

MARKET BULLETIN

REF: Y4001

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| Title | Syndicate Business Forecasts |
| Purpose | This bulletin provides information on the Syndicate Business Forecast for 2007 and 2008 years of account |
| Type | Scheduled |
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| Date | 5 April 2007 |
| Deadline | Thursday 21 June 2007 for the preliminary SBF |

Related links

Executive Summary

This bulletin provides information on the syndicate business forecast (SBF) for 2007 and 2008 years of account.

SBF Submission Dates

The SBF must be submitted by 12 noon on the following dates:-

| | |
|------------------------|---|
| Aligned Syndicates | 26 July 2007 18 October 2007 |
| Non Aligned Syndicates | 21 June 2007 26 July 2007 – only required where there is a change to the previously submitted business plan 20 September 2007 |

For the purpose of this bulletin, aligned syndicates are those syndicates where the corporate members participating on the syndicate for the 2007 year of account and the managing agent of the syndicate are owned by the same company or are part of the same corporate group. Non aligned syndicates are those syndicates for whom the source of supporting capital is mixed, and certain members participating on these syndicates have no ownership links with the managing agents.

Managing agents are aware that Lloyd's has given a commitment in Lloyd's Three-Year Plan to put in place a more streamlined business timetable for aligned syndicates. However, in setting the dates for the submission of the 2008 SBFs, Lloyd's also needs to ensure that the dates facilitate a fair and transparent auction process for members. Accordingly, this year Lloyd's has prescribed separate dates, as set out in the table above, for submissions from managing agents of aligned and non-aligned syndicates.

Although the latest date for submitting the final SBF for aligned syndicates is 18 October, managing agents of aligned syndicates should note that they may submit the SBF earlier if they wish. In addition, managing agents of aligned syndicates should be aware that Lloyd's may consider it appropriate in certain cases to require a managing agent to submit the SBF earlier than 18 October. In those cases, Franchise Performance will be working with relevant managing agents over the coming months to ensure that they know what is required.

SBF Approval Dates

Lloyd's will approve the final SBF submission by the following dates:

| | |
|------------------------|------------------|
| Non Aligned Syndicates | 28 October 2007 |
| Aligned Syndicates | 23 November 2007 |

Rates of Exchange

The mandated rates of exchange for the 2008 SBF will be advised in early April by Market Bulletin.

Instructions and Supplementary Files

The Instructions and other data files relating to the SBF will be available for agents to download from early April.

Individual Capital Assessments

The requirements for ICA submissions are advised in Market Bulletin Y3971.

Software Release

The revised SBF software SBF is planned to be released during mid April.

Return Changes

In order to reduce the reporting burden, for the preliminary SBF submissions in June / July all managing agents will have the option of not completing the following forms. We have consulted with members' agents, and for non aligned syndicates managing agents need to be aware that they will have to provide members' agents equivalent information through alternative means should they choose not to complete these forms.

| Form Title | Description | Applies To |
|-------------------|-------------------------------------|--------------------------------|
| SBF 130 | Analysis of Administration Expenses | 2008 Year of Account |
| SBF 163 | Source of Business | 2007 and 2008 Years of Account |
| SBF 164 | Delegated Underwriting Authority | 2007 and 2008 Years of Account |
| SBF 169 | Geographical Split of Business | 2007 and 2008 Years of Account |
| SBF 171 | Total Investment Income | 2007 and 2008 Years of Account |
| SBF 350 | Cashflow Summary | 2008 Year of Account |

All forms (including those above) will be required for the September / October submissions.

Other than the changes highlighted above there will not be any changes to the format and information content in any forms in the SBF.

Further Information

Any queries relating to this market bulletin should be sent by email to the business plan mailbox (Lloyds – Businessplans@lloyds.com)

This bulletin has been sent to all underwriting agents and market associations.

Syndicate Business Forecast 2007-8

Instructions

Date of Issue: 4 April 2007
Contact: Lloyds-businessplans@lloyds.com

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1 General instructions

1.1 The business planning process

1.1.1 The syndicate business forecast (SBF) provides information that is needed to enable Lloyd's to support the business plan approval and capital processes. The SBF collects data that is common to each syndicate. It does not represent the full business plan, which requires submission of additional information that is specific to syndicates and also ad-hoc requests. Requests will include a specific Claims Business Plan, further details of which will be provided separately.

1.1.2 Each SBF submission is for a single year of underwriting only, either current or prospective. The software allows as many submissions as necessary over a 19 month cycle. This cycle takes the SBF through the approval process and then through the year in question, for the purpose of providing more up-to-date forecasts. For example, the cycle for the 2007 underwriting year would be:

- Approval process Jun 2007 to 23 November 2007
- Updates Dec 2007 (post final auction) to 31 Dec 2007

1.1.3 The deadlines for submitting the SBF in 2007 will be different for aligned and non – aligned syndicates in order to reduce the reporting burden for managing agents. Dates for submitting the SBF shown below:

| | |
|-------------------------------|---|
| Aligned Syndicates | 26 July 2007 18 October 2007 |
| Non Aligned Syndicates | 21 June 2007 26 July 2007 – only required where there is a change to the previously submitted business plan 20 September 2007 |

Aligned syndicates are those syndicates where the corporate members participating on the syndicate for the 2007 year of account and the managing agent of the syndicate are owned by the same company or are part of the same corporate group. Non aligned syndicates are those syndicates for whom the source of supporting capital is mixed, and certain members participating on these syndicates have no ownership links with the managing agents.

Managing agents are aware that Lloyd's has given a commitment in Lloyd's Three-Year Plan to put in place a more streamlined business timetable for aligned syndicates. However, in setting the dates for the submission of the 2008 SBFs, Lloyd's also needs to ensure that the dates facilitate a fair and transparent auction process for members. Accordingly, this year Lloyd's has prescribed separate dates, as set out in the table above, for submissions from managing agents of aligned and non-aligned syndicates.

1.1.4 Each SBF submission will be checked by the Franchise Performance Directorate (FPD) and will be returned for resubmission, should any discrepancies be found. Relevant data will be passed to the Market reserving and capital (MRC) for processing.

1.1.5 There will be no further timetabled deadlines and unless a material change to the business plan necessitates a new SBF this will be considered as the final submission for the prospective year business planning purposes.

1.2 Overview of return

1.2.1 A separate return must be submitted in respect of each syndicate. This applies to parallel

corporate syndicates and mirror syndicates (i.e. syndicates that are identical in respect of constitution, shares and members' agents participating therein).

- 1.2.2 The SBF must be completed in respect of the current (2007) and prospective (2008) years of account. Certain forms require information on a calendar year basis for all years of account combined.
- 1.2.3 When setting up a return on the electronic system, the user will be asked to complete SBF010 which reports various information concerning the syndicate; eg the applicable reporting years. The system will then generate the forms to be completed, and establish the validation rules to be adhered to, as appropriate to that syndicate's circumstances.
- 1.2.4 In order to reduce the reporting burden all managing agents will have the option of not completing certain forms when submitting their preliminary SBF's. Further details of these optional forms are provided in the table below. For non aligned syndicates managing agents need to be aware that they will have to provide members' agents equivalent information through alternative means should they choose not to complete these forms.

| Form Title | Description | Applies To |
|------------|-------------------------------------|--------------------------------|
| SBF 130 | Analysis of Administration Expenses | 2008 Year of Account |
| SBF 163 | Source of Business | 2007 and 2008 Years of Account |
| SBF 164 | Delegated Underwriting Authority | 2007 and 2008 Years of Account |
| SBF 169 | Geographical Split of Business | 2007 and 2008 Years of Account |
| SBF 171 | Total Investment Income | 2007 and 2008 Years of Account |
| SBF 350 | Cashflow Summary | 2008 Year of Account |

All forms (including those above) will be required for the September / October submissions.

Other than the changes highlighted above there will not be any changes to the format and information content in any forms in the SBF.

- 1.2.5 Certain forms within the SBF are only required for the prospective year. The table below summarises the requirements.

| Prospective Year | Current Year |
|------------------|---|
| All Forms | All forms, except: SBF 020 – Exchange Rates SBF 130 - Analysis of Administrative Expenses SBF 182 – Underwriting Rating Index SBF 350 - Cash flow Summary SBF 452 - Realistic Disaster Scenarios |

1.3 Syndicate classes of business

- 1.3.1 Consistency of class of business definitions is a key principle of the core market returns. The Quarterly Monitoring Return (QMR) Form 105 and Premium Income Monitoring (PIM) Forms 184 and 185 can only be completed using COBs that have been approved through the SBF.

- 1.3.2 There is a time lag between the end of an underwriting year and the completion of the Q4 QMR, which sometimes means that agents need to add new COBs in the software after the end of the underwriting year. In order to allow this, the software will treat any changes made to an SBF before 1 April as though they were made in the previous year. This applies to the entire return, not just to COB definitions.
- 1.3.3 Because of this, an SBF cannot be submitted for the prospective underwriting year until 1 April of the current year.
- 1.3.4 All currently approved syndicate classes of business will be set up in the new software system ready for use in the June SBF.

1.4 Class of business reclassification

- 1.4.1 If agents intend to re-classify their classes of business they are required to apply to FPD in writing for permission 28 days before the submission deadline. If permission is granted then they must supply FPD with a new SBF reflecting the changes to the classes of business.
- 1.4.2 Reclassification of classes of business, as opposed to just adding a new class, requires a number of data items and mappings to be updated. This is to ensure that the historic development under the new classes can be identified and monitored.
- 1.4.3 In practice, such a root and branch reclassification happens only rarely so Lloyd's will adopt a bespoke approach rather than attempt to devise software for every eventuality.

1.5 Data entry and reporting

- 1.5.1 All numbers on forms are to be supplied in units (rather than '000s) or percentages. Decimals are permitted. Numbers will be rounded for display and reporting only and financial amounts will generally be presented as 000s.
- 1.5.2 Throughout the SBF return positive or negative entries are expected to be made depending on the nature of the field in question. Generally, all income/asset items are to be entered as positives and expenditures/liabilities as negatives. If a number is supplied whose sign is contradictory to expectations then the software will generate a warning message.

1.6 Electronic reporting

- 1.6.1 The return must be completed using the web-based software. Agents must not make submissions through any other route or mechanism.
- 1.6.2 The SBF must be signed off by two executive directors. Use of the sign-off function in the software constitutes formal notification to Lloyd's that the SBF has been approved by a person authorised to represent the directors.
- 1.6.3 The information gathered will be strictly for Lloyd's internal use only and will be treated in the strictest confidence.

1.7 Submission deadlines

- 1.7.1 Managing agents will be subject to disciplinary action and fines will be imposed if the return is submitted after the due deadline, in accordance with the following schedule:

| | |
|--------------------------------------|--------|
| Per return per syndicate – flat fine | £5,000 |
|--------------------------------------|--------|

- 1.7.2 Persistent delays will lead to further disciplinary action.
- 1.7.3 Agents need only make a submission in July if there is a change to the plan that affects the figures or attaching documents that were submitted in June. If there is no submission at the July deadline then Lloyd's will use the latest submitted return for the planning process. All agents are still required to make a fresh submission by the September / October deadlines.

1.8 Assistance in completing forms

- 1.8.1 Any queries about the completion of the SBF should be directed by e-mail to Franchise Performance at (Lloyds-Businessplans@lloyds.com). All queries will be responded to by the end of the following working day.

2 Basis of preparation

2.1 Reporting by all reporting years combined/reporting year/pure year

- 2.1.1 Each form must be completed at one of the following levels:

- All reporting years of account combined (whole account) for the calendar year
- Reporting year of account
- Pure year of account

- 2.1.2 **All reporting years combined** means all of the transactions or assets as appropriate for the syndicate as a whole during the calendar year in question.

- 2.1.3 **Reporting year of account** is the 'traditional' Lloyd's method of identifying years of account and means each year of account upon which members have a participation during a given calendar year. So, for the calendar year 2006 this will be either the 2004, 2005 or 2006 years of account and also various 2003 and prior run-off years of account which have not been reinsured to close. When reporting on the transactions for a reporting of account, it is necessary to include the movements on any earlier years of account previously closed into that reporting year of account.

- 2.1.4 **Pure year of account** relates to the year of account in which the business was originally written and to which the original premiums and all subsequent transactions are allocated. The pure year of account may still be open, or subsequently reinsured to close into another (reporting) year of account. When reporting on the transactions for a pure year of account, only the transactions relating specifically to that pure year of account must be reported.

- 2.1.5 The instructions in respect of each form state whether the form is required at whole account, reporting year or pure year level.

2.2 Currencies and exchange rates

- 2.2.1 The return must be completed in the following currencies:

| | | |
|-----|---|---|
| USD | - | US dollars |
| GBP | - | all other currencies excluding USD |
| CNV | - | all currencies combined in converted sterling |

Some forms only require CNV.

- 2.2.2 See Section 4 below for more information on exchange rates.

3 SBF010 CONTROL PAGE

3.1 Summary

3.1.1 This is the set-up form that acts as the control point for performing actions with the return.

3.1.2 For the update to the current year of account, it also collects the USD exchange rate.

3.2 Key points

3.2.1 There are functions on this form to control the software and submissions. Full details of these are given in the User Manual, which is available from the Help section in the software.

3.2.2 Exchange rates for the update to the current year of account

3.2.3 For the update to current year of account, entries for revenue items must be made at the estimated average rates of exchange for the current year, consistent with UK GAAP. The Franchisor will provide an updated exchange rate for USD only, but this is for information only and is not mandatory.

3.2.4 On this form, you must provide the USD rate of exchange which was actually used in the current year. The software uses this rate to convert CNV figures to USD for the RBC calculations (Form 167) and also to derive the line size as a percentage of capital on Form 442.

4 SBF020 EXCHANGE RATES

4.1 Summary

4.1.1 This form contains the exchange rates that are to be used for completing the SBF for the prospective year of account only.

4.2 Key points

4.2.1 The Franchisor will provide a mandatory Plan Rate for USD and other settlement currencies to GBP for the prospective year of account only.

5 SBF050 CLASS OF BUSINESS DESCRIPTIONS

5.1 Summary

5.1.1 This form details the types of business that you are writing or are intending to write.

5.1.2 In the current year of account, all existing classes of business will be displayed. These classes of business will have previously been approved in last year's SBF submission.

5.1.3 In the prospective year of account all current classes of business will also be displayed. However all classes of business, current or new, are subject to approval by FPD in this submission.

5.2 Key Points

5.2.1 This form is divided into two parts on the input screen. The top part displays all the

approved classes of business for the relevant year of account. The lower part displays classes of business that are subject to approval for the year of account in question. All new classes of business added to the SBF will appear in the lower part of this form.

- 5.2.2 New classes of business can be added to the SBF for approval. These must be unique in both description and number. It is not possible to delete or change existing classes of business, unless reclassifying (see below).
- 5.2.3 Any new classes of business will not become active until the SBF is approved. When you are notified of approval, you will be able to use the new class(es) of business in other returns that require them, such as the QMR and PIM.
- 5.2.4 For the current year only, agents are not able to deselect an existing selection from the approved class of business list, unless reclassifying.
- 5.2.5 For the prospective year only, agents are able to select or deselect any classes of business from the lists. Removing a class of business will also remove the risk code mapping for the aforementioned class.

5.3 Reclassification (please refer also to 1.4 above)

- 5.3.1 If FPD grants permission to reclassify then the COB list can be changed. Note that if you are deleting a class of business this will also delete all associated data on risk code mappings, premium income and performance.

6 SBF051 RISK CODE MAPPING OF CLASSES OF BUSINESS

6.1 Summary

- 6.1.1 Risk code and currency mappings are required for each class of business selected in the Class of Business Descriptions (SBF050) for both the current and prospective years of account, accepting that for the same class of business, these two can be different.

6.2 Key Points

- 6.2.1 Each class of business should be broken down to individual risk codes and each risk code split between GBP and USD. All premiums written in currencies other than GBP, USD, should be converted to GBP, at the rate of exchange appropriate for the particular year of account in question, and included in the GBP field.
- 6.2.2 The percentage split should be based on the gross premiums written for that individual class of business.
- 6.2.3 If you have decided to reclassify or have removed a class of business from the list in the Class of Business Description section (050) then the subsequent risk code mapping for that class of business will also be removed.
- 6.2.4 The sum of each COB/risk code split must be 100%. All COBs selected in SBF050 must have a valid risk code mapping.

7 SBF100 FORECAST TECHNICAL ACCOUNT

7.1 Summary

- 7.1.1 This form provides 12 month, 24 month and ultimate annual accounting forecasts for both

the current and prospective years of account. It is a modified form of the new QMR Technical Account.

7.2 Key Points

- 7.2.1 This should be submitted on a pure year basis for the year of account in question.
- 7.2.2 All entries in this section must be in CNV.
- 7.2.3 The entries in successive columns (@ 12 months, @ 24 months and Ultimate) must be cumulative for the pure year of account. For example, if you are reporting an update to the 2007 year of account the entries under "@ 12 months" should include just the 2007 pure YOA portion of your annual return from 01/01/07 – 31/12/07. The entries under "@ 24 months" should be the sum of annual return figures for the 2006 pure YOA from 01/01/07 – 31/12/07 and 01/01/08 – 31/12/08.
- 7.2.4 For the purposes of this section, it has been assumed that ultimate equals the position at 36 months. Please use the comments box to explain if this is not the case, eg: there is material unearned premium anticipated at 36 months.
- 7.2.5 The position at 24 months is only required for the update to the current year of account.
- 7.2.6 Where appropriate, data from the Underwriting Performance Forecast (105) section will be used to generate entries in the 'ultimate' columns.
- 7.2.7 Gross claims (line 7) includes allocated claims handling expenses, but not ULAE, which is recorded in line 8.
- 7.2.8 There is no specific line where reinsurance recoveries should be shown. However they should be included in total technical charges before net operating expenses (line 10).
- 7.2.9 Net operating expenses are split into two types for analysis purposes.
- 7.2.10 Acquisition costs on line 11a are to include brokerage, commissions and business arrangement fees as per the agent's accounting policies under UK GAAP.
- 7.2.11 Line 11b includes all other net operating expenses, including personal expenses, administrative expenses, other acquisition costs and deferred acquisition costs for the 12 and 24 month periods. Personal expenses should include managing agents' fees; profit commissions; New Central Fund levy and Lloyd's subscriptions. Non standard personal expenses including members' agents' fees are not to be reported on this form
- 7.2.12 In the ordinary course of events, we would expect "Other technical income net of reinsurance" (line 6), "Other technical charges net of reinsurance" (line 12) and "Other charges" (line 15) all to be zero. Where entries are made, we would expect comments made to include an explanation.
- 7.2.13 The amounts under "bonuses and rebates" (line 13) follow whatever disclosure is made by the Managing Agent under UK GAAP. If disclosure is made then it would cover bonuses and rebates to the insured only. Note that a review of publicly quoted insurance companies' 2004 accounts revealed no entries in respect of bonuses and rebates. Hence, we would regard any non-zero entry as exceptional and would require a detailed explanation in the comments section.
- 7.2.14 Investment expenses should be included within line "total investment return" (line 14), as this figure is net of any expenses incurred.

8 SBF105 UNDERWRITING YEAR OF ACCOUNT PERFORMANCE FORECAST

8.1 Summary

8.1.1 This form provides a forecast of underwriting performance for each class of business that you are writing or intend to write, as defined internally by the syndicate for both the current and prospective years of account.

8.2 Key Points

8.2.1 This form should be reported on a pure year of account at ultimate basis.

8.2.2 Entries must be made for the relevant classes of business in CNV only; any changes to the currency make-up of a class of business throughout the duration of the reporting cycle should be reported through relevant changes to the risk code currency mapping in SBF051.

8.2.3 Each class of business currently selected in the Class of Business Description section (SBF 050) as part of your business forecast will be added to this section and each entry must be completed in full. If a class of business has not been selected in the Class of Business Description section (SBF 050) then it will not appear on this section.

8.2.4 Brokerage and commissions (F) exclude service company acquisition costs (G), business arrangement fees (H) and bonuses and rebates (J).

8.2.5 Business arrangement fees (H) and service company acquisition costs (G) must be completed, irrespective of whether the agents treat these costs as administrative or acquisition expenses. They include fees payable to brokers in addition to commissions and brokerage in respect of, for example, volume, profitability, management administration, marketing or processing functions (this is not an exhaustive list). Business Arrangement Fees are also known as PSA's, Market Service Agreements or Contingent Commissions.

8.2.6 Outwards reinsurers commissions and profit participations (Column I) is associated with payments received from reinsurers under the terms of the outward reinsurance they underwrote, which were not premiums/recoveries amounts. For example, there could be a contractual term for the reinsurer to pay a profit commission on an arrangement back to the reinsured if the business performed was very successful. We would expect this all to be a credit derived from the reinsurer.

8.2.7 See 7.2.13 concerning bonuses and rebates.

8.2.8 Each entry under ultimate claims settled (M and N) must be a best estimate of anticipated ultimate claims on both gross and net bases. Allocated claims handling expenses should be included, but not ULAE.

8.2.9 The formula for gross ULR (column O) uses the net figure for bonuses and rebates because it is an item in the ABI SORP technical account. If present, it is used to adjust the gross premiums written figure. The corresponding gross and reinsurers' bonuses and rebates entries (columns J and K) are present in order to provide meaningful adjustments for stamp premiums. However, in practice we expect all of these items to be zero.

8.2.10 In the event that an agent cannot complete this form sensibly on a net basis (due to only purchasing whole account or other non-class-specific reinsurance and managing their business on a gross basis with reinsurance managed centrally) application can be made to Lloyd's to complete this form on a gross basis only. In this situation, the relevant

reinsurance which cannot be allocated to classes of business must itself be treated as a class of business with relevant entries on this form SBF105 as well as forms SBF050 and SBF051 – this “whole account XOL” will only apply for accounts which cover multi classes e.g. umbrella accounts. We would expect all class specific and proportional reinsurance to be allocated by class of business. This is required for the Franchisor to be able to monitor market wide data on a net basis.

8.2.11 This form now includes a column for expected reinstatement premiums on both an inwards and an outwards basis. The premium in these columns is a subset of the total gross premiums written and the outwards reinsurance premiums.

9 SBF130 ANALYSIS OF ADMINISTRATIVE EXPENSES

9.1 Summary

9.1.1 The purpose of this form is to collect details of a syndicate’s operating expenses for all years of account in operation during the prospective calendar year only. The completion of this form is optional for the June / July SBF submissions,

9.2 Key Points

9.2.1 This form should be reported on a calendar year basis.

9.2.2 All entries in this section must be in CNV.

9.2.3 If a portion of syndicate expenses is reallocated to gross claims as unallocated claims handling expenses, this should be completed gross of the transfer, with the re-allocation reported in line 13 (Transfer to claims handling).

9.2.4 Where overriding commission in respect of QQS reinsurance is credited against syndicate expenses, these amounts should be recorded in line 12. Entries in lines 12 and 13 should be made as positive values. The software will then deduct them from the total of expenses to arrive at cell 16, total expenses.

9.2.5 Apart from “transfer to claims handling” the entries in Other Credit Against Expenses (line 15) should include "contributions from reinsurers", "service company commissions" and “profit commission receivable from reinsurers” where applicable.

9.2.6 Lloyd’s levy would be expected to be zero for the SBF. This line is present for consistency with the other core market returns, under which the levy would be present for some years of account.

9.2.7 These expenses should be stated before any apportionment to acquisition costs is made under UK GAAP.

10 SBF163 SOURCE OF BUSINESS

10.1 Summary

10.1.1 For the current and prospective years of account this form provides:

- a breakdown of gross premiums written by method of acceptance;
- details of brokers expected to provide 5% or more of gross premiums written;
- a breakdown of source of business.

10.2 Key Points

- 10.2.1 This form should be reported on a pure year of account at ultimate basis.
- 10.2.2 All entries in this section must be in CNV.
- 10.2.3 A detailed breakdown of direct business between binding authorities and line slips must be provided in the Delegated Underwriting Authority section (SBF164)
- 10.2.4 Total of each direct business types is calculated from the split by COB in SBF 164 and the grand total (A9) is cross-validated with gross written premiums (column C) on SBF 105.
- 10.2.5 The form now measures the count of delegated binders, non delegated binders and lineslips. This refers to the count of binders and not the count of underlying policies. It also measures the coverholder count for binders as well as the number of binders and lineslips which have been led by the syndicate.
- 10.2.6 The number of contracts and coverholders should be those with where the managing agent is a signatory to the binding authority contract. If there is sub-delegation then please provide a comment giving details of the arrangements.
- 10.2.7 If any premium is written under a finite/semi-finite reinsurance programme then you must give details of this in the comments section.
- 10.2.8 If a broker is not listed in the drop down list, please select 'Other' and you will then given the opportunity to enter the broker's name.
- 10.2.9 For the split by broker, the 5% threshold applies at broker group level (e.g. "AON Ltd"). Where possible, the constituent parts should be split between the different broker codes available (e.g., 2% to AON/430 and 2% to AON/552). The system should issue a warning if the sum of entries for a group is less than 5%.

11 SBF164 DELEGATED UNDERWRITING AUTHORITY

11.1 Summary

- 11.1.1 Fluctuations in delegated authority business are seen as a key determinant of performance. Consequently, a detailed breakdown of this method of acceptance by class business is required for the current and prospective years of account. The completion of this form is optional for the June / July SBF submissions.

11.2 Key Points

- 11.2.1 This form should be reported on a pure year of account at ultimate basis.
- 11.2.2 All entries in this section are now recorded in CNV.
- 11.2.3 "Binding authorities delegated outside the Managing Agent" refers to
- 11.2.4 all binding authorities that are not with a service company.
- 11.2.5 "Service Companies" refers to all binding authorities with a service company. A service company is a company within the same group as, or owned by, the Lloyd's managing agent to whom the managing agent delegates authority to enter into contracts of insurance or to issue insurance documents as evidence of contracts of insurance.

- 11.2.6 A “line slip” is an arrangement where authority is delegated to another managing agent, or to an authorised insurance company, for business introduced by a named Lloyd’s broker. A lineslip will usually apply to specific types of business. Once the authorised managing agent or insurance company has entered into a contract of insurance with the insured, the relevant Lloyd’s broker will issue evidence of the insurance (for example, a cover note supported by a full slip or slip policy). The lineslip may allow the authorised managing agent or insurance company to agree claims.
- 11.2.7 A “consortium” is an arrangement where authority is delegated to another Lloyd’s managing agent to enter into contracts of insurance on behalf of the syndicate. A consortium will usually operate in specified classes of business produced from more than one source (which is the main difference to a lineslip). The business should be recorded as direct business. However if a consortium delegates authority to a company or partnership other than a managing agent, that company or partnership will need to be approved as a coverholder by Lloyd’s and the business recorded as a binding authority.
- 11.2.8 Acquisition costs (Col B) should be stated before any apportionment of administrative expenses that would be made under UK GAAP.

12 SBF167 PREMIUM INCOME SPLIT BY RISK CODE

12.1 Summary

- 12.1.1 This section has been generated based on the information provided in the Risk Code Mappings section and Underwriting Performance Forecast (SBF105) section.
- 12.1.2 Please note, the same risk code currency mapping will be used for both the stamp gross premiums written and stamp net premiums written.

12.2 Key Points

- 12.2.1 This form should be reported on a pure year of account at ultimate basis.
- 12.2.2 Please take time to ensure that all numbers are correct. You must confirm that the data shown in this section is correct by ticking the box on the form. Failure to do so will prevent the submission of the data to FPD.
- 12.2.3 Confirmation is necessary as this data is fed into the Risk Based Capital (“RBC”) model.

13 SBF169 GEOGRAPHICAL SPLIT OF BUSINESS

13.1 Summary

- 13.1.1 This section must be completed for both current and prospective years of account. The completion of this form is optional for the June / July SBF submissions.

13.2 Key Points

- 13.2.1 This form should be reported on a pure year of account at ultimate basis.
- 13.2.2 All entries in this section must be in CNV.
- 13.2.3 Premium should be split by domicile of risk. Domicile is where the Insured/ Reinsured is domiciled rather than necessarily where the exposure is located.

13.2.4 If you consider that it is not appropriate to split premium according to where the business is domiciled or the territory which accounts for the largest part of the premium, e.g. space insurance, please split the premium as you consider appropriate and provide explanatory text in the comments box provided.

14 SBF171 TOTAL INVESTMENT RETURNS

14.1 Summary

14.1.1 Investment returns are required for the previous, current and next calendar year. The completion of this form is optional for the June / July SBF submissions.

14.2 Key Points

14.2.1 This form should be reported on a calendar year basis.

14.2.2 All entries in this section must be in USD, GBP and CNV.

14.2.3 Syndicates should submit on this section the rate of return details, by currency, for each investment manager used.

14.2.4 Syndicates should enter their best estimate of the return range that will be achieved in the year.

14.2.5 Syndicates should report the amount of funds invested with each fund manager by currency. This amount should indicate the average total funds managed by each investment manager for the year to date. If a fund is only being managed for part of the year with an investment manager please use the average funds under Investment managers control for the period, and specify the period held for in the additional commentary field.

14.2.6 Actual return (F) applies to the previous calendar year and is only required for an update to the current year of account.

15 SBF182 UNDERWRITING RATING INDEX

15.1 Summary

15.1.1 The purpose of this section is to update your view on your current year class of business rating indices and volumes and to provide projected class of business rating indices for the prospective year. It is to show a "walk" of changes to each Class of Business's premiums from expiring premium to prospective premium split by new, non renewed, and other movements in the account.

15.1.2 This section must be completed for the prospective year of account.

15.2 Key Points

15.2.1 This form should be reported on a pure year of account at ultimate basis.

15.2.2 All entries in this section must be in CNV.

15.2.3 The form includes the current year's expiring premium, which should contain the same figures as in SBF105 for the update to the current year. These will have to be entered manually as they are not carried across from the SBF for the update to the current year.

- 15.2.4 The total change in premium (split by various headings) is recorded in column I. The prospective year's premium in Column J will be a calculated column made up of Column C (current year's premium) plus Column I (total change in premium). This column J must be reconcilable with the prospective premiums in form 105 column C.
- 15.2.5 Changes in the premiums will be required to be explained in the additional information provided by the syndicate under Business Plan Assumptions – see section 21
- 15.2.6 Policy count should be consistent with the definition that you would normally use internally for rate monitoring exercises
- 15.2.7 This section is pre-populated with classes of business as specified in the Class of Business descriptions section. The classes displayed will be those that have been selected irrespective of whether they are approved or unapproved.
- 15.2.8 In column L, the base year for each rating index should be 2002, or the first year the class of business was written, if later than 2002. Reasonable allowance should be made for increase / (decrease) in deductibles, strengthening / weakening in terms and conditions and claims inflation.

16 SBF350 CASHFLOW SUMMARY

16.1 Summary

- 16.1.1 Cash flow information is required for the next calendar year. The completion of this form is optional for the June / July SBF submissions.

16.2 Key Points

- 16.2.1 This form should be reported on a calendar year basis.
- 16.2.2 All entries in this section must be in CNV.
- 16.2.3 The opening free funds for Q1 should be what you estimate the "closing free funds" to be at the end of the current year. For the other quarters opening free funds must be the same as the closing free funds from the previous quarter.
- 16.2.4 Plan rates of exchange should be used for currency conversions.
- 16.2.5 'Free funds' are defined as:
- Sterling Premium Trust Fund (including Additional Securities Limited, Lloyd's Japan Incorporated, Kentucky sub account, Royal Trust Canadian Premiums Trust Fund / non regulated).
 - Lloyd's Dollar Trust Fund.
- 16.2.6 Inter-year lending should be provided in Inter-syndicate loan received / (repaid) (line 10) and is expected to be zero, since the form is in respect of all reporting years combined for the next calendar year.

17 SBF420 CAPACITY INFORMATION

17.1 Summary

- 17.1.1 This section provides a breakdown of the syndicate's estimated capacity, for the current

and prospective year of account. The new capacity is to be completed as a subset of the total estimated capacity. It also provides expected member participations of aligned corporate members.

17.2 Key Points

- 17.2.1 This form should be on a reporting year of account basis.
- 17.2.2 All entries in this section must be in CNV.
- 17.2.3 If it is the intention to utilise QQS capacity, please explain this within the comments box provided.
- 17.2.4 Where an aligned corporate member underwrote on the syndicate in the previous year, but has now ceased, please include this member, showing zero syndicate participation.
- 17.2.5 Where a corporate member is new and no member number has yet been allocated by Lloyd's Members Services Unit then input a dummy member number 999999A.
- 17.2.6 Aligned capacity (line 1) is capacity provided by controllers / major shareholders associated with the managing agency
- 17.2.7 Other direct corporate (line 2) is 3rd party corporate capacity provided direct to syndicate.
- 17.2.8 New capacity (column B) is the total of the increases in capacity supported by each capital provider individually within each category, with no reduction if a capital provider has reduced its level of support between years of account or if the capital has moved between categories.
- 17.2.9 For example, suppose that in 2005 a syndicate's capacity was provided by £100m from aligned corporate X and £100m from direct corporate Y, then in 2006 it will be £150m from aligned corporate X and £70m from direct corporate Z. The "new capacity" is then £50m aligned corporate and £70m direct corporate. This is because X has simply increased its support in the same category, whereas Z is an entirely new provider.

18 SBF442 UNDERWRITING CONTROLS

18.1 Summary

- 18.1.1 This section must be completed for both current and prospective years of account.

18.2 Key Points

- 18.2.1 This form should be on a reporting year of account basis.
- 18.2.2 All entries in this section must be in USD or GBP.
- 18.2.3 Please provide details of absolute maximum, normal maximum gross and net retained lines by class of business.
- 18.2.4 The drop-down is populated with classes of business as specified in the Class of Business Descriptions section. The classes displayed will be those that have been selected irrespective of whether they are approved or subject to approval.
- 18.2.5 If your underwriting controls are imposed on a sub-class basis, please enter information for your largest line within the class of business and explain your methodology in the

comments box provided.

18.2.6 If there is more than one class of business underwriter, then the most senior should be entered.

18.2.7 If there is a difference between absolute max and normal max gross line, then please provide explanatory text in the comments section.

18.2.8 Limit Type (C) is a free text field for you to indicate the limit type. Please leave blank if your line size is "unlimited". Examples of limit type include:

- Any one aircraft
- Any one claim
- Any one event
- Any one known accumulation
- Any one life
- Any one risk
- Any one risk (PML basis)
- Any one risk (amount subject basis)
- Any one launch
- Any one structure
- Any one vessel
- Each and every loss
- Each and every risk

18.2.9 If unlimited line size (E) is ticked you do not need to enter any data for that COB in columns F (absolute maximum gross line), H (normal maximum gross line) and J (net retained line).

18.2.10 For line sizes (F, H and J) where the line limits differ by currency, please provide details of the largest line only.

19 SBF452 REALISTIC DISASTER SCENARIOS

19.1 Summary

19.1.1 This section must be completed for the prospective calendar year only, for all years of account combined.

19.2 Key Points

19.2.1 This form should be on an all reporting years of account basis.

19.2.2 All entries in this section must be in USD or GBP. They will be automatically converted to CNV.

19.2.3 All RDS events can be entered in either GBP or USD or split between the 2 currencies.

19.2.4 Forecasts should reflect the maximum final net loss at any time during the prospective calendar year. This method is different from the basis used in the 1 April RDS return, which reports the actual exposures at that one date.

19.2.5 No re-forecast is required for current calendar year.

19.2.6 The RDS events included in this section must be consistent with the 'actual' RDS submission of 1 April 2007.

- 19.2.7 Franchise Performance expects that RDS exposures are managed on a continuous i.e. daily basis, subject to the CSG Guidelines and your RDS data submitted using this software should reflect and be consistent with any changes to your business plan.
- 19.2.8 Gross loss is the expected value of the loss arising from damage to the Insured Values from the RDS event, after the application of syndicate participations and policy or treaty limitations on cover, such as coinsurance, deductibles and limits.
- 19.2.9 Net Loss is the expected value of the loss from the RDS event after reinsurance recoveries, but before reinstatement premiums have been paid and received.
- 19.2.10 Final net loss is the expected value of the loss from the RDS event after reinsurance recoveries have been received and reinstatement premiums have been paid and received.

20 SBF 730 OUTWARDS REINSURANCE PREMIUMS (including Fac.)

20.1 Summary

- 20.1.1 The purpose of this section is to record information on the type of reinsurance purchased. The completion of this form is optional for the June / July SBF submissions.

20.2 Key Points

- 20.2.1 This form should be on a reporting year of account basis.
- 20.2.2 All entries in this section must be in % of the total CNV reinsurance spend.
- 20.2.3 The entries must reflect the actual outwards reinsurance costs to be charged to the reporting year of account.
- 20.2.4 Please provide a breakdown of projected reinsurance spend by security 'tiers' and reinsurance type in the top part of this section. This will then pre-populate the reinsurance premium section in the bottom part of the section with projected reinsurance spend based on the total RI premium ceded as provided in the Underwriting Performance Forecast (SBF105).
- 20.2.5 This is for analysis by type of placement and security for performance management purposes.
- 20.2.6 If you have Finite/Semi-finite arrangements, then please include these details in the comments section

20.3 Reinsurance Tiers

- 20.3.1 Reinsurance tier defines the security band / rating of the underlying reinsurer. Reinsurance tiers for rated reinsurers have been consolidated into 4 tier groupings as follows:

Tier 1, AM Best A++ to A-, Moody's Aaa to A3, S&P AAA to A-
Tier 2, AM Best B++ to B-, Moody's Baa1 to Ba3, S&P BBB+ to BB-
Tier 3, AM Best C++ to C-, Moody's B1 to Caa, S&P B+ to CCC
Tier 4, AM Best D, E, F, S, Moody's Ca to C, S&P R, (U, S) 3

- 20.3.2 Two additional tiers are available for reinsurance placed at Lloyd's or at unrated insurers and pooled arrangements.

20.3.3 When deciding which tier to allocate to a reinsurer, you should use the best quality rating from the three ratings agents.

20.3.4 The tier split will be used within the RBC system in determining members' capital requirements. The split for reinsurance type may be used in future releases of the RBC software.

20.4 Reinsurance Type

20.4.1 This must be allocated to the following categories:

- Facultative (A)
- Proportional treaty (B), which includes both pro-rata treaties and quota-share arrangements but excludes QQS arrangements.
- Excess of Loss (LOD) (C), which is spend on Losses Occurring During reinsurance
- Excess of Loss (Other) (D), which includes all non-proportional covers excluding LOD (eg risks attaching covers)
- Stop-loss (E)

21 SBF 990 COMMENTS

21.1 Summary

21.1.1 Along with the comments provided in the relevant sections, please include any commentary you have in regards to any part of the SBF. You may use more than one entry per section if required.

21.2 Additional Submissions

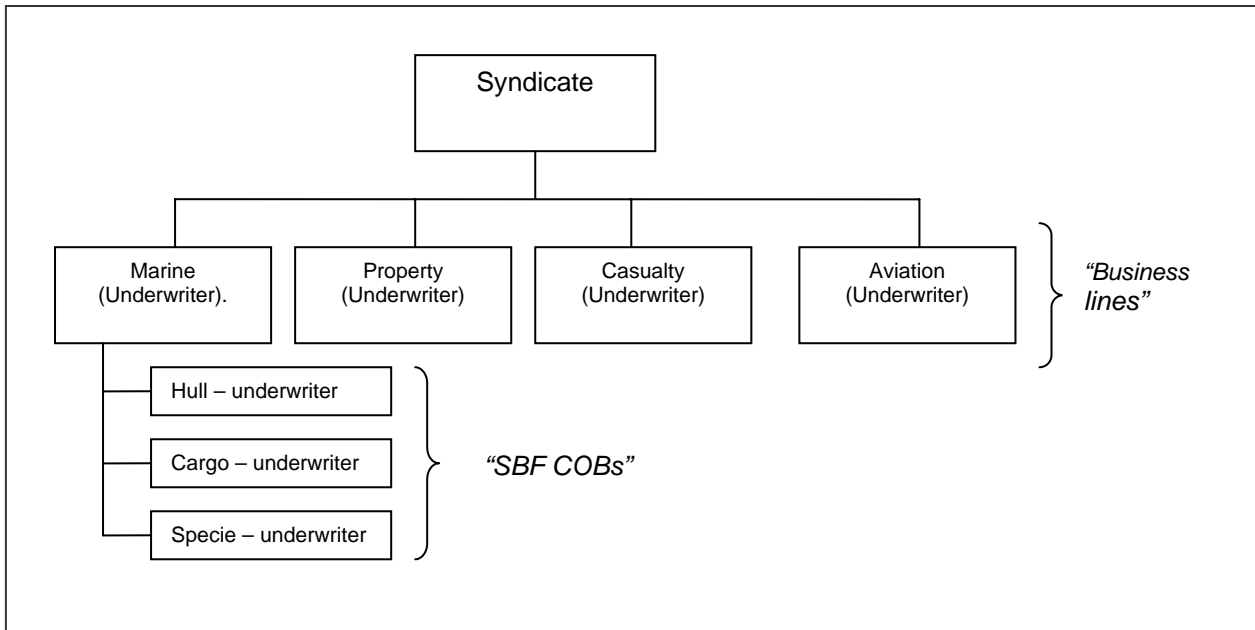
21.2.1 Agents are required to provide additional submissions for:

- Business plan narrative – organisational charts, portfolio composition, market environment.
- Business plan assumptions. This is needed to assess the rationale for changes to premiums and loss ratios within the business plan.
- Related Parties Transactions.
- Peer Review
- Supplementary Information

21.2.2 This information is mandatory for the June submission. For later revisions syndicates need only resubmit business plan assumptions and market environment sections and related party transactions where relevant. Agents are required to indicate, using the tick boxes provided those which they have submitted. Submissions should be attached to the SBF return using the software function provided. Guidance with regard to the additional submissions is provided below.

21.3 Business Plan Narrative

21.3.1 Please give an organisation chart and explanatory narrative for the syndicate showing business lines and relevant underwriters. The diagram below gives one example.



21.3.2 Portfolio Composition

21.3.3 For each principal SBF COB within the business plan please provide a thumbnail sketch of the account that is written to include:

- types of risk,
- typical, or average, limits written (i.e., not maximum or normal maximum lines)
- Types of assured e.g., Fortune 500 / 5000 or SME or sole trader, tier two airlines, Far Eastern blue-water fleets etc. etc.
- Geographic characteristics e.g., US, non-US, Southern Europe etc.
- Whether primary, full value or excess business and if excess then target attachment points
- Where appropriate, types of occupation or trade covered
- Basis of coverage e.g., claims made, losses occurring etc.
- Lead or follow split.
- Source of business e.g., service company or D&F or proportional treaty

E.g. #1, "COB 40 – World-wide property business for Fortune 500 type companies written on an excess basis usually attaching in excess of 50% of programme limit"

E.g. #2 "COB10 – UK professional indemnity on a claims made basis for regional SMEs particularly architects and estate agents, written on a 100% basis through our service company, PI Serco Ltd. Typically no more than £1,000,000 indemnity written ground-up"

21.3.4 Market Environment

- A brief analysis of the current competitive environment
- A brief analysis of the expected competitive environment next year and the following year i.e., how you expect the market cycle to develop and how you intend to manage your business through it

- What differentiates the syndicate's approach to others operating in the marketplace for this class i.e., not just Lloyd's or London but perhaps globally.
- What is the syndicate's underwriting strategy e.g. target customers, target market share.

21.4 Business plan assumptions

- 21.4.1 By class of business syndicates are required to explain the movements in the premium if it is more than a 10% change (up or down). This can apply to changes within the current year or resubmissions of the planned year as well as change from current year update to prospective year. Syndicates must provide a business rationale for the change in premium volumes.
- 21.4.2 For prospective year the syndicates could use form 182 as a base for explaining the movements in their premium.
- 21.4.3 For loss ratio changes – syndicates must explain significant movements in loss ratios by class of business. Significant is deemed to be more than 5% change in loss ratio. This will need to be provided for updates to current year and also for prospective year changes.
- 21.4.4 Reinsurance expectations – with reference to the existing structure and pattern of reinsurance (from 1.4.2006 reinsurance return), syndicates are asked to explain any proposed changes to the reinsurance programme and philosophy and the effect this might have on the net result for the prospective year.
- 21.4.5 The Claims Business Plan documentation will be separate from the SBF submission and full details and timetable will be notified separately.

21.5 Related Parties Transactions

- 21.5.1 Managing Agents are required to include in their syndicate business plans all related party insurance transactions that it intends to enter into for the current and proposed years of account. Related party insurance transaction is one where the syndicate will either –
- insure, reinsure or place reinsurance with a related party; or
 - Insure, reinsure or place reinsurance with any person other than on an arms length basis on ordinary commercial terms.
- 21.5.2 A related party for these purposes means –
- any company within the same group as the managing agent;
 - any company within the same group as a corporate member of the syndicate which has a syndicate premium income of more than 10% of the syndicate allocated capacity;
 - Any company which has two or more directors in common with the managing agent.
- 21.5.3 Group has the meaning set out in section 421 of the Financial Services and Markets Act 2000.
- 21.5.4 Managing Agents may only underwrite on behalf of a syndicate in accordance with its agreed business plan. Accordingly, a Managing Agent which proposes to enter into a related party insurance transaction which is not referred to in the agreed business plan must apply to the Franchise Performance Directorate to add the transaction in question.

21.6 Peer review

21.6.1 Each syndicate must provide details on their independent expert reviewers including which classes they review, terms of reference, frequency of reviews, to whom the reviewers have to report and the employment status of the reviewers.

21.7 Supplementary Information

21.7.1 You may need to provide supplementary information to support your business plan.

21.7.2 An example of this would be where you write or intend to write After-the-Event Legal Expenses Insurance or Viatical Insurance. These two classes of business have been identified as potentially posing a reputational risk to the Lloyd's Franchise and for which special authorisation is required from FPD in order to write this business.

21.7.3 For further guidance on these two classes you need to refer to Lloyd's letter to Managing Agents dated 16 April 2004.

22 RISK CODE LISTING

| Risk Code | Risk Code Description | First Year of Account | Last Year of Account | New Terrorism Code (N/A = not applicable) | Market Code | Risk Type |
|-----------|---|-----------------------|----------------------|---|-------------|-----------|
| 1 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | AV | ACP |
| 2 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | M | E |
| 3 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | NM | AHT |
| 4 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | AV | ACP |
| 5 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | M | E |
| 6 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | AV | APL |
| 7 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | AV | ACP |
| 8 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | NM | E |
| 9 | AVIATION HULL AND LIAB INC WAR EX WRO NO PROPOR RI | 1991 | 2000 | 2T | M | SPL |
| 1E | OVERSEAS LEG TERRORISM ENERGY OFFSHORE PROPERTY | 2000 | 9999 | 1E | AV | ACP |
| 1T | OVERSEAS LEG TERRORISM ACCIDENT AND HEALTH | 2000 | 9999 | 1T | NM | E |
| 2E | OVERSEAS LEG TERRORISM ENERGY OFFSHORE LIABILITY | 2000 | 9999 | 2E | NM | PL |
| 2T | OVERSEAS LEG TERRORISM AVIATION | 2000 | 9999 | 2T | AV | ACP |
| 3E | OVERSEAS LEG TERRORISM ENERGY ONSHORE PROPERTY | 2000 | 9999 | 3E | NM | M |
| 3T | OVERSEAS LEG TERRORISM MARINE | 2000 | 9999 | 3T | AV | ACP |
| 4E | OVERSEAS LEG TERRORISM ENERGY ONSHORE LIABILITY | 2000 | 9999 | 4E | NM | NPL |
| 4T | OVERSEAS LEG TERRORISM MISC AND PECUNIARY LOSS | 2000 | 9999 | 4T | AV | ACP |
| 5T | OVERSEAS LEG TERRORISM MOTOR | 2000 | 9999 | 5T | NM | NGL |
| 6T | OVERSEAS LEG TERRORISM PROPERTY | 2000 | 9999 | 6T | AV | ACP |
| 7T | OVERSEAS LEG TERRORISM THIRD PARTY LIABILITY | 2000 | 9999 | 7T | M | GIT |
| 8T | OVERSEAS LEG TERRORISM TRANSPORT | 2000 | 9999 | 8T | AV | ACP |
| AG | AGRICULTURAL CROP AND FORESTRY | 1993 | 9999 | 6T | NM | NPL |
| AO | AVIATION PREMISES LEGAL LIABILITY NO PRODUCTS | 1991 | 9999 | 2T | AV | ALL |
| AP | AVIATION OR AEROSPACE PRODUCTS LEGAL LIABILITY | 1991 | 9999 | 2T | AV | ALL |
| AR | AVN WHOLE ACCT STOP LOSS AND OR AGG EXCESS OF LOSS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "XY" for 2005 SBF | 1993 | 2004 | 2T | AV | XOL |
| AW | HULLS OF AIRCRAFT WAR OR CONFISCATION NO ACV | 1991 | 9999 | 2T | AV | APL |
| AX | AVIATION LIABILITY EXCESS OF LOSS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "XY" for 2005 SBF | 1992 | 2004 | 2T | AV | SXL |
| B | VSSLS SHIPBLDG ACV LOH AND CONTAINERS TLO EX WRO | 1991 | 9999 | 3T | M | SPL |
| B2 | PHYS DAMAGE BINDER FOR PRIVATE PPTY IN USA | 2004 | 9999 | 6T | NM | NPL |
| B3 | PHYS DAMAGE BINDER FOR COMMERCIAL PPTY IN USA | 2004 | 9999 | 6T | NM | NPL |
| B4 | PHYS DAMAGE BINDER FOR PRIVATE PPTY EX USA | 2004 | 9999 | 6T | NM | NPL |
| B5 | PHYS DAMAGE BINDER FOR COMMERCIAL PPTY EX USA | 2004 | 9999 | 6T | NM | NPL |
| BB | FIDELITY COMPUTER CRIME AND BANKERS POLICIES | 1991 | 9999 | 7T | NM | NGL |
| BD | TERRORISM POOL RE | 1991 | 9999 | 6T | NM | NPL |
| BS | MORTGAGE INDEMNITY UK PRIVATE. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "FM" for 2005 SBF | 1991 | 2004 | 4T | NM | PLF |
| CA | ENGINEERING INC MCHY AND BOILERS CAR AND ENG AR | 1991 | 9999 | 6T | NM | NPL |
| CF | CONTRACT FRUSTRATION IN ACCORD MKT BULLETIN 7/11/2000. NB: After 2004, also includes business previously coded CP | 1991 | 9999 | 4T | NM | PL |
| CN | CREDIT NONPROPORTIONAL TREATY BUSINESS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "CR" for 2005 SBF | 1998 | 2004 | 4T | NM | PLF |
| CP | CONTRACT FRUSTRATION EXCLUDING WAR AND INSOLVENCY. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "CF" for 2005 SBF | 1993 | 2004 | 4T | NM | PL |
| CR | CREDIT BUSINESS. NB: After 2004, also includes business previously coded CN | 1991 | 9999 | 4T | NM | PLF |
| CT | ARMOURED CARRIERS AND CASH IN TRANSIT | 1992 | 9999 | 8T | M | GIT |
| CX | SPACE RISKS LAUNCH COMMISSIONING AND TRANSPOND OP | 1992 | 9999 | 2T | AV | SXL |
| D2 | D AND O LIAB USA EXCL FINANCIAL INSTITUTIONS | 2004 | 9999 | 7T | NM | NGL |
| D3 | D AND O LIAB EXCL USA EXCL FINANCIAL INSTITUTIONS | 2004 | 9999 | 7T | NM | NGL |
| D4 | D AND O LIAB FOR FINANCIAL INSTITUTIONS INC USA | 2004 | 9999 | 7T | NM | NGL |
| D5 | D AND O LIAB FOR FINANCIAL INSTITUTIONS EXCL USA | 2004 | 9999 | 7T | NM | NGL |
| DC | DIFFERENCE IN CONDITIONS | 1991 | 9999 | 6T | NM | NPL |
| DM | DIRECTORS AND OFFICERS LIAB FOR FINANCIAL INST. NB: Risk code retired with effect from 1/1/2004, use risk codes "D4" or "D5" as appropriate for 2005 SBF | 2002 | 2004 | 7T | NM | NGL |
| DO | DIRECTORS AND OFFICERS LIAB EXCL FINANCIAL INST. NB: Risk code retired with effect from 1/1/2004, use risk codes "D2" or "D3" as appropriate for 2005 SBF | 1991 | 2004 | 7T | NM | NGL |
| DX | PERSONAL ACCIDENT AND SICKNESS AVIATION | 1992 | 1994 | 1T | AV | SXL |

| Risk Code | Risk Code Description | First Year of Account | Last Year of Account | New Terrorism Code (N/A = not applicable) | Market Code | Risk Type |
|-----------|---|-----------------------|----------------------|---|-------------|-----------|
| E2 | PROF INDTY E AND O FOR LEGAL PROFESSIONS INC USA | 2004 | 9999 | 7T | NM | NGL |
| E3 | PROF INDTY E AND O FOR LEGAL PROFESSIONS EX USA | 2004 | 9999 | 7T | NM | NGL |
| E4 | PROF INDTY E AND O FOR ACCOUNTANTS INC USA | 2004 | 9999 | 7T | NM | NGL |
| E5 | PROF INDTY E AND O FOR ACCOUNTANTS EX USA | 2004 | 9999 | 7T | NM | NGL |
| E6 | PROF INDTY E AND O ARCHITECTS ENGINEERS INC USA | 2004 | 9999 | 7T | NM | NGL |
| E7 | PROF INDTY E AND O ARCHITECTS AND ENGINEERS EX USA | 2004 | 9999 | 7T | NM | NGL |
| E8 | MISC PROF IND E AND O INC USA EX E2 E4 E6 CODES | 2004 | 9999 | 7T | NM | NGL |
| E9 | MISC PROF IND E AND O EX USA EX E3 E5 E7 CODES | 2004 | 9999 | 7T | NM | NGL |
| EA | ENERGY LIABILITY ONSHORE CLAIMS MADE | 1991 | 9999 | 4E | NM | E |
| EB | ENERGY LIABILITY ONSHORE ALL OTHER | 1991 | 9999 | 4E | NM | E |
| EF | ENERGY ONSHORE | 1991 | 9999 | 3E | NM | E |
| EG | ENERGY LIABILITY OFFSHORE CLAIMS MADE | 1991 | 9999 | 2E | M | E |
| EH | ENERGY LIABILITY OFFSHORE ALL OTHER | 1991 | 9999 | 2E | M | E |
| ET | ENERGY SEARCH PROD VSSLS AND OFFSHORE PROP EX WRO | 1991 | 9999 | 1E | M | E |
| EW | ENERGY OPERATORS XTRA EXPENSES AND CONTROL OF WELL | 1991 | 9999 | 1E | M | E |
| F | FIRE AND PERILS. NB: Risk code retired with effect from 1/1/2005, use risk codes "B2" to "B5" or "P2" to "P7" as appropriate for 2005 SBF | 1991 | 2004 | 6T | NM | NPL |
| F2 | PROF INDTY E AND O FOR FIN INSTITUTIONS INC USA | 2004 | 9999 | 7T | NM | NGL |
| F3 | PROF INDTY E AND O FOR FIN INSTITUTIONS EX USA | 2004 | 9999 | 7T | NM | NGL |
| FA | FINE ART | 1992 | 9999 | 6T | NM | NPL |
| FC | COLLISION SALVAGE GENERAL AVERAGE GUARANTEES. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "SB" for 2005 SBF | 1999 | 2004 | 4T | M | PLF |
| FG | FINANCIAL GUARANTEE (authorised syndicates only) | 2001 | 9999 | 4T | NM | PLF |
| FM | MORTGAGE INDEMNITY. NB: After 2004, also includes business previously coded BS | 1999 | 9999 | 4T | NM | PLF |
| FR | FURRIERS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "JB" for 2005 SBF | 1992 | 2004 | 6T | NM | NPL |
| FS | SURETY BOND RI WEF 31/10/01 EXCL SB COUNTRIES. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "SB" for 2005 SBF | 1999 | 2004 | 4T | NM | PLF |
| G | MARINE LEGAL LIAB ALL OTHER NO CARGO EX WRO | 1991 | 9999 | 3T | M | SLL |
| GC | MARINE LEGAL LIAB CLAIMS MADE NO CARGO EX WRO | 1991 | 9999 | 3T | M | SLL |
| GP | MEDICAL MALPRACTICE NON MARINE | 1995 | 9999 | 7T | NM | NGL |
| GS | GENERAL SPECIE INCLUDING VAULT RISK | 1992 | 9999 | 6T | NM | NPL |
| GX | XOL MARINE LEGAL LIAB EX CARGO ALL OTHER EX WRO | 1992 | 9999 | 3T | M | SXL |
| H | HULLS OF AIRCRAFT EX SPACE OR ACV EX WRO. NB: Risk code retired with effect from 1/1/2004, use risk codes "H2" or "H3" as appropriate for 2005 SBF | 1991 | 2004 | 2T | AV | APL |
| H2 | AIRLINE HULL | 2004 | 9999 | 2T | AV | APL |
| H3 | GENERAL AVIATION HULL | 2004 | 9999 | 2T | AV | APL |
| HA | HAIL | 1991 | 9999 | 6T | NM | NPL |
| HP | UK HOUSEHOLD BUSINESS | 1993 | 9999 | 6T | NM | NPL |
| HX | XOL HULLS OF AIRCRAFT INC SPARES AND LOU EX WRO | 1992 | 9999 | 2T | AV | SXL |
| JB | JEWELLERS BLOCK JEWELLERY ETC INC ROBBERY. NB: After 2004, also includes business previously coded FR | 1991 | 9999 | 6T | NM | NPL |
| K | PERSONAL ACCIDENT AND SICKNESS | 1991 | 1994 | 1T | NM | AHT |
| KA | PERSONAL ACCIDENT AND HEALTH CARVE OUT | 1995 | 9999 | 1T | NM | AHT |
| KC | PERSONAL ACCIDENT AND HEALTH CREDITOR DISABILITY | 1995 | 9999 | 1T | NM | AHT |
| KD | PERSONAL ACCIDENT AND SICKNESS AVIATION | 1991 | 1994 | 1T | AV | AHT |
| KG | PA AND HEALTH INC K AND R EXCL KS AND KT CODES | 2004 | 9999 | 1T | NM | AHT |
| KK | PERSONAL ACCIDENT AND HEALTH. NB: Risk code retired with effect from 1/1/2004, use risk codes KG, KS or KT as appropriate for 2005 SBF | 1995 | 2004 | 1T | NM | AHT |
| KL | PERSONAL ACCIDENT AND HEALTH LMX | 1995 | 9999 | 1T | NM | SXL |
| KM | MEDICAL EXPENSES INCL XS SPEC AND AGG SELF FUND | 1995 | 9999 | 1T | NM | AHT |
| KS | PA AND HEALTH INC SPORTS DIS OTHER THAN ACC DEATH | 2004 | 9999 | 1T | NM | AHT |
| KT | PA AND HEALTH FOR TRAVEL PACKAGE SCHEMES | 2004 | 9999 | 1T | NM | AHT |
| KX | PERSONAL ACCIDENT AND HEALTH CATASTROPHE XL | 1995 | 9999 | 1T | NM | SXL |
| L | AIRCRAFT OPERATORS AND OWNERS LEGAL LIABILITY. NB: Risk code retired with effect from 1/1/2004, use risk codes "L2" or "L3" as appropriate for 2005 SBF | 1991 | 2004 | 2T | AV | ALL |
| L2 | AIRLINE LIABILITY | 2004 | 9999 | 2T | AV | ALL |
| L3 | GENERAL AVIATION LIABILITY | 2004 | 9999 | 2T | AV | ALL |
| LE | LEGAL EXPENSES | 1991 | 9999 | 4T | NM | PL |
| LJ | FOR USE BY LLOYDS JAPAN ONLY | 1997 | 9999 | 6T | NM | OTH |
| LX | AIRCRAFT OPERATORS AND OWNERS LEGAL LIAB | 1992 | 1996 | 2T | AV | SXL |
| M2 | UK MOTOR COMP FOR PRIVATE CAR INCL MOTORCYCLE | 2004 | 9999 | 5T | NM | M |

| Risk Code | Risk Code Description | First Year of Account | Last Year of Account | New Terrorism Code (N/A = not applicable) | Market Code | Risk Type |
|-----------|--|-----------------------|----------------------|---|-------------|-----------|
| M3 | UK MOTOR COMP FOR FLEET AND COMMERCIAL VEHICLE | 2004 | 9999 | 5T | NM | M |
| M4 | OTHER UK MOTOR COMP EXCL M2 AND M3 CODES | 2004 | 9999 | 5T | NM | M |
| M5 | UK MOTOR NON COMP FOR PRIVATE CAR INCL MOTORCYCLE | 2004 | 9999 | 5T | NM | M |
| M6 | UK MOTOR NON COMP FOR FLEET AND COMM VEHICLE | 2004 | 9999 | 5T | NM | M |
| M7 | OTHER UK MOTOR NON COMP EXCL M5 AND M6 CODES | 2004 | 9999 | 5T | NM | M |
| MA | UK MOTOR VEHICLE PHYSICAL DAMAGE ONLY. NB: Risk code retired with effect from 1/1/2005, use risk codes "M2" to "M4" as appropriate for 2005 SBF | 1991 | 2004 | 5T | NM | M |
| MB | UK MOTOR VEHICLE THIRD PARTY LIABILITY | 1991 | 1995 | 5T | NM | M |
| MC | UK MOTOR VEHICLE DAMAGE AND THIRD PARTY LIABILITY | 1991 | 1995 | 5T | NM | M |
| MD | OVERSEAS MOTOR PHYS DAM EX USA CAN EU AND EEA. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "MF" for 2005 SBF | 1991 | 2004 | 5T | NM | M |
| ME | OVERSEAS MOTOR TPL EX USA CAN EU AND EEA. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "MF" for 2005 SBF | 1991 | 2004 | 5T | NM | M |
| MF | OVERSEAS MOTOR DAM AND TPL EX USA CAN EU AND EEA. NB: After 2004, also includes business previously coded MD and ME | 1991 | 9999 | 5T | NM | M |
| MG | USA AND CANADA MOTOR VEHICLE PHYSICAL DAMAGE | 1991 | 9999 | 5T | NM | M |
| MH | USA AND CANADA MOTOR VEHICLE THIRD PARTY LIABILITY | 1991 | 9999 | 5T | NM | M |
| MI | USA AND CANADA MOTOR DAMAGE AND 3RD PARTY LIAB | 1991 | 9999 | 5T | NM | M |
| MK | UK MOTOR VEHICLE COMPREHENSIVE. NB: Risk code retired with effect from 1/1/2004, use risk codes "M2" to "M4" as appropriate for 2005 SBF | 1995 | 2004 | 5T | NM | M |
| ML | UK MOTOR VEHICLE NON COMPREHENSIVE. NB: Risk code retired with effect from 1/1/2004, use risk codes "M5" to "M7" as appropriate for 2005 SBF | 1995 | 2004 | 5T | NM | M |
| MM | EU AND EEA MOTOR PHYSICAL DAM ONLY EXCL UK. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "MP" for 2005 SBF | 1998 | 2004 | 5T | NM | M |
| MN | EU AND EEA THIRD PARTY LIAB ONLY EXCL UK. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "MP" for 2005 SBF | 1998 | 2004 | 5T | NM | M |
| MP | EU AND EEA MOTOR PD AND TPL EXCL UK. NB: After 2004, also includes business previously coded MM and MN | 1998 | 9999 | 5T | NM | M |
| N | LIVESTOCK | 1991 | 9999 | 6T | NM | NPL |
| NA | NM GENERAL AND MISC LIABILITY ALL OTHER EXC USA | 1991 | 9999 | 7T | NM | NGL |
| NB | BLOODSTOCK | 2001 | 9999 | 6T | NM | NPL |
| NC | NM GENERAL AND MISC LIAB CLAIMS MADE EXC USA | 1991 | 9999 | 7T | NM | NGL |
| NL | NUCLEAR LIABILITY | 1998 | 9999 | 7T | NM | NGL |
| NP | NUCLEAR PROPERTY DAMAGE | 1998 | 9999 | 6T | NM | NPL |
| NX | LIVESTOCK EXCESS OF LOSS | 1997 | 9999 | 6T | NM | SXL |
| O | YACHTS INC WAR EX WRO | 1991 | 9999 | 3T | M | SPL |
| OX | XOL YACHTS INC WAR EX WRO. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "TX" for 2005 SBF | 1992 | 2004 | 3T | M | SXL |
| P | MISCELLANEOUS PECUNIARY LOSS. NB: After 2004, also includes business previously coded PE, PP, PS and PW | 1991 | 9999 | 4T | NM | PL |
| P2 | PHYS DAMAGE FOR PRIM LAYER PPTY IN USA EX BINDERS | 2004 | 9999 | 6T | NM | NPL |
| P3 | PHYS DAMAGE FOR PRIM LAYER PPTY EX USA EX BINDERS | 2004 | 9999 | 6T | NM | NPL |
| P4 | PHYS DAMAGE FOR FULL VALUE PPTY IN USA EX BINDERS | 2004 | 9999 | 6T | NM | NPL |
| P5 | PHYS DAMAGE FOR FULL VALUE PPTY EX USA EX BINDERS | 2004 | 9999 | 6T | NM | NPL |
| P6 | PHYS DAMAGE FOR XS LAYER PPTY IN USA EX BINDERS | 2004 | 9999 | 6T | NM | NPL |
| P7 | PHYS DAMAGE FOR XS LAYER PPTY EX USA EX BINDERS | 2004 | 9999 | 6T | NM | NPL |
| PB | PRODUCT RECALL | 1999 | 9999 | 4T | NM | PL |
| PC | CANCELLATION AND ABANDONMENT | 1999 | 9999 | 4T | NM | PL |
| PD | ALL RISK PHYSICAL LOSS DAMAGE NO DIRECT PPNL RI. NB: Risk code retired with effect from 1/1/2004, use risk codes "B2" to "B5" or "P2" to "P7" as appropriate for 2005 SBF | 1991 | 2004 | 6T | NM | NPL |
| PE | LIQUIDATED DAMAGES FORCE MAJEURE. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "P" for 2005 SBF | 1999 | 2004 | 4T | NM | PL |
| PF | FILM INCLUDING FILM COMPLETION BONDS | 1999 | 9999 | 4T | NM | PL |
| PI | E AND O OR PROFESSIONAL INDEM EXCL FINANCIAL INST. NB: Risk code retired with effect from 1/1/2004: use "E2" to "E9" as appropriate for 2005 SBF | 1991 | 2004 | 7T | NM | NGL |
| PL | Non-Marine Legal Liability for Property Owners - including retail/wholesale outlts and associated minor products & completed risks, not more suitably coded NA, NC, UA or UC | 1991 | 9999 | 7T | NM | NGL |

| Risk Code | Risk Code Description | First Year of Account | Last Year of Account | New Terrorism Code (N/A = not applicable) | Market Code | Risk Type |
|-----------|---|-----------------------|----------------------|---|-------------|-----------|
| PM | PROFESSIONAL INDEMNITY FOR FINANCIAL INSTITUTIONS. NB: Risk code retired with effect from 1/1/2004: use "F2" or "F3" as appropriate for 2005 SBF | 2002 | 2004 | 7T | NM | NGL |
| PN | NON APPEARANCE | 1999 | 9999 | 4T | NM | PL |
| PO | OVER REDEMPTION. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "PU" for 2005 SBF | 1999 | 2004 | 4T | NM | PL |
| PP | ESTATE PROTECTION. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "P" for 2005 SBF | 1991 | 2004 | 4T | NM | PL |
| PQ | ROADSIDE RESCUE | 2000 | 9999 | 4T | NM | PL |
| PR | POLITICAL RISK EXC CONFISCATION VESSELS AIRCRAFT | 1991 | 9999 | 4T | NM | PL |
| PS | PERSONAL STOP LOSS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "P" for 2005 SBF | 1991 | 2004 | 4T | NM | PL |
| PU | MISCELLANEOUS CONTINGENCY. NB: After 2004, also includes business previously coded PO | 2001 | 9999 | 4T | NM | PL |
| PW | WEATHER INCLUDING PLUVIUS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "PU" for 2005 SBF | 1999 | 2004 | 4T | NM | PL |
| PX | AVIATION OR AEROSPACE PRODUCTS LEGAL LIABILITY | 1992 | 1996 | 2T | AV | SXL |
| PZ | PRIZE INDEMNITY INCLUDING HOLE IN ONE | 1999 | 9999 | 4T | NM | PL |
| Q | CARGO WAR AND OR CONFISCATION RISKS ONLY | 1991 | 9999 | 8T | M | GIT |
| QL | WAR ON LAND IRO GOODS IN TRANSIT. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "WL" for 2005 SBF | 1997 | 2004 | 8T | M | GIT |
| QX | XOL CARGO WAR AND OR CONFISCATION RISKS ONLY. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "WX" for 2005 SBF | 1992 | 2004 | 8T | M | SXL |
| RX | XOL HULLS OF AIRCRAFT WAR AND OR CONFIS RISKS ONLY | 1992 | 9999 | 2T | AV | SXL |
| SB | SURETY BOND REINSURANCE. NB: After 2004, also includes business previously coded "FS" or "FC" | 1995 | 9999 | 4T | NM | PLF |
| SC | SPACE RISKS LAUNCH AND COMMISSIONING PERIOD | 1991 | 9999 | 2T | AV | APL |
| SL | SPACE RISK LIABILITY NO PRODUCTS LEGAL LIABILITY | 1991 | 9999 | 2T | AV | ALL |
| SO | SPACE RISKS TRANSPONDER OPERATING | 1991 | 9999 | 2T | AV | APL |
| SR | AGG STOP LOSS AND XOL MARINE OUTWARD WHOLE ACCOUNT | 1991 | 9999 | 3T | M | XOL |
| SX | SPACE RISK LIABILITY EX AEROSPACE PRODUCTS | 1992 | 1996 | 2T | AV | SXL |
| T | VESSELS EXCL SHIPBLDG ACV LOH AND CONTAINERS EX WRO | 1991 | 9999 | 3T | M | SPL |
| TC | COMMERCIAL RITC | 1997 | 9999 | #N/A | NM | OTH |
| TE | MALICIOUS DAMAGE AND SABOTAGE | 1991 | 9999 | 6T | NM | NPL |
| TL | TEMPORARY LIFE AND PERMANENT HEALTH | 1991 | 9999 | 1T | NM | LTB |
| TO | OVERSEAS STAND ALONE TERROR EXCL 1T TO 8T 1E TO 4E | 1999 | 9999 | 6T | NM | NPL |
| TR | ALL RISK PHYSICAL OR LOSS DAMAGE DIRECT PPNL RI | 1991 | 9999 | 6T | NM | NPL |
| TS | SHIPBUILDING (EXCL ENERGY CONSTRUCTION) | 2005 | 9999 | 3T | M | SPL |
| TU | UK STAND ALONE TERRORISM WHICH IS NON POOL RE | 1999 | 9999 | 6T | NM | NPL |
| TX | XOL VESSELS SHIPBLDG ACV LOH INC WAR EX WRO. NB: After 2004, also includes business previously coded OX | 1992 | 9999 | 3T | M | SXL |
| UA | NM GENERAL AND MISC LIABILITY ALL OTHER INC USA | 1991 | 9999 | 7T | NM | NGL |
| UC | NM GENERAL AND MISC LIAB CLAIMS MADE INC USA | 1991 | 9999 | 7T | NM | NGL |
| V | CARGO ALL RISKS INC WAR EX WRO | 1991 | 9999 | 8T | M | GIT |
| VL | LEGAL LIAB CARGO AND PROP IN CCC OF ASSURED EX WRO | 1991 | 9999 | 8T | M | GIT |
| VX | CARGO ALL RISKS EXCLUDING WAR ONLY RISKS | 1992 | 9999 | 8T | M | SXL |
| W | VESSELS WAR AND OR CONFISCATION (EXCL BREACH VOYAGES) | 1991 | 9999 | 3T | M | SPL |
| W2 | US WORKERS COMPENSATION | 2004 | 9999 | 7T | NM | NGL |
| W3 | UK EMPLOYERS LIABILITY | 2004 | 9999 | 7T | NM | NGL |
| W4 | INTL WORKERS COMP AND EMPLOYERS LIAB EX USA AND UK | 2004 | 9999 | 7T | NM | NGL |
| WA | EXTENDED WARRANTY. NB: After 2004, also includes business previously coded WS | 1991 | 9999 | 4T | NM | PL |
| WB | VESSELS HULL WAR BREACH VOYAGES ONLY | 2005 | 9999 | 3T | M | SPL |
| WC | WORKERS COMPENSATION AND EMPLOYERS LIABILITY. NB: Effective 1/1/2004, use risk codes "W2" to "W4" as appropriate | 1991 | 2004 | 7T | NM | NGL |
| WL | WAR ON LAND. NB: After 2004, also includes business previously coded QL | 1997 | 9999 | 6T | NM | NPL |
| WS | EXTENDED WARRANTY STOP LOSS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "WA" for 2005 SBF | 1998 | 2004 | 4T | NM | PL |
| WX | XOL VESSELS WAR AND OR CONFISCATION RISKS ONLY. NB: After 2004, also includes business previously coded QX | 1992 | 9999 | 3T | M | SXL |
| X1 | AVIATION EXCESS OF LOSS ON EXCESS OF LOSS. NB: After 2004, also includes business previously coded XZ | 1991 | 9999 | 2T | AV | XOL |
| X2 | MARINE XOL ON XOL INC WAR | 1991 | 9999 | 3T | M | XOL |
| X3 | NM PROP OR PECUNIARY LOSS XOL ON XOL RETROCESSION | 1991 | 9999 | 6T | NM | XOL |

| Risk Code | Risk Code Description | First Year of Account | Last Year of Account | New Terrorism Code (N/A = not applicable) | Market Code | Risk Type |
|-----------|--|-----------------------|----------------------|---|-------------|-----------|
| X4 | NM LIABILITY EXCESS OF LOSS ON EXCESS OF LOSS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "XL" for 2005 SBF | 1991 | 2004 | 7T | NM | XOL |
| X5 | ENERGY ACCOUNT XOL ON XOL INC WAR. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "XE" for 2005 SBF | 1991 | 2004 | 3T | M | XOL |
| XC | PER RISK EXCESS OF LOSS PROP PECUNIARY LOSS REINS | 1998 | 9999 | 6T | NM | SXL |
| XD | PER RISK EXCESS OF LOSS PROFESSIONAL INDEM REINS. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "XL" for 2005 SBF | 1998 | 2004 | 7T | NM | SXL |
| XE | ENERGY ACCOUNT XOL INC WAR. NB: After 2004, also includes business previously coded X5 | 1991 | 9999 | 3T | M | XOL |
| XL | NM LIABILITY EXCESS OF LOSS. NB: After 2004, also includes business previously coded X4 and XD | 1991 | 9999 | 7T | NM | XOL |
| XM | MOTOR WHOLE ACCOUNT EXCESS OF LOSS | 1991 | 9999 | 5T | NM | XOL |
| XP | NM PROPERTY OR PECUNIARY LOS WHOLE ACCOUNT XOL | 1991 | 9999 | 6T | NM | XOL |
| XT | MARINE WHOLE ACCOUNT XOL INC WAR | 1991 | 9999 | 3T | M | XOL |
| XX | NON MARINE PROPERTY PECUNIARY LOSS LMX. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "XC", "XP" or "X3" as appropriate for 2005 SBF | 1992 | 2004 | 6T | NM | XOL |
| XY | AVIATION WHOLE ACCOUNT XOL INC WAR EX XOL ON XOL. NB: After 2004, also includes business previously coded AR and AX | 1991 | 9999 | 2T | AV | XOL |
| XZ | AVIATION XOL INC XOL ON XOL AND WAR. NB: Risk code being retired with effect from 1/1/2005: incorporate into risk code "X1" for 2005 SBF | 1991 | 2004 | 2T | AV | XOL |
| Y1 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y2 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y3 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y4 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y5 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y6 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y7 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y8 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| Y9 | AVIATION HULL AND LIAB PROPORT RI INC WAR EX WRO | 1991 | 2000 | 2T | AV | ACP |
| ZX | SPACE RISKS TRANSPONDER OPERATING | 1992 | 1996 | 2T | AV | SXL |

23 COUNTRY LISTING

| Country | Region | Sub-Region | ISO-CODE |
|--------------------------------|----------------------|---------------------------|----------|
| Afghanistan | Asia Pacific | Central Asia | AF |
| Åland Islands | Europe | Western Europe (excl. UK) | AX |
| Albania | Europe | Central & Eastern Europe | AL |
| Algeria | Middle East & Africa | Northern Africa | DZ |
| American Samoa | Asia Pacific | Oceania | AS |
| Andorra | Europe | Western Europe (excl. UK) | AD |
| Angola | Middle East & Africa | Central & Southern Africa | AO |
| Anguilla | Americas | Caribbean | AI |
| Antartica | Asia Pacific | Oceania | AQ |
| Antigua and Barbuda | Americas | Caribbean | AG |
| Argentina | Americas | South America | AR |
| Armenia | Asia Pacific | Central Asia | AM |
| Aruba | Americas | Caribbean | AW |
| Australia | Asia Pacific | Oceania | AU |
| Austria | Europe | Western Europe (excl. UK) | AT |
| Azerbaijan | Asia Pacific | Central Asia | AZ |
| Bahamas | Americas | Caribbean | BS |
| Bahrain | Middle East & Africa | Middle East | BH |
| Bangladesh | Asia Pacific | South Asia | BD |
| Barbados | Americas | Caribbean | BB |
| Belarus | Europe | Central & Eastern Europe | BY |
| Belgium | Europe | Western Europe (excl. UK) | BE |
| Belize | Americas | Central America | BZ |
| Benin | Middle East & Africa | Central & Southern Africa | BJ |
| Bermuda | Americas | North America | BM |
| Bhutan | Asia Pacific | East Asia | BT |
| Bolivia | Americas | South America | BO |
| Bosnia and Herzegovina | Europe | Central & Eastern Europe | BA |
| Botswana | Middle East & Africa | Central & Southern Africa | BW |
| Bouvet Island | Asia Pacific | Oceania | BV |
| Brazil | Americas | South America | BR |
| British Indian Ocean Territory | Asia Pacific | Oceania | IO |
| British Virgin Islands | Americas | Caribbean | VG |
| Brunei Darussalam | Asia Pacific | East Asia | BN |
| Bulgaria | Europe | Central & Eastern Europe | BG |
| Burkina Faso | Middle East & Africa | Central & Southern Africa | BF |
| Burundi | Middle East & Africa | Central & Southern Africa | BI |
| Cambodia | Asia Pacific | East Asia | KH |
| Cameroon | Middle East & Africa | Central & Southern Africa | CM |
| Canada | Americas | North America | CA |
| Cape Verde | Middle East & Africa | Central & Southern Africa | CV |
| Cayman Islands | Americas | Caribbean | KY |
| Central African Republic | Middle East & Africa | Central & Southern Africa | CF |
| Chad | Middle East & Africa | Central & Southern Africa | TD |
| Channel Islands | Europe | Western Europe (excl. UK) | N/A |
| Chile | Americas | South America | CL |
| China | Asia Pacific | East Asia | CN |
| Christmas Island | Asia Pacific | Oceania | CX |
| Cocos (Keeling) Islands | Asia Pacific | Oceania | CC |
| Colombia | Americas | South America | CO |
| Comoros | Middle East & Africa | Central & Southern Africa | KM |
| Congo | Middle East & Africa | Central & Southern Africa | CG |
| Cook Islands | Asia Pacific | Oceania | CK |

| Country | Region | Sub-Region | ISO-CODE |
|--|----------------------|---------------------------|----------|
| Costa Rica | Americas | Central America | CR |
| Cote d'Ivoire | Middle East & Africa | Central & Southern Africa | CI |
| Croatia | Europe | Central & Eastern Europe | HR |
| Cuba | Americas | Caribbean | CU |
| Cyprus | Europe | Central & Eastern Europe | CY |
| Czech Republic | Europe | Central & Eastern Europe | CZ |
| Democratic People's Republic of Korea | Asia Pacific | East Asia | KP |
| Democratic Republic of the Congo | Middle East & Africa | Central & Southern Africa | CD |
| Denmark | Europe | Western Europe (excl. UK) | DK |
| Djibouti | Middle East & Africa | Central & Southern Africa | DJ |
| Dominica | Americas | Caribbean | DM |
| Dominican Republic | Americas | Caribbean | DO |
| Ecuador | Americas | South America | EC |
| Egypt | Middle East & Africa | Northern Africa | EG |
| El Salvador | Americas | Central America | SV |
| Equatorial Guinea | Middle East & Africa | Central & Southern Africa | GQ |
| Eritrea | Middle East & Africa | Central & Southern Africa | ER |
| Estonia | Europe | Central & Eastern Europe | EE |
| Ethiopia | Middle East & Africa | Central & Southern Africa | ET |
| Faeroe Islands | Europe | Western Europe (excl. UK) | FO |
| Falkland Islands (Malvinas) | Americas | South America | FK |
| Fiji | Asia Pacific | Oceania | FJ |
| Finland | Europe | Western Europe (excl. UK) | FI |
| France | Europe | Western Europe (excl. UK) | FR |
| French Guiana | Americas | South America | GF |
| French Polynesia | Asia Pacific | Oceania | PF |
| French Southern Territories | Asia Pacific | Oceania | TF |
| Gabon | Middle East & Africa | Central & Southern Africa | GA |
| Gambia | Middle East & Africa | Central & Southern Africa | GM |
| Georgia | Asia Pacific | Central Asia | GE |
| Germany | Europe | Western Europe (excl. UK) | DE |
| Ghana | Middle East & Africa | Central & Southern Africa | GH |
| Gibraltar | Europe | Western Europe (excl. UK) | GI |
| Greece | Europe | Western Europe (excl. UK) | GR |
| Greenland | Americas | North America | GL |
| Grenada | Americas | Caribbean | GD |
| Guadeloupe | Americas | Caribbean | GP |
| Guam | Asia Pacific | Oceania | GU |
| Guatemala | Americas | Central America | GT |
| Guernsey | Europe | Western Europe (excl. UK) | GG |
| Guinea | Middle East & Africa | Central & Southern Africa | GN |
| Guinea-Bissau | Middle East & Africa | Central & Southern Africa | GW |
| Guyana | Americas | South America | GY |
| Haiti | Americas | Caribbean | HT |
| Heard Island and McDonald Islands | Asia Pacific | Oceania | HM |
| Holy See (Vatican City State) | Europe | Western Europe (excl. UK) | VA |
| Honduras | Americas | Central America | HN |
| Hong Kong Special Administrative Region of China | Asia Pacific | East Asia | HK |
| Hungary | Europe | Central & Eastern Europe | HU |
| Iceland | Europe | Western Europe (excl. UK) | IS |
| India | Asia Pacific | South Asia | IN |

| Country | Region | Sub-Region | ISO-CODE |
|--|----------------------|---------------------------|----------|
| Indonesia | Asia Pacific | East Asia | ID |
| Iran (Islamic Republic of) | Middle East & Africa | Middle East | IR |
| Iraq | Middle East & Africa | Middle East | IQ |
| Ireland | Europe | Western Europe (excl. UK) | IE |
| Isle of Man | Europe | Western Europe (excl. UK) | IM |
| Israel | Middle East & Africa | Middle East | IL |
| Italy | Europe | Western Europe (excl. UK) | IT |
| Jamaica | Americas | Caribbean | JM |
| Japan | Asia Pacific | East Asia | JP |
| Jersey | Europe | Western Europe (excl. UK) | JE |
| Jordan | Middle East & Africa | Middle East | JO |
| Kazakhstan | Asia Pacific | Central Asia | KZ |
| Kenya | Middle East & Africa | Central & Southern Africa | KE |
| Kiribati | Asia Pacific | Oceania | KI |
| Kuwait | Middle East & Africa | Middle East | KW |
| Kyrgyzstan | Asia Pacific | Central Asia | KG |
| Lao People's Democratic Republic | Asia Pacific | East Asia | LA |
| Latvia | Europe | Central & Eastern Europe | LV |
| Lebanon | Middle East & Africa | Middle East | LB |
| Lesotho | Middle East & Africa | Central & Southern Africa | LS |
| Liberia | Middle East & Africa | Central & Southern Africa | LR |
| Libyan Arab Jamahiriya | Middle East & Africa | Northern Africa | LY |
| Liechtenstein | Europe | Western Europe (excl. UK) | LI |
| Lithuania | Europe | Central & Eastern Europe | LT |
| Luxembourg | Europe | Western Europe (excl. UK) | LU |
| Macao Special Administrative Region of China | Asia Pacific | East Asia | MO |
| Macedonia, The former Yugoslav Republic of Macedonia | Europe | Central & Eastern Europe | MK |
| Madagascar | Middle East & Africa | Central & Southern Africa | MG |
| Malawi | Middle East & Africa | Central & Southern Africa | MW |
| Malaysia | Asia Pacific | East Asia | MY |
| Maldives | Asia Pacific | South Asia | MV |
| Mali | Middle East & Africa | Central & Southern Africa | ML |
| Malta | Europe | Western Europe (excl. UK) | MT |
| Marshall Islands | Asia Pacific | Oceania | MH |
| Martinique | Americas | Caribbean | MQ |
| Mauritania | Middle East & Africa | Central & Southern Africa | MR |
| Mauritius | Middle East & Africa | Central & Southern Africa | MU |
| Mayotte | Middle East & Africa | Central & Southern Africa | YT |
| Mexico | Americas | Central America | MX |
| Micronesia (Federated States of) | Asia Pacific | Oceania | FM |
| Monaco | Europe | Western Europe (excl. UK) | MC |
| Mongolia | Asia Pacific | Central Asia | MN |
| Montserrat | Americas | Caribbean | MS |
| Morocco | Middle East & Africa | Northern Africa | MA |
| Mozambique | Middle East & Africa | Central & Southern Africa | MZ |
| Myanmar | Asia Pacific | East Asia | MM |
| Namibia | Middle East & Africa | Central & Southern Africa | NA |
| Nauru | Asia Pacific | Oceania | NR |
| Nepal | Asia Pacific | East Asia | NP |
| Netherlands | Europe | Western Europe (excl. UK) | NL |
| Netherlands Antilles | Americas | Caribbean | AN |

| Country | Region | Sub-Region | ISO-CODE |
|--|----------------------|---------------------------|----------|
| New Caledonia | Asia Pacific | Oceania | NC |
| New Zealand | Asia Pacific | Oceania | NZ |
| Nicaragua | Americas | Central America | NI |
| Niger | Middle East & Africa | Central & Southern Africa | NE |
| Nigeria | Middle East & Africa | Central & Southern Africa | NG |
| Niue | Asia Pacific | Oceania | NU |
| Norfolk Island | Asia Pacific | Oceania | NF |
| Northern Mariana Islands | Asia Pacific | Oceania | MP |
| Norway | Europe | Western Europe (excl. UK) | NO |
| Occupied Palestinian Territory | Middle East & Africa | Middle East | PS |
| Oman | Middle East & Africa | Middle East | OM |
| Pakistan | Asia Pacific | South Asia | PK |
| Palau | Asia Pacific | Oceania | PW |
| Panama | Americas | Central America | PA |
| Papua New Guinea | Asia Pacific | Oceania | PG |
| Paraguay | Americas | South America | PY |
| Peru | Americas | South America | PE |
| Philippines | Asia Pacific | East Asia | PH |
| Pitcairn | Asia Pacific | Oceania | PN |
| Poland | Europe | Central & Eastern Europe | PL |
| Portugal | Europe | Western Europe (excl. UK) | PT |
| Puerto Rico | Americas | Caribbean | PR |
| Qatar | Middle East & Africa | Middle East | QA |
| Republic of Korea | Asia Pacific | East Asia | KR |
| Republic of Moldova | Europe | Central & Eastern Europe | MD |
| Réunion | Middle East & Africa | Central & Southern Africa | RE |
| Romania | Europe | Central & Eastern Europe | RO |
| Russian Federation | Europe | Central & Eastern Europe | RU |
| Rwanda | Middle East & Africa | Central & Southern Africa | RW |
| Saint Helena | Middle East & Africa | Central & Southern Africa | SH |
| Saint Kitts and Nevis | Americas | Caribbean | KN |
| Saint Lucia | Americas | Caribbean | LC |
| Saint Pierre and Miquelon | Americas | North America | PM |
| Saint Vincent and the Grenadines | Americas | Caribbean | VC |
| Samoa | Asia Pacific | Oceania | WS |
| San Marino | Europe | Western Europe (excl. UK) | SM |
| Sao Tome and Principe | Middle East & Africa | Central & Southern Africa | ST |
| Saudi Arabia | Middle East & Africa | Middle East | SA |
| Senegal | Middle East & Africa | Central & Southern Africa | SN |
| Serbia | Europe | Central & Eastern Europe | CS |
| Seychelles | Middle East & Africa | Central & Southern Africa | SC |
| Sierra Leone | Middle East & Africa | Central & Southern Africa | SL |
| Singapore | Asia Pacific | East Asia | SG |
| Slovakia | Europe | Central & Eastern Europe | SK |
| Slovenia | Europe | Central & Eastern Europe | SI |
| Solomon Islands | Asia Pacific | Oceania | SB |
| Somalia | Middle East & Africa | Central & Southern Africa | SO |
| South Africa | Middle East & Africa | Central & Southern Africa | ZA |
| South Georgia and South Sandwich Islands | Americas | South America | GS |
| Spain | Europe | Western Europe (excl. UK) | ES |
| Sri Lanka | Asia Pacific | South Asia | LK |
| Sudan | Middle East & Africa | Northern Africa | SD |
| Suriname | Americas | South America | SR |

| Country | Region | Sub-Region | ISO-CODE |
|--------------------------------|----------------------|---------------------------|-----------------|
| Svalbard and Jan Mayen Islands | Europe | Western Europe (excl. UK) | SJ |
| Swaziland | Middle East & Africa | Central & Southern Africa | SZ |
| Sweden | Europe | Western Europe (excl. UK) | SE |
| Switzerland | Europe | Western Europe (excl. UK) | CH |
| Syrian Arab Republic | Middle East & Africa | Middle East | SY |
| Taiwan | Asia Pacific | East Asia | TW |
| Tajikistan | Asia Pacific | Central Asia | TJ |
| Thailand | Asia Pacific | East Asia | TH |
| Timor-Leste | Asia Pacific | East Asia | TL |
| Togo | Middle East & Africa | Central & Southern Africa | TG |
| Tokelau | Asia Pacific | Oceania | TK |
| Tonga | Asia Pacific | Oceania | TO |
| Trinidad and Tobago | Americas | Caribbean | TT |
| Tunisia | Middle East & Africa | Northern Africa | TN |
| Turkey | Europe | Central & Eastern Europe | TR |
| Turkmenistan | Asia Pacific | Central Asia | TM |
| Turks and Caicos Islands | Americas | Caribbean | TC |
| Tuvalu | Asia Pacific | Oceania | TV |
| Uganda | Middle East & Africa | Central & Southern Africa | UG |
| UK | Europe | UK | GB |
| Ukraine | Europe | Central & Eastern Europe | UA |
| United Arab Emirates | Middle East & Africa | Middle East | AE |
| United Republic of Tanzania | Middle East & Africa | Central & Southern Africa | TZ |
| United States of America | Americas | North America | US |
| United States Minor Islands | Asia Pacific | Oceania | UM |
| United States Virgin Islands | Americas | Caribbean | VI |
| Uruguay | Americas | South America | UY |
| Uzbekistan | Asia Pacific | Central Asia | UZ |
| Vanuatu | Asia Pacific | Oceania | VU |
| Venezuela | Americas | South America | VE |
| Viet Nam | Asia Pacific | East Asia | VN |
| Wallis and Futuna Islands | Asia Pacific | Oceania | WF |
| Western Sahara | Middle East & Africa | Northern Africa | EH |
| Yemen | Middle East & Africa | Middle East | YE |
| Zambia | Middle East & Africa | Central & Southern Africa | ZM |
| Zimbabwe | Middle East & Africa | Central & Southern Africa | ZW |

24 RDS LISTING

Realistic disaster scenarios are identical to those advised to the market for the 1 April RDS submission, with the exception of the Extreme Stress Scenario, which is not required for the SBF.

| ID | Event |
|----|---|
| 2 | Florida Windstorm - Miami* |
| 3 | Florida Windstorm - Tampa Bay* |
| 4 | California Earthquake - Los Angeles* |
| 5 | California Earthquake - San Francisco* |
| 6 | New Madrid Earthquake - \$42 billion property loss* |
| 8 | European Windstorm - European Windstorm Central Track* |
| 9 | Japanese Earthquake - Based on 1923 Great Kanto Earthquake* |
| 12 | Gulf of Mexico Windstorm - Major Hurricane Landing in Galveston, Texas* |
| 13 | Japanese Typhoon - Based on 1959 Typhoon Isewan (Vera)* |
| 15 | Marine collision in Prince William Sound |
| 16 | Marine - Sunk/Damaged Cruise Liner |
| 17 | Loss of Major Complex - To be specified by syndicate |
| 18 | Aviation Collision - To be specified by syndicate |
| 19 | Major Risk Loss - To be specified by syndicate |
| 20 | Satellite Risk - Proton Flare |
| 21 | Satellite Risk - Generic Defect |
| 22 | Defined Professional Lines - US Laddering |
| 23 | Defined Professional Lines - UK Pensions mis-selling |
| 24 | Defined Professional Lines – Failure / Collapse of Major Corporation |
| 25 | Defined Professional Lines - Failure of Merger |
| 26 | Defined Professional Lines - Failure of Construction Project |
| 27 | Liability - Professional Lines - To be specified by syndicate |
| 28 | Liability - Non - Professional Lines - To be specified by syndicate |
| 29 | Political Risks - South East Asia |
| 30 | Political Risks - South America |
| 31 | Political Risks - Middle East |
| 32 | Alternative RDS A - To be specified by syndicate |
| 33 | Alternative RDS B - To be specified by syndicate |
| 41 | Two Events - North East Windstorm* |
| 42 | Two Events - Carolina Windstorm* |
| 43 | US Terrorism - 2 ton bomb at Rockefeller Center (TRIEA)* |
| 44 | US Terrorism - 2 ton bomb at 20 Exchange Place, Manhattan. (TRIEA)* |
| 45 | US Terrorism - 2 ton bomb at Rockefeller Center (Non-TRIEA)* |
| 46 | US Terrorism - 2 ton bomb at 20 Exchange Place, Manhattan (Non-TRIEA)* |

Note: RDS event with * is compulsory