

LLOYD'S

AGENT RESERVE BENCHMARKING PACK

DUMMY AGENT

33RD ANNUAL GIRO CONVENTION

CONFIDENTIAL

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1 EXECUTIVE SUMMARY

1.1 Purpose

The Agent Benchmarking Pack has been constructed for the Agent's internal reserving experts, but may be useful to other functions. The pack's main purpose is to help gain further understanding of the Agent's reserve levels relative to the market average.

The pack is produced at a relatively high level of detail but still contains a large number of results. The report does, however, identify some reserves at a lower level of granularity to show where apparent anomalies have occurred. These are shown in Section 5.

1.2 Statistics for Dummy Agent

The table contains potential reasons for deviations from the benchmark by individual KPI. These comments are based on absolute results, are general in nature and should not be taken as representing Lloyd's view of the Agent's results. Reserve benchmarking is a combination of many factors and drawing conclusions from the results of any one KPI in isolation can be misleading. This is one reason the pack contains numerous statistics and should be considered in its entirety.

Prior to finalising any conclusions, Lloyd's would like to discuss the results of the benchmarking with Agents to ensure the correct interpretation is reached.

Reasons for differences have only been highlighted where an Agent's figures deviates by more than 5% from the benchmark value.

Key Performance Indicators (YOA 2004 & prior)	Agent	Benchmark	Potential Reason for Difference
Quality of business			
Gross Paid Loss Ratio	53%	69%	Better Quality Business
Gross ULR*	89%	97%	Better Quality Business/Lower Reserves
Reserve Strength			
Net Paid to Ultimate	57%	71%	Higher Reserves
Net Incurred to Ultimate	74%	86%	Higher IBNR
Net Survival Ratio (Years)	4.8	3.7	Stronger Reserves
Reinsurance			
Net to Gross Premium	75%	72%	
Net to Gross Reserves	74%	67%	Lower Expected Recoveries
Ultimate RI to Ultimate Loss	30%	33%	Lower Ultimate Reinsurance Dependence
Reinsurance ULR	108%	114%	Less Effective Reinsurance
Net IBNR Burn (1 year)			
During 2005	25%	35%	Stronger Reserves
During 2004	22%	34%	Stronger Reserves
During 2003	39%	41%	Stronger Reserves

* *ULRs depend on both quality of business and reserve strengths, so care is needed when comparing them.*

The results are shown in more detail in Sections 2 - 4.

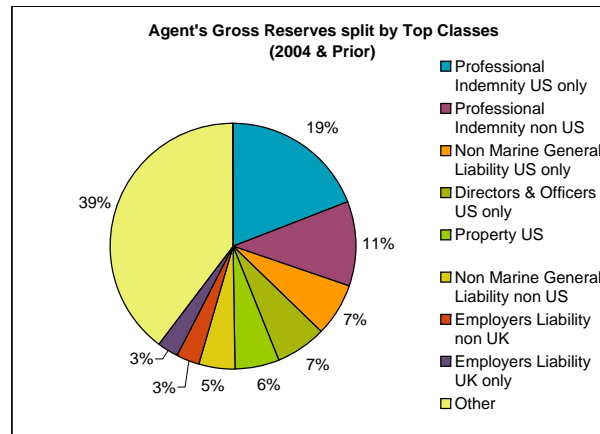
Section 6 outlines the construction of the benchmarks and data sources.



2 AGENT RESERVE BENCHMARKING SUMMARY STATISTICS (YEAR-END 2005)

Agent Managing agent: Dummy Agent	Syndicate	Syndicates for analysis: All Syndicates
	Market	Choice of exclusions in market data: All this Agent's syndicates

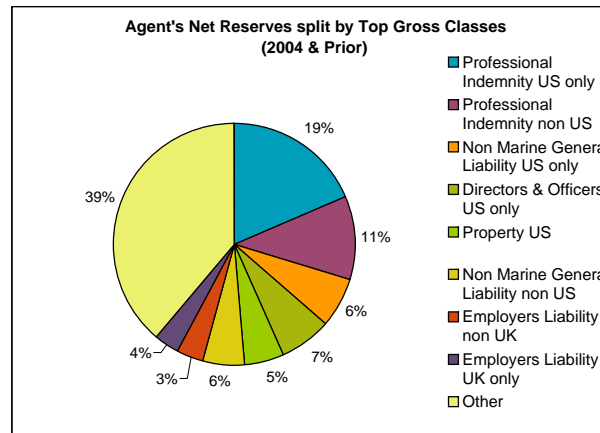
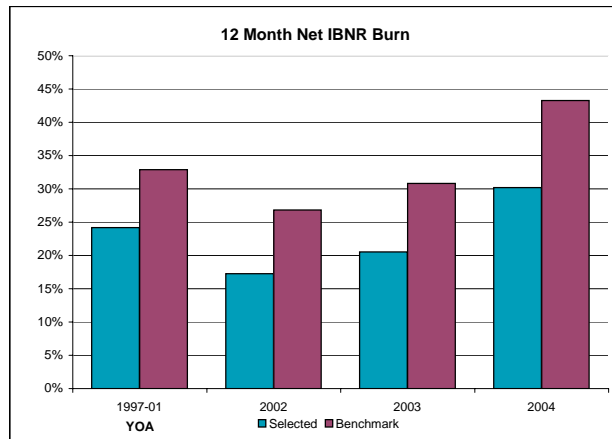
Key Performance Indicators (2004 & prior)	Selected Syndicates	Benchmark
Quality of business		
Gross Paid Loss Ratio	53%	69%
Gross ULR	89%	97%
Reserve Strength		
Net Paid to Ultimate	57%	71%
Net Incurred to Ultimate	74%	86%
Net Survival Ratio (Years)	4.8	3.7
Reinsurance		
Net to Gross Premium	75%	72%
Net to Gross Reserves	74%	67%
Ultimate RI to Ultimate Loss	30%	33%
Reinsurance ULR	108%	114%
Net IBNR Burn (1 year)***		
During 2005	25%	35%
During 2004	22%	34%
During 2003	39%	41%



Components of Agent's Net Ultimate Claims allowing for data adjustments (£m)

YOA	Paid	Outstanding	IBNR*	Ultimate
1993-96	561	20	22	603
1997	178	20	9	207
1998	223	27	17	268
1999	260	56	36	352
2000	281	102	62	446
2001	412	179	154	745
2002	256	100	112	469
2003	226	126	286	638
2004	252	173	486	910
Total	2,650	803	1,184	4,637

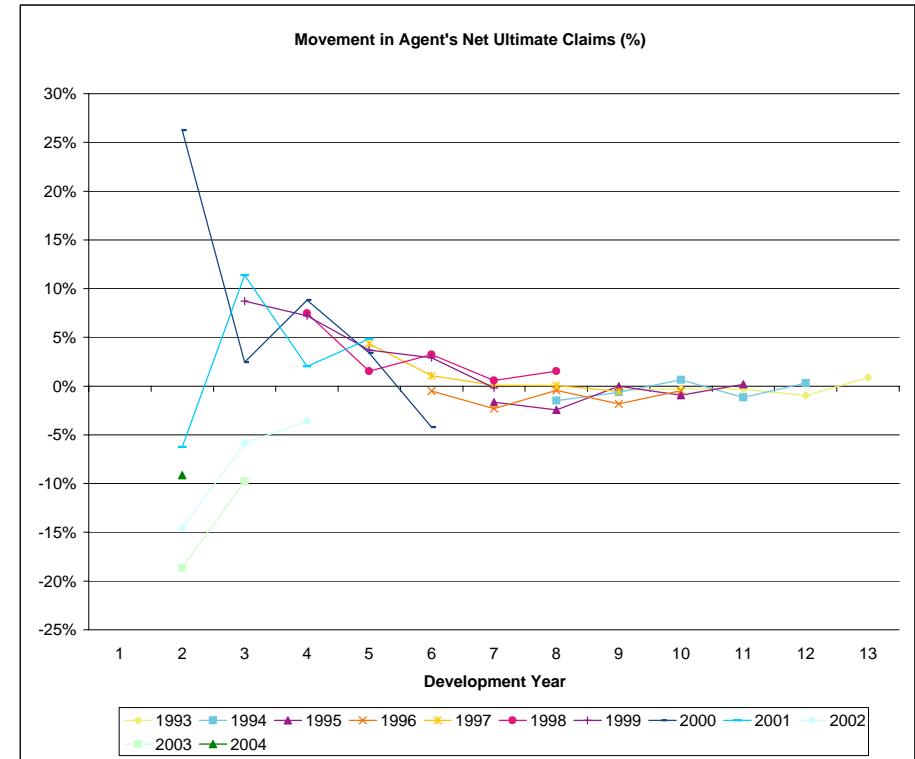
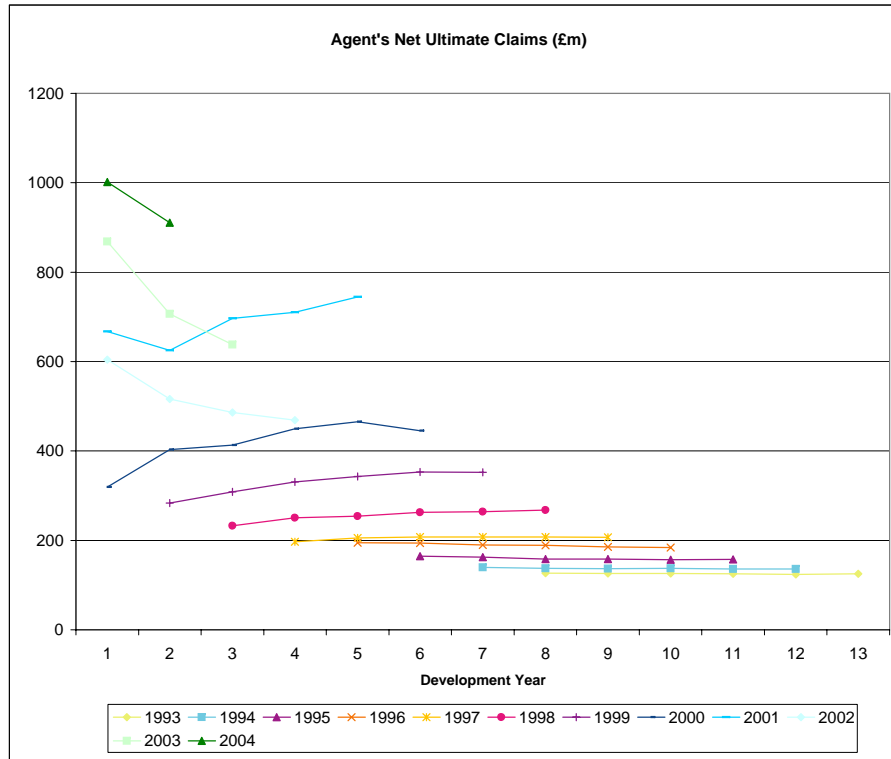
Note: IBNR* = IBNR + Unearned Premium Reserve (UPR) + Unexpired Risk Provision (URP) - Deferred Acquisition Costs (DAC)



Agent's Top Ten Classes

Class	Net Reserves (£m)	Class %
1 Professional Indemnity US only	369.19	18.6%
2 Professional Indemnity non US	223.38	11.2%
3 Directors & Officers US only	141.22	7.1%
4 Non Marine General Liability US only	128.17	6.5%
5 Non Marine General Liability non US	112.35	5.7%
6 Property US	103.60	5.2%
7 Employers Liability UK only	70.15	3.5%
8 Employers Liability non UK	67.86	3.4%
9 Medical Malpractice US only	62.72	3.2%
10 Political Risk/ Contract Frustration	50.18	2.5%
Other	658.06	33.1%
Total	1,986.89	100.0%

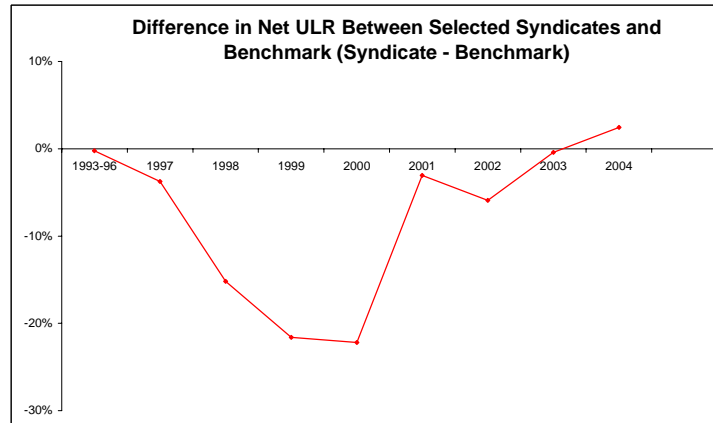
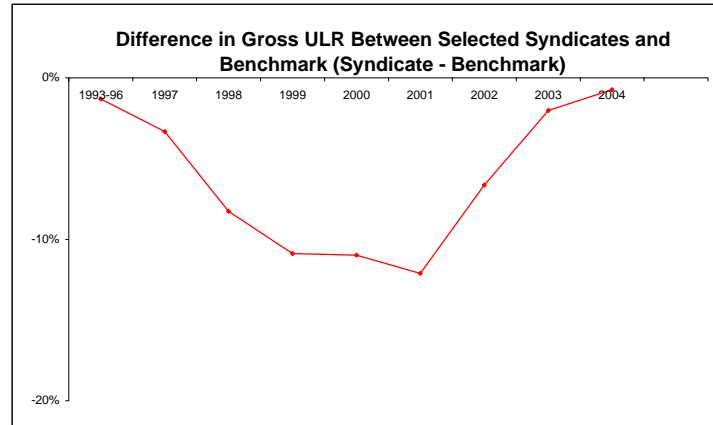
LOSS DEVELOPMENT TABLES



YOA	Agent's Net Ultimate Claims (£m)					
	'As at' Year					
	2000	2001	2002	2003	2004	2005
1993	127	126	126	125	124	125
1994	140	137	137	137	136	136
1995	165	162	158	158	157	157
1996	195	194	190	189	185	184
1997	197	205	208	208	208	207
1998	233	250	254	262	264	268
1999	284	308	331	343	353	352
2000	320	403	413	450	465	446
2001		667	625	696	710	745
2002			604	516	486	469
2003				869	707	638
2004					1,002	910

YOA	Movement in Agent's Net Ultimate Claims (%)					
	'As at' Year					
	2000	2001	2002	2003	2004	2005
1993	0%	0%	0%	0%	-1%	1%
1994	-1%	-1%	-1%	1%	-1%	0%
1995	-2%	2%	-2%	0%	-1%	0%
1996	-1%	-2%	-2%	0%	-2%	0%
1997	4%	1%	1%	0%	0%	-1%
1998	7%	2%	2%	3%	1%	2%
1999	9%	7%	7%	4%	3%	0%
2000	26%	2%	2%	9%	3%	-4%
2001		-6%	-6%	11%	2%	5%
2002			-15%	-15%	-6%	-4%
2003					-19%	-10%
2004						-9%

ULR COMPARISONS



YOA	Gross Cumulative Written Premiums** (£m)	Gross ULR		Net ULR	
		Selected Syndicates	Benchmark	Selected Syndicates	Benchmark
1993-96	1,159	63%	65%	67%	67%
1997-01	2,524	137%	146%	118%	130%
2002	1,039	56%	62%	61%	67%
2003	1,304	56%	59%	61%	62%
2004	1,460	78%	79%	77%	74%

Note: Gross Cumulative Written Premiums are shown after data adjustments outlined in Section 6.

PORTFOLIO SUMMARY

YOA	Market Share by GCWP	Agent Portfolio Mix by High-Level Class of Business (Gross Cumulative Written Premium)									
		Property (D&F)	Property Treaty	Casualty Casualty	Casualty Treaty	Aviation	Marine	Energy	UK Motor	Overseas Motor	Accident & Health
1993	3.1%	22.7%	23.2%	26.6%	1.4%	2.9%	9.5%	2.3%	1.6%	4.6%	5.1%
1994	3.7%	29.1%	19.0%	24.4%	1.1%	3.2%	11.3%	2.4%	1.0%	4.3%	4.1%
1995	4.1%	32.2%	14.3%	25.3%	1.3%	3.4%	12.3%	2.5%	0.9%	4.0%	3.8%
1996	4.6%	29.2%	13.1%	25.9%	7.3%	2.1%	10.4%	1.9%	0.9%	4.4%	4.7%
1997	4.6%	28.1%	12.3%	30.0%	5.2%	1.7%	8.7%	3.1%	0.6%	4.7%	5.7%
1998	4.9%	26.2%	12.8%	32.9%	4.7%	1.2%	7.9%	1.8%	0.6%	4.8%	7.0%
1999	5.3%	24.5%	12.4%	33.4%	3.5%	1.6%	9.5%	1.3%	0.5%	5.6%	7.7%
2000	5.9%	29.7%	11.8%	34.4%	2.9%	1.6%	8.9%	1.7%	0.5%	5.8%	2.7%
2001	7.5%	26.2%	13.0%	29.2%	2.3%	10.2%	10.0%	1.8%	1.1%	3.5%	2.6%
2002	8.6%	24.5%	13.1%	34.8%	0.4%	9.5%	9.0%	3.5%	0.5%	2.5%	2.3%
2003	10.2%	20.4%	12.3%	43.0%	0.7%	6.1%	9.2%	4.4%	0.3%	1.7%	1.9%
2004	10.8%	18.7%	12.2%	42.9%	0.7%	7.1%	10.4%	5.0%	0.0%	0.9%	2.0%

Agent in Top 20 writers Agent in Top 10 writers Agent in Top 3 writers

Notes

- The base data has been adjusted to remove certain negative data items. This is described in Section 6.
- All results are based on SRD Data as at year end 2005. Exchange Rates used are GBP 1 = USD 1.72 = CAD 2.01. Market information includes both run-off and trading syndicates.
- IBNR* = IBNR + Unearned Premium Reserve (UPR) + Unexpired Risk Provision (URP) - Deferred Acquisition Costs (DAC)
- ** 'Cumulative Written Premiums' are ultimate premiums as at year end 2004, with added increments of cumulative written premiums during 2005.
- *** These are historical 12-month IBNR burns, based on incurred movements during the year and IBNR reserves at the start of the year.

3 HIGH LEVEL SUMMARY (YEARS OF ACCOUNT GROUPED)

As at: 2005
 Managing agent: Dummy Agent

High level line of business: All
 Class of business: All

Syndicates: All Syndicates

Ultimate Loss Ratio

Ultimate Loss Ratio Gross

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	63.4%	137.2%	64.6%
Benchmark	64.7%	145.9%	66.8%
Deviation	-1.3%	-8.6%	-2.2%

Ultimate Loss Ratio Net

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	67.1%	117.6%	67.3%
Benchmark	67.3%	129.5%	67.8%
Deviation	-0.2%	-11.9%	-0.6%

Paid Loss Ratio

Paid Loss Ratio Gross

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	59.3%	96.7%	22.3%
Benchmark	61.3%	108.9%	27.0%
Deviation	-2.0%	-12.2%	-4.8%

Paid Loss Ratio Net

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	62.5%	79.0%	24.5%
Benchmark	63.8%	96.4%	28.1%
Deviation	-1.3%	-17.4%	-3.6%

Survival Ratio Net

Survival Ratio Net 1-yr

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	8.36	7.12	4.11
Benchmark	4.54	4.01	3.34
Deviation	3.81	3.11	0.77

Survival Ratio Net 3-yr

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	4.54	4.90	
Benchmark	3.87	3.23	
Deviation	0.67	1.67	

Paid as % of Ultimate

Paid as % of Ultimate Gross

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	93.6%	70.5%	34.5%
Benchmark	94.8%	74.7%	40.5%
Deviation	-1.2%	-4.2%	-6.0%

Paid as % of Ultimate Net

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	93.1%	67.1%	36.4%
Benchmark	94.7%	74.4%	41.4%
Deviation	-1.6%	-7.3%	-4.9%

IBNR Burn (1 year)

IBNR Burn (1 year) Gross

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	-11.5%	28.9%	29.3%
Benchmark	-5.9%	37.5%	42.1%
Deviation	-5.6%	-8.6%	-12.8%

IBNR Burn (1 year) Net

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	-10.9%	24.2%	25.7%
Benchmark	6.7%	32.9%	37.2%
Deviation	-17.6%	-8.7%	-11.4%

IBNR as % Total Reserve

IBNR as % Total Reserve Gross

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	47.5%	34.4%	66.2%
Benchmark	19.7%	29.3%	55.4%
Deviation	27.8%	5.2%	10.7%

IBNR as % Total Reserve Net

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	51.7%	42.1%	68.9%
Benchmark	21.9%	35.8%	57.6%
Deviation	29.8%	6.3%	11.3%

Ultimate RI Recoveries

Ultimate RI Recoveries to Gross Ultimate Claims

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	17.9%	41.8%	17.8%
Benchmark	21.2%	38.9%	26.3%
Deviation	-3.3%	2.8%	-8.5%

Ultimate RI Recoveries to Ultimate Premium Ceded

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	50.5%	178.8%	54.5%
Benchmark	56.4%	182.0%	64.0%
Deviation	-5.9%	-3.1%	-9.5%

Paid to Incurred claims

Paid to Incurred claims Gross

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	96.5%	78.4%	60.8%
Benchmark	95.8%	80.6%	60.4%
Deviation	0.8%	-2.2%	0.4%

Paid to Incurred claims Net

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	96.5%	77.9%	64.8%
Benchmark	95.8%	81.9%	62.5%
Deviation	0.7%	-4.0%	2.3%

Net to Gross (Ultimate Premiums)

YOA	1993 to 1996	1997 to 2001	2002 to 2004
Selected	77.5%	68.0%	78.9%
Benchmark	75.7%	68.8%	72.5%
Deviation	1.8%	-0.8%	6.3%

3 HIGH LEVEL SUMMARY (ALL YEARS OF ACCOUNT)

As at 2005 High level line of business All
 Managing agent: Dummy Agent Class of business: All
 Syndicates: All Syndicates

Ultimate Loss Ratio

Ultimate Loss Ratio Gross

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	61.5%	58.7%	61.2%	71.5%	103.1%	141.4%	148.1%	142.8%	138.5%	55.6%	56.5%	78.1%
Benchmark	58.6%	62.3%	66.8%	72.2%	106.5%	149.7%	159.0%	153.8%	150.6%	62.3%	58.5%	78.9%
Deviation	2.9%	-3.6%	-5.6%	-0.7%	-3.3%	-8.3%	-10.9%	-11.0%	-12.1%	-6.6%	-2.0%	-0.7%

Ultimate Loss Ratio Net

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	66.4%	60.7%	63.4%	77.6%	97.3%	115.7%	119.7%	122.7%	121.4%	60.9%	61.2%	76.7%
Benchmark	60.2%	65.1%	68.6%	77.1%	101.0%	130.9%	141.3%	144.9%	124.5%	66.8%	61.6%	74.3%
Deviation	6.2%	-4.4%	-5.2%	0.5%	-3.7%	-15.2%	-21.6%	-22.2%	-3.1%	-5.9%	-0.4%	2.5%

Paid Loss Ratio

Paid Loss Ratio Gross

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	58.8%	56.0%	57.3%	64.9%	90.6%	120.5%	114.3%	94.8%	81.5%	28.2%	19.4%	20.6%
Benchmark	56.1%	60.0%	63.9%	66.0%	93.4%	126.0%	130.6%	103.6%	95.6%	33.4%	23.1%	25.0%
Deviation	2.7%	-4.1%	-6.5%	-1.0%	-2.8%	-5.5%	-16.3%	-8.8%	-14.2%	-5.2%	-3.7%	-4.4%

Paid Loss Ratio Net

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	63.1%	57.6%	59.0%	70.2%	83.5%	96.4%	88.4%	77.5%	67.2%	33.3%	21.7%	21.2%
Benchmark	57.7%	62.7%	65.4%	70.3%	87.9%	107.5%	113.1%	99.5%	78.9%	38.7%	24.5%	22.9%
Deviation	5.4%	-5.1%	-6.5%	-0.2%	-4.4%	-11.1%	-24.7%	-22.0%	-11.7%	-5.4%	-2.8%	-1.7%

Survival Ratio Net

Survival Ratio Net 1-yr

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	28.13	8.00	8.00	6.98	13.01	5.56	10.05	11.57	5.59	4.69	4.81	3.64
Benchmark	9.57	4.40	4.00	3.96	3.61	4.16	3.45	5.44	3.51	3.55	3.68	3.08
Deviation	18.56	3.59	4.00	3.01	9.41	1.40	6.60	6.13	2.08	1.15	1.13	0.55

Survival Ratio Net 3-yr

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	7.38	5.71	5.43	3.45	5.41	5.18	6.70	5.83	4.19	2.76	5.45	
Benchmark	8.26	3.73	3.16	3.52	3.33	3.27	3.32	3.56	2.93	2.45	4.53	
Deviation	-0.89	1.97	2.27	-0.08	2.08	1.91	3.38	2.27	1.26	0.31	0.92	

Paid as % of Ultimate

Paid as % of Ultimate Gross

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	95.6%	95.4%	93.7%	90.8%	87.8%	85.2%	77.2%	66.4%	58.8%	50.6%	34.3%	26.4%
Benchmark	95.8%	96.3%	95.6%	91.4%	87.7%	84.2%	82.1%	67.4%	63.5%	53.6%	39.4%	31.7%
Deviation	-0.2%	-1.0%	-1.9%	-0.6%	0.1%	1.0%	-5.0%	-1.0%	-4.7%	-3.0%	-5.1%	-5.3%

Paid as % of Ultimate Net

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	95.1%	94.8%	93.0%	90.4%	85.8%	83.3%	73.8%	63.1%	55.4%	54.7%	35.5%	27.7%
Benchmark	95.8%	96.3%	95.4%	91.2%	87.0%	82.1%	80.0%	68.7%	63.4%	57.9%	39.8%	30.9%
Deviation	-0.7%	-1.4%	-2.4%	-0.8%	-1.2%	1.2%	-6.2%	-5.5%	-8.1%	-3.2%	-4.3%	-3.2%

IBNR Burn (1 year)

IBNR Burn (1 year) Gross

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	-4.3%	-12.2%	-2.3%	-19.7%	-4.6%	34.5%	27.5%	19.7%	35.4%	20.4%	20.3%	36.3%
Benchmark	-9.4%	-9.2%	-3.9%	-4.2%	49.2%	23.8%	28.8%	14.5%	59.5%	33.8%	31.2%	51.4%
Deviation	5.1%	-3.0%	1.6%	-15.4%	-53.8%	10.7%	-1.3%	5.2%	-24.1%	-13.4%	-10.8%	-15.1%

IBNR Burn (1 year) Net

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	-2.9%	-11.8%	-4.7%	-17.8%	-11.7%	19.2%	21.8%	20.0%	29.8%	17.3%	20.5%	30.2%
Benchmark	31.0%	8.0%	-4.9%	4.4%	54.5%	42.0%	32.4%	12.9%	63.7%	26.8%	30.8%	43.2%
Deviation	-33.8%	-19.8%	0.2%	-22.1%	-66.2%	-22.8%	-10.6%	7.1%	-13.9%	-9.6%	-10.3%	-13.1%

IBNR as % Total Reserve

IBNR as % Total Reserve Gross

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	58.0%	59.4%	44.7%	41.2%	31.4%	30.6%	28.4%	30.5%	39.2%	52.5%	70.8%	68.1%
Benchmark	14.2%	29.5%	17.8%	19.1%	16.5%	21.3%	27.8%	31.7%	32.0%	42.8%	56.7%	60.8%
Deviation	43.8%	29.9%	26.9%	22.1%	14.9%	9.3%	0.7%	-1.2%	7.2%	9.7%	14.1%	7.3%

IBNR as % Total Reserve Net

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	62.8%	61.9%	51.7%	43.7%	31.9%	38.8%	39.2%	38.1%	46.2%	52.7%	69.5%	73.8%
Benchmark	16.2%	34.3%	19.9%	20.1%	21.3%	26.5%	33.4%	38.2%	40.5%	45.0%	55.9%	64.2%
Deviation	46.6%	27.6%	31.8%	23.6%	10.6%	12.3%	5.8%	-0.2%	5.7%	7.8%	13.5%	9.6%

Net to Gross (Ultimate Premiums)

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	77.3%	78.3%	77.0%	77.3%	69.0%	66.9%	65.6%	64.9%	71.2%	74.1%	80.0%	81.3%
Benchmark	75.3%	76.7%	76.8%	73.7%	71.9%	67.9%	69.3%	69.1%	66.7%	66.2%	73.3%	77.6%
Deviation	2.0%	1.6%	0.3%	3.7%	-2.9%	-1.1%	-3.8%	-4.2%	4.5%	7.9%	6.7%	3.7%

Ultimate RI Recoveries

Ultimate RI Recoveries to Gross Ultimate Claims

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	16.5%	18.9%	20.2%	16.1%	34.9%	45.2%	47.0%	44.2%	37.6%	18.9%	13.4%	20.2%
Benchmark	22.5%	19.8%	21.1%	21.3%	31.7%	40.6%	38.4%	34.9%	44.9%	28.9%	22.9%	26.9%
Deviation	-6.0%	-0.9%	-0.9%	-5.2%	3.1%	4.7%	8.6%	9.4%	-7.3%	-10.0%	-9.5%	-6.7%

Ultimate RI Recoveries to Ultimate Premium Ceded

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	44.8%	51.2%	53.8%	50.8%	116.2%	193.2%	202.2%	180.0%	180.8%	40.4%	37.8%	84.3%
Benchmark	53.5%	53.0%	60.8%	58.4%	120.5%	189.3%	199.0%	173.7%	203.0%	53.3%	50.1%	94.8%
Deviation	-8.7%	-1.8%	-7.0%	-7.6%	-4.3%	3.8%	3.2%	6.2%	-22.2%	-12.8%	-12.3%	-10.5%

Paid to Incurred claims

Paid to Incurred claims Gross

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	98.1%	98.1%	96.4%	94.4%	91.3%	89.3%	82.5%	74.0%	70.2%	68.3%	64.2%	52.9%
Benchmark	96.3%	97.4%	96.4%	92.9%	89.5%	87.1%	86.4%	75.1%	71.9%	66.9%	60.1%	54.2%
Deviation	1.7%	0.7%	0.0%	1.5%	1.8%	2.1%	-3.9%	-1.2%	-1.7%	1.4%	4.1%	-1.3%

Paid to Incurred claims Net

YOA	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Selected	98.1%	98.0%	96.5%	94.4%	89.9%	89.1%	82.2%	73.4%	69.8%	71.9%	64.3%	59.3%
Benchmark	96.4%	97.5%	96.3%	92.9%	89.5%	86.2%	85.7%	78.0%	74.5%	71.4%	60.0%	55.5%
Deviation	1.7%	0.5%	0.2%	1.5%	0.4%	2.9%	-3.5%	-4.6%	-4.7%	0.5%	4.3%	3.8%

4 DETAILED SUMMARIES OVER TIME (YEARS OF ACCOUNT GROUPED)

As at 2005
 Managing agent: Dummy Agent
 Syndicates: All Syndicates

High level line of business
 Class of business:

All
 All

Ultimate Loss Ratio

Ultimate Loss Ratio Gross

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		67.2%	114.8%		91.1%
	2001		65.7%	130.1%		103.1%
	2002		65.1%	133.8%	66.7%	99.8%
	2003		64.8%	140.6%	62.7%	97.5%
	2004		64.9%	144.3%	67.2%	96.8%
	2005		64.7%	145.9%	66.8%	97.1%

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		66.6%	111.2%		92.6%
	2001		65.6%	122.0%		104.4%
	2002		64.5%	125.6%	67.5%	97.8%
	2003		64.3%	132.4%	68.7%	94.3%
	2004		63.7%	135.7%	70.5%	91.8%
	2005		63.4%	137.2%	64.6%	88.9%

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		-0.6%	-3.6%		1.6%
	2001		0.0%	-8.1%		1.3%
	2002		-0.6%	-8.2%	0.8%	-2.0%
	2003		-0.6%	-8.3%	6.0%	-3.2%
	2004		-1.3%	-8.6%	3.3%	-5.1%
	2005		-1.3%	-8.6%	-2.2%	-8.3%

Ultimate Loss Ratio Net

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		68.9%	103.8%		85.8%
	2001		67.9%	115.9%		94.7%
	2002		67.2%	120.3%	75.5%	94.0%
	2003		67.2%	124.8%	68.2%	91.6%
	2004		67.6%	128.1%	71.4%	91.6%
	2005		67.3%	129.5%	67.8%	90.8%

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		70.4%	97.4%		85.1%
	2001		69.6%	104.2%		92.5%
	2002		68.4%	105.6%	73.0%	88.2%
	2003		68.4%	113.8%	72.0%	87.1%
	2004		67.4%	116.9%	75.5%	87.1%
	2005		67.1%	117.6%	67.3%	82.6%

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		1.5%	-6.4%		-0.7%
	2001		1.6%	-11.7%		-2.2%
	2002		1.2%	-14.7%	-2.5%	-5.8%
	2003		1.2%	-11.0%	3.8%	-4.5%
	2004		-0.1%	-11.2%	4.1%	-4.6%
	2005		-0.2%	-11.9%	-0.6%	-8.1%

Paid Loss Ratio

Paid Loss Ratio Gross

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		55.3%	45.0%		50.1%
	2001		57.4%	52.3%		54.4%
	2002		58.8%	73.4%	3.0%	58.2%
	2003		59.9%	89.6%	8.4%	60.0%
	2004		60.6%	100.5%	14.8%	61.2%
	2005		61.3%	108.9%	27.0%	68.6%

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		52.7%	40.6%		45.6%
	2001		55.0%	42.3%		46.3%
	2002		56.5%	62.8%	2.6%	47.9%
	2003		57.9%	77.9%	7.3%	46.2%
	2004		59.0%	88.8%	12.7%	46.1%
	2005		59.3%	96.7%	22.3%	53.1%

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		-2.6%	-4.3%		-4.5%
	2001		-2.3%	-10.0%		-8.1%
	2002		-2.2%	-10.6%	-0.4%	-10.3%
	2003		-2.0%	-11.7%	-1.0%	-13.7%
	2004		-1.7%	-11.6%	-2.1%	-15.1%
	2005		-2.0%	-12.2%	-4.8%	-15.5%

Paid Loss Ratio Net

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		57.3%	40.3%		49.1%
	2001		59.5%	48.3%		53.2%
	2002		61.0%	66.0%	3.9%	55.5%
	2003		62.3%	79.1%	9.9%	56.2%
	2004		63.0%	88.1%	16.5%	57.1%
	2005		63.8%	96.4%	28.1%	64.0%

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		55.7%	39.2%		46.7%
	2001		58.3%	37.0%		44.1%
	2002		59.8%	54.7%	3.1%	43.7%
	2003		61.4%	65.5%	8.2%	40.4%
	2004		62.3%	73.7%	14.5%	40.7%
	2005		62.5%	79.0%	24.5%	47.2%

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		-1.7%	-1.2%		-2.4%
	2001		-1.2%	-11.4%		-9.1%
	2002		-1.2%	-11.2%	-0.8%	-11.8%
	2003		-0.8%	-13.6%	-1.7%	-15.8%
	2004		-0.7%	-14.4%	-1.9%	-16.4%
	2005		-1.3%	-17.4%	-3.6%	-16.8%

Survival Ratio Net

Survival Ratio Net 1-yr

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000					
	2001		3.9	3.7		3.7
	2002		3.8	3.0	18.4	3.9
	2003		4.0	3.5	7.3	4.5
	2004		6.3	4.1	5.6	4.9
	2005		4.5	4.0	3.3	3.7

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000					
	2001		4.1	5.0		4.9
	2002		5.3	3.0	22.4	4.6
	2003		4.5	4.6	9.3	6.5
	2004		5.2	5.5	6.7	6.3
	2005		8.4	7.1	4.1	4.8

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000					
	2001		0.2	1.3		1.2
	2002		1.5	0.0	4.0	0.7
	2003		0.5	1.1	2.0	2.0
	2004		-1.1	1.4	1.1	1.4
	2005		3.8	3.1	0.8	1.2

Survival Ratio Net 3-yr

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000					
	2001					
	2002					
	2003		3.0	2.8	17.7	4.3
	2004		3.8	3.0	10.0	4.8
	2005		3.9	3.2	4.4	3.8

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000					
	2001					
	2002					
	2003		3.57	3.50	23.26	6.88
	2004		3.72	3.63	12.58	7.17
	2005		4.54	4.90	5.43	5.22

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000					
	2001					
	2002					
	2003		0.6	0.7	5.6	2.6
	2004		-0.1	0.7	2.6	2.4
	2005		0.7	1.7	1.0	1.5

Paid as % of Ultimate

Paid as % of Ultimate Gross

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		82.3%	39.2%		55.1%
	2001		87.3%	40.2%		52.8%
	2002		90.3%	54.8%	4.5%	58.3%
	2003		92.3%	63.7%	13.3%	61.5%
	2004		93.4%	69.6%	22.0%	63.2%
	2005		94.8%	74.7%	40.5%	70.6%

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		79.1%	36.5%		49.3%
	2001		83.8%	34.7%		44.3%
	2002		87.6%	50.0%	3.9%	49.0%
	2003		90.1%	58.8%	10.7%	49.0%
	2004		92.6%	65.5%	18.1%	50.2%
	2005		93.6%	70.5%	34.5%	59.7%

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		-3.2%	-2.6%		-5.8%
	2001		-3.5%	-5.5%		-8.4%
	2002		-2.7%	-4.8%	-0.6%	-9.3%
	2003		-2.2%	-4.9%	-2.7%	-12.5%
	2004		-0.8%	-4.1%	-4.0%	-13.0%
	2005		-1.2%	-4.2%	-6.0%	-10.8%

Paid as % of Ultimate Net

Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		83.2%	38.9%		57.2%
	2001		87.6%	41.7%		56.2%
	2002		90.8%	54.8%	5.2%	59.0%
	2003		92.6%	63.4%	14.5%	61.4%
	2004		93.2%	68.8%	23.1%	62.3%
	2005		94.7%	74.4%	41.4%	70.5%

Selected		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		79.0%	40.2%		54.9%
	2001		83.8%	35.5%		47.7%
	2002		87.5%	51.8%	4.3%	49.5%
	2003		89.8%	57.6%	11.4%	46.4%
	2004		92.4%	63.1%	19.3%	46.7%
	2005		93.1%	67.1%	36.4%	57.2%

Deviation of Selected to Benchmark		YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
As At Year	2000		-4.2%	1.3%		-2.3%
	2001		-3.8%	-6.2%		-8.5%
	2002		-3.3%	-3.0%	-0.9%	-9.5%
	2003		-2.8%	-5.8%	-3.1%	-15.0%
	2004		-0.8%	-5.7%	-3.8%	-15.6%
	2005		-1.6%	-7.3%	-4.9%	-13.4%

IBNR Burn (1 year)

IBNR Burn (1 year) Gross

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		15.1%	113.1%		103.8%
2002		6.1%	51.5%		56.0%
2003		21.0%	57.1%	50.5%	53.7%
2004		29.6%	43.4%	55.6%	50.1%
2005		-5.9%	37.5%	42.1%	40.1%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		13.2%	115.1%		106.9%
2002		7.4%	49.0%		54.3%
2003		8.3%	51.3%	46.3%	47.9%
2004		-1.3%	29.3%	40.4%	36.7%
2005		-11.5%	28.9%	29.3%	28.9%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		-1.9%	2.1%		3.1%
2002		1.3%	-2.5%		-1.6%
2003		-12.7%	-5.9%	-4.2%	-5.8%
2004		-30.9%	-14.1%	-15.2%	-13.4%
2005		-5.6%	-8.6%	-12.8%	-11.2%

IBNR Burn (1 year) Net

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		12.3%	96.7%		88.6%
2002		11.0%	48.9%		55.6%
2003		46.6%	46.3%	50.3%	47.9%
2004		18.9%	37.2%	51.5%	45.5%
2005		6.7%	32.9%	37.2%	35.4%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		15.3%	97.9%		88.1%
2002		7.0%	44.5%		52.0%
2003		11.8%	49.5%	47.6%	47.4%
2004		-8.2%	13.9%	41.3%	33.7%
2005		-10.9%	24.2%	25.7%	25.1%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		3.0%	1.2%		-0.5%
2002		-4.1%	-4.4%		-3.6%
2003		-34.9%	3.2%	-2.7%	-0.5%
2004		-27.0%	-23.3%	-10.1%	-11.8%
2005		-17.6%	-8.7%	-11.4%	-10.4%

IBNR as % Total Reserve

IBNR as % Total Reserve Gross

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		38.0%	61.8%		58.3%
2002		28.0%	55.0%		53.1%
2003		25.7%	43.0%	89.6%	52.2%
2004		21.3%	35.7%	80.5%	51.4%
2005		20.0%	32.9%	72.1%	51.4%
2005		19.7%	29.3%	55.4%	41.0%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		42.0%	66.9%		63.8%
2002		38.6%	58.3%		57.2%
2003		34.2%	43.1%	91.5%	56.7%
2004		35.6%	36.7%	86.5%	61.8%
2005		37.1%	36.9%	80.3%	64.4%
2005		47.5%	34.4%	66.2%	53.7%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		4.0%	5.1%		5.5%
2002		10.6%	3.3%		4.1%
2003		8.5%	0.0%	1.9%	4.5%
2004		14.3%	1.0%	6.0%	10.4%
2005		17.1%	4.0%	8.2%	12.9%
2005		27.8%	5.2%	10.7%	12.7%

IBNR as % Total Reserve Net

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		34.8%	63.3%		58.7%
2002		30.1%	58.3%		55.8%
2003		26.7%	46.9%	88.5%	56.4%
2004		18.8%	39.0%	80.5%	55.2%
2005		23.6%	38.7%	74.3%	56.9%
2005		21.9%	35.8%	57.6%	46.1%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		42.2%	66.4%		62.1%
2002		40.3%	68.4%		66.2%
2003		36.6%	50.5%	90.9%	65.0%
2004		39.1%	42.5%	86.1%	67.6%
2005		40.6%	46.7%	80.7%	70.1%
2005		51.7%	42.1%	68.9%	59.8%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		7.4%	3.1%		3.4%
2002		10.2%	10.1%		10.4%
2003		9.9%	3.7%	2.4%	8.7%
2004		20.3%	3.6%	5.6%	12.5%
2005		17.1%	8.0%	6.3%	13.3%
2005		29.8%	6.3%	11.3%	13.5%

Net to Gross (Ultimate Premiums)

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		75.7%	71.3%		73.5%
2002		75.7%	69.2%		71.9%
2003		75.7%	68.9%	70.0%	71.5%
2004		75.7%	68.5%	71.5%	71.5%
2005		75.7%	68.9%	72.1%	71.9%
2005		75.7%	68.8%	72.5%	71.9%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		77.2%	65.6%		70.4%
2002		77.4%	69.6%		72.0%
2003		77.4%	68.7%	78.8%	73.1%
2004		77.3%	68.2%	80.3%	74.7%
2005		77.4%	67.9%	78.9%	74.9%
2005		77.5%	68.0%	78.9%	75.0%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		1.4%	-5.6%		-3.1%
2002		1.7%	0.4%		0.1%
2003		1.7%	-0.2%	8.9%	1.6%
2004		1.5%	-0.4%	8.8%	3.2%
2005		1.6%	-1.0%	6.8%	3.0%
2005		1.8%	-0.8%	6.3%	3.0%

Ultimate RI Recoveries

Ultimate RI Recoveries to Gross Ultimate Claims

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		22.7%	35.6%		30.8%
2002		21.5%	38.4%		33.9%
2003		21.8%	38.1%	20.9%	32.7%
2004		21.5%	39.2%	22.3%	32.8%
2005		21.2%	38.9%	23.4%	32.0%
2005		21.2%	38.9%	26.3%	32.8%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		18.8%	42.5%		35.4%
2002		17.7%	40.6%		36.1%
2003		18.0%	42.2%	14.8%	34.1%
2004		17.7%	41.4%	15.9%	31.0%
2005		18.1%	41.5%	15.5%	29.0%
2005		17.9%	41.8%	17.8%	30.3%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		-3.9%	6.9%		4.6%
2002		-3.8%	2.2%		2.2%
2003		-3.8%	4.2%	-6.1%	1.5%
2004		-3.7%	2.2%	-6.3%	-1.8%
2005		-3.1%	2.7%	-7.8%	-3.0%
2005		-3.3%	2.8%	-8.5%	-2.5%

Ultimate RI Recoveries to Ultimate Premium Ceded

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		62.9%	142.1%		105.9%
2002		58.0%	162.1%		124.3%
2003		58.5%	163.8%	46.4%	114.3%
2004		57.3%	175.2%	49.0%	112.3%
2005		56.8%	180.2%	56.4%	110.2%
2005		56.4%	182.0%	64.0%	113.5%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		54.8%	137.5%		110.9%
2002		51.2%	162.8%		134.6%
2003		51.3%	169.6%	47.2%	124.0%
2004		50.1%	172.0%	55.5%	115.5%
2005		50.9%	175.5%	51.9%	105.9%
2005		50.5%	178.8%	54.5%	107.6%

Deviation of Selected to Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		-8.2%	-4.6%		5.0%
2002		-6.7%	0.7%		10.3%
2003		-7.2%	5.8%	0.8%	9.7%
2004		-7.2%	-3.2%	6.5%	3.2%
2005		-5.9%	-4.7%	-4.4%	-4.3%
2005		-5.9%	-3.1%	-9.5%	-5.9%

Paid to Incurred claims

Paid to Incurred claims Gross

Benchmark

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		88.2%	62.7%		74.6%
2002		90.5%	59.9%		70.4%
2003		92.6%	68.1%	31.3%	74.5%
2004		93.9%	73.2%	44.1%	76.7%
2005		94.6%	77.3%	50.3%	77.9%
2005		95.8%	80.6%	60.4%	80.3%

Selected

As At Year	YOA:	1993 to 1996	1997 to 2001	2002 to 2004	1993 to 2004
2000					
2001		86.7%	63.5%		72.8%
2002		89.4%	56.0%		65.0%
2003		91.5%	63.7%	32.4%	68.9%
2004		93.4%	69.3%	46.9%	71.6%
2005		95.2%	75.0%	52.8%	73.9%
2005		96.5%	78.4%	60.8%	76.2%

4 DETAILED SUMMARIES OVER TIME (ALL YEARS OF ACCOUNT)

As at 2005
 Managing agent: Dummy Agent
 High level line of busin All
 Class of business: All
 Syndicates: All Syndicates

Ultimate Loss Ratio

Ultimate Loss Ratio Gross

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	73.9%	132.8%	127.1%	96.6%					
2001	73.2%	143.1%	145.4%	126.5%	126.8%				
2002	72.5%	146.9%	151.1%	137.8%	125.7%	66.7%			
2003	72.4%	150.3%	157.5%	149.3%	135.1%	61.1%	64.2%		
2004	72.4%	149.9%	159.0%	155.9%	142.9%	62.5%	62.2%	76.9%	
2005	72.3%	149.7%	159.0%	153.8%	150.6%	62.3%	58.5%	78.9%	

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	74.2%	128.6%	123.1%	94.4%					
2001	73.8%	139.5%	134.2%	118.7%	117.1%				
2002	73.0%	137.4%	141.1%	127.8%	118.9%	67.5%			
2003	72.7%	136.8%	145.2%	139.4%	128.5%	61.3%	74.5%		
2004	72.1%	139.6%	147.6%	145.1%	133.3%	57.1%	62.7%	88.7%	
2005	71.7%	141.4%	148.1%	142.8%	138.5%	55.6%	56.5%	78.1%	

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	0.3%	-4.3%	-4.0%	-2.2%					
2001	0.6%	-3.6%	-11.2%	-7.9%	-9.7%				
2002	0.5%	-9.5%	-10.0%	-10.0%	-6.9%	0.8%			
2003	0.3%	-11.5%	-12.4%	-9.9%	-6.6%	0.2%	10.3%		
2004	-0.3%	-10.3%	-11.4%	-10.8%	-9.6%	-5.3%	0.5%	11.8%	
2005	-0.5%	-8.3%	-10.9%	-11.0%	-12.1%	-6.6%	-2.0%	-0.7%	

Ultimate Loss Ratio Net

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	73.8%	112.3%	109.3%	97.5%					
2001	73.2%	127.3%	125.2%	115.8%	112.3%				
2002	72.8%	127.7%	134.3%	130.0%	109.3%	75.5%			
2003	72.7%	129.9%	137.3%	144.1%	111.7%	65.5%	70.6%		
2004	73.3%	129.7%	140.4%	146.6%	119.1%	68.0%	66.2%	79.2%	
2005	73.2%	130.9%	141.3%	144.9%	124.5%	66.8%	61.6%	74.3%	

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	74.7%	105.2%	100.1%	93.2%					
2001	74.7%	111.3%	109.0%	106.1%	101.1%				
2002	74.0%	109.8%	116.3%	114.6%	96.9%	73.0%			
2003	74.1%	113.6%	117.5%	123.1%	112.2%	63.2%	78.5%		
2004	73.3%	114.7%	120.0%	128.7%	115.9%	62.8%	67.4%	92.4%	
2005	72.9%	115.7%	119.7%	122.7%	121.4%	60.9%	61.2%	76.7%	

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	0.9%	-7.1%	-9.2%	-4.3%					
2001	1.5%	-16.0%	-16.2%	-9.7%	-11.3%				
2002	1.2%	-17.9%	-18.0%	-15.5%	-12.4%	-2.5%			
2003	1.4%	-16.3%	-19.8%	-21.1%	0.5%	-2.3%	7.9%		
2004	0.0%	-15.1%	-20.4%	-17.9%	-3.3%	-5.1%	1.2%	13.2%	
2005	-0.3%	-15.2%	-21.6%	-22.2%	-3.1%	-5.9%	-0.4%	2.5%	

Paid Loss Ratio

Paid Loss Ratio Gross

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	56.8%	69.0%	49.5%	6.4%					
2001	60.3%	87.7%	77.0%	35.5%	10.8%				
2002	62.8%	102.9%	95.8%	60.3%	43.6%	3.0%			
2003	63.7%	114.4%	112.2%	78.9%	67.7%	14.5%	2.6%		
2004	65.9%	121.2%	122.3%	94.1%	82.6%	25.1%	13.0%	6.8%	
2005	67.1%	126.0%	130.6%	103.6%	95.6%	33.4%	23.1%	25.0%	

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	54.7%	67.4%	45.8%	5.4%					
2001	58.6%	84.9%	69.8%	30.8%	8.4%				
2002	61.5%	98.4%	85.8%	53.2%	36.8%	2.6%			
2003	63.6%	108.9%	98.6%	73.0%	55.4%	13.8%	2.3%		
2004	65.2%	115.5%	106.9%	85.0%	71.3%	22.5%	11.6%	6.3%	
2005	65.9%	120.5%	114.3%	94.8%	81.5%	28.2%	19.4%	20.6%	

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	-2.1%	-1.6%	-3.6%	-1.0%					
2001	-1.7%	-2.8%	-7.2%	-4.7%	-2.4%				
2002	-1.4%	-4.4%	-10.0%	-7.1%	-6.8%	-0.4%			
2003	-1.1%	-5.5%	-13.7%	-5.9%	-12.3%	-0.8%	-0.3%		
2004	-0.7%	-5.7%	-15.4%	-9.1%	-11.3%	-2.6%	-1.4%	-0.5%	
2005	-1.3%	-5.5%	-16.3%	-8.8%	-14.2%	-5.2%	-3.7%	-4.4%	

Paid Loss Ratio Net

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	57.8%	59.5%	44.2%	7.3%					
2001	61.1%	75.5%	68.2%	38.1%	8.7%				
2002	63.7%	86.2%	87.0%	62.3%	32.5%	3.9%			
2003	65.6%	96.7%	97.9%	79.2%	51.2%	17.8%	2.9%		
2004	66.7%	101.9%	104.8%	91.4%	66.0%	30.6%	14.5%	6.6%	
2005	68.0%	107.5%	113.1%	99.5%	78.9%	38.7%	24.5%	22.9%	

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	56.7%	64.0%	42.3%	8.9%					
2001	60.6%	78.5%	59.6%	32.6%	4.8%				
2002	62.9%	85.3%	76.9%	54.6%	27.0%	3.1%			
2003	64.8%	92.6%	81.6%	67.4%	42.2%	16.1%	2.4%		
2004	66.2%	93.5%	85.3%	73.9%	57.6%	27.3%	13.4%	6.5%	
2005	66.5%	96.4%	88.4%	77.5%	67.2%	33.3%	21.7%	21.2%	

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	-1.1%	4.5%	-1.8%	-0.5%					
2001	-0.5%	3.0%	-6.8%	-5.5%	-3.9%				
2002	-0.8%	-1.0%	-10.1%	-7.7%	-5.5%	-0.8%			
2003	-0.8%	-4.2%	-16.3%	-11.8%	-9.0%	-1.7%	-0.5%		
2004	-0.5%	-8.4%	-19.5%	-17.5%	-8.4%	-3.3%	-1.1%	-0.1%	
2005	-1.5%	-11.1%	-24.7%	-22.0%	-11.7%	-5.4%	-2.8%	-1.7%	

Survival Ratio Net

Survival Ratio Net 1-yr

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001	3.7	3.2	2.3	2.5					
2002	3.5	3.8	2.5	2.9	3.2				
2003	3.7	3.2	3.9	7.8	3.3	3.5			
2004	5.9	5.1	4.9	4.2	3.4	3.2	4.5		
2005	4.1	4.2	3.5	5.4	3.5	3.5	3.7	3.1	

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001	3.5	2.1	2.9	2.8					
2002	4.8	2.7	2.2	3.0	3.2				
2003	5.0	3.0	5.4	4.1	5.0	3.6			
2004	4.9	35.0	8.1	9.5	3.9	3.5	4.9		
2005	9.8	5.6	10.0	11.6	5.6	4.7	4.8	3.6	

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001	-0.2	-1.1	0.6	0.3					
2002	1.3	-1.1	-0.2	0.1	0.0				
2003	1.4	-0.2	1.5	0.3	1.7	0.2			
2004	-1.1	29.9	3.1	5.3	0.5	0.3	0.4		
2005	5.7	1.4	6.6	6.1	2.1	1.1	1.1	0.6	

Survival Ratio Net 3-yr

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001									
2002									
2003	2.7	2.7	2.2	2.7	3.5	8.0			
2004	3.5	3.1	2.9	3.1	2.8	3.7	10.7		
2005	3.6	3.3	3.3	3.6	2.9	2.5	4.5	6.7	

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001									
2002									
2003	3.4	2.0	2.7	2.7	5.0	8.7			
2004	3.8	3.8	3.7	4.1	3.3	3.9	12.0		
2005	4.9	5.2	6.7	5.8	4.2	2.8	5.4	7.8	

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001									
2002									
2003	0.7	-0.6	0.5	0.0	1.4	0.7			
2004	0.3	0.6	0.8	1.0	0.6	0.2	1.4		
2005	1.2	1.9	3.4	2.3	1.3	0.3	0.9	1.1	

Paid as % of Ultimate

Paid as % of Ultimate Gross

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000	76.9%	52.0%	38.9%	6.6%			</		

IBNR Burn (1 year)

IBNR Burn (1 year) Gross Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		28.9%	79.5%	76.5%	81.0%				
2002		21.9%	47.5%	58.8%	56.5%	48.4%			
2003		31.9%	57.7%	58.6%	66.4%	51.6%	35.2%		
2004		16.2%	19.6%	35.3%	43.2%	53.9%	40.2%	32.4%	
2005		19.7%	23.8%	28.8%	14.5%	59.9%	33.8%	31.2%	51.4%

Selected

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		22.5%	68.8%	58.3%	79.0%				
2002		24.1%	27.2%	57.7%	58.8%	45.4%			
2003		11.9%	48.0%	51.9%	76.2%	42.4%	31.5%		
2004		-3.9%	16.7%	32.3%	16.0%	36.1%	28.5%	21.2%	
2005		-8.8%	34.5%	27.5%	19.7%	35.4%	20.4%	20.3%	36.3%

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		-6.3%	-10.8%	-18.2%	-2.0%				
2002		2.2%	-20.2%	-1.1%	2.3%	-3.0%			
2003		-20.0%	-9.7%	-6.7%	9.9%	-9.1%	-3.7%		
2004		-20.1%	-2.9%	-3.0%	-27.2%	-17.8%	-11.7%	-11.3%	
2005		-28.5%	10.7%	-1.3%	5.2%	-24.1%	-13.4%	-10.8%	-15.1%

IBNR Burn (1 year) Net Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		21.0%	92.5%	77.1%	69.3%				
2002		23.2%	12.7%	61.1%	57.3%	46.2%			
2003		42.8%	46.7%	42.0%	63.3%	38.2%	34.2%		
2004		9.7%	16.1%	31.1%	32.4%	50.8%	36.8%	31.4%	
2005		30.7%	42.0%	32.4%	12.9%	43.7%	26.8%	30.8%	43.2%

Selected

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		23.8%	71.2%	56.6%	65.2%				
2002		21.7%	50.5%	73.2%	48.3%	38.5%			
2003		14.6%	104.9%	60.8%	52.9%	45.0%	31.9%		
2004		0.4%	-100.5%	-39.1%	-4.1%	30.5%	30.9%	22.6%	
2005		-11.2%	19.2%	21.8%	20.0%	29.8%	17.3%	20.5%	30.2%

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		2.8%	-21.3%	-20.6%	-4.1%				
2002		-7.5%	37.8%	17.1%	-9.0%	-7.7%			
2003		-28.2%	58.2%	18.7%	-10.4%	6.8%	-2.3%		
2004		-9.3%	-116.6%	-70.2%	-36.6%	-20.3%	-5.9%	-8.8%	
2005		-41.9%	-22.8%	-10.6%	7.1%	-13.9%	-9.6%	-10.3%	-13.1%

IBNR as % Total Reserve

IBNR as % Total Reserve Gross Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		37.2%	38.9%	57.3%	87.7%				
2002		30.2%	29.0%	45.4%	56.1%	71.1%			
2003		24.3%	28.2%	37.2%	43.3%	54.6%	89.6%		
2004		19.9%	24.4%	31.6%	34.3%	46.1%	65.9%	90.8%	
2005		20.3%	23.6%	30.0%	33.6%	38.3%	51.4%	70.8%	83.7%

Selected

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		39.1%	39.8%	63.8%	90.1%				
2002		36.2%	34.2%	48.8%	53.9%	71.0%			
2003		29.4%	29.4%	37.4%	38.0%	52.7%	91.5%		
2004		30.0%	23.7%	31.0%	28.0%	47.2%	72.5%	93.7%	
2005		33.0%	28.0%	31.0%	34.8%	42.4%	58.3%	80.0%	87.7%

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		2.0%	0.8%	6.5%	2.4%				
2002		6.0%	5.2%	3.4%	-2.2%	-0.2%			
2003		5.0%	1.2%	0.2%	-5.3%	-1.8%	1.9%		
2004		10.1%	-0.7%	-0.6%	-6.2%	1.0%	6.5%	3.0%	
2005		12.6%	4.4%	1.0%	1.2%	4.1%	6.9%	9.2%	4.0%

IBNR as % Total Reserve Net Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		34.7%	39.3%	56.6%	87.1%				
2002		31.2%	32.6%	47.0%	57.0%	78.2%			
2003		26.3%	36.5%	42.0%	46.7%	57.8%	88.5%		
2004		18.9%	30.4%	34.1%	39.7%	47.8%	64.4%	90.6%	
2005		27.2%	31.4%	36.0%	39.0%	43.7%	51.3%	70.2%	86.9%

Selected

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		40.4%	28.2%	59.1%	88.7%				
2002		40.6%	33.6%	47.8%	62.7%	82.0%			
2003		34.3%	28.4%	32.8%	46.4%	61.7%	90.9%		
2004		35.0%	15.3%	25.4%	41.2%	51.6%	70.3%	93.3%	
2005		35.7%	33.8%	46.1%	51.8%	47.5%	56.9%	78.9%	88.8%

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		5.7%	-11.1%	2.6%	1.6%				
2002		9.4%	1.0%	0.8%	5.7%	3.7%			
2003		8.7%	-8.1%	-9.2%	0.4%	4.1%	2.4%		
2004		16.6%	-15.1%	-8.6%	1.5%	3.8%	5.9%	2.8%	
2005		8.5%	2.4%	10.1%	12.9%	3.8%	5.5%	8.7%	1.9%

Net to Gross (Ultimate Premiums)

Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		75.0%	68.3%	70.2%	74.3%				
2002		75.0%	68.1%	70.5%	70.5%	66.1%			
2003		75.0%	68.0%	69.6%	69.0%	67.1%	70.0%		
2004		75.0%	67.9%	69.3%	68.4%	66.4%	69.4%	73.4%	
2005		75.0%	68.0%	69.4%	69.1%	66.9%	66.3%	72.4%	77.5%

Selected

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		75.4%	64.0%	63.7%	66.5%				
2002		75.7%	64.9%	63.7%	67.7%	75.7%			
2003		75.7%	66.8%	63.7%	64.5%	74.6%	78.8%		
2004		75.5%	66.8%	65.2%	65.2%	71.8%	77.9%	82.2%	
2005		75.6%	66.6%	65.5%	64.7%	71.3%	74.3%	80.2%	81.2%

Deviation of Selected to Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		0.4%	-4.3%	-6.5%	-7.8%				
2002		0.7%	-3.2%	-6.8%	-2.8%	9.6%			
2003		0.6%	-1.1%	-5.9%	-4.5%	7.5%	8.9%		
2004		0.5%	-1.0%	-4.1%	-3.3%	5.4%	8.5%	8.7%	
2005		0.6%	-1.4%	-3.9%	-4.4%	4.4%	8.0%	7.8%	3.8%

Ultimate RI Recoveries

Ultimate RI Recoveries to Gross Ultimate Claims Benchmark

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		25.3%	42.3%	39.7%	25.1%				
2002		24.9%	39.4%	39.3%	35.5%	41.5%			
2003		24.6%	40.9%	38.1%	34.9%	41.7%	20.9%		
2004		24.6%	41.4%	39.8%	33.9%	45.1%	25.6%	19.3%	
2005		24.0%	41.1%	38.7%	35.0%	44.2%	27.8%	22.9%	20.2%

Selected

As At Year	YOA	1993 to 1997	1998	1999	2000	2001	2002	2003	2004
2000									
2001		24.3%	47.6%	48.2%	34.4%				
2002		23.2%	48.2%	48.3%	39.4%	34.7%			
2003		23.3%	46.6%	47.5%	42.6%	39.2%	14.8%		
2004		23.1%	45.3%	47					

5 ANOMALIES

5.1 Introduction

The table below details some lower level anomalies that have been identified in respect of syndicates of this Agent. Any feedback on the cause of these anomalies would assist MRRU's understanding of the position which, in turn, would help in future reviews.

5.2 Anomalies for Dummy Agent

Class of Business	YOA	KPI	Value	Benchmark

6 DATA AND METHODOLOGY

6.1 Introduction

The pack has been designed to focus on Key Performance Indicators (KPIs) of reserving strength and historical reserving performance. This section provides a brief description of how the benchmark has been constructed and outlines important information regarding the treatment of the data. Appendix I contains definitions of the KPIs used.

The results of the benchmarking need to be viewed carefully both because the KPIs themselves are open to a variety of interpretations and because of the limitations of the data. Lloyd's will not draw firm conclusions simply from the benchmarking but rather will use the results as a starting point for discussion with Agents.

6.2 The Benchmark

To assess an Agent/Syndicate's performance against that of the market, a benchmark is required that takes account of the different mixes of business written by different Syndicates. To construct the reserving benchmark, the market has been segmented into 63 classes of business. A list of these classes is shown in Appendix II. The Agent/Syndicate's portfolio mix across classes is calculated based on a proportional split of ultimate premiums. The benchmark's portfolio mix is calibrated to be equal to the Agent/Syndicate separately for each year of account, each "as at" year and both gross and net of reinsurance.

To measure the benchmark's performance, a notional benchmark syndicate is constructed. This notional syndicate shares the same portfolio mix of the Agent/Syndicate being benchmarked, but exhibits market average performance within each year of account and class of business. This is done by scaling up or down the market's financial results such as claims and reserves according to the mix of business written by the Agent/Syndicate under review. A numerical example of this process is included in Appendix III. In general, when calculating the benchmark, the Agent/Syndicate's own data is excluded from the market data.

6.3 The Data

The Reserve Benchmarking Tool employs the Solvency & Reserving Data (SRD) as its primary data source. This is an annually collated dataset for all non-life business, collected gross and net of reinsurance at a risk-code level. It is the only dataset that Lloyd's collects at this level of details that is net of reinsurance. Incremental data is received annually and the cumulative dataset is updated.

There have been two major adjustments to the data that are necessary to avoid distorted results.

Firstly, the 2005 year of account has been excluded. The recent change to an annual accounting and associated data collected has meant direct comparisons for the most recent year of account can be misleading and is consequently excluded.

Secondly, the SRD dataset contains a number of negative items, especially at a net of reinsurance level, which may or may not be correct. To avoid distortions by these negative values, the base data has been adjusted as follows.

- All negative cumulative premiums (net or gross of reinsurance) have been set to zero.
- Any negative ultimate claim positions at a syndicate, class of business, year of account and 'as at' year level has been set to zero by setting all the paid, outstanding claims and IBNR reserves to zero for that particular cell.

The adjustments to the data relate to 5% of the market's net of reinsurance premiums and 3% of the market's net claims which is tolerable. The classes most affected by the adjustments are the Aviation XL, Marine XL and Non-Marine General Liability XL classes.

7 APPENDIX I - DEFINITION OF KEY PERFORMANCE INDICATORS

The KPIs have been split into 3 separate areas of interest. Each measure is given a definition and potential implication of the measure. The implications made are general in nature and are aimed at being informative but are not guaranteed to reflect the true underlying situation in every case.

Throughout the following definitions, reserves at time t, "Reserve (t)" is equal to the sum of outstanding reported claims, IBNR claims, unearned premium reserve and unexpired risk provision, less deferred acquisition costs. Premiums are net of acquisition costs.

7.1 Quality of Business

7.1.1 Ultimate Loss Ratio (ULR)

$$= \frac{\text{Ult. Claims}}{\text{Ult. Premiums}}$$

High ultimate loss ratios can indicate either strong reserves or poor quality business.

7.1.2 Paid Loss Ratios

$$= \frac{\text{Paid Claims}}{\text{Ult. Premiums}}$$

High paid loss ratios can indicate poor quality business.

7.2 Reserve Strength

7.2.1 1-yr Survival Ratio

$$= \frac{\text{Ult. Claims (t)} - \text{Paid Claims (t)}}{\text{Paid Claims (t)} - \text{Paid Claims (t - 1)}}$$

$$= \frac{\text{Reserve (t)}}{\text{Paid Claims in prior year}}$$

High survival ratios can indicate stronger reserves.

7.2.2 3-yr Survival Ratio

$$= \frac{3 * \text{Reserve (t)}}{\text{Paid Claims (t)} - \text{Paid Claims (t - 3)}}$$

$$= \frac{\text{Reserve (t)}}{\text{Average Paid Claims per annum over prior 3 years}}$$

High survival ratios can indicate stronger reserves.

7.2.3 Paid Claims as % of Ultimate Claims

$$= \frac{\text{Paid Claims}}{\text{Ult. Claims}}$$

High paid to ultimate ratios can show lower reserves (or faster payment)

7.2.4 IBNR Burn

$$= \frac{\text{Incurred Claims (t)} - \text{Incurred Claims (t - 1)}}{\text{IBNR (t - 1)}}$$

High IBNR burn can indicate weak historical reserves.

7.2.5 Reserve Burn

$$= \frac{\text{Paid Claims (t)} - \text{Paid Claims (t - 1)}}{\text{Reserve (t - 1)}}$$

High reserve burn can indicate weak historical reserves.

7.2.6 Paid to Incurred Claims Ratio

$$= \frac{\text{Paid Claims}}{\text{Incurred Claims}}$$

High paid to incurred ratios can indicate weak case reserving.

7.2.7 IBNR as a % of Total Reserve

$$= \frac{\text{IBNR}}{\text{Reserve}}$$

High IBNR to reserve ratios can indicate strong IBNR reserving or weak case reserving.

7.2.8 IBNR to Outstanding Claims Ratio

$$= \frac{\text{IBNR}}{\text{OS Claims}}$$

High IBNR to reserve ratios can indicate strong IBNR reserving or weak case reserving.

7.2.9 Incurred Claims as % of Ultimate Claims

$$= \frac{\text{Incurred Claims}}{\text{Ult. Claims}}$$

High incurred to ultimate ratios show lower IBNR.

7.3 Reinsurance

7.3.1 Net to Gross Ratio

$$= \frac{\text{Net Ultimate Premium}}{\text{Gross Ultimate Premium}}$$

High net to gross ratios can indicate a high-level of purchased reinsurance protection.

7.3.2 RI Recoveries to Gross Ultimate Claims Ratio

$$= \frac{\text{Ultimate RI Claims}}{\text{Gross Ultimate Claims}}$$

High RI recoveries to gross ultimate claims ratios can indicate a high-level of expected reinsurance recovery or dependence.

7.3.3 RI Recoveries to Ultimate Premium Ceded Ratio

$$= \frac{\text{Ultimate RI Claims}}{\text{Ultimate Ceded Premium}}$$

High RI recoveries to ultimate premium ceded ratios can indicate an efficient reinsurance programme.

8 APPENDIX II – LIST OF CLASSES OF BUSINESS WITH RISK CODES

High Level Line	Class of Business	Risk Code
Aviation	Aviation Airport Liability	AO
Property (D&F)	Agriculture & Weather	AG HA
Aviation	Aviation General Liability	L L2 L3
Aviation	Aviation Hull	H H2 H3
Aviation	Aviation Hull XL	HX
Aviation	Aviation Liability XL	LX X1 XY
Aviation	Aviation Product	AP PX
Aviation	Aviation War	AW RX
Casualty	Bankers Bond	BB
Casualty	Directors & Officers	D3 D5 DM DO
Casualty	Directors & Officers US only	D2 D4 DM DO
Overseas Motor	Direct Overseas Motor	MF MG MH MI MP
Casualty	Employers Liability non UK	W2 W4 WC
Casualty	Employers Liability UK only	W3 WC
Energy	Energy Offshore Liability	EG EH
Energy	Energy Offshore PD	ET EW
Energy	Energy Onshore Liability	EA EB
Energy	Energy Onshore PD	EF
Property (D&F)	Engineering	CA
Property (D&F)	Extended Warranty	WA
Property (D&F)	Financial Guarantee	CR FG FM
Property (D&F)	Financial Guarantee XL	SB
Property (D&F)	Household	HP
Property (D&F)	Legal Expenses	LE
Property (D&F)	Livestock	N NB
Property (D&F)	Livestock Assumed	NX
Marine	Marine Cargo	V VL
Marine	Marine Hull	B T TS
Marine	Marine Liability	G GC
Marine	Marine war	Q W WB WX
Marine	Marine whole account XOL	GX SR TX X2 XE XT
Accident & Health	Medical Expenses	KM
Casualty	Medical malpractice non US	GP

Casualty	Medical malpractice US only	GP
Casualty Treaty	Motor Whole Account	XM
Marine	Non Marine Cargo	CT
Casualty	Non Marine General Liability non US	NA NC PL TC UA UC
Casualty	Non Marine General Liability US only	NA NC PL TC UA UC
Casualty Treaty	Non Marine General Liability XL	XL
Property (D&F)	Non Marine war	WL
Property (D&F)	Nuclear Liability & PD	NL NP
Accident & Health	Personal Accident	K KA KC KD KG KK KS KT
Accident & Health	Personal Accident XL	DX KL KX
Casualty	Professional Indemnity non US	E3 E5 E7 E9 F3 PI PM
Casualty	Professional Indemnity US only	E2 E4 E6 E8 F2 PI PM
Casualty	Pecuniary Loss / Contingency	P PB PC PF PN PQ PU PZ
Marine	Political Risk/ Contract Frustration	CF PR
Property Treaty	Property cat XL	X3 XP
Property (D&F)	Property Non US	B4 B5 DC P3 P5 P7 PD
Property Treaty	Property pro rata Non US	TR
Property Treaty	Property risk XS	XC
Property (D&F)	Property US	B2 B3 DC P2 P4 P6 PD
Property Treaty	Property pro rata US	TR
Property Treaty	Property risk XS US	XC
Aviation	Space	CX SC SL SO SX ZX
Marine	Specie Fine Art	FA
Marine	Specie General	GS
Marine	Specie Jewellers	JB
Property (D&F)	Terrorism	1E 1T 2E 2T 3E 3T 4E 4T 5T 6T 7T 8T BD TE TO TU
Marine	Transport whole account XOL	VX
UK Motor	UK Motor Comprehensive	M2 M3 M4 MC MK
UK Motor	UK Motor Non-Comprehensive	M5 M6 M7 MB ML
Marine	Yacht	O

9 APPENDIX III - NUMERICAL EXAMPLE OF BENCHMARK CALCULATION

Syndicate X has written £200m of business in a particular year of account across 3 classes of business. This is split as follows: £100m (50%) of Employer's Liability, £60m (30%) of Professional Indemnity and £40m (20%) of Public Liability. It estimates that its ultimate claims will be £150m, £60m and £15m for each of these three classes respectively. This equates to an overall ULR of 112.5% (£225m / £200m).

Overall, the rest of the market (excluding Syndicate X) has written £2bn (40%) of Employer's Liability, £2bn (40%) of Professional Indemnity and £1bn (20%) of Public Liability. Overall estimated ultimate claims are £3bn, £2bn and £500m for each of these three classes respectively. This equates to loss ratios of 150%, 100% and 50% respectively, or an overall ULR of 110% (£5.5bn / £5bn).

The two ULRs of 112.5% and 110% are not directly comparable as Syndicate X has written proportionally more Employer's Liability than the market – a class that has produced a poor result at a market level. We therefore create a benchmark that has written the same mix of business as Syndicate X (i.e. 50% of Employer's Liability, 30% of Professional Indemnity and 20% of Public Liability) and has had market average experience (i.e. loss ratios of 150%, 100% and 50% respectively). We can then calculate an overall, weighted average ULR for the notional syndicate as 115%.

This is calculated as follows:

Benchmark Premium

$$\begin{aligned} &= £2bn * (50\%/40\%) + £2bn * (30\%/40\%) + £1bn * (20\%/20\%) \\ &= £2.5bn + £1.5bn + £1bn = \mathbf{£5bn} \end{aligned}$$

Benchmark Claims

$$\begin{aligned} &= £3bn * (50\%/40\%) + £2bn * (30\%/40\%) + £500m * (20\%/20\%) \\ &= £3.75bn + £1.5bn + £500m = \mathbf{£5.75bn} \end{aligned}$$

Benchmark ULR

$$= £5.75bn / £5bn = \mathbf{115\%}$$

Whereas initially the Syndicate appeared to have a higher loss ratio than the market, when allowing for the increased proportion of Employer's Liability business, it can be seen that the Syndicate actually outperformed the market, achieving equal loss ratios in Employer's Liability and Professional Indemnity to the market and achieving a more profitable underwriting result than the market in Public Liability.

All KPIs have been calculated using this premium weighting approach. This also needs to be borne in mind when interpreting the results.

The weightings have been calculated separately for Gross and Net KPIs.

10 APPENDIX IV - DATA ADJUSTMENTS

10.1 Introduction

The tables below contain the data identified and removed in respect of syndicates of this Agent. Any feedback on the cause of these data would assist MRRU's understanding of the position which, in turn, would help in future reviews.

The criteria for removal are detailed in Section 6.

10.2 Data Removed from Dummy Agent

All figures are in thousands (000s).

		Gross					Net					
		CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	
YOA	1993											
	1994											
	1995											
	1996											
	1997											
	1998											
	1999											
	2000											
	2001											
	2002											
	2003											
	2004											
		Total										

		Gross					Net					
		CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	
YOA	1993											
	1994											
	1995											
	1996											
	1997											
	1998											
	1999											
	2000											
	2001											
	2002											
	2003											
	2004											
		Total										

		Gross					Net					
		CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	
YOA	1993											
	1994											
	1995											
	1996											
	1997											
	1998											
	1999											
	2000											
	2001											
	2002											
	2003											
	2004											
		Total										

		Gross					Net					
		CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	
YOA	1993											
	1994											
	1995											
	1996											
	1997											
	1998											
	1999											
	2000											
	2001											
	2002											
	2003											
	2004											
		Total										

"As at' Year 2001

		Gross					Net				
		CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims
YOA	1993										
	1994										
	1995										
	1996										
	1997										
	1998										
	1999										
	2000										
	2001										
	2002										
	2003										
	2004										
Total											

"As at' Year 2000

		Gross					Net				
		CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims	CWP	Paid Claims	Outstanding Claims	IBNR	Ultimate Claims
YOA	1993										
	1994										
	1995										
	1996										
	1997										
	1998										
	1999										
	2000										
	2001										
	2002										
	2003										
	2004										
Total											