



## Syndicate 6103

### 2007 year of account forecast at 15 months

Managing Agency Partners Limited has prepared a forecast range of the ultimate result for the 2007 Year of Account of Syndicate 6103 at 15 months, as required by Lloyd's. This forecast result after deduction of all standard personal expenses, but before members' agency fees, is a profit of between 25% and 35% of allocated capacity.

James Denoon Duncan  
21<sup>st</sup> May 2008

#### Methodology adopted for the 2007 Account forecast

*At this early stage of development there are a number of material uncertainties which make it imprudent to issue a narrow range forecast of the ultimate result. The principal uncertainties are:*

- *the syndicate has significant exposures which have not expired; and*
- *the incurred loss position is underdeveloped.*

*The approach we have adopted for this early 2007 estimate is to adjust our business plan to reflect the achieved technical price and revised premium income and to produce an updated class of business forecast. Each class is compared to our quarterly external actuaries result and the most prudent forecast taken.*

*By 30<sup>th</sup> June 2008 the material reduction in exposures and further development of the account will permit greater reliance to be placed on incurred losses rather than the initial expected loss ratios. This should result in a more reliable ultimate forecast and a narrower range. The 18 month forecast will be issued in early August.*