

From Kieran Flynn, Franchise Performance

Date 9th November 2007

To Compliance & Operations Directors, Lloyd's Managing Agents

CC Adrian Graham, LMA

Subject Lloyd's complete development of rules for slip checking using Wordsensa QA.

Available for your use

Lloyd's is pleased to confirm that following the purchase of a market wide licence to enable all managing agents to use Wordsensa QA software, in support of their slip checking procedures, the development of all Open Market rules is now complete.

The Open Market QA tool checks (available via Lloyds.com) have been distilled into clear, encoded rules that can be deployed using WordsensaQA for the assessment of any open market slip.

Market take-up

We are aware of at least 35 Managing Agents who have deployed the technology to support their skilled underwriting / wordings personnel. The adoption of this technology should, over time, assist the market to undertake slip review in a more efficient and effective manner. Our intention is that Wordsensa QA will be integrated with relevant information sources to further streamline the checking process, subject to the management of priorities.

Whilst there is no requirement to use the Wordsensa QA facility where alternative pre-bind quality assurance procedures are working effectively, it is hoped that managing agents will evaluate this facility, directly or via a service provider. Over the coming months, we will be assessing the value that managing agents are getting from Wordsensa QA. We will also be enquiring regarding the PBQA procedures in operation generally.

Regards,

Kieran Flynn