LLOYD'S

USER GUIDE

SOLVENCY II PILLAR 3 - RISK AND CLAIMS REPORTING SERVICE

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1 INTRODUCTION

A requirement arising from Solvency II Pillar 3 is to report claims and risk information for the ASR 249 / 250 (analysis and distribution of claims) and ASR 252 (distribution of underwriting risk) forms. As at 31 December 2016 these were collected by Lloyd's from Managing Agents ('MAs') within their Annual Solvency Return (ASR). However, from 31 December 2017 the process has been changed and simplified. In particular this data is no longer required to be provided in the MA's ASR but managing agents must still provide data at Step B to enable Lloyd's to create a market level submission to the Prudential Regulation Authority (PRA). 'MAs' will still need to capture data at policy level for their managed syndicates where currently certain market data that is only captured at contract level: e.g. for lineslips and delegated authority business.

Lloyd's has developed a "risk and claims reporting service" approach that is described in this document to assist the market in meeting these requirements and avoid the need for followers to report risk and claims data. The service:

- o provides a central repository for all granular policy and claims data from which the return to the PRA can be created
- o makes available non-blocked claims data that is already held within Xchanging's systems

The process ran for the first time in Q1 2017 and reported on data as at 31 December 2016. As noted above, the process has been reviewed for 31 December 2017 and this document includes the changes to the process made after that review. One of the main impacts of the process being simplified for the 2017 year is that all risk and claims data required from MAs will need to be provided at 'Step B', including the data that was added by MAs at Step C for the 2016 reporting period.

This User Guide will be updated as and when required. MAs are encouraged to submit questions by email to LLoyds-SolvencyReturns@lloyds.com, paul.martin2@lloyds.com and Paul.Appleton@lloyds.com.

1.1 Purpose

The following are the purposes of this document:

- To describe the process steps required to populate the ASR 249, 250 and 252 Solvency II templates;
- To describe how the reporting data for ASR 249, 250 and 252 is collated, validated and populated;
- To identify the scope of this process solution and highlight the reporting and data coverage;
- To provide understanding of the validations required to complete the reporting data at every process step;
- To provide a list of mandatory and optional data attributes for each step file template of the process steps;
- To inform data providers of step templates and associated data requirements;
- To highlight the defined timelines for the data to be submitted for each process step to support a timely and accurate consolidation of the reporting data.

1.2 Overview

A significant proportion of insurance business underwritten by Lloyd's has historically been processed on a block basis, where groups of underlying policies (written premiums, outstanding reserves and settled premiums /claims) recorded on a bordereau are processed by Xchanging as a single financial transaction. The nature of the subscription market for delegated authority business also means that syndicates write a significant number of small lines (lead and follow) resulting in large volumes of small transactions when viewed at a granular level. Xchanging is able to provide a list of the relevant claims UMRs, calendar year movements and balances (Step A within the workflow process).

Lead syndicates are required to provide look through data at a 100% slip level basis for all business including 100% and subscription processed through Xchanging and any business processed outside of Xchanging ("Step B" within the workflow process). Xchanging will provide to Lloyd's market level information including volume counts and

aggregations of syndicate line values from each transaction for completion of the Solvency II forms ("Step C" within the workflow process).

A top up estimation process for missing data will then be required to be completed by Lloyd's for the Lloyd's market's Solvency II returns ("Step D" within the workflow process). For the 2017 return, syndicates do not need to perform this step.

1.3 Scope

1.3.1 In Scope

- Data is limited to that required for the ASR 249, 250 and 252.
- Define Step A, Step B, Step C and Step D data requirements for claims and risk templates.
- Define Step A and Step C backing data requirements for claims and risk information.
- Define the Lloyd's systems providers' data requirements to support the validation and completeness of the reporting data.
- Define the data attribute validation process, based on mandatory and optional data sets, with data definition for data types required.
- Xchanging will be generating and populating the following file extract templates:
  o Step A;
  o Step A backing data;
  o Step C;
  o Step C backing data.
- Lloyd's will be generating and populating the Lloyd's systems data files for claims and risk information.
- Direct (inward insurance) for risks live as at 31 December 2017 including premiums due from 01/01/2017 (where available from written data) or inception from 01/01/2017 (where premium due is not available).
- Direct (inward insurance) for claims (irrespective of policy inception date), for claims open as at 31/12/2016 or open / reopened from 01/01/2017.

1.3.2 Out of Scope

- Lloyd's and Xchanging will not be enhancing, reformatting, cleansing etc. the data provided by the MAs.
- Other Lloyd's reporting templates.
- Reinsurance (i.e. assumed and outward reinsurance) as this is not required to be reported on ASR 249, 250 or 252.
- Risks & Premiums due prior to 01/01/2017.
- Claims closed prior to 01/01/2017 and not reopened after 01/01/2017.
- Claims opened after 31/12/2017 or risks not live until after 31/12/2017.
- Data relating to Loss funds since individual claims will be reported in subsequent periods and granular information is not readily available.

1.4 Estimated data

It is recognised that there will be a proportion of UMRs where it is difficult to obtain complete or timely information due to the nature and complexities of the Lloyd's insurance market.

Given this, it has been determined that an estimation process will be applied to top up the actual data collected by MAs to ensure that the returns provide the complete record counts and financial information for the direct classes of business required to be reported for each syndicate. The estimation process will be completed by Lloyd's after the data has been collected from the MA's at Step B.

1.5   Compliance with Solvency II requirements

This guide and the Central Service solution are driven by the Solvency II requirements to report underlying risks and claims for Solvency II Pillar 3 purposes.

1.6   Changes for 2017

1.6.1 Data Specification Changes

Data specifications for ASR250 and 252 have been modified. These changes were initially communicated to the managing agents in September 2017. The changes are:

1.6.1.1   ASR250: Loss distribution profile – non-life

- Claims incurred – this is now defined as the accumulated claims incurred at the end of the reporting year
- This means the sum of gross claims paid (over the years) and gross outstanding amounts (RBNS) at the year end on a case by case basis for each claim, open and closed, which belongs to a specific pure underwriting year.
- This definition differs from the 2016 year end instructions as EIOPA have provided further clarity surrounding this requirement in July 2017 as part of their Q&A (see point 897).

This change to the definition of Claims Incurred necessitates a change to the data captured in this process. Note that a new field 'Paid to Date Amount' has been added to the Claims file templates.

1.6.1.2   ASR252: Non-life distribution of underwriting risks – by sum insured

- Start and end sum insured - In the case of unlimited exposures, these contracts need to be reported in the last bracket.
- EIOPA expects that these contracts are reported in the last bracket but that the "Total sum insured" is calculated using the same methods as used for the calculation of the premium, which should reflect the actual risk exposure (please see EIOPA Q&A, point 871)
- Even if this amount is lower than the bracket reference, this should be reported in the last bracket.

This change affects the data in the ASR252 form to be completed by Lloyd's and there is no impact on the data collection performed by the managing agents.

1.6.2 ASR Form Submission

Following a review of the first data collection as at 31 December 2016, Lloyd's has agreed with the PRA that Lloyd's can submit a single set of forms with respect to this data on behalf of the Lloyd's market. This change will mean that the ASR forms generated by Xchanging after the MAs have submitted their lead data will now be sent to Lloyd's. The review and any adjustment of these figures will be performed by Lloyd's. This User Guide has been updated to reflect this change in process.

2 PROCESS OVERVIEW

2.1 Process Overview

This section describes the high level process defined to control the collation of data from multiple sources and data providers to ensure completeness, consistency and report population for the ASR 249, 250 and 252 Solvency II templates.

The stakeholders involved in this process are as follows:

- Xchanging
- Lloyd's
- MAs (including Delegated Authorities)
- Third Party Administrators – TPAs

Figure 1: Process Flow Diagram for 2017 reporting in Q1 2018

Overview (31.12.2017)

Step A - Distribution of centrally collected data	Step B - Gather the data and submit to Xchanging	Feedback and re-submission of data by syndicates	Step C – Receive lead and follow data from Xchanging	Step D - Review, amend and submit to Lloyd's
1st January to 31st January	**1st January to 13th February**	**13th February to 23rd February**	**23rd February to 2nd March**	**2nd March to 29th March**
1. Lloyd's sourced granular risk data. 2. Lloyd's sourced granular claims data. 3. Xchanging statement of in-scope claims. 4. Xchanging claims backing file providing block analysis and financials.	• Gather all the lead granular level risk and claims data you can including the centrally sourced data. • Submit one file for risks and one for claims to Xchanging for all the subscription UMRs you lead which have been processed as blocks at Xchanging. • Also submit files for open market risks, 100% business and business which has not been processed by Xchanging (e.g. LDR).	• Xchanging check all the data they have received • You will have to correct and resubmit any data which has issues. • Only the incorrect rows of data will need to be resubmitted.	• Xchanging takes all the data they have received from leads and works out the proportions for the follows • They perform any necessary currency conversions • All the optional ~~included~~ also included. • Lloyd's will receive csv file including banding and aggregation calculations, record counts and values at a market level. • Lloyd's will also receive a backing file for claims showing all the granular data the forms are based on.	• Lloyd's will review what it has received from Xchanging. • If the figures in the forms do not match expected figures they ~~need~~ to be updated. ~~will~~ make any ~~updates~~ needed to ~~update~~ record counts and totals. • Create csv files and get these signed off. • Submit the files to Lloyd's using the Core Market Returns system by 29th March.

The steps above are further describes in section 3.

The reporting dates for the 2017 returns have been accelerated during Q1 2018 to meet accelerated reporting deadlines under Solvency II. As noted above, in addition for the 2017 returns, it has been agreed with the PRA that Lloyd's can complete a single return on behalf of the market.

The following comments should be considered:
The treatment of risk and claims are slightly different due to the way that data is managed within the market.

- Risk information is required to be reported for risks live at 31/12/2017 only and include sums insured and annual premium figures that are currently reported by Xchanging on a signed / cash basis rather than a Solvency II basis and will be aggregated for block UMRs. MAs will need to collect this information and provide it at Step B.

- Xchanging is able to provide to Lloyd's details of all the claims it has processed other than those that have been processed in a block. MAs will need to provide granular level claims at 'Step B' for these block claims, and also claims from any business not processed via Xchanging.

2.2   Data Coverage

MAs are required to provide look through data for as many block UMRs as possible where they lead business. The following are suggestions to help MAs /syndicates prepare for the process:-

- Collect and store all eligible data from bordereaux or alternative methods such as electronic messaging
  - For risks the usual source of data is the written bordereaux, however the information needed may be provided on a premium bordereau or other submission.
- Check the bordereaux meet minimum reporting requirements
  - Granularity of data
  - Necessary data fields are included
- Extracting policy total values from bordereaux
  - If your bordereaux are cumulative, you need only the year-end bordereaux submitted in 2016 and the latest bordereaux submitted (and processed) in 2017.
  - If your bordereaux are non-cumulative, you will need to develop a method of recording and tracking the individual claims within each bordereau e.g. recording each underlying claim at movement level, to a database, to ensure that you capture, in addition to the position for all claims at start and end of reporting period:
    - claims notified during the year
    - claims closed during the year
    - total claims amounts paid prior to the year
    - total claim amounts paid during year
    - for reportable claims, the total amount paid for the claim prior to the reporting year
- Map and process to a database
  - Many MAs use a bordereaux management system
  - For a list of potential vendors see "Binder and Coverholder solutions" section at http://www.lloyds.com/the-market/tools-and-resources/global-operations/technology-vendors
- Map your database to both the risk and claim formats required by the central service at Step B
  - One row per underlying risk
  - One row per underlying claim
- Collect and store other eligible data to send to the Central Service at Step B
  - Data received from TPA's
  - Non blocked "open market" risks
  - Singletons (only syndicate on the slip)
  - Risks and claims that are not processed via Xchanging (e.g. 100% service companies)

2.3   Service Description

MAs submit Step B - NonXchanging files in addition to Step B – Xchanging files. The formats of each file are identical, however no apportionment is applied to the NonXchanging values (these show lead and follow shares) and MAs need to enter their own share of relevant data for each UMR.

The Risk and Claims Reporting Service will process the data submitted at Step B and produce the required reports for review and submission.

The Risk and Claims Reporting Service is centrally funded.

2.4   Query handling

Contacts at Xchanging in case of queries include the following: StepB@Xchanging.com, nic.swainson@xchanging.com, john.murray @xchanging.com, business.intelligence@xchanging.com.

2.5   Timelines

2.5.1 Population of Step B data

Xchanging will circulate Step A claims data including a granular Step A claims Backing data file together with partially completed Step B data to MAs by Wednesday 31st January 2018. MAs are expected to complete Step B information for as many block UMRs, where they are the lead, as possible. Step B files need to be returned to Xchanging by 5pm on Tuesday 13th February 2018. Earlier submission will enable exception reports to be returned by Xchanging at an earlier stage.

2.5.2 Validation of Step B data

Xchanging will validate files and email MAs who need to correct the errors and resubmit. Close of business on Friday 23rd February is the final deadline for receipt of corrected data from MAs.

2.5.3 Review of Step C data and sign-off and submission of Step D files

Once the Step B files have been processed by Xchanging the draft ASR forms will be sent to Lloyd's who will analyse the data and "top up" the data where necessary. The Completed ASR forms will then be submitted to the PRA by Lloyd's on behalf of the market.

2.6   Report Submission Mechanism

MAs need to provide email contacts to Lloyd's (paul.martin2@lloyds.com LLoyds-SolvencyReturns@lloyds.com for Pillar 3 information (maximum of 2 individuals). Xchanging will send csv and excel files directly to these individuals. The Step B files submitted by MAs will need to be sent to Xchanging at the following email address: StepB@Xchanging.com

2.7 Report File Format & Naming Conventions

The files required to meet the process described, with their naming conventions and file formats are as follows:

Step File	File Format	Naming Convention	Data Provider	Mandatory / Optional
Step A - Claims	CSV	Step A – Claims XXXX – <<MA Name>> - <<Date>>	Xchanging	Mandatory
Step A Backing Data - Claims	CSV	Step A – Claims Backing Data XXXX – <<MA Name>> - <<Date>>	Xchanging	Mandatory
Third Party (Lloyd's system data) Premium File	XLS/XLSX	Step A – Third Party Premiums XXXX – <<MA Name>>	Xchanging	Optional
Third Party (Lloyd's system data) Claims File	XLS/XLSX	Step A – Third Party Claims XXXX – <<MA Name>>	Xchanging	Optional
Step B File – Claims	XLS/XLSX	Step B – Xchanging Claims – XXXX <<MA Name>>	Managing Agents	Mandatory
Step B File – Claims Resubmit	XLS/XLSX	Step B – Xchanging Claims – XXXX – Resubmit - <<MA Name>>	Managing Agents	Optional
Step B File – Premium	XLS/XLSX	Step B – Xchanging Premium – XXXX <<MA Name>>	Managing Agents	Mandatory
Step B File – Premium Resubmit	XLS/XLSX	Step B – Xchanging Premium – XXXX – Resubmit - <<MA Name>>	Managing Agents	Optional
Non-Xchanging Claims File	XLS/XLSX	Step B – NonXchanging Claims – XXXX <<MA Name>>	Managing Agents	Mandatory
Non-Xchanging Claims File Resubmit	XLS/XLSX	Step B – NonXchanging Claims – XXXX – Resubmit - <<MA Name>>	Managing Agents	Optional
Non-Xchanging Premium File	XLS/XLSX	Step B – NonXchanging Premium – XXXX <<MA Name>>	Managing Agents	Mandatory
Non-Xchanging Premium File Resubmit	XLS/XLSX	Step B – NonXchanging Premium – XXXX – Resubmit - <<MA Name>>	Managing Agents	Optional
Step B – Claims Failures	XLS/XLSX	Step B – Claims Failures XXXX <<MA Name>>	Xchanging	Optional
Step B – Premium Failures	XLS/XLSX	Step B – Premium Failures XXXX <<MA Name>>	Xchanging	Optional
ASR 249	CSV	ASR249 – XXXX - <<MA Name>> - <<SII-LOB>>	Xchanging	Mandatory
ASR 250	CSV	ASR250 – XXXX - <<MA Name>> - <<SII-LOB>>	Xchanging	Mandatory

Step File	File Format	Naming Convention	Data Provider	Mandatory / Optional
ASR 252	CSV	ASR252 – XXXX - <<MA Name>> - <<SII-LOB>>	Xchanging	Mandatory
Step C Backing Data - Claims	XLS/XLSX	Step C – Claims Backing Data XXXX <<MA Name>>	Xchanging	Mandatory
Step C Backing Data - Premium	XLS/XLSX	Step C – Premium Backing Data XXXX <<MA Name>>	Xchanging	Mandatory

Key:
- **XXXX** – Syndicate Number of the Managing Agent, any ZERO prefix should be dropped.
- **<<MA Name>>**: The name of the Managing Agent.
- **<<Date>>**: The end of the reporting period for the extracted data in **YYYYMMDD** date format, such as **20161231**.
- **<<SII-LOB>>**: The Solvency II Line of Business, such as D_CS, D_FP, D_MAT, D_MFL etc.

2.8   Multiple Syndicates

It is possible for MAs to include runoff, reinsured and reporting syndicates data within a single Step B file since the 'Syndicate Number' column will uniquely identify each record, however please communicate this (e.g. 'Step B data for syndicates x,y,z are reflected within the Step B – Xchanging Claims – Syndicate z <<MA Name>>) to Xchanging via an email to StepB@xchanging.com since otherwise a manual check will be performed to reject files that have a different file name from the included data. Please take care to ensure that the syndicate number is consistent with the original syndicate number linked to each UMR rather than the reporting syndicate number.

3 WORKFLOW / PROCESS FLOW

3.1 Step A Process

Identification of look through **lead** data that needs to be reported for the ASR 249 / 250 / 252.

3.1.1 Data Mapping

Xchanging are able to provide a claims report from the CLASS system that identifies all the UMRs that are in scope for this reporting exercise. The Step A files identify, check totals for Outstanding Reserves (Opening and Closing) and Claims Paid transactions by UMR / Risk Code / Original Currency. Additional fields include Multi-Market Flag, Singleton Indicator, Block Flag and Slip type.

The data granularity has been enhanced in the 'Step A Backing Data – Claims' file that provides further loss data helping MAs to more easily identify individual claims and analyse block transactions.

No complete UMR listing of Risk / Premium data will be provided at Step A, as the written data held by Xchanging will be incomplete, and so potentially misleading. However, where relevant information has been collected centrally, this will be forwarded to MAs as a partially completed file – see 3.1.4.

3.1.2 Data Extract

XCS CLASS data is identified from the Claims Data Warehouse as follows:-

- Year of account >=1993
- Policies which have claims
    - Open at beginning of reporting period or
    - Claims re-opened in period or
    - Claims open at end of reporting period or
    - claims closed during period or
    - with movements in the period with a payment
- Direct business only (4th character on fil code = 1)
- Where syndicate = Lead (Based on participant role for claims)
- Loss funds excluded: FIL Code begins with LF or Loss Fund = Y

Please note the following:

- TBA qualified claims including Uber Precautionary will be included (These are claims identified as having a low chance of becoming settled claims)
- Lead syndicate will be derived from latest movement on a COR

3.1.3 Data Validation

Syndicates can validate the list provided by Xchanging with the data they have. If any significant differences are found the Lead should try to understand the differences to ensure no duplications, gaps, inaccuracies e.g.

- Not flagged as having block claims, but includes blocked claims
- Flagged as having block claims, but not including blocked claims
- Material financial discrepancies

3.1.4 Data Distribution

The Step A file and the Step A backing file is in .csv format and will be emailed to the email contacts for each MA. In addition MAs will receive partially completed Step B data for UMRs where risk and claims data has been captured centrally by Lloyd's. Separate files will be produced for each syndicate number.

3.2 Step B Process

3.2.1 Data Mapping

Once MAs have identified the relevant UMRs to be analysed on a look through basis then separate risk and claims Step B files should be completed to include all data available to the MA. The Step Bfiles should also include data that has been received by MA's from TPA's.

3.2.2 Data Extract

3.2.2.1 Claims:

The Step A file from Xchanging contains a list of all Direct business grouped by UMR / Risk Code / OCC. Lead MAs are requested to complete look through analysis where possible for all block business separately flagged within this report and enter this at Step B.

MAs do not need to include non blocked claims (mainly open market business and large value unblocked DA transactions) because Xchanging will include this in the report to be sent to Lloyd's at Step C unless different values have been entered by the MAt at Step B.

Some UMRs will include blocked and non blocked data. MAs need to include all these claims records in Step B, using the UCR reference (data provided in Step A backing data) for non block data and also provide further granularity regarding block transactions to ensure that the UMR check totals are complete. Xchanging will not populate the Step C data for these UMR / Risk Code / OCC combinations.

3.2.2.2 Risk:

As with claims lead MAs need to complete risk data for subscription business processed through Xchanging. This will include risk information for UMRs that need to be analysed on a look through basis for block business. MAs should include in the Xchanging risk file at Step B all singleton business processed through Xchanging. All risks from other Open Market business (ie not processed via Xchanging) should be submitted at Step B in a separate NonXchanging file.

Note For both claims and risks reporting LDR information ought to be completed separately and added at Step B in the NonXchanging file.

3.2.3 Data Validation

The Step B data files must pass the following validation rules or else need to be resubmitted within a 2 day time frame. This is explained in Section 3.3 Step B Exception reporting.

3.2.3.1 Risk & Premium File and Claims File Validation	
Field	**Validation**
Syndicate number	Syndicate number in the file name matches the syndicate number within the file. No leading zeros.
UMR/Risk code/Lead syndicate key	Matches Xchanging data

Single worksheet	All data should be included on a single worksheet. If the workbook has more than one worksheet it will be rejected.
UMR	Xchanging data begins with a "B" and no more than 17 characters long. Non Xchanging data has no specific validation.
Risk Code	Valid Lloyd's risk code. Available as a drop down box in the template.

Field	Validation
3.2.3.1 Risk & Premium File and Claims File Validation - continued	
Original currency – "OCC"	Valid three character ISO code. Available as a drop down box in the template.
3.2.3.2 Claims File Validation	

Field	Validation
Claims Status at beginning of period	Valid values are: • Open • Closed • Reported in Year Available as a drop down box in the template
Claims Status at end of period	Valid values are: • Open • Closed Available as a drop down box in the template

3.2.4 Data Distribution

The following files need to be populated, combined with the Lloyds centrally sourced data and sent by email to StepB@Xchanging.com. Please note the Xchanging, nonXchanging and resubmit files files are all in identical format.

Step B - Xchanging _
Nonxchanging claims

Step B - Xchanging _
Nonxchanging premiu

3.3 Step B Exception reporting and validation

3.3.1 Data Mapping

Re-submissions will be required following either a file rejection or a row level rejection:

- For a row level rejection the service will only return those rows identified as failing one of the validation steps
- If a file has been rejected, the whole file needs to be re-submitted
- If a row(s) is rejected, only those rows need to be re-submitted, not the whole file

The window for re-submissions is two working days from when the file/row is rejected.

Note that if you use the resubmission service to change data that has already been processed, and in doing so you change any of the key fields, it will result in double counting as the service will consider the data as additional underlying risks or claims.

Key fields for risk/premium are: UMR, Risk Code, Original Currency and Risk/Certificate Reference

Key fields for claims are: UMR, Risk Code, Original Currency and Claim Reference

3.3.2 Data Extract

- ✓ To support the syndicates production of valid data, exception reports will be created that show the field validation as set out in Appendix 4.3.
- ✓ The report will only be produced if one or more rows fails file validation and will only show the rows that failed validation

3.3.3 Data distribution

Each Syndicate will submit between 0 and 4 workbooks identified as a "resubmit" file. See Section 2.7. Resubmission can take place a number of times prior to the deadline of 23rd February 2018.

3.3.4 Data confirmtion

Lloyd's will require an email from each managing agent, briefly outlining the work that has been done to collate the data, and an appropriate proportion of the each syndicate's data that the managing agent has been able to include.

The confirmation email should be submitted to paul.martin2@lloyds.com and LLoyds-SolvencyReturns@lloyds.com at the same time as the Step B files are submitted to Xchanging.

3.4 Step C Process

Lloyd's receive lead and follow data from Xchanging.

3.4.1 Data Mapping

Step C covers the following stages that Xchanging provide

- Collating of step B files

- Adding of non-block claims data that was not supplied in step B

- The adding of market lines to Xchanging files for lead and follow

- Assigning to Solvency II lines of business

- Conversion of amounts to GBP

- Preparation of data for ASR files

- Production of backing data

- Production of ASR files

3.4.2 Data Extract

Once lead and follow data has been obtained then the data is grouped as follows:

Claims Grouping	Risk / Premium Grouping
UMR	UMR
Solvency II line of Business	Solvency II line of Business
Claim Reference	Risk / Certificate Reference
Syndicate Number	Syndicate Number
Claim status at beginning of period	
Claim status at end of period	
Claims paid in year indicator	

Note these groupings can include multiple risk codes within a line of Business, multiple currencies and multiple syndicate lines.

Banding information will then be applied to the syndicate share in GBP of the claims incurred and syndicate share in GBP of the sum insured. Banding groups are in £1millions up to £20 million and above.

3.4.3 Data Distribution

Once Xchanging has completed the Central Service processing it will forward the Step C backing files in Excel for checking and analysis purposes and and provide csv files for Lloyd's enabling the forms to be completed: -

- in CSV format
  - o fixed format ASR 249 form - Movement of Reported But Not Settled (RBNS) Claims
  - o fixed format ASR 250 form – Loss distribution profile (non-life)
  - o fixed format ASR 252 form – Underwriting risks non-life (mass risks)
- one file per Solvency II Line of Business (LOB) combination for each of the 3 forms
- via email
- backing data will be made available for both risks and claims:
  - o one row per underlying claim;
  - o for risks the number count for each UMR / risk code / OCC combination is provided instead of line by line granular risk detail;
  - o generated from the source data
    - - provided by leads
    - - non-block claims from CLASS
    - - Coverholder / TPA where centrally provided and included in Step B files by MAs

Backing data may be used to detect errors and omissions.

Tips:

- ✓ Amounts will be market share
- ✓ Amounts will be in GBP, converted based on a consistent exchange rate as provided by Lloyd's

Examples of the Step C csv files are shown below:

| ASR249 - XXXX - MA Name - D_GL.csv | ASR250 - XXXX - MA Name - D_GL.csv | ASR252 - XXXX - MA Name - D_GL.csv |

Examples of the Step C Backing files are shown below:

Step C - Claims Backing Data XXXX - N

Step C - Premium Backing Data XXXX - N

3.5 Step D Process

Lloyd's will submit the completed ASR249, ASR250, and ASR252 forms on behalf of the market. The data received at Step C will be in the format required for submission by Lloyd's.

4 APPENDIX

4.1 Glossary

Term	Definition
Central Service	Market solution whereby Xchanging provides granular follow information to the following market.
Contract	For Binder contracts there will be a number of policies to report on a look through basis.
CLASS	Claims Loss Advice and Settlement System
CMR	Core Market Returns system
COR	Claims Office Reference
LDR	Lloyd's Direct Reporting used for business processed outside of Xchanging
MA	Managing Agent
Multi-Market	This refers to contracts that have different risk participants on each part of the slip.
OCC	Original Currency
RBNS	Reported But Not Settled - gross outstanding claims per Xchanging
ROE	Rate of Exchange
Singleton	This refers to UMRs where there is no follow business, therefore it is not necessary for following markets to receive information for this UMR.
Top Up Process	The final estimation process that MAs will apply to estimate missing record counts and values not included in the Step B data collection exercise.
UCR	Unique Claim Refrence - created by the broker
UMR	Unique Market Reference – created by the broker
Underwriting Year	based on written premiums and ultimate losses from loss events falling within the same accounting period, where the accounting period is the period covered by the insurance policy or reinsurance agreement, regardless of when the premiums and losses were actually reported, booked, or paid.
XCR	Xchanging Claims reference – used by Xchanging at Step C for open market claims. This reference is used instead of the UCR if not available.
YOA	Year of Account

4.2 Workflow Reporting Format

4.2.1 Step A – Claims Template

Field Name	Format	Example	Definition
UMR	Text (max 17 long)	B1234ABC1234or *ABC12345	The UMR or if the UMR is blank, the field is populated with the syndicate reference, prefixed with a "*"
Risk Code	2 chars	E8	Lloyd's risk code, 1 or 2 chars long
Multi-Market per UMR Flag	Y or N	Y	Y (Yes) or N (No) Defined as any UMR/Risk code/Lead syndicate which does not uniquely identify the syndicates and syndicate shares for the market on the claim
Singleton Indicator	Y or N		Y (Yes) or N (No) If all claims on a UMR/Risk Code/Lead syndicate number have the same single syndicate number, then this is considered to be a singleton
Outstanding as at start of period	Amount	1000000	Amount in original currency, 100% Outstanding (loss, fees and expense combined) on Claim as at date immediately preceding reporting period e.g 31/12/2017
Outstanding as at end of period	Amount	1000000	Amount in original currency, 100% Outstanding (loss, fees and expense combined) on Claim as at last date in reporting period e.g 31/12/2017
Paid to Date Amount	Amount	1000000	The total of the Amounts paid prior to period (PTT) at 100% of slip level for "Xchanging file" or syndicate level for "Non Xchanging file" for all of the underlying claims as at the end of the period in original ccy and expressed as a whole number. For example if the reporting year is 2017 then this field should include the amount paid up to 31/12/2016.
Paid in period	Amount	1000000	Amount in original currency, 100% of the Paid This Time amounts (loss, fees and expense combined) in the period e.g from 1/1/17 – 31/12/17
Block flag	Y or N	Y	Yes or No. Any UMR/Risk code/Lead syndicate number that had a COR with a block indicator
Original Currency	3 chars	GBP	3 char ISO code
Slip Type	Text	Binding Authority	The slip type of the contract associated with the claim and will be set to one of the following: Binding Authority; Cover; Excess of Loss; Facility; Lineslip; Main Business; Treaty. If no slip type is known will be set to '---'

Risk/premium data will not be provided at Step A, as the written data held by Xchanging will be incomplete, and so potentially misleading.

4.2.2 Step A – Claims Backing Data Template

The production of a spreadsheet for each lead showing all in scope claims as held in XCS Class at COR level and to supplement the step A claims file.

Field Name	Format	Example	Definition
UMR	Text (17)	B1234ABC1234 or *ABC12345	The unique market reference or if the UMR is blank, the field is populated with the syndicate reference, prefixed with a "*"
Risk Code	Chars(2)	E8	Lloyd's risk code
Multi-Market per UMR Flag	Text Y or N	Y	Y (Yes) or N (No) Defined as any UMR/Risk code/Lead syndicate which does not uniquely identify the syndicates and syndicate shares for the market on the claim (n.b. this is at UMR level)
Singleton Indicator	Y or N		Y (Yes) or N (No) If all claims on a UMR/Risk Code/Lead syndicate number have the same single syndicate number, then this is considered to be a singleton (n.b. this is at UMR level)
Outstanding as at start of period	Numeric, no decimal places	1000000	Amount in original currency, 100% Outstanding (loss, fees and expense combined) on Claim as at date immediately preceding reporting period e.g 31/12/2017
Outstanding as at end of period	Numeric, no decimal places	1000000	Amount in original currency, 100% Outstanding (loss, fees and expense combined) on Claim as at last date in reporting period e.g 31/12/2017
Paid to Date Amount	Amount	1000000	The total of the Amounts paid prior to period (PTT) at 100% of slip level for "Xchanging file" or syndicate level for "Non Xchanging file" for all of the underlying claims as at the end of the period in original ccy and expressed as a whole number. For example if the reporting year is 2017 then this field should include the amount paid up to 31/12/2016.

Field Name	Format	Example	Definition
Paid in period	Numeric, no decimal places	1000000	Amount in original currency, 100% of the Paid This Time amounts (loss, fees and expense combined) in the period e.g from 1/1/17 – 31/12/17
Block flag	Text Y or N	Y	Yes or No Any UMR/Risk code/Lead syndicate number that had an open or movement COR with a block indicator (definition change cover in change request 3.2)
Original Currency	Text(3)	GBP	3 char ISO code
Slip Type	Text	Binding Authority	The slip type of the contact associated with the claim and will be set to one of the following: Binding Authority; Cover; Excess of Loss; Facility; Lineslip; Main Business; Treaty. If no slip type is known will be set to '---'
Year Of Account	Text	2008	Lloyd's year of account associated with the contract
Original Signing Number	Text	81033	The original signing number applying to this breakdown on this Claim transaction. This is held in the following format: NNNNN
Original Signing Date	Text	20080625	The original signing date applying to this breakdown on this Claim transaction. This is held in the following format: YYYYMMDDNNNNN
UCR	Text	B1234ABC71A10A0A	The Unique Claim Reference allocated to the claim by the broker – may be blank for paper claims
COR	Text	N60160999999	Claims office Reference as held in the XCS class system
COR Block Indicator	Text	Yes or No	COR with a block indicator
Loss Name	Text	NOMINATION	The Loss name entered on the XCS class SCM Breakdown screen
Insured Name	Text	AN INSURED	The name of the Insured party entered on the SCM Breakdown screen in XCS class
Lead Syndicate Reference	Text	ABC0003308MH	Syndicate Reference that is associated with the contract on this transaction
Broker Reference 1	Text	BB011180A	The Claim Reference quoted by the Broker for this Claim
Broker Reference 2	Text	CMAD9999	A second Claim Reference quoted by the Broker for this Claim
Lead Syndicate	Numeric	1234	The syndicate number of the lead

Field Name	Format	Example	Definition
Lead MA Name	Text	XYZ MANAGING AGENCY	The Managing Agency associated with the Lead Syndicate and Year of Account (based on spreadsheet provided by Lloyd's)

4.2.3 Step B – Claims Template

The orginal Signing Number and Date fields only need to be completed for multi-market risk UMR's – otherwise leave blank. The UCR and COR fields are also optional but may assist MAs when splitting down data provided in the Step A backing files.

Syndicate Number	Claim Reference	UMR	Risk Code	Year of Account	Original Currency	Claim status at beginning of period	Claim status at end of period	Outstanding Claims Amount as at beginning of period	Paid to Date Amount	Paid in Year amount	Outstanding Claim amount as at end of period	Original Signing Number	Original Signing Date	UCR	COR

4.2.3.1 Field requirements

With one row per underlying claim reference / risk code / original currency combination:-

Step "B" field	Format	Comment	Field Ref to Coverholder Reporting Standards
Syndicate Number	Number	The syndicate number for the syndicate submitting the data e.g. the Leader for Xchanging business or may be a follow line for NonXchanging data.	
Claim Reference	Text	The unique reference for the underlying claim. It is possible to use a unique dummy reference where appropriate for this reporting exercise.	CR0104
UMR	Text	For Xchanging data the UMR, which begins with a "B". For Xchanging claims that do not have a UMR the UMR should be set to * followed by the lead syndicate reference	CR0005
Risk Code	2 chars	Must be a valid 1 or 2 character risk code	CR0016
Year of Account	Number	For example 2016	CR0010
Original Currency	3 chars	Must be a valid 3 character ISO currency code e.g. GBP	CR0109
Claim status at beginning of period	Text	One of the following: • Open	CR0105

Step "B" field	Format	Comment	Field Ref to Coverholder Reporting Standards
		• Closed • Reported in Year	
Claim status at end of period	Text	One of the following: • Open • Closed	CR0105
Outstanding Claims Amount as at beginning of period	Amount	In original currency, 100% of slip value. Decimal places will be rounded.	CR0130
Paid to Date Amount	Amount	The total of the Amounts paid prior to period (PTT) at 100% of slip level for "Xchanging file" or syndicate level for "Non Xchanging file" for all of the underlying claims as at the end of the period in original ccy and expressed as a whole number. For example if the reporting year is 2017 then this field should include the amount paid up to 31/12/2016.	
Paid in Year amount	Amount	In original currency, 100% of slip value. Decimal places will be rounded.	CR0126, this provides monthly figures therefore needs to be aggregated for the year
Outstanding Claim amount as at end of period	Amount	In original currency, 100% of slip value. Decimal places will be rounded.	CR0130
Original Signing Number	Text	If included for multi-market risks, these references must be valid – information will be provided in the Step A backing file – else leave blank.	
Original Signing Date	Text	If included for multi-market risks, these references must be valid – information will be provided in the Step A backing file – else leave blank.	
UCR	Text	Optional, but must reflect information held in Step A backing file, if data is to override Xchanging non blocked transactions.	
COR	Text	Optional, but must reflect information held in Step A backing file, if data is to override Xchanging non blocked transactions.	

Tips:

✓ For the purposes of the ASR249/250 forms the Incurred value is calculated as outstanding at end + Paid prior to period + paid in period.
✓ All claim amounts to include indemnity plus allocated fees and expenses
✓ All fields must be populated for each row of data. Zero amounts should be entered as zero and not left blank.

- ✓ If the outstanding amounts and Paid In Year are in different currencies, convert the outstanding amounts to the Paid In Year currency.
- ✓ Sometimes the underwriting year field for a policy claim may be different from the YOA for the UMR contract. However since the underwriting year field is not separately collected via the risk and claims reporting service at present, MAs should assume that the YOA field should be used for reporting underwriting year granularity for claims.

4.2.4 Step B – Risk & Premiums Template

4.2.4.1 Excel format

The orginal signing number and date fields only need to be completed for multi-market risk UMR's – otherwise leave blank.

Syndicate Number	UMR	Risk Code	Risk / Certificate Reference	Original Currency	Sum Insured	Gross Annual Premium in Period	YOA	Original Signing Number	Original Signing Date

4.2.4.2 Field requirements

- ✓ Mapping to the required format will require logic/processing, depending on the source data format/rules
    - o for example bordereaux may be cumulative or non-cumulative.
    - o With one row per underlying risk / risk code / original currency / sum insured combination

Step "B" field	Format	Comment	Field Ref to Coverholder Reporting Standards
Syndicate Number	Number	The syndicate number for the syndicate submitting the data e.g. the Leader for Xchanging business or may be a follow line for NonXchanging data.	

Step "B" field	Format	Comment	Field Ref to Coverholder Reporting Standards
UMR	Text	For Xchanging data the UMR, which begins with a "B".	CR0005
Risk Code	2 chars	Must be a valid 1 or 2 character risk code	CR0016
Risk / Certificate Reference	Text	The unique reference for the underlying claim. It is possible to use a unique dummy reference where appropriate for this reporting exercise.	CR0029
Original Currency	3 chars	Must be a valid 3 character ISO currency code e.g. GBP	CR0051 / CR0020
Sum Insured	Amount	In original currency, 100% of slip value. Decimal places will be rounded.	CR0052
Gross Annual Premium in Period	Amount	In original currency, 100% of slip value. Decimal places will be rounded.	CR0021
YOA	Number	For Example 2017	CR0010
Original Signing Number	Text	e.g. 81033. This is held in the following format: NNNNN. Optional, needed for Multi-market risks.	
Original Signing date	date	e.g. 25/06/2008. Optional, needed for Multi-market risks.	

Tips:

- ✓ For Solvency II Pillar 3 2017 risk reporting, the universe of policies to be reported relates to risks that are live as at 31 December 2017, and it will be the sum insured that exists at that date that needs to be reported.
- ✓ The relevant premium figure to use is the annual or total premium. Instalment payments do not need to be considered separately.
- ✓ Gross Annual Premium should include endorsement/cancellation premium (AP/RP), in so far as they are identifiable and due in the reporting period.
- ✓ If an AP/RP is due in a later reporting period (e.g. 2018), it should be reported in that period
- ✓ Where an AP/RP is being reported in a different period to the Original Premium, the sum insured for an AP/RP can be subjective, and the most appropriate value should be reported, e.g.
  - nil amount (for example a cancellation)
  - the sum insured associated with the premium amount (for example an endorsement for an increase in sum insured)
  - sum insured for the whole risk (for example an extension of the risk/policy period)
  - sum insured cannot be reported as negative, but may be reported as zero
- ✓ Premium amounts are to be written rather than paid premium
- ✓ All fields must be populated for each row of data. Zero amounts should be entered as zero and not left blank.
- ✓ If the sum insured and premium are in different currencies, convert the sum insured to the currency of the premium amount. CR0051 refers to the original currency of the sum insured, while CR0020 refers to the original currency of the premium.

4.2.5 Step C – Claims Template

Csv template for ASR 249, there are separate rows for YOAs N to N-14 i.e. 2017 to 2003 and check totals for all years in addition to Prior representing 1993 to 2002 for the 2017 reporting year.

Base Element	Value	ShortSIIClass	Year of Account
TPRBNSStartOfYearOpenNumClaim_ELOB_PYR	26	D_MAT	Prior
TPRBNSStartOfYearGrOpenValue_ELOB_PYR	383964	D_MAT	Prior
TPRBNSStartOfYearGrOpenPayment_ELOB_PYR	0	D_MAT	Prior
TPRBNSEndOfYearGrOpenValue_ELOB_PYR	383959	D_MAT	Prior
TPRBNSStartOfYearSettledNumClaim_ELOB_PYR	0	D_MAT	Prior
TPRBNSStartOfYearGrSettledValue_ELOB_PYR	0	D_MAT	Prior
TPRBNSStartOfYearGrSettledPayment_ELOB_PYR	0	D_MAT	Prior
TPRBNSStartOfYearSettledNoPaymentNumClaim_ELOB_PYR	2	D_MAT	Prior
TPRBNSStartOfYearGrSettledNoPaymentValue_ELOB_PYR	0	D_MAT	Prior
TPClaimsIncurredInYrOpenNumClaim_ELOB_PYR	0	D_MAT	Prior
TPClaimsIncurredInYrGrOpenPayment_ELOB_PYR	0	D_MAT	Prior
TPClaimsIncurredInYrGrOpenValue_ELOB_PYR	0	D_MAT	Prior
TPClaimsIncurredInYrSettledNumClaim_ELOB_PYR	4	D_MAT	Prior
TPClaimsIncurredInYrGrSettledPayment_ELOB_PYR	-30894	D_MAT	Prior
TPClaimsIncurredInYrSettledNoPaymentNumClaim_ELOB_PYR	0	D_MAT	Prior
TPClaimsReopenedInYrOpenNumClaim_ELOB_PYR	0	D_MAT	Prior
TPClaimsReopenedInYrGrOpenPayment_ELOB_PYR	0	D_MAT	Prior
TPClaimsReopenedInYrGrOpenValue_ELOB_PYR	0	D_MAT	Prior
TPClaimsReopenedInYrClosedPaymentNumClaim_ELOB_PYR	2	D_MAT	Prior
TPClaimsReopenedInYrGrClosedPaymentPayment_ELOB_PYR	383	D_MAT	Prior

4.2.6 Step C – Claims Backing Data Template

This Excel file will be sent to Lloyd's from Xchanging.

Field Name	Format	Example	Definition
%Key	Text	79-*604JB6S1399B-CT	The lead syndicate UMR and risk code.
Original Currency	Text	GBP	3 char ISO code.
Claim Reference	Text	0	The unique reference for the underlying claim. *
Name	Text	Step B - Xchanging Claims - 1221.xlsx	The name of the source file.
Syndicate Line Number	Numeric	2	
Start claims incurred	Numeric, no decimals	1000000	Start of banding interval for claims incurred based on syndicate line share in GBP.
End claims incurred	Numeric, no decimals	1000000	End of banding interval for claims incurred based on syndicate line share in GBP.
Bracket	Numeric, no decimals	15	To support the ASR files and based on the claims incurred banding.
Year of Account	YYYY	2010	
Syndicate Number	Numeric	4321	0
Lead Syndicate	Lead syndicate	4321	0
UMR	Text (17)	B1234ABC1234	0
Risk Code	Char(2)	E8	0
Claim status at beginning period	Text	Open	Defined as Open, Closed, or Reported in Period.
Claim status at end of period	Text	Open	Defined as Open or Closed.
Outstanding Claims Amount as beginning of period	Numeric, no decimals	1000000	The total reserve at beginning of the reporting period in Original Currency and 100% of slip. Decimal places will be rounded.
Paid to Date amount	Numeric, no decimals	1000000	Paid claim amount prior to the reporting period in Original Currency and 100% of slip. Decimal places will be rounded.
Paid in Year amount	Numeric, no decimals	1000000	Paid claim amount during the reporting period in Original Currency and 100% of slip. Decimal places will be rounded.

Field Name	Format	Example	Definition
Outstanding Claim amount as end of period	Numeric, no decimals	1000000	The total reserve at end of the reporting period in Original Currency and 100% of slip. Decimal places will be rounded.
Data Source	0	0	0
Rate of Exchange	Numeric	1.5	ROE to GBP based on spreadsheet provided by Lloyd's.
Solvency II Class	Text	Direct - Marine, aviation and transport	Mapping of Risk Code to Line of business – provided by Lloyd's.
ShortSIIClass	Text	D_MAT	Mapping of Risk Code to Line of business – provided by Lloyd's.
Original Signing Number	Text	81033	The original signing number applying to the premium risk code breakdown relating to this claim transaction. This is held in the following format: NNNNN
Original Signing Date	Text	20080625	The original signing date applying to the premium risk code breakdown relating to this claim transaction. This is held in the following format: YYYYMMDD
UCR	Text	B1234ABC71A10A0A	The Unique Claim Reference allocated to the claim by the broker (where added by the MA at Step B).
COR	Text	N60160999999	The Claims Office Reference (where added by the MA at Step B).
Syndicate Line Share	Numeric	10	0
MA Name	Text	RiverStone Managing Agency Ltd	Managing Agent name for the reporting syndicate – identified from the syndicate number and year of account and based on reference data supplied by Lloyd's.
OS Claim Amount at Start GBP Synd	Numeric, no decimals	1000000	The syndicate share of the total reserve at beginning of the reporting period in GBP. Decimal places will be rounded.
Paid to Dater GBP Synd	Numeric, no decimals	1000000	The syndicate share of the paid claim amount prior to the reporting period in GBP. Decimal places will be rounded.
Paid in Year GBP Synd	Numeric, no decimals	1000000	The syndicate share of the paid claim amount during the reporting period in GBP. Decimal places will be rounded.
OS Claim Amount at End GBP Synd	Numeric, no decimals	1000000	The syndicate share of the total reserve at end of the reporting period in GBP. Decimal places will be rounded.
Incurred Claim Amount GBP Synd	Numeric, no decimals	1000000	The Syndicate share of the incurred claim in GBP. Calculated as **Paid to Date amount + Paid in Year amount + Outstanding Claim amount as at end of the reporting period.** Note this definition was changed since the dry run.

* For Open Market business records provided at Step C, Xchanging include an 'XCR Reference' that is uniquely available for electronic and paper based records, whilst the UCR would be the usual default reference for MAs to apply to these claims.

4.2.7 Step C – Risk & Premiums Template

This table shows the format required for completion of the ASR 252 Form. Data is uploaded via a csv file.

Base Element	Value	ShortSIIClass	Bracket
TPStartSumIns_ELOB_BRKT_LCALC	0	D_IP	1
TPEndSumIns_ELOB_BRKT_LCALC	1,000,000	D_IP	1
TPNumUWRisks_ELOB_BRKT	15	D_IP	1
TPTotalSumIns_ELOB_BRKT	2007157	D_IP	1
TPTotalAnnPrem_ELOB_BRKT	124589	D_IP	1
TPStartSumIns_ELOB_BRKT_LCALC	1,000,001	D_IP	2
TPEndSumIns_ELOB_BRKT_LCALC	2,000,000	D_IP	2
TPNumUWRisks_ELOB_BRKT	4	D_IP	2
TPTotalSumIns_ELOB_BRKT	6639575	D_IP	2
TPTotalAnnPrem_ELOB_BRKT	21628	D_IP	2
TPStartSumIns_ELOB_BRKT_LCALC	2,000,001	D_IP	3
TPEndSumIns_ELOB_BRKT_LCALC	3,000,000	D_IP	3
TPNumUWRisks_ELOB_BRKT	3	D_IP	3
TPTotalSumIns_ELOB_BRKT	7310291	D_IP	3
TPTotalAnnPrem_ELOB_BRKT	22876	D_IP	3

TPStartSumIns_ELOB_BRKT_LCALC	19,000,001	D_IP	20
TPEndSumIns_ELOB_BRKT_LCALC	20,000,000	D_IP	20
TPNumUWRisks_ELOB_BRKT	0	D_IP	20
TPTotalSumIns_ELOB_BRKT	0	D_IP	20
TPTotalAnnPrem_ELOB_BRKT	0	D_IP	20
TPStartSumIns_ELOB_BRKT_LCALC	20,000,001+	D_IP	21
TPEndSumIns_ELOB_BRKT_LCALC		D_IP	21
TPNumUWRisks_ELOB_BRKT	0	D_IP	21
TPTotalSumIns_ELOB_BRKT	0	D_IP	21
TPTotalAnnPrem_ELOB_BRKT	0	D_IP	21
TPTotalSumIns_ELOB_BRKT_LTOTAL	52610420	D_IP	
TPTotalAnnPrem_ELOB_BRKT_LTOTAL	235728	D_IP	

Note bandings continue for 4 to 19 but are not shown above

4.2.8 Step C – Risk & Premiums Backing Data Template

This report has been summarised from the granular risk data to avoid sharing price sensitive information at policy level. The granular risk data is aggregated to provide the number of risks and check totals for each % key combination that would otherwise be available to MAs via their own systems.

Field Name	Format	Example	Definition
UMR	Text (17)	B1234ABC1234	
ShortSIIClass	Text	D_MAT	Mapping of Risk Code to Line of business – provided by Lloyd's .
Syndicate Number	Numeric	4321	
%Key	Text	79-*604JB6S1399B-CT	The lead syndicate UMR and risk code.
Original Currency	Text	GBP	3 char ISO code
Name	Text	Step B - Xchanging Claims - 1221.xlsx	The name of the source file

Field Name	Format	Example	Definition
Syndicate Line Number	Numeric	2	
Year of Account	Numeric, no decimals	15	Numeric, no decimals.
Lead Syndicate	Numeric	5432	
Risk Code	Char(2)	E8	Valid risk code.
Sum Insured	Numeric, no decimals	1000000	Sum insured in Original Currency and 100% of slip. Decimal places will be rounded.
Gross Annual Premium in Period	Numeric, no decimals	500000	Annual premium in Original Currency and 100% of slip. Decimal places will be rounded.
Rate of Exchange	Numeric	1.5	ROE to GBP based on spreadsheet provided by Lloyd's.
Solvency II Class	Text	Direct - Marine, aviation and transport	Mapping of Risk Code to Line of business – provided by Lloyd's.
Original Signing Number	Text	81033	The original signing number applying to the premium risk code breakdown relating to this risk transaction. This is held in the following format: NNNNN
Original Signing Date	Text	20080625	The original signing date applying to the premium risk code breakdown relating to this risk transaction. This is held in the following format: YYYYMMDD
Syndicate Line Share	Numeric	10	
MA Name	Text	RiverStone Managing Agency Ltd	Managing Agent name for the reporting syndicate – identified from the syndicate number and year of account and based on reference data supplied by Lloyd's.
Sum Insured GBP Synd	Numeric, no decimals	100000	Syndicate share of sum insured in GBP aggregated at % key level. Decimal places will be rounded.
Gross Annual Premium GBP Synd	Numeric, no decimals	500000	Syndicate share of Annual premium in GBP aggregated at % key level. Decimal places will be rounded.
Start sum insured	Numeric, no decimals	10000000	Start of banding interval for sum insured based on syndicate line share in GBP.
End sum insured	Numeric, no decimals	20000000	End of banding interval for sum insured based on syndicate line share in GBP.
Bracket	Numeric, no decimals	15	To support the ASR files and based on the sum insured banding

Field Name	Format	Example	Definition
Risk / Certificate Reference Count	Numeric	25	Individual risk count for UMR / Risk Code / OCC combination.

4.3   Xchanging exception reporting validation rules

Xchanging will return exception reports if Step B lines of data fail the following validation rules:

4.3.1.1   Step B Exception reporting - Claims

Field name	Example	Description
Syndicate Number	1234	Information as supplied by the syndicate apart from "Not Returned" where Syndicate Number, UMR and Risk code are from the Step A file
Claim Reference	Claim1/Aref3	
UMR	B1234ABCD03	
Risk Code	L	
Year of Account	1998	
Original Currency	USD	
Claim status at beginning of period	Open	
Claim status at end of period	Open	
Outstanding Claims Amount as at beginning of period	1956	
Paid to Date amount	230	
Paid in Year amount	429	
Outstanding Claim amount as at end of period	1527	
Original Signing Number	12345	
Original Signing Date	01/02/2016	
UCR	ABC123	
COR	ABC123	
Invalid Claim Ref	Error	Populated with Error for each validation error, all rows in the file are populated with one or more error codes
Invalid Syndicate	Error	
Invalid UMR	Error	
Invalid Risk Code	Error	
Invalid YOA	Error	
Invalid Currency	Error	
Invalid Start Status	Error	
Invalid End Status	Error	
Invalid OS Start	Error	
Invalid Paid to Date	Error	
Invalid Paid	Error	
Invalid OS End	Error	
Invalid OS Number	Error	
Invalid OS Date	Error	
No OSND Match	Error	
No Follow Market Found	Error	
Invalid Multi-Market Row	Error	
Not Returned	Error	

Field name	Example	Description
Invalid File Name	Error	
Duplicate submission	Error	
No MA Name match	Error	
File Name	Step B - Xchanging Claims - 1234.xlsx	The file name of the step B file supplied

Tips to avoid generating claims errors:
- ✓ **Invalid Claim Ref –** Must match Xchanging Data
- ✓ **Invalid Syndicate –** No leading zero and one syndicate per file.
- ✓ **Invalid UMR –** Must be populated, no blank cells
- ✓ **Invalid Risk Code –** Must be a valid risk code
- ✓ **Invalid YOA –** 4 digits, whole number and greater or equal to 1993
- ✓ **Invalid Currency –** Must be a valid 3 three character ISO code
- ✓ **Invalid Start Status –** Values are Open, Closed or Report in Year
- ✓ **Invalid End Status –** Values are Open or Closed
- ✓ **Invalid OS Start –** Numeric values only. No blank cells.
- ✓ **Invalid Paid to Date –** Numeric values only. No blank cells.
- ✓ **Invalid Paid –** Numeric values only. No blank cells.
- ✓ **Invalid OS End –** Numeric values only. No blank cells.
- ✓ **No Follow Market Found –** If the item brings back this error and is not a Singleton, then this needs to be looked into. If there is no follow market attached to it, then no action is required and these data rows will be accepted by Xchanging and included within the Step C files.
- ✓ **Invalid Multi-Market Row –** errors because of Invalid Multi-Market Row are because we cannot find a unique permutation of syndicate numbers and syndicate percentages for the UMR and Risk code provided. This happens where there is more than one original signing and the markets on these signings are not identical. Please refer to section 4.2.1 for further guidance for Multi-Market risks.
- ✓ **Not Returned –** Steps that were reported in the Step A file, but not returned in the Step B file.
- ✓ **Duplicate Submission -** Duplicate UMRs and references have been submitted, they need to be removed.

4.3.1.2   Step B Exception reporting - Premiums

Similar validation rules apply to Risk / Premiums as set out below:

Field name	Example	Description
Syndicate Number	386	Information as supplied by the syndicate
UMR	B0583F12200516	
Risk Code	NC	
Risk / Certificate Reference	AOYFPQY	
Original Currency	EUR	
Sum Insured	28601000	
Gross Annual Premium in Period	2910	
YOA	2017	
Original Signing Number	12345	
Original Signing Date	01/02/2016	
Field name	Example	Description
Invalid Syndicate	Error	Populated with Error for each validation error, all rows in the file
Invalid UMR	Error	
Invalid Risk Code	Error	
Invalid Risk/Cert Ref	Error	

Invalid Currency	Error	are populated with one or more error codes
Invalid Sum Insured	Error	
Invalid Gross Premium	Error	
Invalid YOA	Error	
Invalid OS Number	Error	
Invalid OS Date	Error	
No OSND Match	Error	
No Follow Market Found	Error	
Invalid Multi-Market Row	Error	
Duplicate submission	Error	
Invalid File Name	Error	
No MA Name match	Error	
File Name	Step B - Xchanging Premiums - 386.xlsx	

Tips to avoid generating Risk / premium errors:
- ✓ **Invalid Syndicate –** No Leading Zero and no blank Cell. Can only have one Syndicate referenced in each file.
- ✓ **Invalid UMR –** Check that there are no blank cell or spaces in the actual UMR.
- ✓ **Invalid Risk Code –** Must contain a Risk Code, there can be no blank cells.
- ✓ **Invalid Risk/Cert Ref –** Must match Xchanging data.
- ✓ **Invalid Currency –** Must be a valid three Character ISO code.
- ✓ **Invalid Insured –** Must be numeric and no blank cells.
- ✓ **Invalid Gross Premium –** Must be numeric and no blank cells.
- ✓ **No Follow Market Found -** If the item bring back this error is no a Singleton, then this needs to be looked into. If there is no follow market attached to it, then no action is required.
- ✓ **Invalid Multi-Market Row -** errors because of Invalid Multi-Market Row are because we cannot find a unique permutation of syndicate numbers and syndicate percentages for the UMR and Risk code provided. This happens where there is more than one original signing and the markets on these signings are not identical. Please refer to section 4.2.1 for further guidance for Multi-Market risks.
- ✓ **Duplicate Submission –** Duplicate UMRs and references have been submitted, they need to be removed.

4.4 Regulatory Reporting Format

4.4.1 ASR249: Movement of reported but not settled (RBNS) claims

Note: Report image taken from 2017

Syndicate - Agent   **ASR 249**

E4 (249) : Movements of RBNS Claims
Period: Underwriting Years

Line of business:

		RBNS claims - Open Claims at the beginning of the year								Claims incurred during the year						Reopen Claims during the year				
Gross		Open Claims at the end of the period			Closed Claims at the end of the period:					Open Claims at the end of the period			Closed Claims at the end of the period:			Open Claims at the end of the period		Closed Claims at the end of the period	
					settled		settled without any payment							settled		settled without any					
Underwriting Years	Number of claims	Gross RBNS at the beginning of the year	Gross payments made during the current year	Gross RBNS at the end of period	Number of claims ended with payments	Gross RBNS at the beginning of the year	Gross payments made during the current year	Number of claims ended without any payments	Gross RBNS at the beginning of the year referred to claim settled without any payment	Number of claims	Gross payments made during the current year	Gross RBNS at the end of period	Number of claims ended with payments	Gross payments made during the current year	Number of claims ended without any payments	Number of claims	Gross payments made during the current year	Gross RBNS at the end of period	Number of claims ended with payments	Gross payments made during the current year
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1 Prior	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
2 N-14	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
3 N-13	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
4 N-12	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
5 N-11	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
6 N-10	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
7 N-9	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
8 N-8	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
9 N-7	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
10 N-6	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
11 N-5	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
12 N-4	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
13 N-3	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
14 N-2	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
15 N-1	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+	+
16 Total previous year	A1+A2+A3+A4+A5+A6+A7+A8+A9+A10+A11+A12+A13+A14+A15	B1+B2+B3+B4+B5+B6+B7+B8+B9+B10+B11+B12+B13+B14+B15	C1+C2+C3+C4+C5+C6+C7+C8+C9+C10+C11+C12+C13+C14+C15	D1+D2+D3+D4+D5+D6+D7+D8+D9+D10+D11+D12+D13+D14+D15	E1+E2+E3+E4+E5+E6+E7+E8+E9+E10+E11+E12+E13+E14+e15	F1+F2+F3+F4+F5+F6+F7+F8+F9+F10+F11+F12+F13+F14+f15	G1+G2+G3+G4+G5+G6+G7+G8+G9+G10+G11+G12+G13+G14+G16	H1+H2+H3+H4+H5+H6+H7+H8+H9+H10+H11+H12+H13+H14+H15	I1+I2+I3+I4+I5+I6+I7+I8+I9+I10+I11+I12+I13+I14+I15	J1+J2+J3+J4+J5+J6+J7+J8+J9+J10+J11+J12+J13+J14+J15	K1+K2+K3+K4+K5+K6+K7+K8+K9+K10+K11+K12+K13+K14+K15	L1+L2+L3+L4+L5+L6+L7+L8+L9+L10+L11+L12+L13+L14+L15	M1+M2+M3+M4+M5+M6+M7+M8+M9+M10+M11+M12+M13+M14+M15	N1+N2+N3+N4+N5+N6+N7+N8+N9+N10+N11+N12+N13+N14+N15	O1+O2+O3+O4+O5+O6+O7+O8+O9+O10+O11+O12+O13+O14+O15	P1+P2+P3+P4+P5+P6+P7+P8+P9+P10+P11+P12+P13+P14+P15	Q1+Q2+Q3+Q4+Q5+Q6+Q7+Q8+Q9+Q10+Q11+Q12+Q13+Q14+Q15	R1+R2+R3+R4+R5+R6+R7+R8+R9+R10+R11+R12+R13+R14+R15	S1+S2+S3+S4+S5+S6+S7+S8+S9+S10+S11+S12+S13+S14+S15	T1+T2+T3+T4+T5+T6+T7+T8+T9+T10+T11+T12+T13+T14+T15
17 N										+	+	+	+	+	+					
18 Total										J16+J17	K16+K17	L16+L17	M16+M17	N65+N17	O16+O17					

4.4.2 ASR250: Loss Distribution Profile – Non-Life

Note: Report image taken from 2017

Syndicate - Agent					ASR ???? Edition X	
250 Loss Distribution Profile Non-Life (S.21.01.01)						
Period: Underwriting Years						
		Underwriting Year		(dropdown (N to N-14))		
		Line of Business				
			Start claims incurred	End claims incurred	Number of claims	Total claims incurred
			A	B	C	D
		EIOPA ref	C0030	C0040	C0060 - C0340 (based on UW yr)	
	1	R0010	0	1,000,000	+	+
	2	R0020	1,000,001	2,000,000	+	+
	3	R0030	2,000,001	3,000,000	+	+
	4	R0040	3,000,001	4,000,000	+	+
	5	R0050	4,000,001	5,000,000	+	+
	6	R0060	5,000,001	6,000,000	+	+
	7	R0070	6,000,001	7,000,000	+	+
	8	R0080	7,000,001	8,000,000	+	+
	9	R0090	8,000,001	9,000,000	+	+
	10	R0100	9,000,001	10,000,000	+	+
	11	R0110	10,000,001	11,000,000	+	+
	12	R0120	11,000,001	12,000,000	+	+
	13	R0130	12,000,001	13,000,000	+	+
	14	R0140	13,000,001	14,000,000	+	+
	15	R0150	14,000,001	15,000,000	+	+
	16	R0160	15,000,001	16,000,000	+	+
	17	R0170	16,000,001	17,000,000	+	+
	18	R0180	17,000,001	18,000,000	+	+
	19	R0190	18,000,001	19,000,000	+	+
	20	R0200	19,000,001	20,000,000	+	+
	21	R0210	20,000,001+		+	+
	22	R0300	Total		Sum(C1:C21)	Sum(D1:D21)

4.4.3 ASR 252: Underwriting Risks Non-Life (Mass Risks)

Note: Report image taken from 2017

Syndicate - Agent						ASR ???? Edition X	
252 Non-life distribution of underwriting risks - by sum insured (S.21.03.01)							
Period: All Years of Account Combined							
			Line of business				
			Start sum insured	**End sum insured**	**Number of underwriting risks**	**Total sum insured**	**Total annual premium**
			A	B	C	D	E
		EIOPA Ref	**C0020**	**C0030**	**C0040**	**C0050**	**C0060**
	1	R0010	0	1,000,000	+	+	+
	2	R0020	1,000,001	2,000,000	+	+	+
	3	R0030	2,000,001	3,000,000	+	+	+
	4	R0040	3,000,001	4,000,000	+	+	+
	5	R0050	4,000,001	5,000,000	+	+	+
	6	R0060	5,000,001	6,000,000	+	+	+
	7	R0070	6,000,001	7,000,000	+	+	+
	8	R0080	7,000,001	8,000,000	+	+	+
	9	R0090	8,000,001	9,000,000	+	+	+
	10	R0100	9,000,001	10,000,000	+	+	+
	11	R0110	10,000,001	11,000,000	+	+	+
	12	R0120	11,000,001	12,000,000	+	+	+
	13	R0130	12,000,001	13,000,000	+	+	+
	14	R0140	13,000,001	14,000,000	+	+	+
	15	R0150	14,000,001	15,000,000	+	+	+
	16	R0160	15,000,001	16,000,000	+	+	+
	17	R0170	16,000,001	17,000,000	+	+	+
	18	R0180	17,000,001	18,000,000	+	+	+
	19	R0190	18,000,001	19,000,000	+	+	+
	20	R0200	19,000,001	20,000,000	+	+	+
	21	R0210	20,000,001+		+	+	+
	Total	R0220				Sum(D1:D21)	Sum(E1:E21)

4.5 Supporting Information

4.5.1 Understanding Consortium

The processing for Consortia is no different to other risks / claims.

However it should be noted that outside of the central service a Consortium lead must share non-block Xchanging risk & claim information with their Consortium followers to allow the followers to submit their data at Step B.

4.5.1.1 Risks / Premium

		Comment
Xchanging Non Blocked (lead or follow)	Consortium	Each syndicate in the Consortium must submit as a Non Blocked "open market" risk which is mandatory for Step B
Xchanging	Consortium Lead is Slip Lead	The Consortium lead submits as **Slip Lead** using the "Xchanging" file (Step B)
Blocked (lead only)	Consortium Lead is not Slip Lead	The **Slip Lead** submits to the service using the "Xchanging" file (Step B).The service generates data for consortium syndicates Step C).

4.5.1.2 Claims

		Comment
Xchanging	Consortium Lead is Slip Lead	Central service will add Non Blocked claims (Step C).
Non Blocked (Lead or follow)	Consortium Lead is not Slip Lead	Central service will add Non Blocked claims (Step C).
Xchanging	Consortium Lead is Slip Lead	The Consortium lead submits as **Slip Lead** using the "Xchanging" file (Step B).
Blocked (lead only)	Consortium Lead is not Slip Lead	The **Slip Lead** submits to the service using the "Xchanging" file (Step B). The service generates data for consortium syndicates(Step C).

4.5.2 Block indicator logic

There may be multiple claims for a given UMR which are flagged as block / non-block. The Step A extract provides greater granularity and ignores blocked claims that are closed for the purpose of identifying that the UMR is a block in step A. This is defined as CORs closed prior to the reporting period and not re-opened during the reporting period.

IF any COR is BLOCK and Claim Status is OPEN then UMR BLOCK = Y
IF COR is BLOCK and Claim Status is CLOSE then UMR BLOCK = N

This logic is explained in the diagram overleaf.

Current Logic

UMR Level

UMR	UMR BLOCK
1	Y

Based on the logic that the COR 1 Block is Y even though the 'Claim Status' is Closed.

COR Level

COR	COR BLOCK	CLAIM STATUS
1	Y	Closed
2	N	Open
3	N	Open

New Logic

Example 1

UMR Level

UMR	UMR BLOCK
1	N

Based on the logic that the COR 1 Block is Y BUT the 'Claim Status' is Closed.

COR Level

COR	COR BLOCK	CLAIM STATUS
1	Y	Closed
2	N	Open
3	N	Open

Example2

UMR Level

UMR	UMR BLOCK
1	Y

Based on the logic that the COR Block is Y BUT the 'Claim Status' is Open.

COR Level

COR	COR BLOCK	CLAIM STATUS
1	Y	Open
2	N	Open
3	N	Open

5 APPENDIX - QUESTIONS AND ANSWERS

5.1   Governance and service providers

1. Question

Who manages the service for the build of the central data base and the reporting from the central data base?

Answer

The appropriate governance will be kept under review. Lloyd's manages this service initially for 3 years from commencement.

2. Question

How will existing arrangements with Xchanging be accommodated in this service?

Answer

The service for the build of a central data base and the processing of data through the data base does not replicate or duplicate existing arrangements between managing agents and Xchanging. It is complementary to any service already provided by Xchanging.

3. Question

What are the implications for managing agents who do not wish to procure a mapping service?

Answer

 The service, ie the build of the central database, the processing of data received from leads in the standard format and the reporting, is mandatory.

4. Question

Will we need to build systems to process data received for conduct and Solvency II purposes or will there be some market-wide systems to help with this?

Answer

Managing agents need to develop the capability of holding, analysing and reporting on this data. A market-wide solution will be developed as part of the TOM programme in due course, but there will be no market wide system in place in time to comply with the Solvency II requirements for the 2017 reporting period (01/01/2016-31/12/2016).

5.2   Scope

5. Question

Is the data required for the ASR 249 for direct business only? The instructions that we have for this form dated September 2013 say that the data should cover proportional and non-proportional reinsurance business as well as direct.

Answer

The instructions have changed. The most recent EIOPA guidance has confirmed that only direct business needs to be reported on ASR249, ASR250 and ASR252.

6. Question

Will a syndicate be required to upload the granular data into the single market database if it is the only underwriter on the binding authority contract? Presumably not as there is no following market that needs to report that data.

Answer

Lloyd's will be submitting the data on behalf of the market. The managing agents should include the 100%/singleton data in their Step B files.

7. Question

Will the "Shared Service" only process data in relation to Solvency II Pillar 3?

Answer

Yes.

8. Question

Will any of the information provided by the proposal for claims captured individually be additional to the information already supplied by XIS and held within our systems?

Answer

No additional information will be included. The rationale behind including these claims in the market solution is to apply a single set of rules to the interpretation of this data to relieve managing agents of the task of analysing the data and to achieve consistency across the market.

5.3   Consistency and completeness of data

9. Question

Consistency in the format of the data will be key to the success of the solution. Will this be achieved?

Answer

Centralising the analysis of the data within Xchanging's systems should help achieve consistency of reporting. The task of creating the Solvency II reports would be easier if all coverholders and brokers provided the data to the market in a standard format. Achieving this is not within the scope of the central solution and therefore managing agents are required to map the data they receive to the standard format which must be submitted to central database.

10. Question

Will there be consistency in terms of the timescales for capturing the data from coverholders and uploading it to the central database? What if the data required cannot be captured in the required timeframe?

Answer

We have created the following rules to be applied by managing agents to define the reporting period.

With regard to the risks and premium to be reported, the requirement is that all premium **due in the reporting period** and associated risk information should be reported. If the date that premium is due is not available to managing agents, risk and premium data should be advised for underlying policies with inception date from 1/1/2017 and processed during 2017.This is regardless of the date of the binding authority or slip under which the policy was written.

With regard to claims data, for the 2017 reporting year, the following claims data is required for every claim open in 2017, for all years of account:

- open/closed status and outstanding position advised as at 31 December 2016

- open/closed status, outstanding value and amount paid in year, as advised and processed by 31 December 2017.

The status and value of claims at the beginning of the next reporting period (2018) will be the same as the reported position for those claims at the end of the prior reporting period.

11. Question

Should the status and value of my lead open claims, to be provided on a look-through basis, be as reflected in the applicable Xchanging via syndicate claims message as at 31/12/16, or as per my end of 2016 claims bordereaux?

Answer

The status to be provided for each claim as at 31 December 2016 should be as per the position advised to you as at 31 December 2016; ie this will be as per your December or Q4 2016 claims bordereaux.

12. Question

Would bordereaux be able to support the data requirements?

Answer

Managing agents will need to analyse their bordereaux to check that the data required for Solvency II reporting is included. Where there are gaps these should be addressed by managing agents contacting brokers, coverholders and TPAs as appropriate.

13. Question

Will managing agents be able to match and reconcile the granular data in the single market database with the block entries processed through XIS into their system?

Answer

The granular backing data will be made available to managing agents. The ability of managing agents to reconcile this backing data with USM/SCM data will be limited due to the different processing dates, and the differences between written and signed premium.

14. Question

The proposal for claims captured in CLASS individually mentions the need to determine the treatment of fees, loss funds and precautionary notifications. Will similar guidance be provided for similar transactions included in block settlements?

Answer

Yes, guidance will be provided. Note that fees and expenses allocated to a claim should be included in the value amounts in the claims template; loss funds should not be included at all, and precautionary notifications should be included.

15. Question

Will the "Shared Service" standardise the reporting type of the data: PTT & PTD (paid this time and paid to date)?

Answer

Yes.

16. Question

The third party Premiums and Claims files provided by Xchanging at Step A have a different field order from the Step B data, is there a reason for this?

Answer

It is not difficult to rearrange the column order when combining this data with the Step B files for submission and this data needs to be checked anyway.

5.4   Technical issues - General

17. Question

Will Lloyd's be providing us with a copy of the current suggested standardised Bordereaux template? We are keen to see what information is held there and whether there is additional information we would expect to also be included?

Answer

The templates that leads will be expected to complete have been provided in readable format to managing agents. Data from claims and risk bordereaux will need to be mapped to this format. We will not be suggesting standardised bordereaux templates as such, as Lloyd's requirements around bordereaux reporting from coverholders, which are much broader than just for Solvency II purposes, were included in the Lloyd's Coverholder Reporting Standards Version 5.

18. Question

It is proposed that lead underwriters obtain bordereaux in a readable format. By what method will information be shared with the follow market? How will updates or changes be notified and what about any errors? What if the follow market has different requirements to the leader, ie from an alternative regulator?

Answer

The record held by Xchanging as to the carriers on each risk will be used to create the reports for followers. The proposal will be designed to meet the PRA requirements, not the requirements of any other regulator.

19. Question

Carriers must obtain reportable bordereaux in a readable format. Is there a preferred format – i.e. accord or XML or XL etc?

Answer

Managing agents should request coverholders and TPAs to submit bordereaux in a format which they can most easily analyse and report from.

20. Question

Will the name of the insured or the carriers' reference be required for the standard format to be reported to the central market data base?

Answer

A distinct claim reference should be included for each claim. A unique risk or certificate reference will be required for each underlying risk.

21. Question

What currency should my data be submitted to Xchanging?

Answer

All amounts should be submitted in the original currency of the policy or claim.

22. Question

Why are we receiving LDR data in the Step A files?

Answer

The Hong Kong data is sourced from the HK regulatory return systems that includes both singleton and Xchanging data since both are required for reporting to HK. Lloyd's extracts the data without filtering and does not validate if the data is LDR or not. MAs need to be prepared for possible duplication of data coming from Lloyd's where collected from Lloyd's internal systems and in your own systems. Xchanging does perform a duplication check – see 4.3.1.1 of the user manual so the data could be identified this way.

5.5   Technical issues – Risk/Premium reports

23. Question

For the purposes of risks and premium, what should leads be reporting through the central service on a look through basis?

Answer

Leads should submit to the central service on a look through basis risks and declarations reported to them on bordereaux or otherwise which are processed by Xchanging as a block entry, for example under binding authorities and line slips.

24. Question

Should premium amounts be reported on a written or signed basis?

Answer

Premium should be reported on a written basis.

---

25. Question

Should premium amounts be reported gross or net of commissions?

Answer

Gross of commissions.

---

26. Question

How should I report on Premium for policies that last more than a year?

Answer

You should include the premium amount due within the reporting period. You should not 'annualise' amounts due across more than one year.

---

27. Question

Please could you clarify how the market is intending to approach binding authorities in terms of "risks incepting in 2017"? Does this relate to risks where the master agreement incepts in 2017 **or** will it include those master agreements incepting in 2016 which have declarations incepting in 2017 attaching?

Answer

Information is required to be prepared on a look through basis, therefore this will include risks incepting in 2017 for master agreements that have a 2016 or earlier year of account. All direct risks that are live as at 31 December 2017 are in scope for inclusion in ASR 252.

5.6   Technical issues – Claim reports

---

28. Question

The template for risks requires one row per underlying risk, including the applicable risk code. How should I report single risks that cover multiple risk codes?

Answer

Where all the risk codes that apply to the risk fall within the same Solvency II line of business, complete just one row and select one of the risk codes for entry into this field.

Where the risk codes fall within more than one Solvency II lines of business, a separate row should be created for each Solvency II line of business, again just selecting one risk code for each line of business. The Annual Premium and Sum Insured amounts should be apportioned appropriately.

29. Question

How will correct allocation of the claim to a section of the slip be achieved?

Answer

Risk information processed by Xchanging (UMR, Risk Code, and Lead Syndicate) , which should be provided by the lead with each claim record, will be used to allocate claims to the correct section of the slip.

30. Question

Should claims be reported on a look-through basis for line slips and main business?

Answer

Claims should be reported on a 'look through' basis, regardless of the method of placement.

31. Question

The information in the central database will show movements between December 2016 and December 2017 (ie start and end of reporting period). Can this be drilled down to show monthly movements, when losses have closed on a bdx, details of individual claims, etc. as opposed to one value for each claim's movement in that year?

Answer

Backing data will only be available to show the status and value of each claim (open/closed; outstanding value) at the end of the reporting period, and paid throughout the period. It will not show monthly movements.

32. Question

How would the market identify a claim within a specified bordereaux (will there be search capability via UCR, or based on fees, loss funds, etc?)

Answer

The backing data from the central data base will be in a searchable format. For claims contained within a bordereaux the only references for each claim will be the UMR and the claim reference number allocated by the coverholder or TPA.

33. Question

Should the 'Year of Account' that I provide for each claim, reflect its parent binders' year of account, or the year that the policy it has been notified to incepted?

Answer

You should use the underwriting year of account of the parent binder.

---

34. Question

Should precautionary claims and notification of circumstances be included?

Answer

Yes.

---

35. Question

Should Loss Funds be reported?

Answer

No. Xchanging will identify Loss Funds in your non look-through data using the first two characters of policies' FIL code ("LF"), or whether the "Loss Fund Indicator" is selected.

---

36. Question

Should claim values (outstanding, paid and incurred) include expenses and fees?

Answer

Yes, all indemnity, fees and expense payments allocated to a claim should be included. Provided that indemnity amounts, fees and expenses for a single claim all have the same currency, they should be added together and included in the outstanding, and paid fields for the relevant claim.

---

37. Question

Should look through claims be reported on more than one line for each settlement currency?

Answer

Yes. A single claim with outstanding values and/or payments in different currencies should be reported on multiple rows, each row showing the relevant currency, each with the same Claim Reference.

---

38. Question

One field that leads need to complete for each underlying claim is status as at 31/12/16. What do we enter in this field for a claim that was notified during 2017 (ie had no status as at 31/12/16 because it had not been notified yet)?

Answer

For the purpose of submitting claims to the central service, Managing Agents should assign the status "Reported in period" to any claims first advised within the reporting period.

39. Question

If we are monitoring an aggregate deductible or a self-insured retention via claims bordereaux presentation (which is yet to be breached) on an open market risk, are we expected to capture these claims also at a granular level?

Answer

No. Information that has been submitted to enable managing agents to monitor the erosion of an aggregate deductible self-insured retention, as opposed to notification of claims against the policy, do not need to be reported. If a contract / policy that falls in to this category (ie the CLASS data indicates a blocked claim, but this entry is in fact an entry that has been created to monitor the aggregate deductible, and there are no other block claim entries against the contract / policy) is included in the Report A from Xchanging, leads should omit this from Step B and Xchanging will therefore exclude it at Step C.

40. Question

What is the definition of a re-opened claim?

Answer

Reopened claims are those that were closed at the end of the prior reporting period that were opened during the reporting period, or had a payment made during the reporting period.

41. Question

Which claims should be reported on a look through basis?

Answer

Leads should endeavour to submit to the central service data on all claims on any policy that has any claims that have been allocated a block indicator. A list of these policies will be provided to leads at the end of Step A.

42. Question

If I am the lead managing agent with respect to some – but not all – claims on policy, what should I report?

Answer

If you are lead on any claims within a policy (defined at UMR – Risk Code level), you will be initially sent the policy – by Xchanging – to report on. You should report information, only for claims where you are the lead.

43. Question

What do we do if our Step B information is different from that reported by Xchanging in Step A?

Answer

The Step A data is there to flag the UMR block data you need to identify. The Step A backing data provides more granularity that might help with your analysis / preparation of Step B. it is reasonable for you to have different check totals if your cutoff dates are different from that processed by Xchanging.

Where you have singleton data that is not recorded by Xchanging via Step A, then you can report this data in the Non Xchanging files.

44. Question

Where the UMR data sent in Step A matches exactly to what we have recorded in our systems, do we include them in our Step B return or leave them out?

Answer

You need to include all the data for UMR combinations that include block and non block type transactions. The approach to adopt is summarised below:

• Non block UMR – will be added by Xchanging, unless you wanted to change the open market data e.g. for Aviation where the open market analysis could be wrong – too much detail and effort required in most cases to amend at Step B - so normally exclude these records at Step B;

• Block UMR – all data to be added at Step B;

• Mixed UMR – please include all block analysis (look through policy transactions) and non block transactions in the Step B files.

45. Question

What do we do if we have no record of the UMR sent in Step A?

Answer

The UMR is a free text field, so zeros or O's etc can causes mismatches. One solution might be to use the OSND provided by Xchanging and see if this matches any LPSO transactions in your underwriting systems. Xchanging uses the UMR reference to generate follow data.

46. Question

What do we do if we have no record of the UMR sent in Step A?

Answer

The UMR is a free text field, so zeros or O's etc can causes mismatches. One solution might be to use the OSND provided by Xchanging and see if this matches any LPSO transactions in your underwriting systems. Xchanging uses the UMR reference to generate follow data.

5.7 Security

47. Question

Lloyd's require a Risk bordereaux to be provided showing premium values for that year. Could you clarify the security provided by the centralised database when submitting confidential financial information (i.e. Earned Premium) which can be passed to follow markets, and additionally what is the security in place to prevent any data leaks within the general database?

Answer

Only record counts / aggregated totals will be provided instead of granular risk reference data in the Step C Backing Data files. However it will be necessary to show totals for each banding group.