Risk Code Guidance and Mapping Notes

July 2026

Disclaimer

The guidance notes relate to Lloyd's risk coding system and provide background information, general principles which apply to all codes, and detailed guidance on certain specific risk codes. These guidance notes are provided in order to assist Lloyd's underwriters with the correct selection of risk codes, and to assist Lloyd's brokers and Lloyd's managing agents in matters relating to the processing and reporting of insurance business written at Lloyd's. Whilst these guidance notes may also be read by any person(s) seeking general information, Lloyd's accepts no liability arising as a result of such person(s) placing reliance on the information contained therein.

Contents

1. Purpose

The purpose of this document is to give guidance to underwriters and Lloyd's brokers on the classification of business into various categories using the Lloyd's risk coding scheme. This document discusses underlying principles of the scheme, matters which apply to its operation in general, and matters which apply to specific classes of business/risk codes.

2. Principles of the Scheme

The risk codes scheme provides a common basis for the classification/description of risks so that:

- All underwriters on a particular risk use the same description
- Is practical, risks are described consistently.

The scheme takes account of, and is a balance between, three main but differing requirements:

- Underwriting practice - to accommodate the various bases on which business is written.
- Statutory reporting - which has regard to the underlying insurance risk irrespective of how the business is placed.
- Various Lloyd's requirements for the monitoring of performance and reporting of business to various interested parties including domestic and overseas regulators, capital providers and rating agencies.

The risk coding scheme is not intended as, nor can it be, a substitute for the proper analysis and description of risks according to managing agents' own systems, but rather is to provide a common minimum level of detail which can be supplemented by managing agents' own risk recording systems according to the special circumstances of each syndicate.

Lloyd's may, from time to time, set up new risk codes where there is a sound business case for doing so and in these instances the Lloyd's Market Association (LMA) will be consulted. In addition, underwriters may request new codes. In these circumstances requests must always be made via the LMA and on receiving the Association's support, the LMA will then make an approach to Lloyd's Markets division.

"Performance Management - Supplemental Requirements and Guidance" (the "Supplemental Requirements") is separately available on Lloyds.com and is intended to assist the market by providing a single point of reference for Lloyd's supplemental performance management requirements and guidance on a range of subjects.

3. Operation of the Scheme in General

3.1 Responsibility for Coding Risks

It is the responsibility of the leading Lloyd's underwriter on the risk to classify the risk with the appropriate risk code(s). Where a multi-peril policy comprises different sections which are insured separately by different syndicates, the underwriter of the leading syndicate of each section must classify the business for the syndicates in that section.

The risk code(s) selected by the leading Lloyd's underwriter of a policy or section of a policy must also be used by all following Lloyd's underwriters on that policy or section. XIS has been instructed to reject policies which are processed by them and which have non-uniform risk-coding back to the broker with the instruction that the leading Lloyd's underwriter, and the following market discuss the matter further until agreement is reached. In the case of policies not processed by XIS it is the responsibility of following Lloyd's syndicates to ensure that they apply the same risk code as the Lloyd's leader and, if applicable, obtain the leader's agreement to any variation of that risk code.

Nevertheless, it remains the responsibility of all following underwriters to ensure that the correct code(s) has been allocated. Should a following underwriter wish to amend a risk code, they should refer the matter directly to the leading Lloyd's underwriter. Should there be any doubt as to the correct code or codes to be used, the matter should be referred in the first instance to the Class Underwriting Performance and Solutions team at underwritingoversight@lloyds.com for assistance. Underwriting Performance team, which is part of Markets Performance Management directorate, or the LMA should also be able to provide guidance.

3.2 Selection of Codes

Some risk codes are very specific, for example HP is applicable to UK household insurance, and some are broadly generic, for example T is applicable to most risks in respect of maritime vessels. All insurance and reinsurances should be coded under the category of business which is most specific, and which most appropriately reflects the business being underwritten. If there is no specific classification, the leading underwriter should use best judgement to select the most appropriate code(s).

Risk codes may be specific to territory, policy form (for example claims made or occurrence) or other criteria. Guidance on applying such criteria is contained in section 4.

Should the contract include other classes of business and/or cover for more than one territory (where these characteristics are to be distinguished by separate risk codes), underwriters should refer to "Multiple risks" for further guidance (see section 3.4).

Premium relating to business for which specific premium income limits and/or monitoring requirements apply must be split out and allocated to the appropriate risk code, including where written as part of general inwards excess of loss and whole account coverage. The risk codes in question are CF, CR, FG, FM, SB (please refer to section 4.10.2), CY, CZ (please refer to section 4.3.1) and WL.

A number of risk codes differentiate between "including USA" and "excluding USA". Underwriters should refer to "USA/non-USA designated risk codes" for further guidance (see section 3.5).

In order to assist underwriters, a table is provided to this guidance labelled 'Risk Code Mappings and Full Descriptions' which lists the risk codes with full extended definitions.

3.3 Reinsurance

3.3.1 Inwards Reinsurance

Facultative reinsurance

All facultative reinsurance risks, whether first loss, proportional or excess of loss, should be coded using the same risk code(s) that would apply if the risk were direct.

Proportional reinsurance treaties

There are a number of proportional reinsurance treaty codes available for different risk types, underwriters should use the most appropriate (e.g. TR (“Property Proportional”), HA, CC). Where there is no class specific proportional treaty code, the most appropriate direct risk code should be used.

Non-proportional reinsurance treaties

All non-proportional treaties applicable to specific classes of business should be coded with the most appropriate specific inwards excess of loss code listed and should NOT be allocated to one of the specific direct codes. Where there is no specific code listed for the business being protected, underwriters should use the most appropriate non-proportional treaty code. For example, a direct or facultative professional indemnity (re)insurance would carry one of the E2-E9 codes (“Professional Indemnity E&O...”) but one of codes XF, XG and XH (“NM Liability Excess of Loss...”) should be selected when protecting an insurer’s specific book of professional indemnity business on an excess of loss treaty basis. Underwriters should note that the term “excess of loss treaty” applies to all types of non-proportional treaties (i.e. including aggregate excess and stop loss treaties).

Where the reinsurance protects all the business of an insurer or reinsurer, the appropriate whole account excess of loss (or whole account excess of loss (XOL) on excess of loss) treaty reinsurance code should be selected, for example, XT (“Marine Whole Account XOL incl. War”) or X2 (“Marine XOL on XOL incl. War”). Underwriters should note that these codes apply to all types of non-proportional whole account treaties, including aggregate excess and stop loss treaties.

XOL on XOL is defined as excess of loss retrocession of excess loss risks in a portfolio and there are several risk codes dedicated to this type of business, for example X1 (“Aviation XOL on XOL”), X2 (“Marine XOL on XOL incl. War”) and X3 (“NM Property XOL on XOL Retrocession”).

If contracts include coverage for both XOL on XOL and other reinsurance business, it must be classified XOL on XOL if the XOL on XOL element represents 10 per cent or more of the overall exposure.

In the case of aviation business there is no de minimis provision applicable. If the excess of loss reinsurance excludes XOL on XOL then risk code XY (“Aviation Whole Account XOL incl. War excl. XOL on XOL”) applies if XOL on XOL is included, then risk code X1 (“Aviation Excess of Loss on Excess of Loss”) is to be used irrespective of the amount of XOL on XOL exposure.

3.3.2 Outwards Reinsurance

Risk code SR (“Agg Stop Loss and XOL Marine Outward Whole Account”), is the only risk code intended to apply solely to outwards reinsurance business and should only be used for LORS transactions, i.e. for the coding of outwards reinsurance.

Managing agents should note that for the purposes of the annual Technical Provisions Data (TPD) return (previously known as Solvency and Reserving Data (“SRD”) return), outwards code SR must not be used. In order to calculate net premiums and net claims, syndicates should instead allocate reinsurance purchased and reinsurance recoveries under the risk code(s) used for the direct/inwards business.

3.4 Multiple Risks

For insurances providing coverage across two or more risk codes (including those denoting both risk and territorial exposure) and in particular large global policies, the leading underwriter should code the predominant parts of the total risk having regard to the overall exposure of risk and the most likely incidence of future claims. The leading underwriter should endeavour to sub-divide the exposure into more than one risk code if the exposure is considered material, and to provide an appropriate division of premium.

In the case of multi-jurisdictional policies, the leading underwriter should endeavour to code the predominant parts of the total risk and sub-divide exposures as appropriate, including where risk codes distinguish between territories, with an appropriate division of premium. Underwriters should refer to “USA/non-USA designated risk codes” for further guidance (see section 3.5).

In the case of some whole account excess of loss reinsurance contracts, it is recognised that it is not always possible to determine the division of the business over the various risk classifications, but underwriters are requested to make as accurate an assessment as possible of the principal risk classification exposure(s). This is necessary for (inter-alia) the purpose of the returns made to regulatory bodies.

If there is any doubt on the above, please contact the Class Underwriting Performance and Solutions team at underwritingoversight@lloyds.com, in order to assess the individual product and advise accordingly.

3.5 USA/ Non-USA Designated Risk Codes

Risk codes referring to USA should be applied to risks located/principally located in the USA and/or significantly exposed to potential future claims emanating from the USA.

Risk codes referring to “excl. USA” should be applied to those risks located/principally located outside the USA and/or those NOT significantly exposed to potential future claims emanating from the USA.

It is recognised that territorial exposure is defined in a variety of ways according to different classes of business. Nevertheless, the principles of the above guidance should be applied.

Underwriters must continue to have due regard to the US Classification requirements for US regulated business. Lloyd’s risk codes must not be the sole consideration when deciding the allocation of the US Classifications for regulatory purposes which must be considered separately. Guidance on US classification requirements are contained in Market Bulletin Y4173.

3.6 Delegated Authorities

Delegated authority business, including binding authorities, lineslips and consortia must be referred to the leading underwriter for classification.

With the exception of property binding authority business falling under risk codes B2, B3, B4 and B5 ("Phys damage binder for ... ppty in ..."), all binding authorities should be allocated to the appropriate risk code applicable to direct business (unless a treaty risk code for that risk is available).

Please note that property treaty, whether pro rata or excess of loss, is not considered to be business falling under risk codes B2, B3, B4 and B5 and should accordingly be allocated to the appropriate risk code for reinsurance business. It is not the intention for property binding authority codes to be used for large risks usually placed on a subscription basis in the open market or for specialty property risks such as Power Generation and Terrorism.

Where property business (Direct, Fac or Treaty) is written through service companies, the following applies:

- In the case of open market risks (Direct, Fac and Treaty) underwriters should use the same risk codes that would apply if the risks were written directly into the syndicate; i.e. they should use the 'P' codes for direct and facultative risks and the 'X' codes for treaty.
- In the case of risks written and sub-delegated through a coverholder or delegated authority, risk codes B2-B5 and HP should be used.
- Where the service company assumes risks that were previously written as property binding authority risks through a coverholder, they should continue to use the property binding authority risk codes (B2 –B5, HP) provided they do not have the characteristics of open market risks.

This exception also applies to NM GENERAL AND MISC LIABILITY classes as new risk codes have been introduced to separate binding authority and non-binding authority business.

Where delegated authorities include a mixture of risk categories, underwriters should refer to "Multiple Risks" for further guidance (see section 3.4).

Please see further guidance on property binding authorities in section 4.12.

3.7 Coding of Claims

The risk code allocated to a claim should be the same as that established for the premium relating to the same risk. Where a risk has been allocated to multiple risk codes (see section 3.4), the leading underwriter should select the risk code appropriate to the peril from which the claim results or the territory in which the claim arises as appropriate.

3.8 Coding of Parametric Covers

Parametric covers should be assigned to the Risk Code that best represents the subject matter of the cover that is being insured. By way of example:

Parametric covers for crops should be included under the most relevant agriculture Risk Code

Parametric covers for property should fall under the most appropriate property risk code – see example of how these might apply below:

Parametric covers for earthquake perils (US) where the limit of indemnity paid to building owners. As this is covering a physical asset that is typically treated as property, this should be coded under "Difference in Conditions" or, if under a large basis of declarations, Property US-Binding Authority risk code (B2, B3).

If there is a situation where the subject matter of the insurance is not a physical asset, or it is a group of mixed and/or unidentified items, then the PU risk Code should be used.

If there is any doubt on the above, please seek the advice of the Class Underwriting Performance and Solutions team at underwritingoversight@lloyds.com, in order to assess the individual product and advise accordingly

For clarity parametric insurance contracts refer to contracts where the claim payment is in addition to any indemnity trigger, is based on the triggering of an external and independent parameter (index).

3.9 Coding of Contractual Liability Insurance Policies (CLIP's)

All Contractual Liability Insurance Policies (CLIP's) regardless of the subject matter should be coded under the PU risk code.

4. Guidance for Specific Risk Codes/ Classes of Business

4.1 Accident & Health

4.1.1 Personal Accident

Risk code KG is to be used for general Personal Accident and Health only. Risk code KG should continue to exclude non-marine Kidnap and Ransom (K&R), Sports Disabilities (risk code KS), Travel Package Schemes (risk code KT) and Maritime Extortion (risk code KP). Non-marine Kidnap and Ransom (K&R) should be allocated to risk code P (see section 4.9.1).

Risk code KA ("Personal Accident and Health Carve Out") is to be used for the provision of PA Benefits where a pre-determined sum is payable for stated benefits which are also limited by time (e.g. 52 weeks) and are 'carved out' of any legal liability policy. This classification cannot be used for any business which includes any form of legal liability either directly or indirectly where the amount of loss payable may be subject to a court award or negotiated settlement. For such business an appropriate liability risk code should be used.

4.2 Aviation

4.2.1 Airline and General Aviation

“Airline” is defined as:

- Large and/or high-valued and/or high impact exposed commercial passenger/cargo carrying airliners/airline fleets.

“General Aviation” is defined as:

- Any other aircraft including small commercial operations, corporate jets, helicopters and other private aircraft.

Underwriters should note that hull and liability exposures should be coded separately. For AVN52 coverage, risk code L2 or L3 should be used.

4.3 Casualty

Certain liability categories require underwriters to denote whether the wording is on a claims-made or other trigger (e.g. NA/NC and XF/XG).

Certain liability categories require underwriters to denote whether the risk is in the USA or not in the USA. Additional guidance on this split is provided in section 3.5.

Risk codes introduced for the non-Marine General Liability classes from 1st January 2019 which require underwriters to denote whether the risk is Binding Authority or Non-Binding Authority. As a result the historical risk code descriptions have been amended to exclude binding authorities. Further details contained in Market Bulletin Y5202.

4.3.1 Cyber

- The CY risk code definition is as follows:

“CY (“Cyber Security Data and Privacy Breach”): Coverage in respect of first or third party costs, expenses or damages due to a breach (or threatened breach) of cyber security and/or privacy of data, that does not include damage to physical property, excluding inwards treaty reinsurance”

- CZ applies to cyber policies where property damage is covered under the policy. This is defined as follows:

“CZ (“Cyber Security Property Damage”): Coverage in respect of first or third party costs, expenses or damages due to a breach of cyber security that includes damage to physical property, excluding inwards treaty reinsurance.”

The two codes should be used where underwriters are marketing a specific, standalone product to respond to breach of cyber security (i.e. malicious electronic attack). For the purpose of this risk code guidance damage to physical property does not include loss of, or damage to, data in electronic form. Policies where there is cover provided for losses caused by breaches of cyber security but the predominant exposures arise from non-cyber perils can remain coded in the existing risk codes. Notwithstanding this, care should be taken to follow the guidance provided in section 3.4 above on Multiple Risks. This coding relates to insurance contracts.

Starting from the 2024 Capital Planning process (CPG) and the 2024 underwriting year of account, Lloyd's has introduced two new risk codes to capture the underwriting of CY and CZ written as inwards treaty reinsurance:

- Risk code RY: CYBER SECURITY DATA & PRIVACY BREACH TREATY REINSURANCE

"The ceded coverage in respect of first or third party costs, expenses or damages due to a breach (or threatened breach) of cyber security and/or privacy of data, that does not include damage to physical property.

The risk code applies to all reinsurance contracts both proportional and non-proportional written as a treaty".

- Risk code RZ: CYBER SECURITY PROPERTY DAMAGE TREATY REINSURANCE

"The ceded coverage in respect of first or third party costs, expenses or damages due to a breach of cyber security that includes damage to physical property.

The risk code applies to all reinsurance contracts both proportional and non-proportional written as a treaty".

- Additional changes/guidance to start from 2024 onwards:

Risk code CY: changed definition to specify that it excluded inwards treaty reinsurance

Risk code CZ: changed definition to specify that it excluded inwards treaty reinsurance

CY and CZ will only apply to insurance contracts or single risk reinsurance contracts, such as facultative reinsurance of a single insured, in line with section 3.3.1 above.

Notwithstanding the guidance provided under Market Bulletin Y4842 (available on Lloyds.com) concerning the use of codes CY and CZ, discrete coding to the relevant portion of exposure and associated claims and premiums should be undertaken where the cyber risk is seen as the predominant or material peril (section 3.4). The term "Predominant" shall be taken to mean that in assessing the risk of loss the lead underwriter considers that cyber perils exert a superior influence over his estimation compared to other perils. Should the lead underwriter consider cyber to be the "Predominant" peril, separate coding should be applied to support necessary pricing, management and aggregation of such cyber exposures and associated claims experience.

However, in the case of Political Violence and Terrorism policies (including War perils), all forms of Cyber risk must be affirmative and coded under the relevant Cyber risk code, regardless of materiality or the consideration of whether Cyber is a predominant peril (section 4.18.5).

For the 2026 year of account, Lloyd's has introduced additional codes to distinguish between US and non-US exposures. This will provide important additional granularity to the information Lloyd's receives.

For the purposes of determining whether a US or non-US risk code is applicable, syndicates should follow section 3.5 of this guidance and Market Bulletin Y4886 (available on Lloyds.com) regarding "USA/non-USA" designated codes.

The new risk codes which have been incorporated into Lloyd's systems are to be adopted by managing agents for the 2026 year of account and should be used for the 2026 year of account business planning process. These changes will not affect the 2025 year of Account or prior years' reporting or Syndicate Business Forecast (SBF).

The new definition that will be adopted for Direct and Facultative Cyber risk from 2026 is as follows:

- Risk code CY:
    - New risk code description: from "CYBER SEC DATA AND PRIVACY BREACH EXCLUDING TREATY REINSURANCE" to " CYBER SECURITY DATA AND PRIVACY BREACHES US EXCL TREATY REINSURANCE "

  - Should cover all methods of placement.

- Risk code CZ:
  - New risk code description: from " CYBER SECURITY AND PROPERTY DAMAGE EXCLUDING TREATY REINSURANCE" to "CYBER SECURITY AND PROPERTY DAMAGE US EXCL TREATY REINSURANCE"
  - Should cover all methods of placement.

- Risk code CG:
  - New risk code: "CYBER SECURITY DATA AND PRIVACY BREACHES NON-US EXCL TREATY REINSURANCE"
  - Should cover all methods of placement.

- Risk code CH:
  - New risk code: "CYBER SECURITY AND PROPERTY DAMAGE NON-US EXCL TREATY REINSURANCE"
  - Should cover all methods of placement.

- Risk code WY:
  - CYBER WAR SECURITY DATA, PRIVACY BREACH (CY) AND/OR CYBER SECURITY PROPERTY DAMAGE (CZ) EXCLUDING TREATY REINSURANCE.
  - To be used for the 2027 Year of Account.
  - For use on or in conjunction with standalone cyber policies (CY/CG/CZ/CH) where affirmative war coverage is provided or for policies covering affirmative war only. Should cover all methods of placement excluding treaty reinsurance.
  - WY risk code is for affirmative cyber war cover only. Approval for WY risk code utilisation will not be granted to enable or allow use of war exclusion clause Types 4, 6 or 7. Use of these clauses remains subject to the provisions of Market Bulletin Y5433.
  - Should cover all regions.

4.3.2 Directors & Officers

Directors & Officers risk codes may be used for Lloyd's Europe risks, with the appropriate risk code allocation typically made based upon physical location, unless overridden by point 4 below.

Lloyd's Europe Stamp Required

1) A risk domiciled within the EEA

2) A EEA domiciled risk with a named subsidiary in the US, then the risk is written proportionally split between a syndicate stamp and Lloyd's Europe stamp

3) For non-EEA risks, any EEA exposure must be written separately with the Lloyd's Europe stamp either at inception or when exposures are declared or become known

4) Regardless of syndicate stamp or Lloyd's Europe paper being utilised, guidance for determining the correct allocation of risk codes is typically driven by physical location of the insured. However in order to identify any US securities exposure in respect of Directors and Officers Liability, further risk coding consideration must be undertaken in accordance with the following guidance:

Directors and Officers risk codes

For the purposes of determining which of the risk codes D2, D3,DD, D1, DA, DB, D4 and D5 ("D&O Liability") is applicable, risk codes should be based upon whether or not the insured has any shares traded on the New York Stock Exchange, NASDAQ, or any recognised US stock exchange including by way of an ADR programme Level II or III. However, underwriters should always be mindful of the overriding guidance given in Section 3.5 of this guidance and Market Bulletin Y4886 (available on Lloyds.com) regarding "USA/Non-USA" designated codes.

4.3.3 Transactional Liability

For the 2026 year of account, Lloyd's has introduced additional risks codes into the Transactional liability suite of risk codes, to distinguish between the different types of risks and exposures as well as US and non-US exposures.

For the purposes of determining whether a US or Non-US risk code is applicable, risk codes should be based upon whether or not the insured has any shares traded on the New York Stock Exchange, NASDAQ, or any recognised US stock exchange including by way of an ADR programme Level II or III. However, underwriters should always be mindful of the overriding guidance given in Section 3.5 of this guidance and Market Bulletin Y4886 (available on Lloyds.com) regarding "USA/Non-USA" designated codes.

The new risk codes, which have been incorporated into Lloyd's systems, are to be adopted by managing agents for the 2026 year of account and should be used for the 2026 year of account business planning process. These changes will not affect the 2025 year of account or prior years' reporting or Syndicate Business Forecast (SBF).

- Risk code D8:
  - New risk code description: from "TRANSACTIONAL LIABILITY INSURANCE INCL. US" to "TRANSACTIONAL LIABILITY WARRANTY AND INDEMNITY US"
  - (Re)insurance policy for financial losses arising from breaches of warranties, representations or indemnities given in mergers & acquisitions and other similar, transfers, sales, purchases or investments, where the insured is domiciled in the USA.
  - Excludes tax risks and contingent risks defined below
  - Should cover insurance and reinsurance (proportional and non-proportional).
  - Should cover all methods of placement.

- Risk code D9:
  - New risk code description: from "TRANSACTIONAL LIABILITY INSURANCE INCL. US" to "TRANSACTIONAL LIABILITY WARRANTY AND INDEMNITY US"
  - (Re)insurance policy for financial losses arising from breaches of warranties, representations or indemnities given in mergers & acquisitions and other similar, transfers, sales, purchases or investments, where the insured is domiciled outside the USA.
  - Excludes tax risks and contingent risks defined below
  - Should cover insurance and reinsurance (proportional and non-proportional).
  - Should cover all methods of placement.

- Risk code TA:
    - New risk code: "TAX INSURANCE US"
    - (Re) insurance policy for specific, identified tax issues or eventualities and associated costs, penalties and interests, where the insured is not aware of any related litigation, pre-litigation, dispute, demand, specific audit question or challenge at the inception of the risk, where the insured is domiciled in the USA.
    - excluding contingent risks defined below.
    - Should cover insurance and reinsurance (proportional and non-proportional).
    - Should cover all methods of placement.

- Risk code TB:
    - New risk code: "TAX INSURANCE NON-US"
    - (Re)insurance policy for specific, identified tax issues or eventualities and associated costs, penalties and interests, where the insured is not aware of any related litigation, pre-litigation, dispute, demand, specific audit question or challenge at the inception of the risk, where the insured is domiciled in the USA.
    - excluding contingent risks defined below.
    - Should cover insurance and reinsurance (proportional and non-proportional).
    - Should cover all methods of placement.

- Risk code CD:
    - New risk code: "TRANSACTIONAL LIABILITY CONTINGENT AND CONTESTED RISK US"
    - (Re)insurance policy for specific, identified tax or non-tax/issues or eventualities, where the insured is aware of any related litigation, pre-litigation, dispute, demand, specific audit question or challenge at the inception of the risk, where the insured is domiciled in the US.
    - This risk code would include:
        - Judgement Preservation Insurance: coverage for losses resulting from a favourable verdict, judgment, arbitration award, or agency determination being reversed on appeal.
        - Adverse Judgment Insurance: coverage to protect against a potentially significant or catastrophic judgment in the event the insured may become defendants in future litigation.
        - Litigation Buy-Out insurance
        - Litigation Funding Insurance or Portfolio of Cases Insurance
        - Defective Title.
    - This risk code does not include:
        - After The Event Legal Expenses, which must be coded under “LE” regardless of materiality.
        - Financial Guarantee and Credit products/perils, which must be coded under the relevant Credit risk code: CR, CF, SB, FM, GF, WT or ST regardless of materiality. In addition, any business coded with a Financial Guarantee risk code is subject to the Lloyd’s requirements for Financial Guarantee risks, as set out in the Supplemental Requirements.
        - Contingency products written under “PC” (event cancellation) “PF” (film completion) or “PN” (artist non-appearance), which must be coded appropriately regardless of materiality.
    - Should cover insurance and reinsurance (proportional and non-proportional).

   - Should cover all methods of placement.
   - Should cover all regions.

- Risk code CE:

   - New risk code: "TRANSACTIONAL LIABILITY CONTINGENT AND CONTESTED RISK NON-US"
     (Re) insurance policy for specific, identified tax or non-tax/issues or eventualities, where the insured is aware of any related litigation, pre-litigation, dispute, demand, specific audit question or challenge at the inception of the risk, where the insured is domiciled in the US.
   - This risk code would include:
      - Judgement Preservation Insurance: coverage for losses resulting from a favourable verdict, judgment, arbitration award, or agency determination being reversed on appeal.
      - Adverse Judgment Insurance: coverage to protect against a potentially significant or catastrophic judgment in the event the insured may become defendants in future litigation.
      - Litigation Buy-Out insurance
      - Litigation Funding Insurance or Portfolio of Cases Insurance
      - Defective Title.
   - This risk code does not include:
      - After The Event Legal Expenses, which must be coded under “LE” regardless of materiality.
      - Financial Guarantee and Credit products/perils, which must be coded under the relevant Credit risk code: CR, CF, SB, FM, GF, WT or ST regardless of materiality. In addition, any business coded with a Financial Guarantee risk code is subject to the Lloyd’s requirements for Financial Guarantee risks, as set out in the Supplemental Requirements.
      - Contingency products written under “PC” (event cancellation) “PF” (film completion) or “PN” (artist non-appearance), which must be coded appropriately regardless of materiality.
   - Should cover insurance and reinsurance (proportional and non-proportional).
   - Should cover all methods of placement.
- Should cover all regions.

4.3.4 Environmental Impairment Liability or NM Pollution Liability

The definition of Environmental Impairment Liability (EIL) is as follows:

- EP (“Environmental Impairment Liability or NM Pollution Liability”): This provides cover for first party clean-up costs and/or third party liabilities (including associated legal defence costs) resulting from sudden or gradual pollution or environmental damage. Policies written on both a claims made or other trigger (e.g. occurrence) and in any territory should be written in this risk code.

Where pollution liability (on a general liability or standalone pollution/EIL policy) covers gradual pollution, first party clean-up costs or environmental damage then this should be coded as EP. Third party liability for pollution on a ‘sudden and accidental’, ‘named perils’ or ’time element’ basis should remain coded within the general liability risk codes along with extensions to GL policies to cover statutory liability for clean-up costs under a ‘Bartoline’ or similar extension.

4.4 Energy

The definition of energy business is as follows:

- "Oil, Gas and Sulphur Exploration, Drilling and Production in the field, including oil, gas and sulphur refining, processing and sale of finished products".

Please note, Energy does not include business otherwise defined as “Operational Power Generation Transmission and Utilities” or ‘’Renewable Energy’’ (see section 4.11).

4.5 Engineering

4.5.1 Engineering and Contractors All Risks

Risk code CB should be used for policies which have a renewable date. It applies to the following policies

i) Contractors All Risks (CAR)
ii) Erection All Risks (EAR)
iii) Contractor’s Plant and Equipment (CPE)
iv) Machinery Breakdown (MB)
v) Boilers and Machinery (B&M)
vi) Electronic Equipment Insurance (EEI)
vii) Computer All Risks

It also applies to non-proportional reinsurance treaties written on a losses occurring during basis (LOD).

Risk code CC should be used only for those covers which, are single project policies and are non-renewable. CC may cover proportional and non-proportional business written on a risk attaching basis (RAD).

Electrical breakdown insurance on domestic appliances should be coded to Extended Warranty (WA).

Construction of power generating risks including transmission and utilities should not be coded to PG but should be coded within the Engineering property sub-class, until such time as risks are handed over as completed operational risks. During the construction, testing and commissioning phase, they should continue to be coded as CB or CC as appropriate.

Construction of Renewable Energy risks should be coded R3 or R4 as appropriate (please see section 4.11) and Offshore Energy Construction risks should be coded EC.

4.6 Marine

Please note the following risk code descriptions are incorporated in Lloyd’s list of available risk codes:

- B (“Vessels TLO IV LOH and Containers Excl. WRO”)
- T (“Vessels Excl. TLO IV LOH Containers Shipbuilding and WRO”)

- VX ("XOL Cargo Incl. War Excl. WRO")

4.7 Nuclear

Risk code NP should be used for policies involving the physical property assets and associated Business Interruption risk arising from operational power generation locations involving nuclear reactors. Specifically, this will include such exposures written through Nuclear Pools or facultative placements.

Risk code NL should be used for policies involving legal liabilities arising from operational power generation locations involving nuclear reactors. Specifically, this will include such liabilities written through Nuclear Pools or facultative placements.

Risk code NV should be used for policies involving legal liabilities in excess of 10 years arising from operational power generation locations involving nuclear reactors. Specifically, this will include such liabilities written through Nuclear Pools or facultative placements.

Starting from the 2027 YOA, the new risk code NW should be used for policies involving legal liabilities in excess of 30 years.

The approval of NV and NW risk codes will follow the considerations established in the Market Bulletin Y5377 (available on Lloyds.com).

For Nuclear Pool Re, please refer to section 4.18.1.

4.8 Nuclear, Chemical, Biological and Radiological

All coverage for loss caused by NCBR weapons should be separately monitored and controlled and require specific approval in the SBF. Risk codes will vary by class.

4.9 Pecuniary

4.9.1 Miscellaneous Pecuniary Loss

Risk code P ("Miscellaneous Pecuniary Loss") covers all miscellaneous pecuniary loss business, including non-marine K&R (formerly included under risk code KG), but excluding Transactional Liability and Title Insurance (see section 4.9.3) which have been allocated specific other risk codes.

4.9.2 Maritime Extortion

Maritime Extortion business (risk code KP) applies to the reimbursement of costs associated with securing the release of marine hull and/or cargo and/or crew following the illegal seizure of a vessel by persons meeting the description of pirates.

With non-marine Kidnap and Ransom business to be coded as P, the KP risk code description is as follows:

- KP ("Maritime Extortion Excl. Kidnap & Ransom written under P").

4.9.3 Title Insurance

Risk code TT should be provided for covers indemnifying the insured against actual loss arising from a legal ownership defect which, together with any legal costs and expenses incurred in defending the title or reaching a settlement, results in either:

i) Loss of title or usage of land and buildings or their reduction in value
ii) Loss of mortgage security (or priority for the mortgage) over the land and buildings

4.9.4 Automotive Product Recall

All automotive recall business, some of which has historically been coded under risk codes NC and UC, is to be coded as risk code PB. This is applicable to standalone business only.

4.9.5 Miscellaneous Contingency

This section is intended for miscellaneous Contingency risks that do not fit the specific Contingency risk codes (PC - Event Cancellation, PN - Non-Appearance, PF - Film, and PZ - Prize Indemnity).

As noted in section 3.9 ,all Contractual Liability Insurance Policies (CLIP's) should be assigned to the PU risk code.

4.10 Political Risk and Financial Guarantee

4.10.1 Political Risk

Risk code PR ("Political Risk Excl. Confiscation Vessels Aircraft") includes, but is not limited to, land-based confiscation risks, force majeure, contractor's plant and equipment and expropriation of tangible assets by a foreign government.

4.10.2 Credit and Financial Guarantee

Guidance on the definition of Credit and Financial Guarantee risk codes is set out in the Supplemental Requirements.

For the 2026 year of account, Lloyd's has introduced new Political Risk, Credit and Financial Guarantee risk codes with slight amendments to existing ones.

The new risk codes which have been incorporated into Lloyd's systems are to be adopted by managing agents for the 2026 year of account and should be used for the 2026 year of account business planning process. These changes will not affect the 2025 year of account or prior years' reporting or Syndicate Business Forecast (SBF).

Credit:

- Risk code CR:

    - New risk code description: from "CREDIT RISK FROM 2019 IN ACCORD MKT BULLETIN Y5191" to " SINGLE SITUATION CREDIT"
    - (Re)insurance policy that covers a specific, individual transaction or buyer rather than a company's entire portfolio of receivables. Includes export deals, project finance, large loan

facilities and other financial instruments/arrangements. The obligor should be a commercial entity with a majority private ownership.
  - Should cover insurance and reinsurance (proportional and non-proportional).
  - Should cover all methods of placement.
  - Should cover all regions.

- Risk code CF:

  - New risk code description: from "CONTRACT FRUSTRATION FROM 2019 IN ACCORD MKT BULLETIN Y5191" to "SINGLE SITUATION CONTRACT FRUSTRATION"
  - (Re)insurance policy that covers a specific, individual transaction or buyer rather than a company's entire portfolio of receivables. Includes export deals, project finance, large loan facilities and other financial instruments/arrangements. The obligor should be a government entity or a commercial entity or a commercial entity controlled and/or majority owned by a government entity(ies).
  - Should cover insurance and reinsurance (proportional and non-proportional).
  - Should cover all methods of placement.
  - Should cover all regions.

- Risk code WT:

  - New risk code: "WHOLE TURNOVER CREDIT"
  - (Re)insurance policy designed to cover a business' entire portfolio of receivables. In this arrangement, the policyholder is insured for the credit of all their buyers rather than individual or selected accounts.
  - Should cover insurance and reinsurance (proportional and non-proportional).
  - Should cover all methods of placement.
  - Should cover all regions.

- Risk code ST:

  - New risk code: "SIGNIFICANT RISK TRANSFERS AND PORTFOLIO TRANSFERS (NON-MORTGAGE)"
  - The (re)insurer provides protection forfor a portfolio of underlying loans and a multiplicity of asset classes and credit risk profiles. The policyholder is a bank or financial institution. The protection can be provided on an excess of loss basis (sitting above a first loss layer retained by the bank) or on a quota share stop loss basis, sitting alongside the bank. Underlying loans can either be disclosed or on an anonymised basis where the underlying loans are chosen on the basis of pre-determined eligibility criteria. Transactions are normally required to be reviewed and approved by the policyholder's prudential regulator. The contracts under this category must be insurance policies and not in other forms of financial guarantees. Syndicates must satisfy to Lloyd's that sufficient and robust Legal and Accounting advice has been taken for this purpose. Excluded from this category are portfolio transfers (Credit Risk Transfers CRT's) insuring Government Sponsored Entities in the United States (e.g. Freddie Mac and Fannie Mae) and similar institutions, which should be reported under the Mortgage Indemnity category.
  - Should cover insurance and reinsurance (proportional and non-proportional).
  - Should cover all methods of placement.
  - Should cover all regions.

Managing should ensure they review and comply with Lloyd's updated Supplemental Requirements, available on Lloyd's website for additional detail on the writing of Financial Guarantee and Credit business..

4.11 Renewable Energy and Power Generation

4.11.1 Renewable Energy

Renewable Energy incorporates Onshore and Offshore Wind, Tidal, Solar and Battery Energy Storage Solutions (BESS) risks only. The construction insurances for these risks should be coded R3 or R4 as appropriate and operational insurances coded R1 or R2 as appropriate.

4.11.2 Power Generation

Risk code PG covers physical damage and Business Interruption to plant dedicated to the generation and distribution of electricity. This excludes risks deemed Renewable Energy as specifically defined above.

The PG risk code should be used for all risks whether onshore or offshore which, unless not more specifically dealt with under other Lloyd's risk codes, involve either:

i) Operational Power Generation
ii) Transmission of power (whether by cable, pipeline or other means)
iii) Power Utilities

Risks which involve cover for onshore production, refinement and processing of oil, gas and sulphur must not be coded to risk code PG, but rather should be correctly coded to that of EF ("Energy Onshore Property").

Underwriters should note that risk code PG, R1 and R2 should still be applied for named peril policies as appropriate.

Risk code PG specifically excludes the construction insurance for Power Generation risks which should be appropriately coded to either CB or CC until operational and handed over. Likewise, PG specifically excludes construction insurance for Renewable Energy risks which should be appropriately coded to either R3 or R4 until operational and handed over whereby they will then be appropriately coded to either R1 or R2.

Syndicates writing liabilities arising out of power generation should continue to code such liability risks as EA ("Energy Liability Onshore Claims Made") or EB ("Energy Liability Offshore All Other") as appropriate.

4.12 Property

4.12.1 Binding Authority and Open Market Coding

Binding authority risk codes (B2, B3, B4 and B5) should be used for personal lines and/or SME property business. For larger risks typically placed on a subscription basis in the open market, risk codes P2, P3, P4, P5, P6 and P7 should apply. Binding authority risk codes should not be used for specialist classes such as Terrorism and Power Generation where more specific codes apply.

Please also refer to further generic guidance in section 3.6.

4.12.2 Binding Authority Business

Risk code B2 should be used where providing cover in respect of physical damage to private property in the US (i.e. Homeowner's properties such as cabins, houses, apartments, flats or villas, condominium's, single or multi-family homes, contents within, personal effects such as watches/jewellery or clothing, etc.) located within the USA under a binding authority or delegated authority arrangement and not subject to a more specific coding.

Risk code B3 should be used where providing cover in respect of physical damage to commercial property in the US (i.e. office, retail shop, industrial or warehousing risks including stock and contents, machinery and plant and the like, etc.) located within the USA under a binding authority or delegated authority arrangement and not subject to a more specific coding.

Risk code B4 should be used where providing cover as per B2 but outside of the USA.

Risk code B5 should be used where providing cover as per B3 but outside of the USA.

4.12.3 Open Market Business

The terms used in the descriptions of risk codes P2-P7 are defined as follows:

- "Full value" refers to a direct or facultative property risk that provides coverage in one contract for the total sum insured.
- "Primary" refers to a "first loss" insurance or the first layer of a direct or facultative property risk that has been structured on a layered basis, with the upper layer(s) being placed as a separate contract(s) or section of a contract(s).
- "Excess layer" refers to the upper layer(s) of a direct or facultative property risk that has been structured on a layered basis, the primary layer being placed as a separate contract(s) or section of a contract(s).

Underwriters should refer to "USA/non-USA designated codes" (see section 3.5) and to "Multiple Risks" (see section 3.4) for guidance on global and/or package policies.

4.12.4 Homeowners

Risk code HP should be used in respect of all United Kingdom Household Business, which for the purpose of this code shall mean such private property used for residential purposes including park homes and static caravans.

Where writing non-UK homeowners property insurance this should be coded to the appropriate risk code depending on whether it is being written in the US or non-US and whether within a binding authority or as an open market placement.

Apportionment of relevant Flood Re Premiums within policies classified to the HP risk code.

Underwriters are reminded that where domestic UK homeowners insurance is provided, whether through binding authorities, lineslips, or as open market placements, which offer All Risks (or indeed any other section outside risk code HP and not within scope of Flood Re), the leading underwriter should allocate a pre-set percentage to the qualifying portion of the HP premium when calculating Flood Re returns.

Underwriters should ensure that they are able to identify such premium which qualifies for declaration to Flood Re and which premiums and exposures are otherwise exempted from the Flood Re reinsurance arrangement in order to avoid in accurate declarations being made.

4.12.5 Difference in Conditions

For use on US and non-US business where either single or multiple insured perils are being provided as a standalone insurance policy having been broken out of a larger insurance arrangement.

This code is commonly used where issuing standalone policies, which provide cover to otherwise extend that being provided under an original separately issued contract, and which has limited or otherwise excluded the peril or operative contingency.

Typical examples where this code may be used would include but not be limited to:

- Provision of standalone USA Earthquake where excluded from original insurance placement or local market insurance program.

- Provision of Flood Insurance as an alternative to that provided under the US National Flood Insurance Programme (NFIP).

It is recognised that due to legislative changes impacting the way in which the NFIP operates that an increasing number of syndicates are exploring opportunities to offer competing propositions to the national scheme. Where such policies are written, underwriters should consider carefully any wording being used to ensure that it remains compliant to the guidelines for Lloyd’s wordings in terms of exclusions and if necessary, the appropriate sign off obtained from Lloyd’s.

DC should also be used where underwriters are providing a specific difference in conditions policy other than where a risk is deemed operational power generation or operational renewable energy, in which case the more appropriate codes, PG, R3 and R4 should be utilised.

4.13 Extended Warranty

Risk code WA provides cover for any form of extended warranty. This includes any type of service contract or guarantee that offers coverage for accidental damage and repair costs after the manufacturer’s or retailer’s guarantee has expired. These covers may also be referred to as mechanical breakdown insurance.

4.13.1 Latent Defects

Latent defects insurance also sometimes known as inherent defects insurance and/or decennial insurance provides cover for owners of properties (both commercial and residential) against damage caused by a defect in the design, workmanship or materials not discovered before the cover commences. Latent defects business should be coded to WA.

4.14 Property Catastrophe Excess of Loss

The Property Whole Account Excess of Loss risk codes, XA, XJ, XU and XR should be used to denote where the underlying exposures are located. In the case of global treaties, the leading underwriter should endeavour to sub-divide the exposures between the new risk codes with an appropriate division of premium. Where a slip contains more than one risk code, any reinstatement premium payable should be allocated to the same code to which the claim applies.

Underwriters should refer to “Multiple Risks” (see section 3.4) and “USA/non-USA designated codes” (see section 3.5) for guidance on global policies.

The table provides a list all territories that fall under risk code XU.

Åland Islands	Faroe Islands	Latvia	San Marino
Albania	Finland	Liechtenstein	Serbia
Andorra	France	Lithuania	Slovakia
Austria	Germany	Luxembourg	Slovenia
Belarus	Gibraltar	Macedonia	Spain
Belgium	Greece	Malta	Svalbard and Jan Mayen Islands
Bosnia and Herzegovina	Guernsey	Monaco	Sweden
Bulgaria	Holy See (Vatican City State)	Netherlands	Switzerland
Channel Islands	Hungary	Norway	Turkey
Croatia	Iceland	Poland	UK
Cyprus	Ireland	Portugal	Ukraine
Czech Republic	Isle of Man	Republic of Moldova	
Denmark	Italy	Romania	
Estonia	Jersey	Russian Federation	

4.15 Agriculture

Risk code HA provides cover for crop and forestry risks written on a direct or facultative or proportional treaty basis.

Risk code AG is to be used for crop and forestry risks written on a stop loss or excess of loss treaty basis. Aquaculture is to be written as Livestock (risk code N).

4.16 Livestock and Bloodstock

Risk code NB should be used for any cover relating to any equine animals irrespective of whether these are thoroughbred or not. For the avoidance of doubt, this risk code should be used therefore for any equine animals involved in activities such as but not limited to Eventing, Pony Clubs, Dressage, Hunting and the like.

Risk code N should be used for covers which involve any risks classified as Livestock, which shall be deemed to mean:

i) Any non-equine animals including exotic animal (e.g. Emu/Lama/Worm/Insect or Grub/etc.)
ii) Domesticated animals raised in an agricultural setting to produce commodities such as food, fibre, genetic materials or labour (e.g. Sheep, Cow, Pig, Poultry, etc.)
iii) Aquaculture (e.g. Fish Farming and the like)

Risk code NX should be used for covers involving Excess of Loss (including treaty) applying to Livestock and Bloodstock, as more fully described and defined under Lloyd's risk codes NB and N above.

4.17 Term Life

4.17.1 Temporary Life and Permanent Health

Health insurance that provides benefits for persons being incapacitated in consequence of sustaining injury or death as a result of an accident or of sickness or infirmity for a period of five years or greater or until normal retirement age of the insured person or without limit of time must be coded as TL and may only be written by Term Life syndicates.

4.18 Terrorism

4.18.1 Specific Requirements – United Kingdom

Risk code BD ("Terrorism Pool Re and Nuclear Pool Re") must be used for any business which involves UK Terrorism written by syndicates participating in Pool Re.

Risks within Great Britain that are deemed to be nuclear sites are excluded from the standard Pool Re arrangement. To facilitate cover for such locations, a sister pool facility was created that would manage such exposures and have its own membership and market retention.

Due to the limited total exposure to the Nuclear Pool in the UK, such risks where providing terrorism cover should continue to utilise risk code BD.

Risk code TU ("UK Standalone Terrorism which is non-Pool Re") must be used where non-participating syndicates wish to write UK Terrorism either as a stand-alone peril or if it is being covered in conjunction with other perils.

4.18.2 Specific Requirements outside of the United Kingdom

Risk codes in this sub-section are intended for use with business anywhere in the world where terrorism coverage is being provided in response to legislative requirements. For example, such legislative requirements are in place in Australia and France.

To date, inward reinsurance has not been included in the scope of any terrorism specific legislation. Therefore at present, the terrorism codes, should not, be used on reinsurance business. If such reinsurance is on an excess of loss treaty basis then risk code TW should be used.

An “overseas legislation” terrorism risk code must not be used alone, but in conjunction with an appropriate non-terrorism risk code. Where more than one code is used on the applicable policy, it will be necessary to select more than one new terrorism code unless all the original codes map to a single new terrorism code.

For Australian and French business to which, respectively, the ATIA and GAREAT regimes apply, the “overseas legislation” terrorism risk codes must be used on all applicable business, i.e. irrespective of whether or not the syndicate has opted into the reinsurance arrangements set up under these regimes. In the US, this consideration does not arise because no insurer to which TRIA applies is permitted to opt out and the relevant terrorism codes must therefore be used on all applicable business.

NB: the detailed application of the terrorism codes differs according to which overseas legislation applies to the business in question. Detailed risk code specific guidance has therefore been provided to the market in a number of market bulletins, and is summarised as follows:

4.18.3 US TRIA/TRIEA/TRIPRA

The risk codes reflect the existing Lloyd’s US Lines of Business and FSA Accounting Classes, and should enable syndicates to track terrorism premiums through their accounting systems and help syndicates to monitor terrorism exposure in their underwriting portfolios.

The risk codes and their descriptions are as follows. Please note that all energy business should be processed using the four energy-specific codes listed below:

Risk Code	**Definition** Overseas Terrorism business written as a result of a legislative requirement made by a non-UK government to provide terrorism cover…	
1T	“	Accident & Health
2T	“	Aviation
3T	“	Marine
4T	“	Miscellaneous & Pecuniary Loss
5T	“	Motor
6T	“	Property
7T	“	Third Party Liability
8T	“	Transport
1E	“	Energy Offshore Property Damage
2E	“	Energy Offshore Liability
3E	“	Energy Onshore Property Damage
4E	“	Energy Onshore Liability

The 12 Terrorism codes above must not be used on US reinsurance business including the reinsurance of TRIA business. Such business should continue to be coded with an appropriate existing set of risk codes.

In order to enable these risk codes to be used to report business written in other jurisdictions if requirements arise in the future, the above definitions do not make reference to TRIA. Identification of jurisdictions will be achieved via FIL coding. Thus, a policy coded 3T which has a USA FIL code would be deemed to be a marine terrorism risk falling within the scope of TRIA (a list of FIL codes denoting US exposure is included for information at Annexe 1 to Market Bulletin Y3014 below).

NB: The above 12 risk codes should therefore only be used for terrorism business which is written as a result of legislative requirements.

For further guidance, please refer to Market Bulletin Y3014 of 17th March 2003.

Australia – ATIA

Market Bulletin Y3126 – “Use of Risk Codes”:

NB: the first part of Section 4.5 of Y3126 was included in error. ATIA applies only to policies which exclude terrorism. Given that policies which expressly cover terrorism do not contain such exclusions, they will not fall within ATIA and should not, therefore be processed using the new terrorism codes. The second part of Section 4.5, commencing “Please note…” is correct

Premium Apportionment Across Codes: Section 2 and Appendix 1 of Market Bulletin Y3210:

France – GAREAT

The requirement to use the new terrorism risk codes also applies to GAREAT business, and was established by Section 5.2 of Market Bulletin Y3014, which states that:

“The 12 terrorism risk codes must be used for French GAREAT risks incepting on or after 1 July 2003. They are mandatory for use in relation to this business. Slips must make clear the nature of the coverage being supplied and show the geographical exposure as “France”. This coding approach is necessary so that Lloyd’s has the ability to analyse in detail the business written under the new risk codes for RBS and risk management purposes.”

4.18.4 Overseas Territories in General

Risk which involves the peril of non-marine physical damage caused by terrorist acts to assets located in overseas territories other than those listed above should be coded using the Lloyd’s risk code TO (Overseas Stand Alone Terrorism Excluding “1T” to “8T” and “1E” to “4E”) unless they are written on an excess of loss treaty basis, in which case they should be coded to Lloyds risk code TW.

Risk code TO must be used both where this peril is the only one being covered and where the peril is covered in conjunction with other perils, in which case the terrorism portion must be split out and coded accordingly.

The risk code must not be used to denote terrorism coverage which is provided as a result of overseas legislative requirements, as mores specific risk codes exist for this purpose (1T to 8T) as detailed under Market Bulletin Y2968 and as applying to the various classes of business.

4.18.5 Cyber risk within Political Violence and Terrorism (PVT) standalone policies

In the case of Political Violence and Terrorism policies (including War perils), all forms of Cyber risk must be affirmative and explicitly coded under the relevant Cyber risk code, regardless of materiality or the consideration of whether Cyber is a predominant peril (section 3.4 and 4.3.1.). Lloyd's will reserve the right to ensure that all syndicates writing it are doing so to an appropriate standard, with robust and clear wordings.

As a minimum, Lloyd's expects PVT policies (whether they include war or not) which provide Cyber coverage to utilise cyber capability to assess the risk, price the coverage and use the appropriate risk code.

4.19 Third Party Reinsurance to Close (RITC)

Risk code TC ("Commercial RITC") must be used for Third Party Reinsurance to Close business. Whilst the this code avoids the need to allocate RITC premium to individual codes when signing through XIS, XIS will be unable to breakdown this business. As a result, in order for Lloyd's to collect information for regulatory reporting purposes, managing agents will need to maintain details by risk code, currency and originating year of account for risks being reinsured.