

# Member Capital Guidance

Updated June 2026

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## 1 Version history

Version	Date	Reason for change
2027.1	29 June 2026	Set up for the 2027 modelling year and provide greater clarity on the capital implications between syndicates and members through the process.

## 2 List of abbreviations and acronyms

Abbreviation / Acronym	Meaning
ASUK	Annual Solvency Return
CIL	Coming into Line
CoC	Cost of Capital
CPG	Capital and Planning Group
DCP	Direct Corporate Participant
ECA	Economic Capital Assessment
ECU	Economic Capital Uplift
FAL	Funds at Lloyd's
FIS	Funds in Syndicate
FX	Foreign Exchange
GNP	Gross Net Premium
LCM	Lloyd's Catastrophe Model
LCR	Lloyd's Capital Return
LOC	Letter of Credit
LSM	Lloyd's Standard Model
MAPA	Members' Agent Pooling Arrangement
MDC	Market Data Collection
MRC	Market Reserving and Capital
M&URs	Membership and Underwriting Requirements
QMB	Quarterly Monitoring Return Part B
QCT	Quarterly Corridor Test
QSUK	Quarterly Solvency Return
RICB	Reinsurance Contract Boundary
RITC	Reinsurance to Close
SBD	Syndicate Business Discussion
SBF	Syndicate Business Forecast
SBM	Syndicate Benchmark Model
SCR	Solvency Capital Requirement
SCR1	One-year Solvency Capital Requirement
SPA	Special Purpose Arrangement
TPs	Technical Provisions
ULBY	Unlimited Liability Back Years
uSCR	Ultimate Solvency Capital Requirement
WD	Working Day
YoA	Year of Account

### 3 Useful Contacts and Links

Email	Detail
<a href="mailto:SCR&gt;Returns@lloyds.com">SCR&gt;Returns@lloyds.com</a>	Syndicate Capital Oversight Mailbox for technical queries on the LCR, LSM or syndicate modelling.
<a href="mailto:Member_Capital@lloyds.com">Member_Capital@lloyds.com</a>	Member Capital central inbox for all queries relating to member capital or the Member Modeller.
<a href="mailto:MarketOversightManagement@lloyds.com">MarketOversightManagement@lloyds.com</a>	Market Oversight Management mailbox for general queries on process and operations.
<a href="mailto:MDCSupport@lloyds.com">MDCSupport@lloyds.com</a>	Market Data Collection mailbox for MDC software related issues.

Link	Detail
<a href="#">Member Capital Guidance</a>	Guidance and access information for the Member Modeller and member capital process. Access via Lloyds.com: Resources & Services > Finance > Member Modelling Software
<a href="#">2027 Capital Guidance Section</a>	Capital guidance documents for the internal model SCR and related 2027 capital-setting process. Access via Lloyds.com: Resources & Services > Capital & Reserving > Capital Guidance > Internal Model SCR > Guidance Issued
<a href="#">Requirements for New Entrants</a>	Capital Guidance page covering capital-setting requirements for new syndicates. Access via Lloyds.com: Market Resources > Capital and Reserving > Capital Guidance > Requirements for New Entrants
<a href="#">Legacy Reinsurance</a>	Guidance on legacy reinsurance transactions, including RITCs, LPTs, ADCs and related documentation requirements. Access via Lloyds.com: Market Resources > Conducting Business / underwriting / Legacy Reinsurance > Legacy Guidance
<a href="#">Membership &amp; Underwriting Conditions and Requirements</a>	Member Services document library containing the M&UR document and related guidance notes. Access via Lloyds.com: Market Resources > Member Services > Document Library
<a href="#">Lloyd's Business Timetable</a>	Regulatory and franchisor deadline calendar for the Lloyd's market, including capital, FAL, CIL and QCT dates. Access via Lloyds.com: Market Resources > Business Timetable
<a href="#">ECA Bulletin</a>	Please follow the link the market bulletin page on Lloyds.com and search for the latest ECA Bulletin for detail on the latest syndicate and process updates affecting member capital.
<a href="#">Y5481</a>	Market Bulletin setting out the 2027 YOA business plan and capital approval process and timeline.
<a href="#">Performance Management Supplemental Requirements Guidance</a>	Section on the process where a syndicate expects to have capacity overwriting.

### 4 Introduction

This guidance is intended to help users understand how Lloyd's sets, updates and communicates member capital requirements through the annual capital cycle. It brings together the key points most relevant to the member capital process and explains how syndicate-level capital, planning and catastrophe data feed into member-level Economic Capital Assessments (ECAs).

The document should be read alongside the wider Lloyd's capital and market guidance referenced in the Useful Contacts and Links section, including the Capital Guidance section, the annual ECA Market Bulletin, the Lloyd's Business Timetable, the Membership and Underwriting Conditions and Requirements, and any process-specific guidance relevant to the syndicate or member. Those documents remain the authoritative source for formal requirements, deadlines and technical expectations. This guidance does not replace them; instead, it explains how the main inputs interact in practice and where users should look for further detail.

At a high level, the process starts with managing agents preparing business plan and capital submissions for the prospective year of account. Syndicates with an approved internal model submit a Lloyd's Capital Return (LCR), while syndicates without an approved internal model use the Lloyd's Standard Model (LSM). Syndicate Business Forecast (SBF) and Lloyd's Catastrophe Model (LCM) submissions also provide important planning, participation, premium, expense and catastrophe inputs. These submissions support Lloyd's review of syndicate business plans and capital requirements and, once validated and agreed, become core inputs into member capital calculations.

Syndicate and member capital requirements are based on the syndicate's ultimate Solvency Capital Requirement (uSCR), which captures the full risk of the planned underwriting for the prospective year of account, including ultimate adverse development over the lifetime of liabilities and all exposures. "Ultimate" refers to the final realised position and is assessed at a 1-in-200 confidence level. Managing agents must also prepare a one-year Solvency Capital Requirement (SCR1) for each managed syndicate, meeting the Solvency UK balance sheet to balance sheet regulatory test at the 99.5th percentile. Detailed requirements are set out in Lloyd's Capital Guidance.

For member capital purposes, Lloyd's translates agreed syndicate capital requirements into member-level ECAs by applying member participations, year-of-account allocations, capacity, solvency data, foreign exchange movements and other relevant adjustments. Lloyd's also applies an Economic Capital Uplift (ECU) to minimum regulatory capital requirements to derive ECAs at member level. The uplift, currently 35%, is subject to annual review by the Franchise Board.

The Member Modeller is the main tool through which users can view centrally held member capital data, understand the effect of syndicate and participation changes, and model alternative participation scenarios. During the capital-setting cycle, releases of the Member Modeller may include indicative, submitted, provisional or agreed data depending on the stage of Lloyd's review. Users should therefore consider the process status of each syndicate and whether participations are indicative or final before relying on an ECA output.

Member capital requirements are then tested and updated through the Quarterly Corridor Test (QCT) and Coming into Line (CIL) processes. The QCT process helps ensure that members maintain capital within the required corridor during the year, while the CIL process assesses whether members have sufficient assets to meet their Adjusted ECA requirement. The timing, data sources and adjustment process for QCT and CIL are summarised later in this guidance.

The purpose of this document is therefore to give users a process map: what data is submitted, where it comes from, when it becomes reliable, how it affects member ECAs, and where to go for the formal rules or more detailed technical guidance. Lloyd's publishes an annual ECA Market Bulletin to highlight key points and any changes for the upcoming capital-setting season, and this guidance will be updated as needed to reflect those changes.

## 5 Syndicate Influences on the member capital setting process

[This section explains how key elements of the syndicate capital, planning and catastrophe submissions influence member capital calculations. It covers how LCR, LSM and related SBF and LCM information feed into the process, the importance of year-of-account capital allocation and submission consistency, the role of syndicate and stamp capacity in determining member shares, and the treatment life syndicate capital requirements.](#)

## 5.1 Syndicate Capital Setting Process Implications

Full guidance on the syndicate capital setting process is outlined in the Capital Guidance section (see links).

Syndicates with an internal model will calculate their capital requirements and submit an Lloyd's Capital Return (LCR), via the Market Data Collection (MDC) platform. or syndicates without an internal model will complete the Lloyd's Standard Model (LSM) template to calculate the uSCR and SCR1.

Once received Market Reserving & Capital (MRC) will perform basic validations on the data and release the Member Modeller based on the unapproved data submissions. Then once MRC assess the syndicate returns and provide a recommendation to the Capital and Planning Group (CPG) for approval of the capital requirements a final version of the Member Modeller is released and can be used to set member capital for the next modelling year of account.

### 5.1.1 Year of Account (YoA) Split of the uSCR

As part of LCR form 560, syndicates are asked to provide year of account splits of their SCR requirement, so Lloyd's can validate the reasonableness of the split inferred from the Lloyd's Internal Model (LIM) and ensure fairness/reasonableness in allocating capital to members. Where significant disparity is identified this will be investigated and an adjustment may be applied where appropriate.

### 5.1.2 Optional YoA Split Additional Data

Syndicates also have the option to submit full YoA level capital allocations via LCR form 310 and within the LSM. This data, where submitted, will directly inform the member ECA calculation. This data is encouraged to be submitted where:

1. Syndicates are encouraged to think about whether submission of YoA level capital would be appropriate for them and their members, and to submit this data if so.
2. Syndicates who write a material book of binders, where underlying contracts are expected to be written across multiple calendar years. This is because expected underwriting profit by year of account can be materially different between the syndicate view and Lloyd's approximation for these syndicates. This therefore has the potential to materially influence the member capital calculations. If syndicates satisfying this criteria cannot provide modelled distributions by year of account, as a minimum, they are encouraged to provide the mean profit/loss on an ultimate basis by year of account in LCR form 310. This will ensure that any profit/loss expected to emerge on prior underwriting years for unwritten contracts underlying binder agreements are reflected in member ECAs, plus ensuring more accurate reflection of ultimate profit/loss on the proposed year, and therefore more appropriate allocation of capital to members. These figures should be derivable from contract/reserving data without the need for the internal capital model to be set up to model by underwriting year.

This data will impact member ECAs where member participations, on a syndicate, differ by underwriting year. As a result managing agents that provide the YoA split data, must attest as to whether they have any conflict of interest with external members in their year of account allocation approach and a statement on how they have addressed this. Lloyd's will review all YoA data submitted and challenge where appropriate. Guidance on calculating YoA level capital, the provision of this data and attestation is detailed in the latest LCR instructions and Focus Areas, (see links).

### 5.1.3 Submission Consistency

Managing agents should ensure that all data submitted to Lloyd's is internally consistent, i.e., between various forms. Often, certain items are submitted on different bases, as they are produced by separate teams within a managing agency or under separate processes. Lloyd's expects consistency and agents will be notified of any discrepancies discovered within their submissions. Examples include, but are not limited to:

- *Reinsurance Contract Boundary (RICB) impact on Technical Provisions (TPs), as submitted in the Quarterly Solvency UK Return (QSUK) and LCR form 570.*
- *Premiums and outward reinsurance in the LCR and SBF*

All agents are required to model the RICB within their internal model and report the required adjustment to the uSCR on LCR form 570, which should be consistent with the QSUK.

## 5.2 Syndicate Planning Process Implications

### 5.2.1 Syndicate Capacity

Managing agents, when submitting an SBF, should note their responsibilities in respect of submitting a capacity number on SBF form 420 (row 5). Whilst still serving as a ceiling on syndicate underwriting, the primary practical function of capacity is in respect of allocating results and capital to members, and it forms the basis for buying and selling rights of syndicate tenure in the Lloyd's auctions. Member share of syndicates is calculated by dividing the member premium limit by the syndicate stamp capacity.

### 5.2.2 Stamp Capacity

Stamp capacity is most important for non-aligned syndicates, particularly those trading in the Lloyd's capacity auctions. Managing agents of aligned syndicates should also recognise that the matching of stamp capacity with the aligned member's participation is important if you are reliant on the Member Modeller to determine member capital. Syndicate capacity used in the Member Modeller can be viewed in the "View Syndicates" section of the software.

It is important to establish a stable stamp capacity number as early as possible to avoid any potential mismatch between the sum of members' participations and the syndicate capacity, which could lead to the incorrect members' shares being calculated.

We would therefore ask agents to follow these guidelines, in addition to the rules relating to pre-emptions and de-emptions set out in the latest relevant Market Bulletin:

- Stamp capacity should be set based on Gross Net Premium (GNP), net of Special Purpose Arrangements (SPA) cession.
- Syndicate capacity should normally include headroom to allow for possible increases in GNP, without necessitating a change to capacity.
- As a general rule, we would not expect capacity to be increased or reduced simply because of a change in GNP from the original SBF, unless GNP exceeds capacity. In applying this principle, however, managing agents of non-aligned syndicates should have regard to the impact on member fees, as capacity decisions should not normally change the fees charged.
- Managing agents operating SPAs are also advised that for the host syndicate they should submit SBF form 420 net of the SPA capacity. This should have no impact on the SPAs reporting but will enable it to pre-empt capacity independently of its host.

### 5.2.3 Overwriting Capacity

Should a syndicate need to overwrite the capacity that had been agreed via the SBF as part of the initial CPG approval process they are required to follow the guidance set out in the Performance Management Supplemental Requirements Guidance (see links), which sets out specific considerations for aligned and non-aligned syndicates respectively.

### 5.2.4 Member Participation Data

Syndicates can supply the expected level of participations for aligned members and material third party capital providers on the SBF form 420. This data will form the basis of any Lloyd's participation set for the proposed year of account and will overwrite any rolled over participation from the prior years of account. Members' agents and Direct Corporate Participants (DCPs) will be required to submit final Q4 participation files to MRC by early November (see ECA Bulletin for latest dates), which will be used in calculating member ECA for the Q4 Quarterly Corridor Test (QCT).

For members not included in SBF form 420 (or where a change in participation occurs without an updated SBF) the Lloyd's participation sets in the Member Modeller will remain on an indicative basis. It is then the responsibility of members or their representatives to create a new participation set (based on the Lloyd's participation set and amend participations) to reflect the members latest view. The resulting ECA calculation can be used to replace the ECA in the member statements and use updated estimated position for the basis of the Q4 QCT process.

Lloyd's then receive the final stamp participations for each syndicate in January and from the Q1 QCT onwards the participations in the Member Modeller. After the final stamp data is supplied to Lloyd's, by managing agents and verified (usually in January) the member participation data in the Member Modeller will no longer be considered indicative.

### 5.2.5 Premium

The LIM will use the premium values supplied in the SBF from 167 and the LSM for the proposed and current years of account within the syndicate capital calculation. The current and prior years of account are then replaced by data supplied by syndicate in the Quarterly Monitoring Part B (QMB) return. This data influences the level of mean profit for the proposed year and the mix of business for all years when calculating the syndicate risk profile for the member capital calculation, particularly influencing diversification and capital allocation by year, which affects members who participate across multiple syndicates and/or with different shares by year of account.

The split of premium by risk class of business is summarised for each syndicate in the 'Syndicate' section under the Analysis tab for users with access to this functionality and each member is presented with their split of class of business in their own Analysis tab with a participation set. This data can be reviewed for all or individual open years of account.

### 5.2.6 Expenses

The LIM will use the syndicate expenses supplied in SBF form 105 within the syndicate capital calculation. Therefore, any fluctuations in expenses can impact the member level capital.

### 5.2.7 LCM

The LIM will use syndicate catastrophe data supplied in the LCM directly to model catastrophe risk. This forms part of the member capital calculation and so any changes to this data by syndicates through the process will change member level ECA calculations. Further details will be added in subsequent versions.

## 5.3 Life Syndicates Implications

Capital for members on life syndicates will be set based on their share of the life syndicate's agreed ECA. Life syndicate ECAs and ECA% will be included in the Member Modeller as an additional tab for information. The calculation reflects member exposure to all open years of account (including years in run-off) and is calculated on a simple weighted average basis with no diversification credit between syndicates or between Life and non-Life participations.

When calculating the Unlimited Back Year Liabilities (ULBY) for a donor life member, it should always be equal to the donor member's ECA requirement, and this should be used when calculating the amount of FAL that can be made interavailable to the successor member.

## 5.4 Syndicate ECA Availability

Lloyd's will publish via the "Syndicate View" section in the Member Modeller, at the time of each data release, a schedule of the latest syndicate ECA requirements (uSCR + economic uplift), plus the known capacity for syndicates for which users have access. Should users have queries on the make up of the syndicate ECA requirement then they should direct those directly to the syndicates on which they are participating. The syndicate view will also detail the current process status of syndicates in the business and capital review cycle. A few examples are summarised below for reference:

- **Submitted** – data has been provided to Lloyd's, is under review and any resulting ECAs calculated with syndicates on this status must still be treated as indicative.
- **Provisional** – the syndicate is included on a purely indicative basis to allow members early assessment of capital implications of participating on that syndicate.
- **Agreed** – data has been reviewed and agreed by Lloyd's and any resulting ECAs calculated where all syndicates have this status can be considered final for the next review process, unless resubmissions are made by syndicates or subsequent QCT adjustments are applied.

Once data is approved by Lloyd's it forms the basis of capital setting of member ECAs until such time as a syndicate data resubmission. Member ECAs will also be updated to reflect updated quarterly (or annual) Solvency UK returns from syndicates, where the RICB is updated, or the quarterly FX rate movement is applied. Both of these changes are only made to try to offset the opposite movements in

the member solvency position and therefore try to maintain the stability of the final member position in the member statement.

### 5.5 Agreed Syndicate ECA & Adjusted QCT ECA's Available to Managing Agents

Lloyd's will publish a schedule of the latest CPG agreed syndicate ECAs and the impacts of the central adjustments made for each QCT process (see section below on central adjustments). This allows Managing Agents to view the details of the change in ECA to their syndicates each quarter through the proposed modelling year and for the current year's final Q3 QCT position.

The schedule is available on the 'Capital Requirement' tab on the 'Syndicate Details' page in the Member Modeller and is only be available to users within each managing agency and is not viewable by members or members agents. The schedules are updated following CPG approval or member statement release.

## 6 Summary of the Annual Capital Cycle

This section summarises how syndicate and subsequent member capital requirements change through the annual cycle. It explains the timing and data sources for QCT and CIL assessments, the purpose of the Early View of Capital, the quarterly central adjustment process, how member participation updates affect Q4 statements, the annual CIL assessment, and how Lloyd's may respond to significant late-occurring market events.

### 6.1 Summary of the QCT & CIL Timetable

The table below summarises key dates and data sources relating to the QCT and CIL exercises:

Quarterly Corridor Test (QCT)	Based on Which FX Rate?	Based on Which Solvency Return?	Based on Which SBF & LCR Data?	QCT / CIL Dates (Statement Publication and asset receipt deadline) *
<b>Early View of Capital</b>	30 June	Rollover Data	Rollover Data unless an Early View indicative submission is supplied	N/A
<b>Q4</b>	30 September	Q3 QSR	Agreed submissions at end of review process	Published: Workday 35 Asset receipt: (WD 55)
<b>Q1</b>	31 December	Q4 QSR	Data resubmitted after review process as at early February	Published: (WD 35) Asset receipt: (WD 55)
<b>Mid-Year CIL</b>	31 December	ASR	Data including March resubmissions	Published: (WD 10) Asset receipt: (WD 55)
<b>Q2</b>	31 March	Q1 QSR	Data as at early May including resubmissions	Published: (WD 35) Asset receipt: (WD 55)
<b>Q3</b>	30 June	Q2 QSR	Final underwriting year data	Published: (WD 35) Asset receipt: (WD 55)

(\*) Workday (WD) shows the number of work days from previous quarter end

### 6.2 Early View of Capital

Lloyd's issues an early release of the Member Modeller that rolls forward prior-year data and incorporates any early indicative data submitted by syndicates. The initial release date is shown in the Business Timetable (see links).

These early syndicate LCR, SBF and LCM submissions do not require full validation, but the indicative figures should still have been ratified through an appropriate internal governance process. Lloyd's does not review these early returns, and **the submission deadline cannot be extended**. The return is optional and is intended only for syndicates that want a more accurate early indication of member-level capital.

Where no early indicative return is submitted, Lloyd's will derive syndicate ECAs by rolling forward the prior year's data so that member capital can still be calculated. This approach uses Strategic Business Discussion (SBD) projections for premium and claims to estimate prospective year exposure for continuing syndicates, and also reflects known run-off and Reinsurance to Close (RITC) arrangements where Lloyd's has been informed in advance. The main assumptions applied are set out below.

- Change in claims and premium for a syndicate's prospective year exposures are derived from the projections collected as part of the SBDs.
- Relativity of change across individual classes is derived from Lloyd's own market level assumptions.
- Prior year outstanding claims are rolled forward assuming they run off in line with Lloyd's market average assumptions.
- Other technical provision items such as risk margin and expenses are assumed to remain constant as a proportion of underlying projected exposure.
- RITCs and run-offs that Lloyd's are informed about in advance will be incorporated into the roll forward.
- Movements in syndicates' view of risk are assumed to respond to changes in underlying exposure in a consistent way to Lloyd's own model.
- Lloyd's assumes all syndicates make similar updates to reflect changes in the external environment in line with Lloyd's model, and that the view of risk moves in a consistent way to Lloyd's model in response to these updates.
- RICB is assumed to stay constant.
- Cat exposure is assumed to remain constant.

Although the early view is intended to improve the stability of indicative member capital, the figures may still change as syndicate SBF, LCR and LCM submissions are revised, CPG directions or loadings are applied, and 30 September valuations are incorporated into the Q4 QCT process. The 'process status' shown on the syndicate summary page in the Member Modeller indicates whether early submitted data has been used.

### 6.2.1 Important to note

This early-view release does not change the core principle of the member modeller: all ECAs shown during the planning cycle remain indicative until plans and capital are finalised, agreed by CPG, and based on the correct final participations.

## 6.3 The Quarterly Corridor Test (QCT)

Members must maintain capital throughout the year in accordance with the QCT requirements set out in the Membership & Underwriting Conditions and Requirements (see links). The summary below highlights the main rules, but the M&URs should be referred to for the full requirements.

- A. Outside of the annual CIL process a member must maintain their member's assets in an amount which is at least 90% of their Adjusted ECA. Any amount in excess of 110% of the member's Adjusted ECA will be eligible for release in accordance with paragraph C below.
- B. A member's share of a syndicate's solvency position will be determined on a quarterly basis together with an updated ECA for exchange rate, RICB and risk margin adjustments. Quarterly statements will be provided to the member on Working Day 35 of each quarter, based on their latest asset position.
- C. If the value of a member's assets, as set out in the quarterly statement, drops to or below 90% of their Adjusted ECA, the member must provide or procure additional funds by Working Day 55 in the quarter, so that the value of the member's assets is at least 90% of their Adjusted ECA, however, no additional funds will be required if the amount of the shortfall below 90% is less

than the de minimis amount (as specified in M&URs). A member may apply for the release of any surplus FAL or FIS to the extent that their member's assets, as set out in the quarterly statement, is above 110% of their Adjusted ECA, by submitting an asset or cash transfer request via the FAL On-line portal.

- D. The quarterly statement provided on Working Day 35 in Q2 will reflect a net position of the member's assets advised to the member, and will supplement the Annual CIL Statement for the purposes of determining whether further funds are required for CIL purposes or the amount of FAL [or FIS] that may be available for release. For the avoidance of doubt, only FAL or FIS in amounts in excess of 100% of the member's Adjusted ECA will be eligible for release.

### 6.3.1 QCT Central Adjustments Process

For each QCT, Lloyd's adjusts the agreed syndicate ECA for quarter-end changes in foreign exchange rates and in the RICB, based on the latest submitted QSUK. This ensures that capital requirements remain aligned with available capital and reserves. Members should note that where additional FAL is provided for the Q4 year-end QCT, or as start-up FAL for new members, it is valued at the prevailing exchange rate on the date it is lodged. New members in particular should therefore recognise that the year-end revaluation of FAL may differ from the rate applied to the ECA, which can lead to additional FAL being required at each reassessment. March or later resubmitted LCRs, if accepted, are not included in this process because they already reflect the year-end position, although they remain subject to change in the Q2 and Q3 QCTs.

After the initial CPG approval letter has been issued, an updated capital letter (Appendix 2, which details capital requirements) will be sent to managing agents only if a revised LCR or LSM submission is approved by CPG, or if any CPG loadings change. The results of QCT and mid-year CIL adjustments are otherwise available to syndicates through the 'Capital Requirement' tab in the syndicate view of the Member Modeller, except in Q2 where the CIL ECA overrides the QCT ECA. Lloyd's also makes available a QCT estimation template that managing agents can use to estimate quarterly central ECA adjustments in advance in the Capital Guidance Section under 2024 (see links).

### 6.3.2 QCT Central Adjustment Data Changes

The central adjustments process for each QCT and CIL is as follows:

1. *Foreign Exchange Movement*

A revision for the movement to year-end (end December) United States Dollar (USD) exchange rate from the mid-year rate (end June). The resulting percentage movement is applied to the percentage of USD losses present in the Lloyd's Syndicate Benchmark Model (SBM) for each syndicate (across all years). This generates an approximate foreign exchange (FX) movement percentage, which is applied to the uSCR and one-year Solvency Capital Requirement (SCR1).

2. *Reinsurance Contract Boundary (RICB)*

The revised contract boundaries for outwards reinsurance adjustments (RICB), is shown as an adjustment to the uSCR only and is not a Capital and Planning Group (CPG) loading. The adjustment is calculated as the difference of the modelled value (based on projected Q4 Technical Provisions (TPs)) to the latest QSR, adjusted for the 35% ECU.

3. *CPG Loading Movements*

Any existing CPG loadings are maintained without adjustment. From March onwards any new loadings are derived at the year-end rates of exchange.

4. *CPG Adjustment Movements*

Any adjustments included in the CPG agreed SCR1s will be treated as part of the final SCR and as such will convert with FX changes through the QCT processes.

5. *Percentage Loadings*

Any Controls loadings or Solvency II loadings are re-applied to the new total SCR1s post any adjustments outlined above.

### 6.3.3 Member Participation Updates through the QCT Process

Where member participations differ on syndicates from those used in the Q4 QCT statements, members are responsible for recalculating their final ECA requirement for the Q4 QCT using the latest version of the Member Modeller and their final stamp participations. That result should then be used

alongside the other data in the published statement to determine the final funding requirement. In practice, this responsibility may be delegated to the member's agent.

Lloyd's will base the ECA issued in Q4 QCT statements on the most current of:

- the stamp system following adjustment for pre-emption, de-emptions and auction transactions;  
or
- SBF form 420 for aligned/connected/material third party capital providers, where provided;  
or
- participations notified by members or their agents.

Members' agents must provide member participation files and MAPA-on-syndicate files to MRC by the specified date in early November (see Business Timetable) so that ECAs can be calculated for inclusion in the Q4 QCT statements. Direct corporate members are also encouraged to provide this data where it differs from the data held in the Member Modeller. Providing updated data at this stage should minimise the need for changes after QCT statements are issued.

Where a member is not making late changes to their syndicate participations, the final ECA will be reflected in the published Q4 QCT statements. The Member Modeller will not be amended centrally after the final release of all agreed syndicate ECAs in early November, other than for participation updates, and hence member ECAs after this date can only be changed by participation updates.

If late changes to stamp participations lead to a revised funding requirement or release amount, after taking account of the corridor and de minimis limits, the member must submit a revised member ECA statement from the Member Modeller. This PDF must be provided to Member Services (and cc the member capital mailbox) by Working Day 45 of Q4, which is two working weeks before the Q4 funding deadline. The revised statement will be accepted on face value and FAL levels should be set accordingly.

Final ECAs used in Q4 QCT, whether there is resubmission or not, will be subsequently checked against the number 1 Stamp capital position, and where it transpires that a member was underfunded for Q4, they may be subject to penalty provisions under section 2.5 of the M&URs (see links) and/or asked to fully fund any deficit prior to the Q1 QCT process.

## 6.4 Coming into Line assessment

### Process Summary

The process by which a member provides or procures FAL to meet its Adjusted ECA requirement is known as Coming Into Line (CIL). Adjusted ECA includes any loading arising from a member's non-standard asset allocation. This adjustment is made outside the Member Modeller and is disclosed on the annual CIL member statement.

Lloyd's carries out a Capital Test in the second quarter each year, with full details set out in the Annual CIL Statement published on Working Day 10 of Q2. If a member's assets are below its most recent Adjusted ECA, the member must provide or procure additional FAL so that total member assets are at least equal to the Adjusted ECA. If member assets exceed the Adjusted ECA, the member may apply to release surplus FAL.

A "member's assets" represent, at any one time, the aggregate net position of the member's participation at Lloyd's and comprises:

- i. FAL (including income arising thereon if paid into FAL and as determined in accordance with section 3, as well as any assets available for distribution to the member);
- ii. Funds in Syndicate (FIS);
- iii. the member's share of a syndicate's solvency result once that result has been notified to the Council;
- iv. liabilities in respect of any Request for Funds.

The relevant date for valuing a member's FAL will be 31 December of the preceding year and the deadline for providing or procuring additional FAL or FIS will be the Annual CIL Date. For FAL provided by way of a LOC [or Guarantee], the deadline is the Mid-Year Cut-Off Date.

Prior to commencing underwriting, a new member must provide or procure the required level of FAL as determined by its Adjusted ECA:

- for a member that commences underwriting on 1 January, FAL will be required to be in place by close of business on the Q4 Corridor Test Deadline (or, where part of those FAL are provided by way of a LOC or Guarantee, by the Cut-Off Date); and,
- for a member that commences underwriting on a different date, FAL will be required to be in place in accordance with a timetable agreed with Member Services.

#### **6.4.1 Data Changes Included in CIL**

As per any other QCT process the same central adjustment process is followed (see above). The other main variance is that all managing agents must assess whether emerging information changes the syndicate capital requirement and notify Lloyd's where the movement exceeds 10%, measured in the updated SCR before any effect of risk margin, foreign exchange or Reinsurance Contract Boundary (RICB). After year-end, all syndicates must reassess capital using actual year-end positions.

Lloyd's requires syndicates to rerun their models/LSM template, assess the movement and submit the result through the March Re-assessment template. If the return shows an absolute movement in uSCR of 10% or more, again before risk margin, foreign exchange and RIBC adjustments, a full capital submission is required in March. Lloyd's may also require a capital resubmission for the mid-year CIL exercise where appropriate, even if the threshold is not breached. This new submission once approved will replace the base position agreed by CPG as part of the Q4 QCT process and will be subject to change for central adjustments in the subsequent Q2 and Q3 QCT processes.

Further detail is set out in the Capital Guidance.

#### **6.5 Market turning event**

In the event of significant late-occurring insured or economic events, it may be necessary for some syndicates to re-submit the LCR or LSM to reflect the impact of such events on their SCRs. Lloyd's will seek to adopt a pragmatic approach, but action and timetable will depend on the materiality and timing of any such event and the constitution of the syndicate's stamp. If required, instructions and revised timetable will be communicated at that time.

## **7 The Member Modeller**

[This section explains what the Member Modeller does, how users gain access, the support available, and the timing of updates across the capital cycle.](#)

### **7.1 Using the Member Modeller**

The Member Modeller allows users to model different underwriting scenarios, within the limits of what can be actioned, and to estimate the resulting ECA requirement. It also shows the current ECA requirement for available members using the central data available at that time, together with supporting data and analysis. The modelling environment is personal to the user and supports multiple scenarios, but entries made in the Member Modeller do not initiate transactions. Any acquisition or disposal of syndicate participations must still be completed through the normal market process.

### **7.2 Member Modeller Access**

Existing users, including members' agents, managing agents, members and other third-party users, can continue to access the Member Modeller from one underwriting year to the next using their existing password. Additional users, including new members, can request access by submitting the relevant application form to [Lloyds-MRC-Help@lloyds.com](mailto:Lloyds-MRC-Help@lloyds.com).

The application forms and Member Modeller software can be accessed via [Lloyds.com](https://www.lloyds.com) (see links).

Each firm must, on a one-off basis, acknowledge that it agrees to be bound by the user Terms and Conditions accepted by individual users when they access the Member Modeller software. Users must then accept those Terms and Conditions during their initial login. For ease of reference, a copy is included in Appendix B of this guidance document.

Firms that are not members' agents but act on behalf of members will be asked to provide evidence that each relevant member has consented to that firm accessing their data. MRC maintains a central record of these consents and reviews it annually for completeness. Where consent is not provided, access to those members' records will be removed for the relevant third-party firm.

### **7.3 Inactive Member Modeller Access**

Lloyd's carries out an annual review of all users of the Member Modeller. Members' agents and managing agents are required under Paragraph 3.1.3 to notify Lloyd's immediately if any firm user is no longer authorised to use the Member Modeller because of termination, departure or a change in role.

The Member Modeller only includes members that have open-year participations in the relevant modelling year, so it does not retain details of members who no longer need to calculate a capital requirement.

### **7.4 Current Year Capital**

Current-year capital requirements, being the latest of members' mid-year CIL and Q3 QCT ECA requirements, can be viewed through the current-year version of the Member Modeller, accessible via the drop-down selection on the home page. From there, users can also model member participations on new syndicate current-year start-ups and mid-year pre-emptions. Details of these arrangements, if they arise, will be included on the home page noticeboard and emailed to members' agents as they are updated.

### **7.5 Member Modeller Release Dates**

The Member Modeller will be updated in accordance with the business capital timetable (see links), reflecting SBF and LCR submissions, capacity auctions and deadlines for QCTs and the CIL exercise. Precise dates can be found by downloading the timetable in XLSX format and filtering on "FAL/DCP/CIL", or in the latest ECA Market Bulletin. The key releases are summarised below.

#### **7.5.1 Early August: Early View of Capital Release**

There will be an early indicative release of the member modelling software in early August, which will include an enhanced roll forward of the current year data process and incorporate any early indicative data submissions from syndicates.

#### **7.5.2 September & Early October: Initial Updates**

Actual LCR or LCM and SBF submissions will be reflected in these releases of the Member Modeller, made available during September & October. It should be noted that neither business plans nor LCRs / LCMs have been reviewed at this stage and are subject to change. At the point of each release, any syndicate that is still yet to submit will have a previous year rolled-over indicative position included to aid Members' Agents and other users when assessing the effects of adding the extra year of account. Therefore, anyone viewing these releases should be aware that the data is highly indicative and should only be used to give an early view. Reference should be made to the "View Syndicates" page of the Member Modeller for information on what stage syndicates are at in the process.

#### **7.5.3 Mid-October: Non-Aligned Update (pre-auction)**

The Member Modeller will be updated to reflect the capital requirements for non-aligned members based on agreed syndicate capital. Member participations for non-aligned members will be based on the latest, Lloyd's Stamp System, and, for aligned members, on SBF participation information (form 420). The Member Modeller will be updated in late October to reflect participations after syndicate pre-emptions and de-emptions have been incorporated. Members' Agent Pooling Arrangement (MAPA) participations are based on notifications from members' agents and are not guaranteed to be up to date. Members' agents can model the latest participations themselves, together with MAPA constitution changes.

#### **7.5.4 End-October: Tier 2 Asset (Letter of Credit) Update**

The Member Modeller will be updated to reflect the updated participations and changes to aligned syndicates including final SBFs and agreed uSCRs for aligned syndicates that have third party capital providers, more than one member supporting the syndicate or have any dependency on a Members' Agent for the Q4 QCT. It will also seek to include syndicates with members providing capital via a Letter of Credit (LOC) or other Tier 2 assets. Only syndicates agreed by the CPG at the point of the Tier 2 Member Modeller release can be certain that the ECA will be fixed. Syndicates that are agreed post the release, must fund any further changes leading to shortfalls in FAL via Tier 1 assets.

#### **7.5.5 November: Final Updates**

The final Member Modeller update will reflect the expected final capital requirement to be used in the Q4 QCT process and should be released before the Q4 QCT member statements are published. The final scheduled update later in November may include any late agreed SBFs and agreed uSCRs for aligned syndicates, plus updated Member and MAPA participations. These changes will only impact on the Q4 QCT by exception.

#### **7.5.6 Further Releases of the Software and Downtime**

In addition to the key releases detailed above, Lloyd's will update the Member Modeller each quarter to reflect the latest QCT results. Any ad-hoc updates will be advised, with details and reason, on the home page notice board within the Member Modeller and email notification where registered. We will also post warnings via the messaging function, giving advanced notice of any times when it is necessary to make the system unavailable. The downtime for updates will generally be no longer than 2 hours and would normally be performed outside of core working hours.

### **7.6 System Requirements**

Users are advised to access the Member Modeller software, via Lloyds.com, through Microsoft Edge or Chrome. Other browsers, including Safari, may be used but have not been fully tested by Lloyd's and may result in reduced functionality or performance. Users are advised to update their browsers to the latest version.

### **7.7 Training and Support**

An email help mailbox is available for questions on the ECA process, the Member Modeller and related matters, please contact: [member\\_capital@lloyds.com](mailto:member_capital@lloyds.com).

Before raising queries with Lloyd's, users should review the guidance and Frequently Asked Questions (FAQ), both of which are updated to reflect new developments described in the latest ECA Market Bulletin on Lloyds.com. An interactive tutorial is also available in the Member Modeller and shows the key functions and tips within each screen.

All agent queries should be co-ordinated through your agency's Administrator, to improve the efficiency of the support function. If the Administrator is unable to resolve the query, the initial first line of support is the e-mail help mailbox.

Users who need additional training on the Member Modeller should also contact MRC through the Member\_Capital help mailbox so that the most appropriate support can be arranged.

## **Appendices**

The following appendices are for information and are standard and will not be amended year-on-year. All documents are available to review and download from the Member Modeller section of Lloyds.com.

**Appendix A** – A copy of the Member Modeller software application form. This is required for new users of the software or when a firm changes name. Lloyd's will use the form as evidence of acceptance to the terms of use and as a base to set up the firm as a new user.

**Appendix B** – A copy of the Member Modelling Software (referred to as the Member Modeller), terms and conditions of use. Users should read and be aware of the points within this document.

**Appendix C** – A copy of the privacy and security statement for the Member Modeller software. Users should read and be aware of the points within this document.

**Appendix D** – A summary of the submission requirements for the Early View of Capital process for syndicates to understand the data requirements and where to submit the returns.

## 8 Appendix A - Member Modelling Software Application Form

### MEMBER MODELLING SOFTWARE APPLICATION FORM

In order to be provided with access to the Member Modelling Software, please ask a Director (or equivalent) to complete this form and then scan and send to the email address: [Lloyds-MRC-Help@lloyds.com](mailto:Lloyds-MRC-Help@lloyds.com)

Agents' Details:

Firm's name:	
Address:	
City:	
Postcode:	

I certify that I am authorised on behalf of the Firm named above to execute this application form. I further certify and confirm that the Firm will be bound by the Member Modelling Software User Terms and Conditions (attached) as amended from time to time.

Signed		Role	
Print name		Date	

***This form should be completed by:***

1. A Firm using the Member Modelling Software for the **first time** (only one form is necessary per Firm).
2. A Firm that has changed their name.
3. A Firm that has changed the Director who provided the Authorisation previously.

## 9 Appendix B – Member modelling software user terms and conditions

### MEMBER MODELLING SOFTWARE

#### USER TERMS AND CONDITIONS

IMPORTANT: THESE TERMS AND CONDITIONS (“TERMS”) APPLY TO THE MEMBER MODELLING SOFTWARE (“THE SOFTWARE”), AVAILABLE ON THE LLOYD’S WEBSITE ([www.lloyds.com](http://www.lloyds.com)). YOU WILL BE ASKED TO READ AND ACCEPT THESE TERMS BEFORE ACCESSING THE SOFTWARE. THESE TERMS ARE ISSUED BY LLOYD’S.

#### 1. Definitions and Interpretation

##### 1.1 In these Terms:

“**Applicable Regulations**” means all applicable legislation, laws, regulations, rules, codes of practice with which a Firm or User must comply when using the Software;

“**Firm**” means a Lloyd’s Managing Agent or Members’ Agent that has been given permission by Lloyd’s to access and use the Software;

“**Firm User**” means an individual registered at Lloyd’s to use the Software on behalf of a Firm;

“**Individual User**” means a Member of Lloyd’s registered to use the Software;

“**Information**” means any data submitted to the Software by a User;

“**Intellectual Property Rights**” means all rights including but not limited to trademarks, names, logos, copyright, database rights, patents and know-how;

“**Software**” means the Member Modelling Software;

“**User**” means a Firm User or an Individual User;

a clause or schedule, unless the context otherwise requires, is a reference to a clause of or a schedule to these Terms;

the singular includes the plural and vice versa, unless the context otherwise requires.

#### 2. Terms and conditions of use

- 2.1 By completing and signing the Member Modelling Software Application Form, the Firm agrees that it is bound by these Terms.
- 2.2 By accessing the Software, Users accept and are bound by these Terms.
- 2.3 A Firm or User who has neither accepted nor been deemed to have accepted these Terms has any right to enforce them.
- 2.4 Lloyd's reserves the right to grant, restrict or revoke access of Users or prospective Users to the Software at any time.
- 2.5 Lloyd's or its agents or suppliers may monitor usage of a User's username and password and unusual patterns of use may be investigated.

### **3. Firm Responsibilities**

- 3.1 A Firm is responsible for:
  - 3.1.1 providing Lloyd's with details of Firm Users who will have access to the Software in accordance with these Terms;
  - 3.1.2 ensuring persons are appropriate to be added as Firm Users and that the level and nature of the access rights granted are appropriate to the Firm User's role and normal business activities;
  - 3.1.3 ensuring that Lloyd's is notified immediately so that the Firm User's username and password can be disabled to prevent them from accessing the Software if a Firm User ceases to be authorised by the Firm to use the Software for any reason, including but not limited to change of function, termination, departure or any other action which ought to prevent them from having access to the Software; and
  - 3.1.4 monitoring Firm Users' conduct to ensure that they comply with these Terms.

### **4. Use of the Software**

- 4.1 Users must only use the Software in accordance with these Terms.
- 4.2 Users must not provide any other individual or company with their user names and passwords.

- 4.3 A Firm User must only use the Software for the purpose of calculating indicative funds at Lloyd's ratios on an economic capital assessment basis for Members of Lloyd's for which the Firm acts and Individual Users for themselves. Users may for these purposes download data from the Software.
- 4.4 Users must comply with the Applicable Regulations within the jurisdiction from which they are accessing the Software.
- 4.5 Users must not:
- 4.5.1 use the Software for any purpose that is unlawful or prohibited by any applicable law, regulation, rule or legislation;
  - 4.5.2 post, transmit or disseminate any information on or via the Software which is or may be harmful, obscene, defamatory or otherwise illegal;
  - 4.5.3 use the Software in a manner which causes or may cause an infringement of the rights of Lloyd's and/or any other person;
  - 4.5.4 use any software, routine or device to interfere or attempt to interfere electronically or manually with the operation or functionality of the Software including but not limited to uploading or making available files containing corrupt data or viruses via whatever means;
  - 4.5.5 deface, alter or interfere with the "look and feel" of the Software or the underlying software code;
  - 4.5.6 take any action that imposes an unreasonable or disproportionately large load on the Software or related infrastructure;
  - 4.5.7 obtain or attempt to obtain access, via whatever means, to any part of the Software or the Lloyd's networks for which it is not authorised.
- 4.6 Lloyd's reserves the right to remove, modify or alter any data submitted to the Software by a User in breach of clause 4.5 but this shall not affect any other remedy which may be available to Lloyd's.
- 4.7 Firms and Individual Users undertake to put systems in place to minimise the risk of viruses being transmitted or distributed over the Software including the use of and regular updating of commercially available virus detection software.

## **5. Intellectual Property**

- 5.1 All Intellectual Property Rights in the Software, including but not limited to the underlying software code existing now or in the future shall be and remain the property of Lloyd's.

- 5.2 The content published on the Software and all Intellectual Property Rights in it are owned by Lloyd's or that content is made available to Lloyd's under licence from third parties.
- 5.3 All Intellectual Property Rights in the Information shall remain in the ownership of the Firm or Individual User and the Firm or Individual User grants Lloyd's a perpetual licence to use the Information for its lawful business purposes.

## **6. Updates**

- 6.1 Lloyd's may make improvements or changes to the Software. Changes or improvements that are material will be notified to Firms and Individual Users by Lloyd's.
- 6.2 Lloyd's may also modify these Terms at any time and such modification shall be effective immediately upon posting of the modified Terms on [www.lloyds.com](http://www.lloyds.com). Accordingly, continued access or use of the Software is deemed to be acceptance of the modified Terms. Material modifications to the Terms as determined in Lloyd's sole discretion will be notified to Firms and Individual Users by Lloyd's.

## **7. Data Protection**

- 7.1 Where any personal data, as defined in the Data Protection Act 1998 ("the Act"), is provided by a Firm or a Firm User to Lloyd's, the Firm confirms that:
- 7.1.1 it has the consent of the owner of the personal data to provide such data to Lloyd's; and
- 7.1.2 it has complied with its obligations as set out in the Act.
- 7.2 Lloyd's will process any personal data provided by a Firm or User in accordance with the Privacy and Security Statement attached to these Terms.

## **8. Security**

- 8.1 Lloyd's will use all reasonable endeavours to ensure that the Software is secure. Details of the security measures for the Software are set out in the Lloyd's Website Security Statement attached to these Terms. Lloyd's cannot guarantee that information displayed on the Software has not been interfered with.
- 8.2 If a Firm or User chooses to send any electronic communications to Lloyd's (whether by email or otherwise), they do so at their own risk. Lloyd's cannot guarantee that such communications will not be intercepted or changed or that they will reach the intended recipient safely.

## **9. Warranties**

- 9.1 The Software is provided “as is” and Lloyd’s gives no warranties in respect thereof. Specifically, but without limitation, Lloyd’s does not warrant that:
- 9.1.1 Firms or Users will be able to use the Software or that the Software will continue to be made available in its current or any other form;
  - 9.1.2 the Software or any software or material of whatever nature available on or downloaded from it will meet a Firm’s or User’s data processing requirements, be uninterrupted or free from errors, defects or viruses, or compatible with a Firm’s or User’s equipment or fit for any purpose. It is the Firm’s and the Individual User’s responsibility to use suitable anti-virus software and to ensure compatibility with its equipment; or
  - 9.1.3 any content or information published on the Software is accurate or complete.
- 9.2 Any warranties which would otherwise be implied by law (including, without limitation, warranties as to satisfactory quality, fitness for purpose or skill and care) are hereby excluded.

## **10. Content warranty**

- 10.1 Whilst Lloyd’s and other third parties may provide certain data and information on the Software, Firms and Users shall be entirely responsible for the content and accuracy of data and information on the Software.

## **11. Liability**

- 11.1 Lloyd’s accepts no responsibility or liability for any loss of or corruption of data or information, unauthorised access to, alteration of, or use of any records, programs or files on the Software, the Firm’s or Users’ use of or inability to use the Software, out-of-date or inaccurate or incomplete data or information held on the Software or any communications, missed or delayed or otherwise, between the Firm or Users and Lloyd’s.
- 11.2 Lloyd’s shall not be liable for any failure or delay in performing its obligations under these Terms that arises as a result of circumstances beyond its reasonable control.
- 11.3 Lloyd’s shall not be liable to the Firm or a User whether for negligence, breach of contract, misrepresentation or otherwise, for (i) any direct loss or damage; (ii) loss or damage arising from third party claims; (iii) loss of profit or goodwill suffered by the Firm or a User; or (iv) indirect or consequential loss or damage suffered by the Firm or a User.
- 11.4 Except as set out in these Terms, all conditions, warranties and representations, whether express or implied by statute, common law or otherwise are expressly excluded.
- 11.5 Nothing in these Terms shall operate to limit Lloyd’s liability for (i) fraud, or (ii) death or personal injury caused as a result of negligence on the part of Lloyd’s or its employees.

## **12. Termination**

- 12.1 Lloyd's reserves the right to terminate at any time the Firm's or a User's access to the Software immediately for any reason, including but not limited to, the Firm and/or Users' abuse or misuse of the Software as determined by Lloyd's in its sole discretion.
- 12.2 Termination of these Terms will not affect any obligations that accrue before such termination.

## **13. Severability and inconsistency**

- 13.1 If any provision in these Terms shall be unlawful, void or for any reason unenforceable, that provision shall be deemed severable from the rest of the Terms and shall not affect the validity and enforceability of the remaining provisions of these Terms.

## **14. Entire Agreement**

- 14.1 These Terms constitute the whole agreement between the parties and supersede all previous agreements between the parties relating to their subject matter. Each party acknowledges that, in entering into these Terms, it has not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or innocently) other than as expressly set out in these Terms.

## **15. Notices**

- 15.1 Notices which may be required to be given under these Terms by either party to the other shall be in writing and sent by email, facsimile or by prepaid first-class post, to the following addresses:

Lloyd's: Market Reserving & Capital, Lloyd's, One Lime Street, London EC3M 7HA; and

Firm or User: the address of the registered office or such other addresses as may be notified to Lloyd's in writing from time to time.

In the case of a notice sent by email or facsimile it shall be confirmed by sending a copy of such notice by first class post. Any notice sent by email or facsimile shall be deemed to be received on the same day of despatch, and any notice sent by prepaid first class post shall be deemed to be received three (3) days after the date of posting.

## **16. Governing Law and Jurisdiction**

16.1 These Terms and all matters arising from or in connection with them shall be governed and construed in accordance with English law and the parties hereby irrevocably submit to the exclusive jurisdiction of the courts of England and Wales.

**17. Third Party Rights**

17.1 No person who is not a party to these Terms shall have any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of these Terms.

**18. Enforcement**

18.1 The failure by either party to enforce any provision of these Terms shall not be deemed as a waiver of the right to enforce such term or condition.

## 10 Appendix C – Privacy and Security Statement

Lloyd's has taken steps to safeguard the confidentiality of information which identifies the Users ('personal information') against unauthorised access, amendment or deletion and to ensure access is only granted to authorised Users and only to the extent necessary. This Privacy and Security Statement covers our treatment of the personal information we collect when Users are registered for or visit the Software.

### 1 Information collection and use

When Users register, Lloyd's may ask for their name, email address and other contact details, as well as details about their status and role as an insurance professional. When Users use the Software, they are not anonymous to Lloyd's.

Lloyd's may also automatically receive and record information on our server logs from Users' browser, including their IP address and the page they requested. Lloyd's may set and access Lloyd's cookies on Users' computers.

### 2 Information sharing and disclosure

Lloyd's will not sell Users' personal information to anyone.

Lloyd's may disclose personal information about Users to its business associates and other professional advisers, Lloyd's employees and agents, suppliers and providers of goods or services, financial organisations and advisers, ombudsmen and regulatory authorities, and as required by law or regulation.

Users' personal information may be transferred to the above individuals and organisations located in countries which may not provide legal protection of information equivalent to that in the United Kingdom or the jurisdiction from which Users are visiting the Software. Details of the individuals, organisations and countries involved in a particular User's case will be provided on request.

Lloyd's only retains personal information for as long as is necessary for the purposes described above.

### 3 Getting in touch with us

If you have any questions or concerns about privacy and security or your dealings with us, please contact Lloyd's, One Lime Street, London, EC3M 7HA, UK, or email: [infosecurity@lloyds.com](mailto:infosecurity@lloyds.com).

## **LLOYD'S WEBSITE SECURITY STATEMENT**

In order to provide Users of the Software with a personalised and secure experience, Lloyd's requires all Users to authenticate to the Software using a unique user ID and password. Once authenticated, all information passed over the Internet between the User and the Software is protected by Secure Socket Layer encryption technology.

Lloyd's continually reviews its systems and processes to ensure that the Software provides the highest practicable level of protection. All information submitted to the Software is passed to Lloyd's secure internal servers for processing and the following security measures are in place to ensure its protection:

- Comprehensive firewalling to shield Lloyd's internal computer systems from external threats
- System monitoring to identify any unusual activity
- Data processing and storage facilities sited in secure locations to prevent unauthorised access
- Data stored and handled at all times in a manner that maintains its confidentiality, integrity and availability.

If you have any questions or concerns or would like further information, please contact Lloyd's Information Protection & Continuity team at [infosecurity@lloyds.com](mailto:infosecurity@lloyds.com).

## 11 Appendix D – Early View of Capital Submission Requirements

### Submission Process

- The Market Data Collection (MDC) platform must be used to submit the [Lloyd's Capital Return \(LCR\)](#) and [Syndicate Business Forecast \(SBF\)](#).
- SecureShare for the [Lloyd's Standard Model \(LSM\)](#) using:  
Lloyds.com>ToolsandSystems>SecureShare>**MRC - Syndicate Capital Setting**
- SecureShare for the [Lloyd's Catastrophe Model \(LCM\)](#) using:  
Lloyds.com>ToolsandSystems>SecureShare>**Catastrophe Risk Returns** (then there should be sub folders along the lines of: CPG 2026/Early View Submissions)

### What to submit

Both the LCM (i.e. full stochastic loss outputs and the summary return template) and the LSM should be submitted in full.

Both the LCR and SBF on MDC require reduced datasets as described below.

- All returns must be marked as 'Hypothetical' in both the LCR (form 012) and SBF (form 010)
- Syndicates that **provided early notification** of their intention to submit in July have had the validations altered to allow for a reduced subset of forms to be completed and submitted. All Error messages from required forms have been removed and the warnings on items not required have also been removed to simplify the submission requirements. As this is a temporary change, please note that both the LCR and SBF validations will be reinstated in full by the end of July in readiness for formal submissions in September/October.
- Syndicates that **did not provide notification** will have to assess other forms (not listed below) and enter dummy data. Cross-form validations will still need to be satisfied to enable submission in MDC. This means that some non-listed forms will also need to contain real data purely to satisfy validations but will not be used.

Each form listed below is required to be completed and any form not listed is not required and can be left blank:

#### 1. SBF:

- 010
- 105
- 118
- 164
- 167
- 420

#### 2. LCR:

- 012
- 309 – only table 1
- 310 - Table 1 Columns A (mean) & G (99.5th) & Table 3 Columns J (mean) & P (99.5th)
- 311 - Table 1 Columns A (mean) & G (99.5th) & full table 2
- 312
- 313 – table 2 & column H in table 3
- 570