loss date
1	13WH	Inpex Ichthys LNG	2013 onwards
2	18ZC	Papua New Guinea Earthquake	26 February 2018
3	18YB	Marriott Cyber Breach	7 September 2018
4	18ZJ	Typhoon Trami	30 September 2018
5	19ZA	Townsville Flood	27 January 2019
6	19ZD	Star Centurion sinking following collision with Antea	13 January 2019
7	19ZE	Philadelphia Energy Solutions (PES Group) - gas refinery butane tank explosion and subsequent fire	21 June 2019
8	19ZF	Grand Bahama Shipyard – Dock Accident at Grand Bahama Shipyard involving Vessel Oasis of the Seas	1 April 2019
9	19ZV	ITC - Deer Park - Damage caused by fire	18 March 2019
10	19YB	US Winter Storms	March 2019
11	19YF	Explosion Fire at Port Neches Chemical Plant, Texas, USA	November 2019

Please note:

Major loss codes relating to 2019 and prior are still maintained in the database. Syndicates are asked to report on major losses in accordance with the QMA800u instructions.

Appendix 2

Rates of Exchange

The settlement currency rates as at 31 March 2020 (balance sheet), and average currency rates (profit and loss account) for the three months to 31 March 2020 are as follows (to the £):

	Accounts etc		GQD
	Period end	Average	In-quarter average*
US dollars (USD)	1.24	1.28	1.28
Canadian dollars (CAD)	1.77	1.72	1.72
Euro (EUR)	1.13	1.16	1.16
Australian dollar (AUD)	2.03	1.95	1.95
Danish krone (DKK)	8.44	8.67	8.67
Hong Kong dollar (HKD)	9.62	9.94	9.94
Japanese yen (JPY)	133.91	139.41	139.41
New Zealand dollar (NZD)	2.09	2.02	2.02
Norwegian krone (NOK)	13.02	12.13	12.13
Singapore dollar (SGD)	1.77	1.77	1.77
South African rand (ZAR)	22.15	19.65	19.65
Swedish krona (SEK)	12.27	12.38	12.38
Swiss franc (CHF)	1.20	1.24	1.24

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).