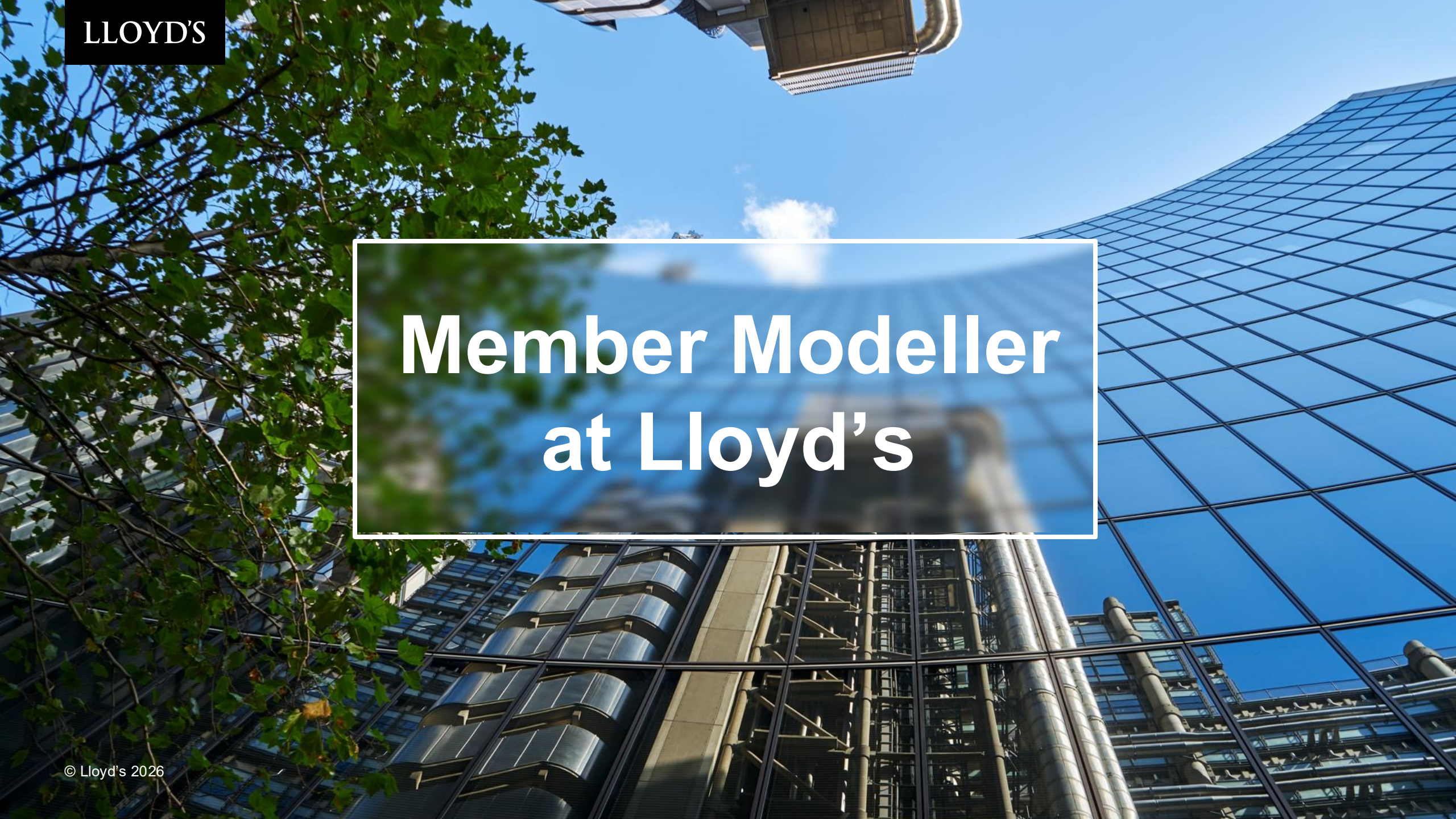


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Contents

- What is the Member Modeller
- Benefits of the Member Modeller
- Member Modeller in action
- Accessing the Member Modeller
- Capital Modelling Across Lloyd's

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What is the Member Modeller

The Member Modeller is a tool that utilises Lloyd's Internal Model (LIM) to calculate a members capital requirement



1. INPUTS

Syndicate Capital Calculations
Captured from syndicate submissions

A Members Participation
Entered by the member



2. MEMBER MODELLER
using the LIM

Simulates all the inputs 100,000 times to understand the volatility of a member's portfolio

It then takes the 99,500th worst simulation (1/200)



3. THE MEMBERS CAPITAL REQUIREMENT

Diversified across:
Syndicate Exposures &
Years of Account

What is the Lloyd's internal model (LIM)?
The LIM is a PRA approved capital model capable of modelling risk interactions across the entire Lloyd's marketplace.

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Capital Benefits of Writing Business in Lloyd's

01

Capital benefit

Members receive a **diversification benefit** in their capital requirement, calculated **across syndicate exposures** and **across year of account**.

30%

Average diversification benefit

between syndicates, for members participating on more than one syndicate

02

Visibility benefit

Members can, via the Member Modeller, **test syndicate participation scenarios before investing**.
Brokers and agents can use the outputs to support client decision making.

Model — Discuss — Decide

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Member Modeller in action

How the Member Modeller works

1 Simulate
100,000 scenarios per syndicate and YoA.

2 Calibrate
Aligns each 1-in-200 outcome to SCR.

3 Apply participations
Apply member shares across syndicates.

4 Aggregate
The 99,500th Worst combined outcome sets ECA.

Illustrative simulation results (10 scenarios)

Simulation	Syndicate A YoA 2025	Syndicate A YoA 2026	Syndicate B YoA 2026	Combined portfolio (Member outcome)
Sim. 1	41	88	-8	121
Sim. 2	**-88**	86	-18	-20
Sim. 3	64	88	75	226
Sim. 4	-84	31	38	-16
Sim. 5	85	-84	**-68**	-67
Sim. 6	14	-64	26	-24
Sim. 7	-4	-81	-64	**-149**
Sim. 8	-34	**-94**	-5	-133
Sim. 9	13	77	19	109
Sim. 10	49	42	-24	67

Diversification summary

Sum of individual worst outcomes	**249**
Member Modeller outcome	**149**
Diversification benefit	**100**

The Member Modeller uses a full stochastic model, following the PRA Rulebook, to assess risk across syndicates and years of account, giving members confidence that their diversified capital requirement reflects their overall portfolio.

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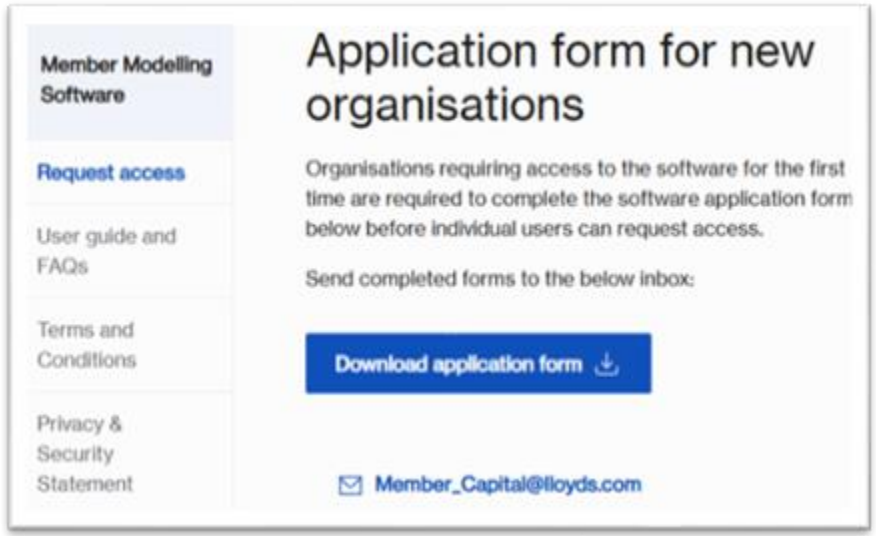
Accessing the Member modeller

Members and their advisers can follow a simple three-step journey from requesting access to using the modeller's key features

1

Register for access

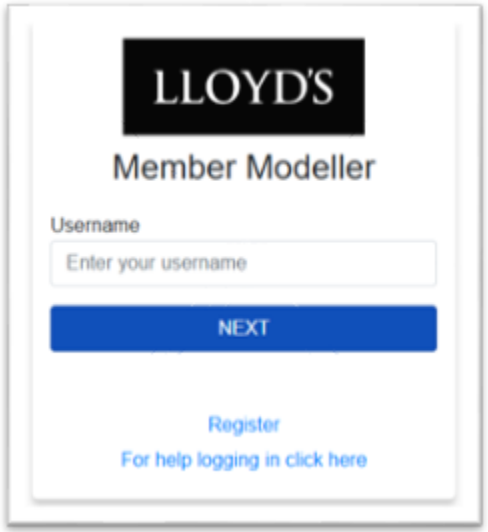
Complete the application form



2

Log in via the portal

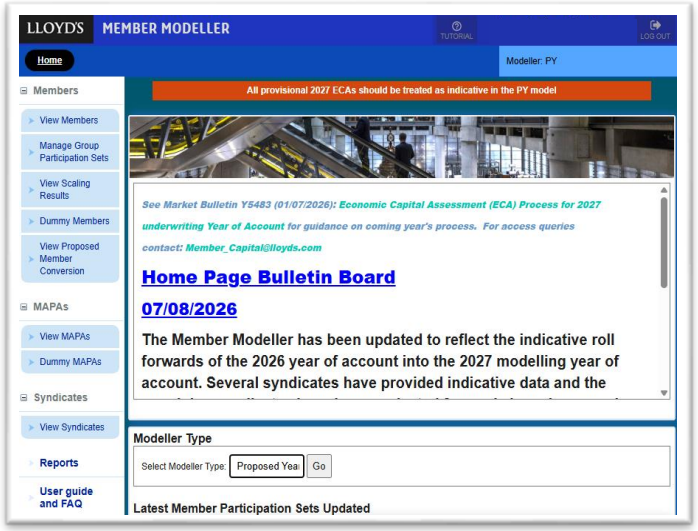
Sign in to the Member Modeller portal on Lloyd's website.



3

Follow the tutorials

Use the tutorials to explore the Member Modeller and its key features.



What users can do inside

- View current position
- Model participation scenarios
- Review undiversified ECA
- See diversification credit and final ECA
- Analyse currency and class of business exposure

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Capital Modelling Across Lloyd's

Three levels of capital modelling work together to deliver Lloyd's robust, market wide capital framework.

01	**Syndicate Capital Modelling** Models the risk and capital requirements at the individual syndicate level.	**Who:** **Syndicates**	**Input:** Syndicate exposure data	**Output:** Syndicate capital submissions
02	**Member Modeller** Aggregates syndicate submissions and member participations to calculate capital requirements at member level.	**Who:** **Lloyd's**	**Input:** Syndicate capital submissions & member participations	**Output:** Members capital requirements
03	**Lloyd's Internal Model (LIM)** Models the Lloyd's market on a consolidated basis to determine the marketwide and central solvency requirements.	**Who:** **Lloyd's**	**Input:** Syndicate capital submissions	**Output:** Lloyd's market and central solvency requirements.

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