

Core Data Record (CDR) Extended to Treaty Business

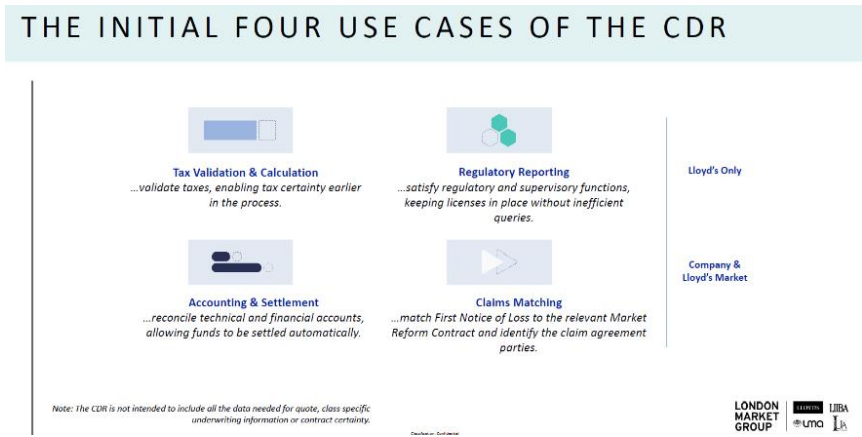


As a major step ahead, the London market Blueprint Two initiative enters the important consultation phase

The CDR Treaty Working Group created a significant set of proposals to change the Core Data Record (CDR) to incorporate both proportional and non-proportional treaty business.

The CDR is a central record of contract information, containing items that are deemed critical to support four use cases.

Two of these use cases focus on tax and regulatory requirements which are mandatory to submit to Lloyd's but in most cases needed for both markets, and the other two are to support the subsequent downstream transactional processes for both Lloyd's and Company markets through a central London market function operated by Velonetic.



More information about the CDR itself can be accessed here: [Core Data Record - Lloyd's \(lloyds.com\)](https://lloyds.com/core-data-record)

CDR Treaty Working Group & Market Consultation

The [London Market Group \(LMG\)](#), who are the custodians of the CDR through their [Data Council](#), established a working group to review the data set established for commercial insurance and facultative reinsurance, and to identify enhancements required to support treaty business. Now that the CDR Treaty Group have completed their analysis, the LMG has begun a market consultation on the proposed changes which runs until 9th of December. The Press release can be found here: [Data Council launches consultation for Treaty Core Data Record – London Market Group](#).

Proposed Alterations to the CDR Data Set

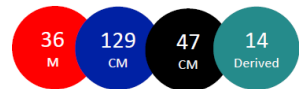
The working group identified 53 items in the existing data set that were not applicable to treaty business. These 53 data items will remain as part of the CDR, but the proposal from the group is that they should not form part of a treaty CDR submission.

The group also identified 47 items that should be added to the existing data set, and defined rules and conditions that should be applied to these new items.

The proposal put forward for the full data set applicable to treaty business contains 226 items, although it should be noted that no single contract would warrant provision of all 226 items.

A pictorial representation of the treaty data set is shown below, with the new items specific to treaty shown in black font.

WHAT ARE ALL THE FIELDS NEEDED FOR TREATY? (226 FIELDS)



<p>1. Contract Reference (3)</p> <p>Policy Reference Unique Market Reference * Placing Broker Contract Section Reference *</p>	<p>5. Placing Broker (continued)</p> <p>Placing Broker Location - City Placing Broker Location - Country Sub-Division * Placing Broker Location - Country * Placing Broker Location - Zip or Postcode</p>	<p>8. Limit (5)</p> <p>Sum Insured or Limit Currency * Sum Insured or Limit Currency * Sum Insured or Limit Basis *</p>	<p>11. Security Details (18)</p> <p>(Re)Insurer Unique Line Reference * (Re)Insurer Class of Business Broker Share Percentage * Order Percentage * Broker Share Amount * Broker Share Amount - Currency * Order Amount * Order Amount - Currency * (Re)Insurer Written Share Currency * Participation Basis * (Re)Insurer Written Share * Written Share Basis * (Re)Insurer Signed Share * Signed Share Basis * Line to Stand Indicator * Date Contract Entered Into (Re)Insurer Written Unit * (Re)Insurer Written Unit Number *</p>	<p>14. Commissions (16)</p> <p>Commission - Type * Commission - Class * Commission - Amount * Commission - Amount - Currency * Commission - Percentage * Commission - Basis * Commission - Payable To * Commission - Calculation Type * Commission - Calculation Frequency * Commission - First Calculation Date * Commission - Interpolation Basis * Commission - Calculation Period Start Date & Time * Commission - Calculation Period End Date & Time *</p>	<p>22. Tax (17)</p> <p>Tax Risk Location - Country Sub-Division Tax Risk Location - Country Tax Name Tax Administered By * Tax Payable By * Tax Basis Tax Rate Tax Rate Basis Amount Tax Rate Basis Amount Currency Tax Fixed Amount Tax Multiplier Tax Application Type Tax Calculation Type Tax Amount Tax Settlement Currency Withholding Tax Reduction</p>
<p>2. Contract Type (6)</p> <p>Insurance or Reinsurance * Treaty or Facultative * Proportional or Non-Proportional * Reinsurance Type * Lloyd's Renewal Indicator Retrossion *</p>	<p>6. Other Intermediary (11)</p> <p>Other Intermediary Unique Identifier * Other Intermediary Unique Identifier Type * Other Intermediary Location - Country Sub-Division Other Intermediary Location - Country * Other Intermediary Role Other Intermediary Name * Other Intermediary Location - Street No and Street Other Intermediary Location - City Other Intermediary Location - Zip or Postcode Surplus Lines Broker Licence Number</p>	<p>29. Reinstatements (9)</p> <p>Reinstatement Sequence Number * Reinstatement Premium Percentage * Reinstatement Brokerage Percentage * Reinstatement Brokerage Amount * Reinstatement Calculation Type * Reinstatement Allowed Total Number * Reinstatement Allowed Unlimited Indicator * Reinstatement in Same Event Indicator * Reinstatement Brokerage Currency *</p>	<p>12. Period (9)</p> <p>Insurance Period - Start * Insurance Period - End * Pure Year of Account * Lloyd's Renewal - Original Inception Date Retroactive Date * Prior and Pending Litigation Date * Continuity Date Date Exclusive Inclusive Indicator * Year of Account</p>	<p>15. Brokerage (7)</p> <p>Brokerage - Base Amount * Brokerage - Base Amount Currency * Brokerage - Amount * Brokerage - Amount - Currency * Brokerage - Percentage * Brokerage - Basis * Brokerage - Class *</p>	<p>23. Enforcement (5)</p> <p>Endorsement Type * Endorsement Reason * Endorsement Reference * Endorsement Effective Date * Endorsement Expiry Date *</p>
<p>27. Contract (14)</p> <p>Surplus Amount * Surplus Currency * Surplus Number of Lines * Quote Share Percentage * Notice of Cancellation Due Date * Loss Adjustment Expenses Treatment * Extra-Contractual Obligations Percent * Excess of Policy Percent * Carry Forward * Carry Forward Interval Period Type * Carry Forward Interval Period Value * Statement Agreement * Accounts Frequency * Section Basis/Category *</p>	<p>7. Premium (21)</p> <p>Premium - Gross * Premium - Basis Percentage * Premium - Type * Premium - Contractual Currency * Installment Amount * Installment Percentage * Discount or Fee - Type * Discount or Fee - Payable To * Discount or Fee - Calculated At * Discount or Fee - Percentage * Discount or Fee - Basis * Discount or Fee - Amount * Discount or Fee - Currency * Discount or Fee Indicator * Premium - Period Indicator * Premium - Rate * Premium - Rate - Basis * Premium - Signing Indicator * Premium - Discount Indicator * Premium - Income Amount Basis *</p>	<p>9. Deductible or Excess (5)</p> <p>Deductible or Excess Indicator Deductible or Excess Amount Deductible or Excess Currency Deductible or Excess Percentage Deductible or Excess Basis</p>	<p>13. Payment Info (8)</p> <p>Contractual Exchange Rate * Premium - Settlement Due Date * Installment Premium Period of Credit * Installment Due Date * Premium - Settlement Currency * Adjustment Premium Period of Credit * Trust Fund Code * Premium Adjustable Indicator *</p>	<p>17. Risk Classification (14)</p> <p>Regulatory Risk Location - Territory Regulatory Risk Location - Territory Sub-Division Tax and Regulatory Coverages Tax and Regulatory Perils - Included US Classification * Home State Regional Regulatory Class Code Set Regional Regulatory Class Pool Scheme Claims Basis * Solvency II Line of Business Solvency II Line of Business (Short Code) Lloyd's Platform</p>	<p>25. Law and Jurisdiction (2)</p> <p>Choice of Law * Choice of Jurisdiction *</p>
<p>3. Policyholder (8)</p> <p>Policyholder Name * Policyholder Location - Street No and Street * Policyholder Location - City * Policyholder Location - Country Sub-Division * Policyholder Location - Country * Policyholder Location - Zip or Postcode * Policyholder Identification Code * Policyholder Identification Code Set *</p>	<p>10. (Re)Insurer (8)</p> <p>(Re)Insurer Placement Role * (Re)Insurer Endorsement Role * (Re)Insurer Claims Role * (Re)Insurer Contract Reference * (Re)Insurer Unique Identifier * (Re)Insurer Name * Basis of Claims Agreement * Original Insured *</p>	<p>16. Other Deductions (7)</p> <p>Other Deductions - Amount * Other Deductions - Amount - Currency * Other Deductions - Percentage * Other Deductions - Basis * Other Deductions - Class * Other Deductions - Payable To * Other Deductions - Service Provided To *</p>	<p>19. Insurable Interest (3)</p> <p>Insurable Interest Type * Insurable Interest Type Sub-Group * Insurable Interest Type Group *</p>	<p>21. Other Interested Party (7)</p> <p>Other Interested Party Role Other Interested Party Name Other Interested Party Location - Street No and Street Other Interested Party Location - City Other Interested Party Location - Country Sub-Division Other Interested Party Location - Country Other Interested Party Location - Zip or Postcode</p>	<p>26. Subscribes (2)</p> <p>Subjectivity Indicator * Subjectivity Date *</p>
<p>4. Placing Broker (8)</p> <p>Placing Broker Unique Identifier * Placing Broker Unique Identifier Agency * Placing Broker Name * Placing Broker Location - Street No and Street</p>	<p>28. Loss Participation (10)</p> <p>Loss Participation * Loss Participation Type * Loss Participation Basis * Loss Participation Calculation Frequency * Loss Participation First Calculation Date * Loss Participation Value Basis * Loss Participation Sequence Number * Loss Participation Percentage * Minimum Loss Ratio Percentage * Maximum Loss Ratio Percentage *</p>	<p>29. Reinstatements (9)</p> <p>Reinstatement Sequence Number * Reinstatement Premium Percentage * Reinstatement Brokerage Percentage * Reinstatement Brokerage Amount * Reinstatement Calculation Type * Reinstatement Allowed Total Number * Reinstatement Allowed Unlimited Indicator * Reinstatement in Same Event Indicator * Reinstatement Brokerage Currency *</p>	<p>18. Spills (4)</p> <p>Premium Split Percentage Premium Split Type Risk Code FIL Code</p>	<p>24. Other Deductions (7)</p> <p>Other Deductions - Amount * Other Deductions - Amount - Currency * Other Deductions - Percentage * Other Deductions - Basis * Other Deductions - Class * Other Deductions - Payable To * Other Deductions - Service Provided To *</p>	<p>27. Premium (1)</p> <p>Premium - Income Amount Basis ***</p>

The Working Group proposed 226 fields in total are needed for Treaty.



This is your Consultation Opportunity

The proximity of the consultation period to the January renewal season creates both a challenge and an opportunity. The challenge being that many treaty experts that may wish to participate will be busy with preparations for those January renewals. However, the fact that many contracts will be reviewed during this period also provides an opportunity to identify rarely used data items that may have been overlooked by the CDR Treaty Working Group.

Anyone interested in participating in the consultation can find the relevant materials here: [LIMOSS | Consultation on changes proposed to the CDR to enable Treaty.](#)

These include a pdf slide pack summarising the content and a spreadsheet feedback form. The spreadsheet contains full details of the new fields proposed, fields which are not thought to apply to Treaty and the current CDR.

Completed feedback forms are requested to be returned to CDR@lloyds.com by 9th December.

"The creation and adoption of standards to facilitate the London Market is critical to moving the market forward to fully utilise the data assets at its disposal and create the operational efficiency it needs to thrive."

- Cassandra Vukorep, Chair of the Data Council's CDR Committee

"The CDR is part of the industry's transition to a digital operation at the back office, it is not about diminishing, but instead enhancing the personal service brokers and carriers offer their clients. Within the CDR framework, the adoption of industry standards for data, digital messages and reference lists will offer the market and their vendors economies of scale and consistency. The extension to include Treaties further extends the progress of aligning the non-competitive parts of the market and help reduce frictional costs longer term."

- Kirstin Duffield, Chair of the CDR Treaty Working Group

Previous e-News articles outlining the relationship between the CDR and Ruschlikon can be found here:

- [time-to-line-out-the-synergies-between-the-core-data-record-\(cdr\)-and-the-ruschlikon-eplacing-initiatives.pdf \(acord.org\)](#)
- [london-market-takes-another-significant-step-towards-implementation-of-the-core-data-record.pdf \(acord.org\)](#)

Tim Pledger, Swiss Re – Member of the CDR Treaty Working Group

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