

# Canadian Bulletin

Ref: RE-24-018

<b>Date</b>	21 November 2024
<b>Recipient</b>	Stakeholders writing business in Canada
<b>Subject</b>	New risk codes and amended descriptions of certain existing risk codes for 2025 year of account

<i>Purpose:</i>	To advise stakeholders regarding new risk codes and amended descriptions of certain existing risk codes for 2025 year of account
<i>Affects:</i>	Stakeholders writing Business in Canada
<i>Line of Business:</i>	Commercial
<i>Jurisdiction:</i>	Canada
<i>Effective:</i>	January 1, 2025

## What you need to know

Lloyd's has reviewed the risk codes in order to ensure that they accurately reflect the business being written by the syndicates. Six new risk codes will therefore be introduced for the 2025 underwriting year of account and descriptions of certain existing risk codes will be amended.

## What's changed

Further to Market Bulletin Y5441:

1. Re-allocation of War on Land risk code (WL) to Lloyd's Terrorism class and the creation of a new risk code (CW) to cover for War on Land "goods in transit" to be used for Cargo coverages.
2. The split of risk code BB (Fidelity Computer Crime and Bankers Policies) into two risk codes:
  - a. Risk code BB: Financial Institutions only
  - b. New risk code BC: BB excluding Financial Institutions
3. The split of Commercial Directors and Officers (D&O) covers, currently coded under D2 and D3, into the following granularities:
  - a. D&O liability sides ABC for US Public firms excluding financial institutions (re-purposed D2 risk code)
  - b. D&O liability sides ABC for non-US Public firms excluding financial institutions (re-purposed D3 risk code)

- c. D&O liability sides A or A with DIC for US Public firms excluding financial institutions (New DD risk code)
- d. D&O liability sides A or A with DIC for non-US Public firms excluding financial institutions (New D1 risk code)
- e. D&O liability US Private firms excluding financial institutions (New DA risk code)
- f. D&O liability non-US Private firms excluding financial institutions (New DB risk code)

New risk codes:

Risk Code	Description
BC	FIDELITY, COMMERCIAL CRIME AND COMPUTER CRIME FOR COMMERCIAL ENTITIES, EXCLUDING FINANCIAL INSTITUTIONS
CW	WAR ON LAND IRO GOODS IN TRANSIT
D1	D AND O LIAB EXCL FINANCIAL INSTITUTIONS NON-US PUBLIC A OR A WITH DIC
DA	D AND O LIAB EXCL FINANCIAL INSTITUTIONS US PRIVATE
DB	D AND O LIAB EXCL FINANCIAL INSTITUTIONS NON-US PRIVATE
DD	D AND O LIAB EXCL FINANCIAL INSTITUTIONS US PUBLIC A OR A WITH DIC

Amended descriptions:

Risk Code	Old Description	Amended Description
BB	FIDELITY COMPUTER CRIME AND BANKERS POLICIES	FIDELITY, BANKERS AND COMPUTER CRIME FOR FINANCIAL INSTITUTIONS
D2	D AND O LIAB USA EXCL FINANCIAL INSTITUTIONS	D AND O LIAB EXCL FINANCIAL INSTITUTIONS US PUBLIC ABC
D3	D AND O LIAB EXCL USA EXCL FINANCIAL INSTITUTIONS	D AND O LIAB EXCL FINANCIAL INSTITUTIONS NON-US PUBLIC ABC
WL	WAR ON LAND. NB: After 2004, also includes business previously coded QL	WAR ON LAND EXCL GOODS IN TRANSIT

With the introduction of these Risk Codes, new Commercial Coverage Codes will also be added for 2025 and Coverholders will have the possibility to report this business using the existing Coverage Codes or the new Coverage Codes.

New Coverage Codes:

Coverage	Description
5980	Crime / Fidelity - Individual Fidelity Bond (for Financial Institutions)
5981	Crime / Fidelity - Schedule Fidelity Bond (for Financial Institutions)
5982	Crime / Fidelity - Blanket Position Bond (for Financial Institutions)
5983	Crime / Fidelity - Primary Commercial Bond (for Financial Institutions)

Coverage	Description
5984	Crime / Fidelity - Depositors Forgery (for Financial Institutions)
5985	Crime / Fidelity - All Others / Combined (for Financial Institutions)
5990	Crime / Fidelity - Individual Fidelity Bond (Excluding Financial Institutions)
5991	Crime / Fidelity - Schedule Fidelity Bond (Excluding Financial Institutions)
5992	Crime / Fidelity - Blanket Position Bond (Excluding Financial Institutions)
5993	Crime / Fidelity - Primary Commercial Bond (Excluding Financial Institutions)
5994	Crime / Fidelity - Depositors Forgery (Excluding Financial Institutions)
5995	Crime / Fidelity - All Others / Combined (Excluding Financial Institutions)
7505	Fidelity (for Financial Institutions)
7506	Fidelity (Excluding Financial Institutions)

#### Existing Coverage Codes:

Coverage	Description
5970	Crime / Fidelity - Individual Fidelity Bond
5971	Crime / Fidelity - Schedule Fidelity Bond
5972	Crime / Fidelity - Blanket Position Bond
5973	Crime / Fidelity - Primary Commercial Bond
5974	Crime / Fidelity - Depositors Forgery
5975	Crime / Fidelity - All Others / Combined
7504	Fidelity

#### What this means to you

The new or amended Lloyd's Risk Codes and Coverage Codes are now available in Lineage and Stakeholders can start using them for business effective January 1, 2025 and ongoing.

Each Coverholder must contact their syndicate(s) to determine the appropriate coverages they should use to report this business.

Further details regarding the changes in Lineage will be provided shortly via Lineage Release Notes.

For further information, please contact [info@lloyds.ca](mailto:info@lloyds.ca).

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