

## Managing Agents and Syndicates

The table shows the key characteristics for managing agents and syndicates active as at 31 December 2014. In 2014, Lloyd's wrote gross premiums of £25,283m.

Managing agent	Managed syndicate(s)	2014 GWP* £m	2013 GWP* £m	Owned share of syndicate(s) %
ACE Underwriting Agencies Limited	2488	375	371	100%
Advent Underwriting Limited	0780	126	135	100%
AEGIS Managing Agency Limited	1225	371	367	100%
Allied World Managing Agency Limited	2232	116	96	100%
Amlin Underwriting Limited	2001	1,538	1,472	100%
AmTrust at Lloyd's Limited	0044	15	9	100%
	1206	183	183	100%
Antares Managing Agency Limited	1274	251	246	91%
ANV Syndicates Limited	0779	16	26	0%
	1861	198	155	100%
	1969	152	121	0%
	5820	239	129	51%
Arch Underwriting at Lloyd's Ltd	2012	151	158	100%
Argenta Syndicate Management Limited	1110	138	103	0%
	2121	218	239	43%
Argo Managing Agency Limited	1200	380	425	87%
Ark Syndicate Management Limited	4020	335	359	93%
	6105	40	13	0%
Ascot Underwriting Limited	1414	574	625	100%
Aspen Managing Agency Limited	4711	299	279	100%
Asta Managing Agency Limited	1686	87	–	0%
	1729	41	–	0%
	1897	91	75	0%
	1910	193	204	0%
	2357	20	9	0%
	2525	42	39	0%
	2526	39	53	0%
	4242	82	80	0%
	6117	33	–	0%
Atrium Underwriters Limited	0609	365	380	25%
Barbican Managing Agency Limited	1955	274	279	100%
	6113	28	23	44%
	6118	71	–	0%
Beaufort Underwriting Agency Limited	0318	136	149	91%
Beazley Furlonge Limited	0623	227	240	7%
	2623	1,032	1,093	100%
	3622	13	13	100%
	3623	152	134	100%
	6107	17	19	44%
Brit Syndicates Limited	2987	1,303	1,183	100%
Canopus Managing Agents Limited	0260	60	67	93%
	0958	192	172	61%
	4444	727	704	90%
	6115	65	71	100%
Cathedral Underwriting Limited	2010	219	273	58%
	3010	45	27	100%
Catlin Underwriting Agencies Limited	2003	1,975	1,911	100%
	2088	47	49	0%
	3002	10	10	100%
	6111	129	108	0%
	6112	39	38	100%
	6119	16	–	0%
Chaucer Syndicates Limited	1084	899	888	100%
	1176	24	27	57%
Chubb Managing Agent Limited	1882	88	81	100%

## Managing Agents and Syndicates

*continued*

Managing agent continued	Managed syndicate(s)	2014 GWP* £m	2013 GWP* £m	Owned share of syndicate(s) %
ERS Syndicate Management Limited	0218	388	406	67%
Faraday Underwriting Limited	0435	208	234	100%
Hardy (Underwriting Agencies) Limited	0382	266	291	100%
HCC Underwriting Agency Limited	4141	81	87	100%
Hiscox Syndicates Limited	0033	832	823	73%
	3624	324	306	100%
	6104	49	43	0%
Liberty Syndicate Management Limited	4472	1,234	1,268	100%
Managing Agency Partners Limited	2791	170	261	20%
	6103	9	21	6%
Markel Syndicate Management Limited	3000	419	369	100%
Marketform Managing Agency Limited	2468	191	186	70%
Mitsui Sumitomo Insurance Underwriting at Lloyd's Limited	3210	351	343	100%
Montpelier at Lloyd's Limited	5151	172	150	100%
Munich Re Underwriting Limited	0457	446	511	100%
Navigators Underwriting Agency Limited	1221	234	235	100%
Newline Underwriting Management Limited	1218	102	106	100%
Novae Syndicates Limited	2007	659	608	97%
Pembroke Managing Agency Limited	2014	60	–	0%
	4000	250	273	100%
QBE Underwriting Limited	0386	333	449	70%
	2999	888	1,118	100%
R&Q Managing Agency Limited	1991	35	5	43%
Renaissance Re Syndicate Management Limited	1458	165	141	100%
S.A. Meacock & Company Limited	0727	68	70	16%
Shelbourne Syndicate Services Limited	2008	18	25	100%
Sirius International Managing Agency Limited	1945	67	59	100%
Sportscover Underwriting Limited	3334	56	88	100%
Starr Managing Agents Limited	1919	270	289	100%
Talbot Underwriting Limited	1183	669	698	100%
The Channell Managing Agency Limited	2015	162	124	100%
Tokio Marine Kiln Syndicates Limited	0308	27	31	50%
	0510	1,097	1,169	55%
	0557	20	30	0%
	1880	147	237	100%
Torus Underwriting Management Limited	1301	141	148	79%
Travelers Syndicate Management Limited	5000	312	331	100%
Vibe Syndicate Management Limited	5678	5	–	100%
W. R. Berkley Syndicate Management Limited	1967	150	136	100%
XL London Market Limited	1209	302	307	100%
All other syndicates, SPS and RITC adjustments		(590)	(271)	
<b>Total</b>		<b>25,283</b>	<b>25,615</b>	

As at 31 December 2014

\* See Glossary on page 175.

Name changes and managing agent changes during 2014 or after:

Syndicate 1110, previously managed by Argenta Syndicates Management Limited, transferred to ProSight Specialty Managing Agency Limited

Syndicate 1861, previously managed by ANV Syndicate Management Limited, transferred to ANV Syndicates Limited

Syndicate 1897, previously managed by R&Q Managing Agency Limited, transferred to Asta Managing Agency Limited

Syndicate 1945, previously managed by Asta Managing Agency Limited, transferred to Sirius International Managing Agency Limited

Syndicate 1969, previously managed by ANV Syndicate Management Limited, transferred to ANV Syndicates Limited

Syndicate 2015, previously managed by Asta Managing Agency Limited, transferred to The Channel Managing Agency Limited

Equity Syndicate Management Limited changed to ERS Syndicate Management Limited

R.J. Kiln & Co. Limited changed to Tokio Marine Kiln Syndicates Limited

The following syndicates ceased trading at 31 December 2014:

Canopus Managing Agents Limited 260 / Barbican Managing Agency Limited 6113 / Canopus Managing Agents Limited 6115

As at 25 March 2015 the following syndicates commenced trading for the 2015 year of account:

Charles Taylor Managing Agency Limited 1884 / Barbican Managing Agency Limited 6120 / Catlin Underwriting Agencies Limited 6121

# Glossary of Terms

Set out below is a guide to insurance and Lloyd's-related terms. These are not precise definitions but are included to provide assistance to readers as to the general meaning of terms commonly used in the Lloyd's market. Formal definitions are set out in the definitions byelaw.

## Accident year ratio

The accident year ratio is calculated as expenses and incurred losses (paid and reserves) for claims occurring in the year as a proportion of net premiums earned during the year. It excludes movements during the calendar year on claims, expenses and premium estimates for previous years.

## Active underwriter

A person employed by a managing agent with principal authority to accept insurance and reinsurance risks on behalf of the members of a syndicate.

## Binding authority

An agreement between a Lloyd's managing agent and a coverholder under which the Lloyd's managing agent delegates its authority to enter into a contract or contracts of insurance to be underwritten by the members of a syndicate.

## Calendar year ratio

This is the combined ratio (see below) and is the sum of the accident year ratio (see above) and the prior years' reserve movements (see below).

## Callable layer

Central Fund assets may be supplemented by a 'callable layer' of up to 3% of members' overall premium limits in any one calendar year. These funds would be drawn from premium trust funds.

## Central assets

The net assets of the Society including the Central Fund, but excluding the subordinated debt liability and the callable layer.

## Central Fund

The fund financed by (among other things) contributions from Lloyd's members and administered by the Council primarily as a fund for the protection of policyholders, and includes both the 'Old' Central Fund and the New Central Fund.

## Combined ratio

A measure of an insurer's underwriting profitability based on the ratio of net incurred claims plus net operating expenses to net earned premiums. A combined ratio of 100% is break even (before taking into account investment returns). A ratio less than 100% is an underwriting profit.

## Corporate member

A company incorporated with limited liability, a Scottish limited partnership or a limited liability partnership, admitted to membership of the Society.

## Council

Created by Lloyd's Act 1982, the Council has the management and superintendence of the affairs of the Society and the power to regulate and direct the business of insurance at Lloyd's.

## Coverholder

A firm either in the UK or overseas that is authorised by a managing agent under the terms of a binding authority to enter into contracts of insurance to be underwritten by members of a syndicate managed by the managing agent. A Lloyd's broker may act as a coverholder.

## Financial Conduct Authority (FCA)

On 1 April 2013, the UK financial services regulatory regime saw the Financial Services Authority split into the Prudential Regulatory Authority (PRA) and the Financial Conduct Authority (FCA). The FCA supervises the conduct of the UK financial services industry.

## Franchise Board

The board established by the Council with responsibility for creating and maintaining a commercial environment at Lloyd's in which the long-term return to all capital providers is maximised. This includes setting the Risk Management Framework and profitability targets for the market.

## Funds at Lloyd's (FAL)

Capital lodged and held in trust at Lloyd's as security for the policyholders and to support a member's overall underwriting business.

## Gross Written Premiums (GWP)

Written insurance premiums, gross of reinsurance and acquisition costs.

## Integrated Lloyd's Vehicle (ILV)

An arrangement in which a syndicate's capital is wholly provided by corporate members that are under the same ownership and control as the syndicate's managing agent.

## Managing agent

An underwriting agent responsible for managing a syndicate, or multiple syndicates.

## Member (of the Society)

A person admitted to the membership of the Society.

## Name

A member of the Society who is an individual and who trades on an unlimited basis.

## New Central Fund

The New Central Fund constituted by and governed by the New Central Fund Byelaw (No. 23 of 1996).

## Glossary of Terms

*continued*

### Non-technical account

Under UK GAAP the profit and loss account must be divided between the technical account and the non-technical account. Reported in the latter is all investment return, although an element will be reanalysed to the technical account, and any income and expenses that do not arise directly from the entity's underwriting activity.

### Premiums Trust Funds (PTF)

The premiums and other monies that members receive in respect of their underwriting at Lloyd's are held by their managing agents in trust for them subject to the discharge of their underwriting liabilities.

The premiums trust funds comprise a sterling fund, Lloyd's American Trust Fund, Lloyd's Dollar Trust Funds, Lloyd's Canadian Trust Fund and the Lloyd's Asia trust funds (which cover general business written through coverholders in Singapore). These premiums trust funds are available to fund overseas regulatory deposits, claims, return premiums, underwriting expenses and any profit that is payable to the member after providing for all future liabilities.

### Prior years' reserve movements

This is calculated as movements in reserves established for claims that occurred in previous accident years as a proportion of net premiums earned during the year.

### Prudential Regulatory Authority (PRA)

On 1 April 2013, the UK financial services regulatory regime saw the Financial Services Authority split into the Prudential Regulatory Authority (PRA) and the Financial Conduct Authority (FCA). The PRA is responsible for the prudential regulation and supervision of banks, building societies, credit unions, insurers and major investment firms.

### Realistic Disaster Scenarios (RDS)

A series of scenarios, both natural and man-made, which are used to assess the market's risk profile to a variety of different catastrophes to enable better risk management practices within Lloyd's.

### Reinsurance to close (RITC)

A reinsurance agreement under which members of a syndicate for a year of account to be closed are reinsured by members who comprise that or another syndicate for a later year of account against all liabilities arising out of insurance business written by the reinsured syndicate.

### Reinsurance to close (RITC) syndicate

A syndicate set up solely to underwrite the Reinsurance to Close of other syndicates.

### Service company

An approved coverholder which Lloyd's has agreed can be classified as a "service company" by reason of it being a wholly owned subsidiary of either a managing agent or of a managing agent's holding company and which is normally only authorised to enter into contracts of

insurance for members of its associated syndicate and/or associated insurance companies

### Special Purpose Syndicate (SPS)

A syndicate set up solely to underwrite a quota share reinsurance of another syndicate's business for a year of account.

### Spread syndicate

A syndicate whose capital is provided by a number of different members, including members that have separate ownership and control, to the syndicate's managing agent.

### Spread vehicle

A corporate member underwriting on a number of different syndicates.

### Syndicate

A member, or group of members, underwriting insurance business at Lloyd's through the agency of a managing agent.

### Syndicate allocated capacity

In relation to a syndicate the aggregate of the member's syndicated premium limits of all the members for the time being of the syndicate.

### Technical account

Under UK GAAP the profit and loss account must be divided between the technical account and the non-technical account. The technical account reports the results of the underwriting activity, premiums less claims less expenses, and also includes an element of the investment return reanalysed from the non-technical account.

### Tier 1 capital

The core measure of an insurer's financial strength from the viewpoint of the PRA. It consists of the most reliable and liquid assets. The perpetual securities issued in 2007 qualify as tier 1 capital as the proceeds of the debt issue are fully paid and immediately available; debt holders are subordinate to payment of claims.

### Traditional syndicate

A syndicate whose members underwrite insurance business at Lloyd's for the current year of account and which is neither an SPS syndicate nor an RITC syndicate.

### Year of account

The year to which a risk is allocated and to which all premiums and claims in respect of that risk are attributed. The year of account of a risk is usually determined by the calendar year in which the risk incepts. A year of account is normally closed by reinsurance at the end of 36 months.