

# **SOLVENCY II 2012 PLANNING WORKSHOPS**

# Agenda

- **Introduction**
- 2011 Wrap up and review of FAP submissions
- What to expect in Q1

## Table discussion 1

- The remainder of 2012

## Table discussion 2

- Next steps

# Purpose of today's session

- Provide update on FAP review progress
  - MI on scores and gaps reported by agents
  - Progress to date on initial reviews
  - Next steps
- Present 2012 high level market plan
  - Explain rationale for submissions and timings
  - Summary of market feedback and changes made as a result
- Group discussions on:
  - FAP follow up
  - 2012 plan and transition to BAU

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- **2011 Wrap up and review of FAP submissions**
- What to expect in Q1  
Table discussion 1
- The remainder of 2012  
Table discussion 2
- Next steps

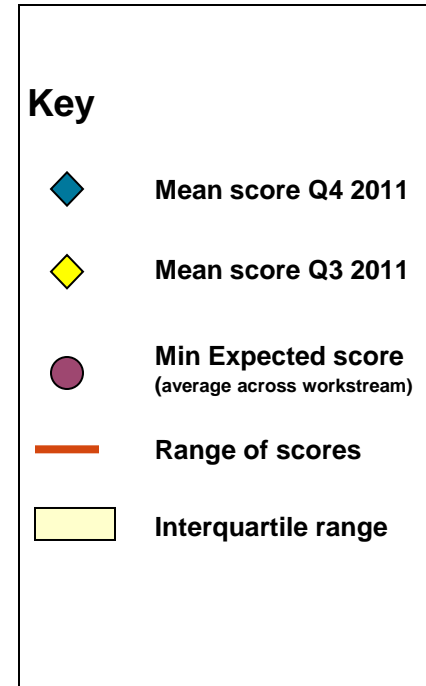
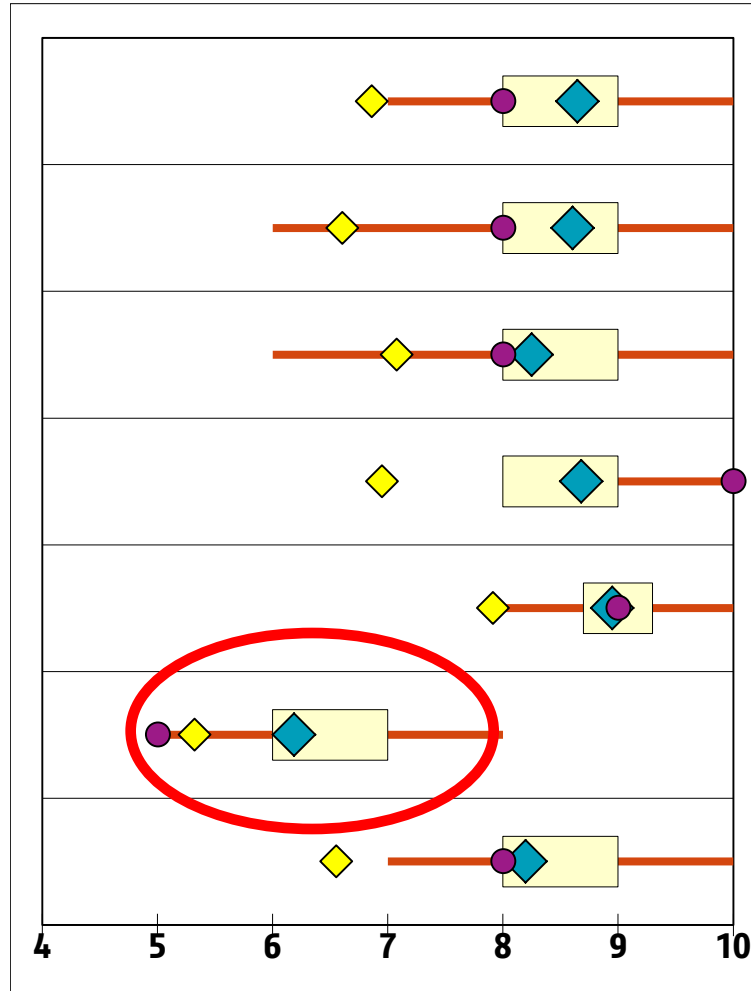
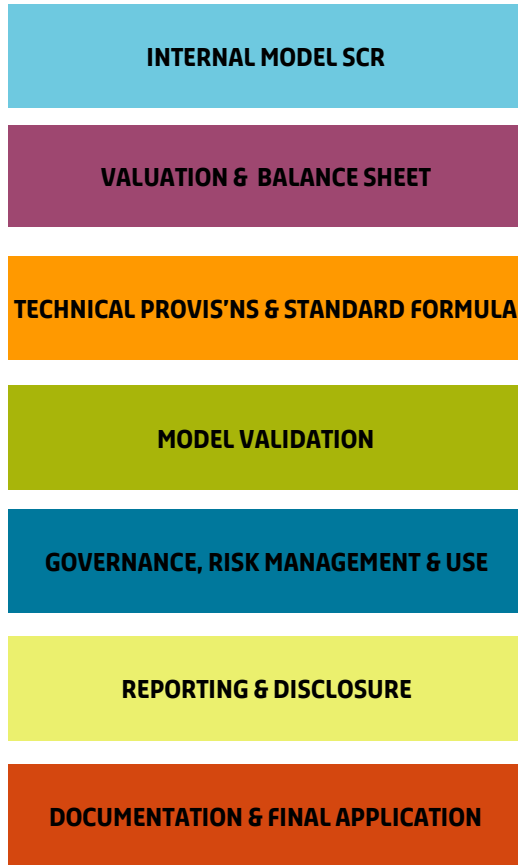
# Wrap up on 2011

Workstream	Finalisation of 2011 review work
IMSCR	<ul style="list-style-type: none"> <li>Final reconciliation &amp; benchmarking work on SCRs submitted in October including comparison of 1 year SCR to ultimate number</li> </ul>
VBAL	n/a
TP&SF	<ul style="list-style-type: none"> <li>30 November TPD submissions reviewed – feedback on data quality to be issued in February</li> </ul>
MVAL	<ul style="list-style-type: none"> <li>Evidence due 31 January on walkthrough action points and follow ups – review by end Q1</li> </ul>
GRMU	<ul style="list-style-type: none"> <li>Finalisation of Q4 2011 review work on risk management process - all agents contacted to discuss approach to finalisation and all reports to be issued by end Feb</li> </ul>
SREP	n/a
DOCFAP	<ul style="list-style-type: none"> <li>FAP reviews on-going to end Q1 - key documents submitted 13 January to support reviews and further evidence requested</li> </ul>

# All FAP submissions received on due date

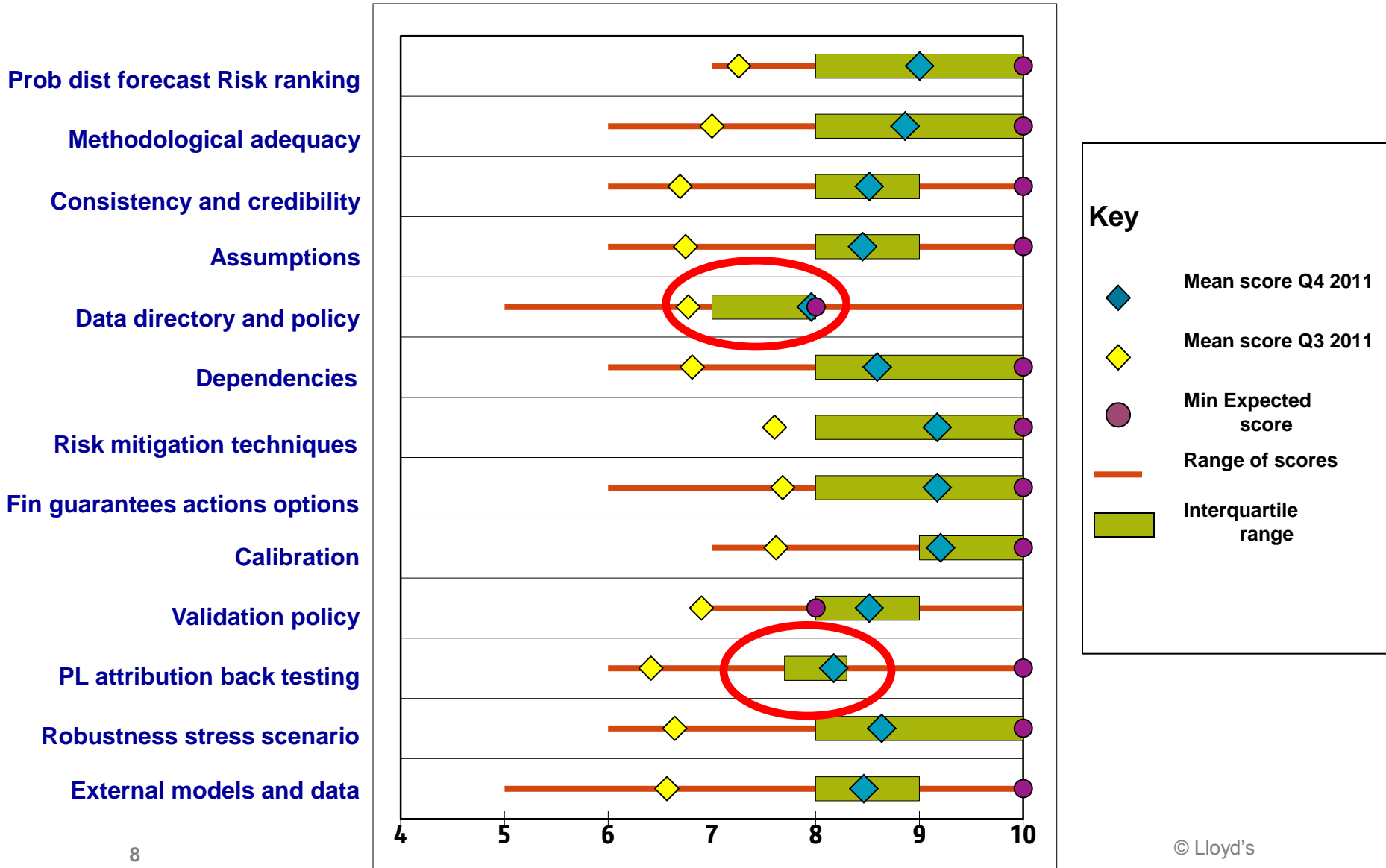
- Huge effort by agents was greatly appreciated
- Detailed checks to highlight any outstanding documents and relevant requests issued
- Current stage is initial quality checks to ensure all FAP documents are properly completed and adequate for detailed review
  - confirmation on all by end January
  - agents advised once this process is complete
- Detailed review work on underlying documents and templates ongoing
  - full Dry Run Oversight Panel (DROP) review sessions begin 20 February

# FAP self assessed scores at Q4 2011



# MODEL VALIDATION

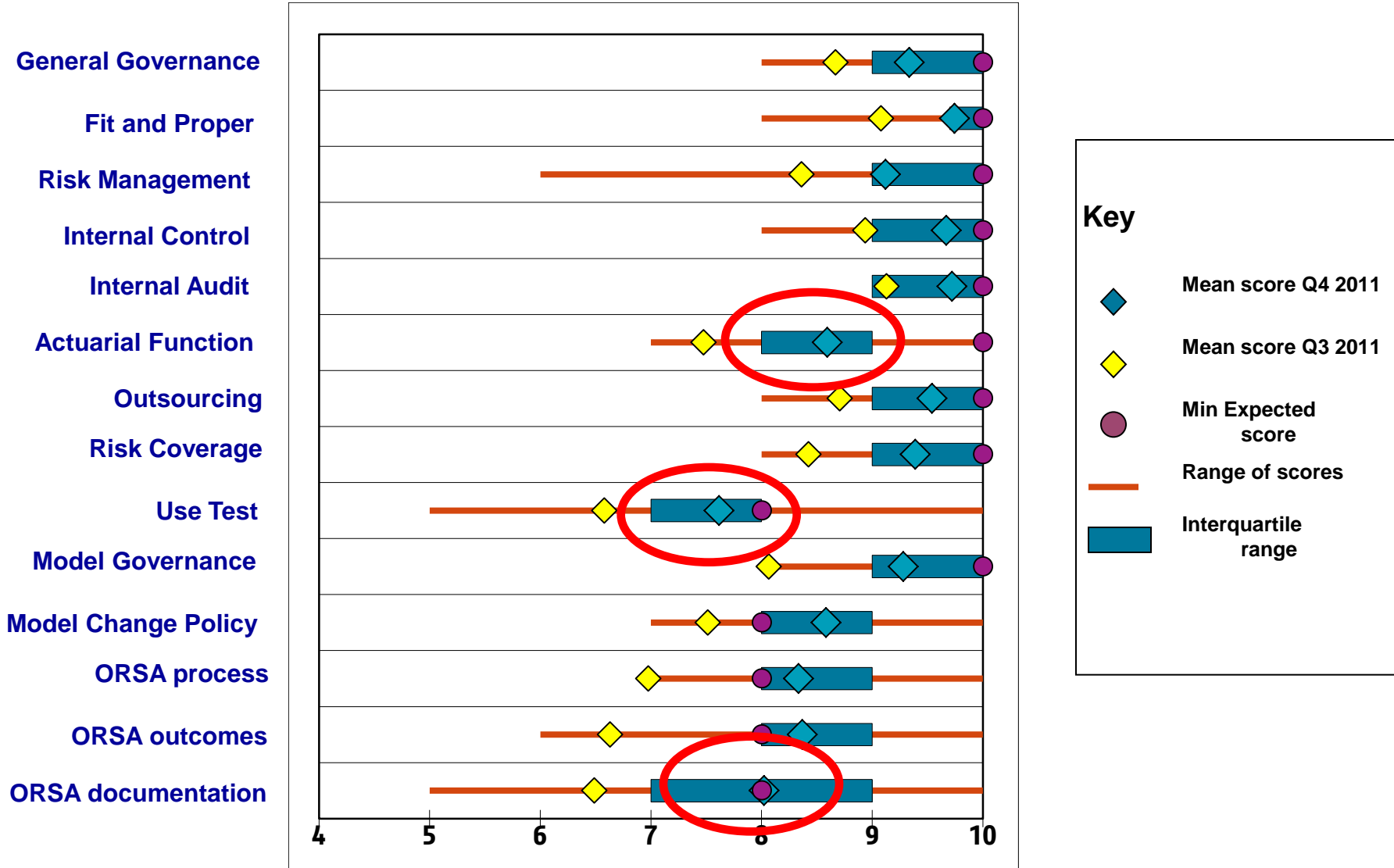
## SELF ASSESSMENT SCORES AS AT Q4 2011



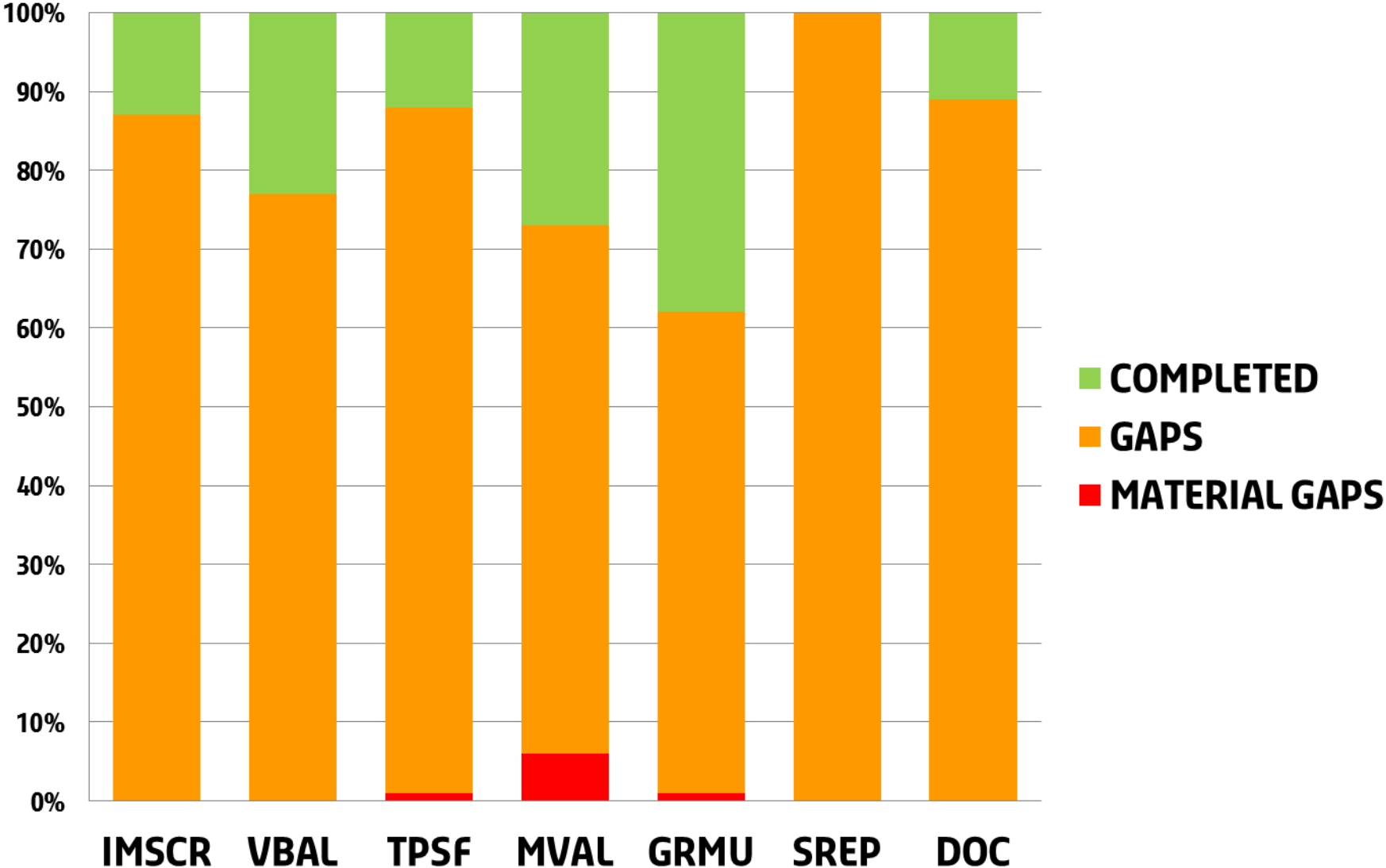


# GOVERNANCE, RISK MANAGEMENT & USE

## SELF ASSESSMENT SCORES AS AT Q4 2011



# Level of gaps reported by agents in self assessed scores for all workstreams



# FAP review will focus on statements made and level of gaps declared

- Is the quality of FAP documents submitted of an acceptable level?
- Are we confident that the status set out in the FAP is realistic and does it correlate with our view of agent readiness based on review work already completed?
- Has the agent sufficiently met the tests and standards on both qualitative and quantitative submissions?
- Has the agent clearly identified all gaps and set out realistic plans and timings to address?
- Is the number of gaps/material gaps excessive ?
- ***Targeting material gaps closed/reduced to a gap by 31 March and remainder by 30 June 2012***

# High level findings to date

- ✓ FAP of good quality with all supporting documents completed
- ✓ Clear analysis of gaps with consistency between sections
- ✓ Clear and detailed dates for completion
- ✓ Significant progress made in Q4
- ✓ Only 2% material gaps across market on reported scores
- ✗ Number of gaps in Application Document is difficult to reconcile to self assessed scores
- ✗ Explanation on gaps does not clearly set out further work required to close
- ✗ Evidence templates not recorded as gaps
- ✗ “NO” answers to confirmation statements due solely to gaps
- ✗ FAP does not set out assurance/sign off process clearly

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# What do you need to plan to do in Q1?

- FAP reviews are key focus for Lloyd's ahead of 30 April LIM submission date
  - Supporting core documents requested and received 13 January
  - Model walkthrough follow up evidence due 31 January
  - Catastrophe model document requests issued – due 14 February
- Agents key focus should be on gap closures and in particular material gaps to demonstrate that development plan is credible and delivering results
- Voluntary update on scoring – **submitted by 29 February**
  - submission needed only if significant movement that you would like taken into account in FAP decision
  - otherwise affirmation that Q4 scores still represent current status
- One non FAP deliverable on LIM asset data as at 31.12.11 – **due 3 February**

# When will you know how your FAP review is going?

- Any material issues with application document itself will be flagged in January
- Structured timetable for detailed reviews and DROP discussions
- Issues arising from detailed review of underlying evidence and templates will be raised with agents as soon as possible
  - give an opportunity to provide further clarification or explanation on issues arising
  - **but** timetable does not allow for re-review of documents ahead of DROP date
  - outstanding issues followed up in Q2
- All FAPs reviewed by DROP by 31 March

# What additional information might we need from you to support review?


- Material element of FAP review is credibility of gap assessment and closure plans
- Are gaps stated in FAP consistent with the outcome of our review of underlying evidence and documents requested?
  - some documents already requested – others may be needed on an ad-hoc basis
- Do you have detailed plans underlying FAP and ability to track and report on status of gaps as requested?
- Can you demonstrate that level of work required for completion of gaps is achievable within timescales stated and with resources available?
- What progress has been made since scores were finalised in 2011?



# What will output of FAP review process be?

- Reminder that any conclusions can only be conditional at this stage
- Formal letter setting out DROP and Account Manager view:
  - Lloyd's considers that the syndicate model **will** meet the Solvency II tests and standards **provided that...**  
*or*
  - Lloyd's considers that the syndicate model **will not** meet the Solvency II tests and standards **unless...**
- Feedback will be provided on all supporting templates and documents which have been reviewed
- Agent specific workplan to help track gaps and progress through to end of Q2

# Move to 3 tier rating post FAP reviews

<p><b>RED</b> (CRITICAL ISSUES)</p>	<ul style="list-style-type: none"><li>• FAP has been rejected by DROP</li><li>• Agent is unable to demonstrate that they will be able to meet the tests and standards</li><li>• At risk of immediate prudential measures</li></ul>
<p><b>AMBER</b> (MATERIAL ISSUES)</p>	<ul style="list-style-type: none"><li>• DROP view is that agent is at risk of not meeting tests and standards <b><u>unless</u></b> significant remedial action is taken</li><li>• At risk of prudential measures in Q2 if remedial action not taken and evidenced</li></ul>
<p><b>GREEN</b> (ON TRACK)</p>	<ul style="list-style-type: none"><li>• DROP view is that agent will meet tests and standards <b><u>provided</u></b> gap plan is adhered to and progress can be evidenced</li><li>• No current risk of prudential measures being applied</li></ul>
 <b>BLUE FLAG</b> when 100% complete	

# How can gap closures be centrally tracked?

- Need for on-going status reporting:
  - for agents to evidence progress
  - for DROP to determine progress and rating
  - for FSA on status of agent compliance - both at point of IMAP submission and throughout assessment period
- Needs to be as consistent as possible with central MI available
  - Agents likely to have different bases of reporting/tracking
- Self assessed scoring alone will not provide sufficiently granular info:
  - may not align to all underlying gaps and only at end Q1 & Q2
  - supporting explanations on what work has been done to progress needed

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SOLVENCY II WORK PLAN - AGENT X

		Open		Q1			Q2			Q3			Q4		
		Material Gap	Gap	J	F	M	A	M	J	J	A	S	O	N	D
OVERALL		2	38		1	1	6	1	1	30					
open items	IMSCR		3							3					
open items	VBAL		1							1					
open items	TPSF		6					1		4					
open items	MVAL	1	12		1					10					
open items	GRMU		10							9					
open items	SREP		1							1					
open items	DFA	1	5			1		2	1	2					
MARKET-WIDE:															
AGENT SPECIFIC:		15/5 Resubmission of Doc Index													

31/8: Final Application Status sign-off

# Documentation & Final Application – Workstream Detail Tab (example)

## DOCUMENTATION FINAL APPLICATION

24-JAN-12

OVERALL STATUS

OPEN ITEMS

AGENT AGENT X SYNDICATE XXXX

LAST UPDATED

12-JAN-2012

### OVERALL COMMENT

AGENT TO COMPLETE REMAINING DOCUMENTATION AND OBTAIN SIGN-OFF. AGENT NEEDS TO DEMONSTRATE THROUGH USE THAT PROCESSES HAVE BEEN EMBEDDED AND INTEGRATED INTO BAU.

LLOYD'S REVIEW OF AGENT DOCUMENTATION INDEX INDICATES A RESUBMISSION IS REQUIRED. FEEDBACK COMMUNICATED TO AGENT ON 20/1.

REF#	CATEGORY	TYPE	FAP SCORE	LAST SUBMITTED SCORE	GAP DESCRIPTION	PROPOSED ACTION	TARGET DATE	LATEST UPDATE	STATUS	CLOSURE COMMENT
DFA001	Evidence Template	No Gap	NA	NA	NA	NA	NA	NA	Complete at FAP	Reported as complete at FAP. Lloyd's to review and confirm
DFA002	Documentation process	Material Gap	5	5	Sign-off for some documentation is outstanding Documentation Index incomplete Documentation process not fully embedded into BAU.	Obtain sign-off for outstanding documentation Complete Documentation Index Validate that documentation system is fully operational and in use as part of BAU	15 March 2012	Lloyd's feedback on documentation index under review with agent. Documentation due for IMC sign-off at 21/3 meeting	Open	
DFA003	Model not working	Gap	7	7	Respective documentation incomplete Evidence of testing does not currently meet required standard	Respective documentation incomplete Evidence of testing does not currently meet required standard	31 May 2012		Open	
DFA004	Design and operational details	Gap	7	7	Technical documentation of calculation kernel incomplete Documentation related to Data Directory incomplete (dependency exists)	Complete documentation	31 March 2012	Additional technical author resource recruited to complete CK document	Open	
DFA005	Theory, assumptions, etc	Gap	7	7	Respective documentation incomplete Evidence of testing does not currently meet required standard	Complete documentation Obtain sign-off for model documentation, testing and processes	31 March 2012		Open	
DFA006	Model change documentation	Gap	7	7	Insufficient evidence of effectiveness of model change documentation	Re-run / use model to evidence standards/tests have been met.	30 June 2012	Model re-run scheduled for 1/5	Open	
DFA007	Final application pack	Gap	9	9	Further work / revision of FAP as part of Lloyd's review	Respond to Lloyd's feedback on FAP	30 June 2012		Open	

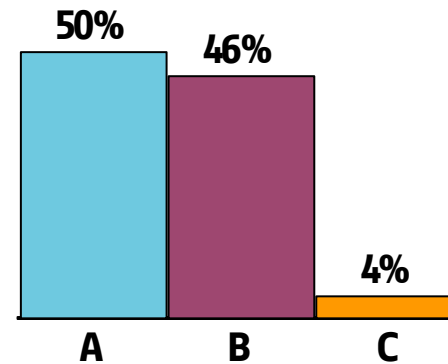
# Discussion on “agent specific workplans”

- We have established we need consistent and credible reporting and tracking of gaps
- Do you think this format would work as a standard template and progress monitoring tool?
  - summary sheet will give visibility on all sides
  - but detail needed to populate and maintain
  - any suggestions on format ?
- Who should populate with data on initial gaps – Lloyd’s or Agent?
  - not all FAPs have provided consistent information on gaps
  - timing constraints and robustness of information
- Who should maintain – Lloyd’s or Agent?
  - progress reporting and monitoring tool

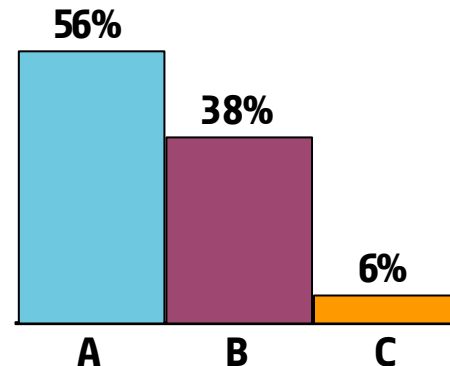
# Do you think this format will work as a standard template?

- A. Yes, largely as it is
- B. Yes but with some changes
- C. Not in current format

25 JANUARY RESULTS



30 JANUARY RESULTS



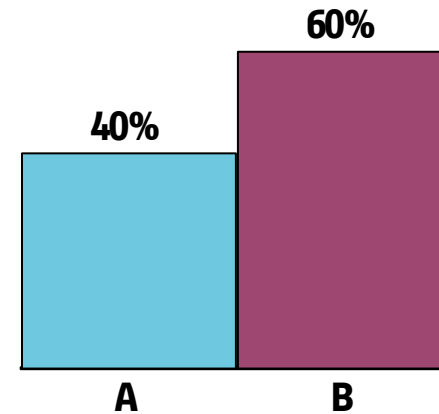


# Who do you think should initially populate with data on gaps ?

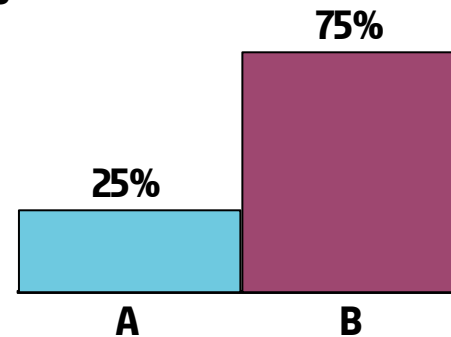
A. Lloyd's

B. Agents

25 JANUARY RESULTS



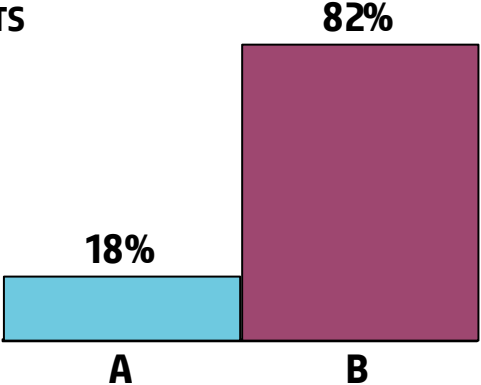
30 JANUARY RESULTS



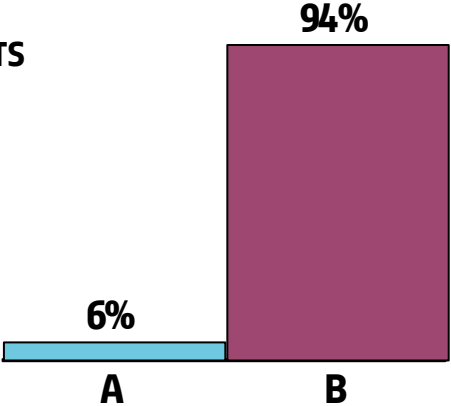
# Who do you think should be responsible for maintaining the plan?

- A. Lloyd's
- B. Agents

25 JANUARY RESULTS



30 JANUARY RESULTS



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# 2012 Plan now finalised following market feedback

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<b>OVERALL</b>	25 & 30 January Workshop	29 February Self Assessment Scoring update (Voluntary)	22 & 23 March Directors Briefing	27 April Self Assmt Scoring @ end Q1 30 Apr LIM Applic to FSA			27 July Self Assessment Scoring @ end Q2			31 Oct & 1 Nov Directors Briefing		
	FAP REVIEWS AND FOLLOW UP - ACROSS ALL WORKSTREAMS						BAU - FULL SCR REVIEWS					
<b>IMSCR</b> Internal Model SCR				30 April 2013 SCR Guidance	8 & 11 May Workshop		19 July Draft SCR via LCR (incl projected TPs)		20 September Final SCR via LCR (incl projected TPs)			
<b>VBS</b> Valuation and Balance Sheet		3 February LIM Asset data @ 31/12/11 29 February Balance Sheet Guidance (incl Audit requirements)							13 September Solvency II Bal sheet @ 30/6/12 (Audit review opinion) 13 September LIM Asset data @ 30/6/12			
<b>TPSF</b> Technical Provisions and Standard Formula	12 January GQD return			12 April GQD Return 13 April Actuarial Function Report		1 June TPD @ 31/12/11 29 June (PROVL) Standard Formula SCR Re-run @ 31/12/11	12 July GQD Return		28 September TPs @ 30/06/12 (unaudited)	12 October GQD return		
<b>MV</b> Model Validation	18 January Cat/External models Briefing	10 February Draft Data Audit Report/Guidance	30 March Final Data Audit Report/Guidance	13 & 18 April Workshop	31 May Model Validation Guidance	12 & 13 June Workshop 15 June Data Audit Report				5 October Validation Report		
	VALIDATION WALKTHROUGH FOLLOW UP & CAT MODEL REVIEW WORK				DATA AUDIT REVIEWS							
<b>GRMU</b> Governance Risk Management and Use			13 & 14 March Workshop		31 May ORSA Guidance		2 & 3 July Workshop		13 Sept (PROVL) ORSA re-affirmation with final SBF			
			MODEL SCOPE/MODEL CHANGE REVIEWS				USE TEST & EMBEDDING REVIEWS (INCL NED/DIRECTOR INTERVIEWS)					
<b>SREP</b> Supervisory Reporting			30 March Reporting template guidance		15 & 16 May Workshop	29 June Reporting Implementation Plan					13 & 14 November Workshop	
<b>DFA</b> Documentation and Final Application				12 & 17 April Workshop	DOCUMENTATION SYSTEM REVIEWS			17 & 18 July Workshop		5 October Final Application Status sign off		
<b>KEY</b>	Workshop/Briefing	Lloyd's Publication	Agent Deliverable - Dry Run / Project	Agent Deliverable - BAU	<b>SHADED BOXES</b>			Thematic Review				

# 2012 market wide plan looks to move towards BAU

- Project based deliverables in Q1/Q2 as part of follow up on FAPs
  - supplemented by individual agent workplans which may require re-submission of some material
  - no mass regular submissions of evidence templates
- Q3/Q4 largely BAU submissions although dates may change going forward into 2013 and beyond
- Keep account manager system and 1:1 relationships
  - numbers will decrease from Q2
  - risk and actuarial review work moves back to BAU state

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
OVERALL	25 & 30 January Workshop	29 February Self Assessment Scoring resub or affirmation of Dec'11	22 & 23 March Directors Briefing	27 April Self Assmt Scoring @ end Q1	30 Apr LIM Applic to FSA		27 July Self Assessment Scoring @ end Q2			31 Oct & 1 Nov Directors Briefing		
	FAP REVIEWS AND FOLLOW UP - ACROSS ALL WORKSTREAMS						BAU - FULL SCR REVIEWS					


## Feedback on draft plan

- *The majority of our gaps close end March not mid February*
- *Our scoring update in February won't be much different to the FAP*
- *Can we align scoring to Q1 and Q2 dates for gap closure?*
- *Can we keep Evidence Templates in BAU as they are great for monitoring compliance and changes?*

## Submissions and changes in dates:

- **29 February** - voluntary scoring update to reflect material movements (*was mandatory*)
- **27 April** – scoring update as at end Q1 (*was 31 May as at end April*)
- **27 July** – scoring update as at end Q2 (*additional*)

**NOTE** - independent assurance process applies to scoring submissions as in 2011

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
				<div style="border: 1px solid green; border-radius: 10px; padding: 5px; text-align: center;">           30 April 2013 SCR Guidance         </div>	<div style="border: 1px solid blue; border-radius: 10px; padding: 5px; text-align: center;">           8 &amp; 11 May Workshop         </div>		<div style="border: 1px solid purple; border-radius: 10px; padding: 5px; text-align: center;">           19 July Draft SCR via LCR (incl projected TPs)         </div>		<div style="border: 1px solid purple; border-radius: 10px; padding: 5px; text-align: center;">           20 September Final SCR via LCR (incl projected TPs)         </div>			

## Feedback on draft plan

- *Coordinating SBF and SCR review will have to take place in August when people are normally on holiday - could final SCR be pushed back by 2/3 weeks?*
- *More guidance needed on methodology document to be submitted – is this a duplication of other docs sent to Lloyd's?*
- *Guidance needs to be issued as soon as possible for draft SCR in July*
- *What is the 'as at' date for final SCR submission?*

## Submissions and changes in dates:

- **8 & 11 May** - workshop (*was 7 & 11 May but 7<sup>th</sup> a Bank holiday*)
- **19 July** - Draft SCR and methodology document (*was 12 July*)
- **20 September** - Final SCR (*was 6 September*)

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
MV Model Validation	18 January Cat/External models Briefing	10 February Draft Data Audit Report Guidance	30 March Final Data Audit Report Guidance	13 & 18 April Workshop	31 May Model Validation Guidance	12 & 13 June Workshop	15 June Data Audit Report			5 October Validation Report		
	VALIDATION WALKTHROUGH FOLLOW UP & CAT MODEL REVIEW WORK				DATA AUDIT REVIEWS							

## Feedback on draft plan

- *Validation walk through follow up - what will this process look like and what dates will Lloyd's engage with us?*
- *Validation Report - is full validation required or an update on previous findings?*
- *Data Audit Report - have started work for FSA Data Audit tool but need more details on Lloyd's specific requirements*
- *Workshop - we suggest this is brought forward to end of April/early May*

## Submissions and changes in dates:

- **18 January** – briefing on external models (*not on original timetable*)
- **10 February & 30 March** – draft & final Data Audit Report Guidance (*not on original timetable*)
- **15 June** – Data Audit report (*was 29 June but thematic review shifted out by 1 month to May – July and report now in middle of that period*)
- **5 October** – Validation Report (*was 28 September*)



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<b>VBS</b> Valuation and Balance Sheet		3 February LIM Asset data @ 31/12/11							13 September Solvency II Bal sheet @ 30/6/12 (Audit review opinion)			
		29 February Balance Sheet Guidance (incl Audit requirements)							13 September LIM Asset data @ 30/6/12			

## Feedback on draft plan

- *Please clarify the extent of the balance sheet audit required*
- *The Q2 TPs due in on the same date are shown as unaudited - an audited balance sheet will presumably require the TP to be audited also?*
- *The timetable suggests a 30/6 balance sheet however the accompanying notes suggest consistency with the SCR which would be 31/12/?*
- *When will the detailed file for the Lloyd's overseas deposits be available?*

## Submissions and changes in dates:

- **3 February** - LIM Asset Data return as at 31.12.11 (*no change*)
- **13 September** - Solvency II Balance Sheet as at 30.6.12 subject to review opinion from auditors, not an audit (*was 6 September*)
- **13 September** - LIM Asset Data return as at 30.6.12 (*was 6 September*)

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<b>SREP</b> Supervisory Reporting			30 March Reporting template guidance		15 & 16 May Workshop	29 June Reporting Implementation Plan					13 & 14 November Workshop	

## Feedback on draft plan

- *Workshop 10 & 12 April – this is in school holidays*
- *Given that the first official Solvency II reporting will now not be due until Q1 2014 and the reporting requirements are unlikely to be finalised until mid 2012, a dry run in Q4 2012 would appear quite aggressive.*

## Submissions and changes in dates:

- **29 June** – Reporting Implementation Plan (*no change*)
- **Reporting Dry Run** – removed from 2012 timetable (*now planned Q2 2013*)
- **April Workshop** – moved to May
- **September workshop** – moved to November

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<b>TPSF</b> Technical Provisions and Standard Formula	12 January GQD return			12 April GQD Return		1 June TPD @ 31/12/11	12 July GQD Return		28 September TPs @ 30/06/12 (unaudited)	12 October GQD return		
				13 April Actuarial Function Report		29 June (PROVL) Standard Formula SCR Re-run @ 31/12/11						

## Feedback on draft plan

- *Actuarial Function Report is due during School Holidays*
- *Please confirm Actuarial Function Report requirements to enable us to start to capture data.*
- *TPs @ 30/6/12 due 6 Sep - can this be in a format we've already used?*
- *31.12.11 - will we need a 31.12.12 SCR forecast to compare against final IMSCR ?*

## Submissions and changes in dates:

- **12 January, 12 April, 12 July & 12 October** – GQD returns (*no change*)
- **13 April** – Actuarial Function report - (*no change to date as previously deferred but “holder” removed*)
- **1 June** – TPD return as at 31.12.11 (*was 4 June but Bank holiday*)
- **28 September** – Technical Provisions as at 30.6.12 (*was 6 September*)

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
<b>GRMU</b> Governance Risk Management and Use			13 & 14 March Workshop		31 May ORSA Guidance	29 June (PROVL) Standard Formula SCR Re-run @ 31/2/11	2 & 3 July Workshop		13 Sept (PROVL) ORSA re-affirmation with final SBF			
	MODEL SCOPE/MODEL CHANGE REVIEWS					USE TEST & EMBEDDING REVIEWS (INCL NED/DIRECTOR INTERVIEWS)						

## Feedback on draft plan

- *Model scope and change review - more guidance would help*
- *Interview dates to be fixed as soon as possible particularly for NEDs*
- *Our experience in 2011 of producing the mid-term / 3-year approach of ORSA was that it was easier to get one-year views pinned down first, and then think ahead for the longer term – preference for ORSA submission to be after business & capital plans are tied down*

## Submissions and changes in dates:

- **Removal of ORSA submission on 31 October**
- **13 September** – proposed ORSA re-affirmation to be submitted with final SBF (focus on longer term plans and feed into SBF review process)

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
DFA Documentation and Final Application				12 & 18 April Workshop	DOCUMENTATION SYSTEM REVIEWS		17 & 18 July Workshop			5 October Final Application Status sign off		

## Feedback on draft plan

- *Final Application Status Sign off - further guidance re requirements is needed*
- *Please note that Final Application status sign off on 31 August might be difficult with holidays in August and some agents will find it difficult to do so close to SCR on 6 September.*

## Submissions and changes in dates:

- **5 October** – Final Application Status sign off (*was 31 August*)
- **April Workshop** – staggered over 2 weeks in April re school holidays

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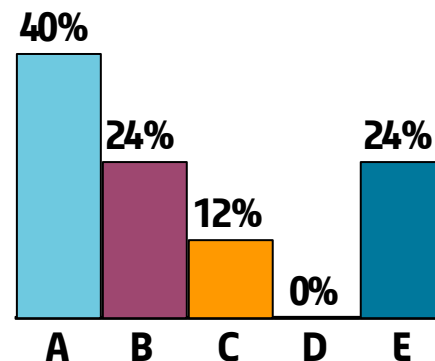
# Discussion on 2012 Timetable

- What aspect(s) of 2012 plan are you most concerned about?
- Which areas if any require greater guidance or clarification from Lloyd's?
- When do you see “project” ceasing and Solvency II becoming BAU within your organisation?
- Are you planning a decrease in Solvency II resources during 2012?

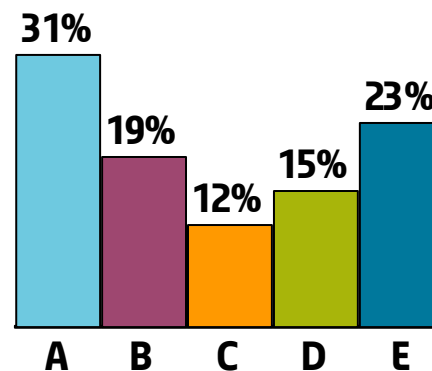
# What aspect(s) of the 2012 plan are you most concerned about?

- A. Implications of FAP reviews and follow up work
- B. Number of deliverables
- C. Timing of deliverables
- D. Level of guidance and workshops
- E. Other

25 JANUARY RESULTS



30 JANUARY RESULTS





# Which areas if any require greater guidance or clarification from Lloyd's?

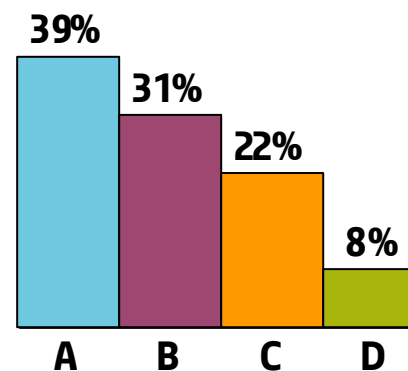
A. Validation

B. SCR

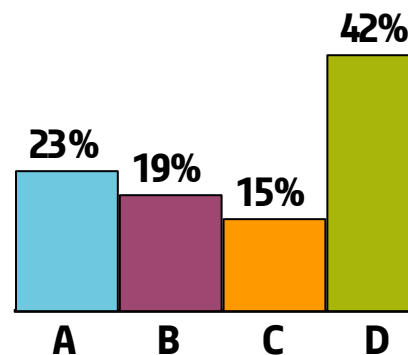
C. ORSA

D. Other

25 JANUARY RESULTS



30 JANUARY RESULTS



# When do you see “project” ceasing and Solvency II becoming BAU within your organisation?

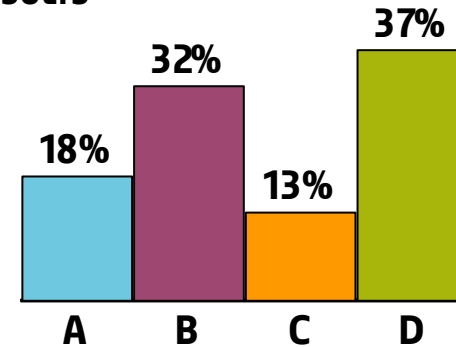
A. Q1/Q2 2012

B. Q3 2012

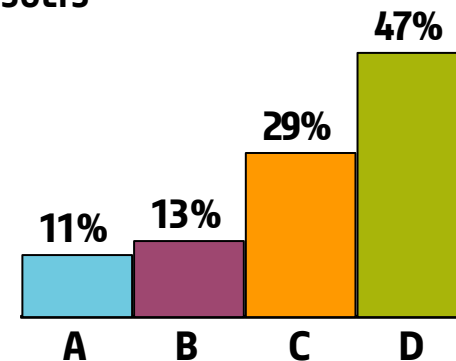
C. Q4 2012

D. Not in 2012

25 JANUARY RESULTS



30 JANUARY RESULTS



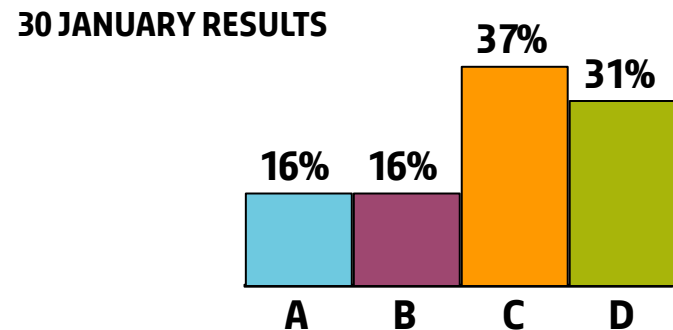
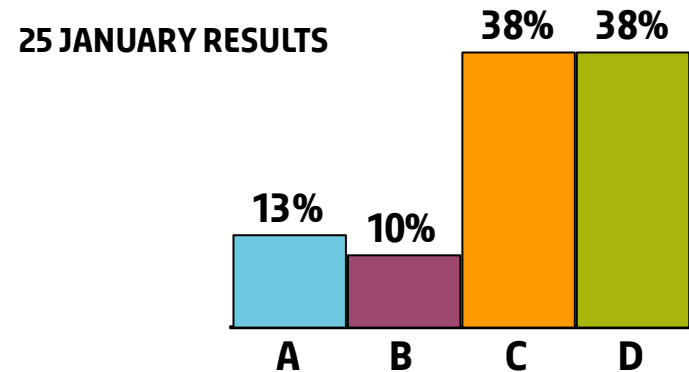
# Are you planning a decrease in Solvency II resources during 2012?

A. Yes immediate decrease (Q1)

B. Yes in Q2

C. Yes but not until later this year

D. No planned decrease at present



# Agenda

- Introduction
- 2011 Wrap up and review of FAP submissions
- What to expect in Q1

Table discussion 1

- The remainder of 2012

Table discussion 2

- **Next steps**

# Summary and next steps

- Slides and final 2012 plan will be made available on [lloyds.com](http://lloyds.com) after 30 January session
  - detailed plan guidance will be issued by 10 February
- FAP reviews and discussion ongoing with all agents in Q1
  - Clarification on catastrophe model documents (due 14 February) by 31 January
  - Model walkthrough supporting evidence due 31 January
  - Updated scoring submissions on 29 February as relevant
- Next workshops/briefings:
  - GRMU 13 & 14 March – key focus Model change and Model scope
  - Director Briefings – 22 & 23 March

