

Syndicate Continuity Opinions

SYNDICATE	UNDERWRITER PEER GROUP AND CAPACITY	CONTINUITY OPINION NOTE 1	SCORECARD INDICATOR NOTE 2	CONTINUITY OPINION RATIONALE/SYNDICATE SUMMARY	WEIGHTED AVERAGE AUCTION PRICE 2013 NOTE 3
XXXX	K Brown Composite £850m	A Very Good	A (s)	Large Composite syndicate, 50% backed by XXX Group, which has expanded significantly in line with improving market conditions. The group also has US operations and supports group dedicated syndicate XXYY, with new lines established under s. XXYY. Keith Brown, with the syndicate for several years, appointed underwriter January 2014+. Reserve releases significant in more recent years with more conservative reserving under new management team established in 2008. Volatility of the book shown by 2005 Hurricanes (c.35% 2005 capacity); risk management revised since then. Cross-cycle, indicative annual returns on capital have been in line with the top end of the A- peer group and 5-year average returns in line with the A peer group, s.XXXX also benefiting from its franchise as one of the larger syndicates at Lloyd's, its core position within the group & good support from third party capital. With sound management, a strong franchise & capital backing from XXX Group, s.XXXX core to the group at c40% NPW, and with recent results in line with the A peer group, the syndicate's Continuity Opinion was upgraded to A Very Good in October 2014.	85.2
XXYY	A N Other Life £20m	# Not Assigned	C- (s)	Small UK orientated Life syndicate, 100% backed by London SE listed ABC Group following its acquisition of the business December 2013. Capacity has increased to £20m for 2014 with expansion sought. A N Other (ex s.XXYY) joined in November 2009 to start a Group & Schemes business book, with this now the main focus of the book, and was appointed underwriter from 2012. New business 30% 2013 GPW. Recent annual results affected by high expenses relative to NPE, with income being built up following s.XXYY re-starting trading, and new business strain; agency expecting results to improve as more income earned. Good 3-year results reported for 2010 and 2011 accounts. With XYZ Group's 2010 to 2013 losses material to group earnings, the business was sold by XYZ Group to ABC Group Dec 2013, the agency being renamed ABC at Lloyd's, with XYZ Group retaining its interest in 2013 & prior accounts; new agency CEO Jan 2014+. Syndicate XXYY circa 1% of proforma group 2013 NPW. Scorecard indicator reflects historic a/c rather than current business; indicative annual returns on capital 2009 (first full yr since re-starting) to 2013 currently in line B- benchmarks.	