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Date 21st September 2007

To Lloyd's Managing Agents
Lloyd's Brokers
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CC Market Reform Group
LMA
LMBC

Subject **Aligning the Open Market QA Tool with the Market Reform Contract**

Purpose

The purpose of this communication is to brief on the changes to the Lloyd's Open Market QA tool which are necessary to align the current application with the Market Reform Contract (MRC). These will be available as part of the next planned release on the 11th October 2007.

Note. The changes outlined here will **not** be applied to the Binding Authority QA tool.

Audience

The target audience of this note are:

- Experienced market practitioners and users of the Open Market Tool, and
- Technical users who download the full list of checks in the spreadsheet available for usage in their own systems

The "Background and proposed process" and the "Overview" sections in this note outline the rationale of the alignment exercise, and the key changes in the 11 Oct 2007 release. These sections are suitable for all.

The "Impact" section describes the impact of the changes on the different types of users.

The “Technical details” section gives technical users further technical information on the changes being made. It also includes examples of the changes they will see in the downloadable spreadsheet.

Background and proposed process

The Lloyd's Open Market QA tool is available via Lloyds.com to assist experienced market practitioners to check that slips contain the relevant Contract Certainty, Tax & Regulatory, Lloyd's Advisory & Risk Management information

To ensure the QA Tool is flexible to the various implementation and usage requirements in the market it is available in the following formats:

1 Online[1] - slip information selected (type of Insurance, market, class of business etc.) from the dropdown lists and results are viewable as an online report

   N.B this includes functionality to output the selected checks in text, csv or xml format[2]

2 Data Download[3] - those users requiring a full list of checks or choosing to integrate with other system applications they are able to download a full data extract in Microsoft Excel format

Overview

The current tool (version 1.0.1) is based upon the format and structure of the Market Reform Slip which is due to be withdrawn from use on the 1st November and replaced by the Market Reform Contract (MRC).

Note. Details of MRC changes can be found on the Market Reform Program Office website[4].

The key changes in the 11 Oct 2007 release are based around the re-ordering of the sections in the MRC. These changes will be reflected in both the online format, and the data download format mentioned above.

Impact

The impact on the Lloyd's QA tool will be the reordering of section headers and checks as shown in Table 1 - MRS & MRC Section Order below:

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[1] http://www.lloyds.com/qat/OpenMarket.aspx

[2] For changes to export files (text, csv or xml format) refer to Appendix C – Export of Selected Checks

[3] http://www.lloyds.com/qat/exportall.aspx?apptype=OM

[4] http://www.marketreform.co.uk/RD_P_S_MRC_guidance_pg1.htm

Table 1 - MRS & MRC Section Order

Ref.	From MRS Sections (current)	Ref.	To MRC Sections (new)
1	Risk Details	1	Risk Details
2	Subscription Agreement	2	Information
3	Information	3	Security Details
4	Fiscal & Regulatory	4	Subscription Agreement
5	Security	5	Fiscal & Regulatory
6	-	6	Broker Remuneration & Deductions

1 For users who access the checks via the ***QA Tool display screens***:

- The checks will be categorised and displayed in the respective sections, changing from the current Market Reform Slip (MRS, June 2006) to the MRC structure (see Table 1 - MRS & MRC Section Order)
- The "Section non-specific" category, which currently accommodates checks that apply to the whole contract, will continue to be included
- Users who export selected data in text, csv, or xml format, see Appendix C "Export of selected checks" for more information

2 For users who access the checks by ***downloading the spreadsheet*** from the QA Tool website:

- Two additional columns will be included in the spreadsheet download containing information which:
  a) determine the section in which each check will appear on the QA Tool display
  b) determine the order of each check displayed within each section
- Information in these two columns may be applicable to those users who wish to order the checks downloaded in a similar manner as displayed on the QA Tool screens
- For further information on these new columns, see Appendix A "Technical details"

3 For ***ALL*** users:

- The reference associated with each check, currently displayed under "Ref" on screen, and under "Check Reference" in the spreadsheet, will remain unchanged.
- An existing check, retaining its current reference, may appear on screen in a different section under the (new) MRC structure.
- Each new check will continue to be assigned a unique check reference, which will now be independent from the sequence of the check.
- No business meaning/context should be associated with any check references (existing or new). Its sole purpose is merely to uniquely identify each check, e.g. to be quoted in a query to aid the speed of resolution
- For further information on the reference assignments to new checks, see Appendix A "Technical details"

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Appendix A - Technical details

1. Rationale - why we are changing:

- Currently there is a reference for each check – the QA Tool and some of the users (those who download all the checks in the spreadsheet for use in their own systems) have been using this reference to order each check for their own systems as well as to uniquely identify each check
- However, whilst the unique reference for each check should remain unchanged throughout the life of the check, the sequence of the checks (reflecting the MRC order) may change
- It is envisaged that there may well be more changes in the future in terms of how checks are ordered in the Tool, reflecting changes in the future versions of the MRC
- There is therefore a need to introduce a new mechanism to order the checks, independently of the unique reference

2. Mechanism – what we are changing:

Two extra columns are included in the spreadsheet, namely:

- **Group ID:** This value runs from “1” to “7”. It identifies the section to which a check belongs and subsequently where they are displayed on screen. The mapping of the values to the sections displayed on screen are as below:

Table 2 - Group ID & Category Mapping

Group ID	On screen category
1	Risk Details
2	Information
3	Security Details
4	Subscription Agreement
5	Fiscal & Regulatory
6	Broker Remuneration & Deductions
7	Section Non-Specific

- **Sequence:** This value runs from “1” to the number of checks available in the spreadsheet. On its own, it determines the position of a check within the whole list of checks. Together with Group ID, it determines the order of the checks within a section.

  For example if a check’s Group ID equals “1”, Sequence equals “3”, then it will appear on the screen, in the same section (Risk Details) but in front of a second check, with Group ID equals “1”, Sequence equals “11”

The order of checks is dependent on changes in future QA Tool releases and reflects check insertions and deletions. The content in these columns may therefore differ for every update.
See the spreadsheet embedded in the Appendix B Sample Data in this document for a further illustration of examples.

- **Check Reference:** Existing checks will retain their existing references, e.g. 4_000012-CA. New checks will continue to be assigned a unique reference. The format will be 9_999999, with the first new check being 9_000001, the second 9_000002 and so on

3. Spreadsheets available for download:

A version of the spreadsheet in MRC structure will be available for subsequent updates from 11 October 2007:
- Contains the same check referencing mechanisms as in the spreadsheet in MRS structure described above
- Contains two extra columns: Group ID and Sequence as mentioned above

Appendix B - Sample data in the spreadsheets for download

Sample data as they would appear in the current (MRS) and the new (MRC) structures can be accessed via the downloads section of the Open Market QA Tool home page on Lloyds.com

Appendix C - Export of selected checks

Users exporting selected checks in text, csv or xml format should note that the generic mechanism for changes described in the above sections in this note applies, that is:

- The check reference for an existing or new checks will not indicate the section to which a check belongs, or how the exported checks should be ordered
- The Group ID and Sequence information will be used to determine the order of checks appearing in these exports
- Whether the Group ID and Sequence information will appear as additional information associated with each check for 11 Oct release is to be confirmed
- Depending on technical resource constraints, the inclusion of the Group ID and Sequence information may be scheduled for a future release