

Lloyd's Urgent Settlement Framework

v3.0 – Phase 1 Marked-Up Draft

Urgent arrangements for time critical payments of premiums and claims if either Velonetic settlement services or Lloyd's central accounting system (STFO) are unavailable.

April 2026 (v.3.0 – Draft)

DOCUMENT MARKUP LEGEND

This document contains changes to USF v3.0 marked up per market feedback as captured.

GREEN TEXT = New content added to v3.0 to address market feedback.

YELLOW BOX = Content modified from v2.0 with rationale.

GREEN BOX = Markup annotation showing changes made in response to market feedback.

ORANGE BOX = Provisional position or outstanding policy decision requiring confirmation.

Introduction

[MODIFIED FROM v2.0] Feedback #9, 32: Scope and assumptions section added. Capability framing applied throughout.

1.1 The objective of this Framework is to reduce the risk of intolerable harm to customers and to coordinate the market response during a major disruption to Lloyd's Central Settlement (STFO) and/or Velonetic premium and claims services (the Services).

1.2 Should the Services suffer a major disruption, this Framework is intended to provide firms across the Lloyd's market with:

- Understanding of how to identify, approve and process payments in order to settle urgent claims.
- Clarity on the key roles of the various Lloyd's market participants.
- Specific guidance allowing Lloyd's market participants to maintain their own plans and procedures in a consistent manner.

1.3 This Framework is relevant to

- Managing Agents
- Lloyd's Brokers
- Lloyd's Coverholders and outsourced or delegated claims partners (as necessary).

[MODIFIED FROM v2.0] Feedback #34, 55: 10-day operating window confirmed based on Lloyd's infrastructure recovery data.

1.4 This Framework has been designed to manage urgent settlement volumes manually for a period of disruption of up to 10 working days, based on Lloyd's confirmed infrastructure recovery data, although it may need to be sustained for longer depending on the outage duration. This Framework is not intended to replace business as usual.

[NEW IN v3.0] Feedback #1, 9, 10, 35, 61, 62: NEW: Scope and assumptions section.

1.5 Scope and Assumptions

This Framework operates under the following scope and assumptions:

- The primary scenario is a full or partial outage of Velonetic settlement services and/or STFO. The Framework addresses claims settlement as the priority chain.
- Premium settlement: Only in truly exceptional circumstances would brokers settle premiums outside normal channels. A full premium processing playbook will be developed in a subsequent iteration of this Framework.
- This Framework assumes both Velonetic and STFO may be unavailable simultaneously. Where only one is affected, limited direct settlement may be possible via manual bypass, but this is capacity-constrained (see STFO Capability section).
- It is assumed that brokers are able to receive funds through their existing banking arrangements.
- The 10 working day duration is confirmed based on Lloyd's own infrastructure recovery data. Guidance for outages beyond 10 days will be addressed in a subsequent iteration of this Framework.
- Territory-specific call-outs have been removed. The USF defines broad scenarios; individual participants embed regional reporting and tax nuances in their own SOPs.
- Third parties, including delegated claims partners, should follow this Framework where USF is invoked. Where USF is invoked, any payments involving third parties including delegated claims partners should flow through the managing agent's finance function.

1.6 Any questions concerning this Framework should be sent by email to:
opsresilience@lloyds.com

[NEW IN v3.0] Feedback #12, 20, 56: NEW: Definition section added. 'Market participants' explicitly includes Velonetic and brokers.

1.7 Definitions

- **Urgent Claim:** A claim which, if unsettled, would result in intolerable harm to policyholders, managing agents or the market.
- **Market Participants:** All parties involved in the settlement chain including Lloyd's managing agents, Lloyd's brokers, Velonetic, Lloyd's Corporation, coverholders, and delegated claims partners.
- **Urgent Settlement File:** The record compiled by the broker for each Urgent Claim containing all data required for settlement and subsequent reconciliation.
- **London Market Crisis Triage Group (LMCTG):** The cross-market body responsible for monitoring outages and recommending USF activation.
- **STFO:** Lloyd's central accounting and settlement system, comprising Mainframe (Velonetic) Settlement and PC Settlement/Webfocus (Lloyd's) components.
- **USF Activation:** The LMCTG would make the recommendation to Lloyd's for approval and instigation of the Urgent Settlement Framework, following notification of a qualifying outage.

Responsibilities

2.1 Lloyd's is responsible for

- Maintenance and communication of this Framework. Lloyd's will update this document at least annually and whenever material updates are required.
- Approval and communication of the instigation of the Urgent Settlement Framework as part of this Framework.
- Recovery of central settlement (STFO) services.
- Monitoring and regulatory engagement for the duration of the outage on behalf of the market.

2.2 All market participants are responsible for

- The alignment of their own resilience and business continuity plans with this Framework and all applicable regulations.
- The regular testing of any such plans and the planning of resourcing requirements to support execution.
- The maintenance, in their own system, of relevant, sufficient and up to date contact information to communicate with the relevant organisations and individuals needed to execute an urgent settlement.
- The maintenance, in their own system, of relevant, sufficient and up to date policy and claims information.
- Plan, maintain and test ability to perform direct settlements.
- Understanding own cash flow requirements and ability to communicate effectively with other participants in the chain.
- Continued compliance with all applicable regulations including, but not limited to, GDPR, financial conduct rules, AML, sanctions.

2.3 Lloyd's Brokers are responsible for

- Coordinating urgent settlements between relevant parties and monitoring progression until fully received.
- Compiling an Urgent Settlement File for each Urgent Claim and gathering all information required from all participants.
- Performing the final settlement(s) to the policyholders and/or claimant(s).

[NEW IN v3.0] Feedback #4, 17, 63: Phase 1: Coverholder sharing approach stated. Brokers added to coverholder arrangements.

- Share this Framework with the relevant coverholders and brokers.
- Where acting under a delegated authority arrangement, Lloyd's brokers' USF responsibilities remain the same as for any Lloyd's broker. Delegated authority does not alter the broker's role as coordinator of the settlement chain during USF activation. The detail of how delegated authority arrangements operate within USF will be confirmed in a subsequent iteration of this Framework.

2.4 Managing Agents are responsible for

- Determining and communicating which claims require urgent settlement(s) in collaboration with brokers when acting in Lead capacity on subscription risks

The Lloyd's Claims Lead Arrangements (LCLA) currently apply throughout any disruption.

- Securing 2nd Lead claims agreement party approval if required.
- Providing their share of the Claim Settlement to brokers once approved and evidenced by the lead managing agent.

- Whether through Faster Claims Payment services or Delegated Underwriting Authorities' loss funds, monitor and maintain funds at an appropriate level.
- Following their own internal procedures in terms of regulatory reporting.
- Sharing this Framework with the relevant outsourced or delegated claims partners.

2.5 Lloyd's Coverholders and outsourced or delegated claims partners are responsible for

- Engaging with the relevant managing agents without delay if urgent funds are required.

2.6 Velonetic are responsible for

- Recovery of Velonetic services, including monitoring and prioritising backlogs.
- Communication to market service users in line with Velonetic's Market Crisis Communication Plan.

[NEW IN v3.0] Feedback #37, 42: NEW: London Market Crisis Triage Group responsibilities. Replaces 'may recommend' language from v2.0.

2.7 The London Market Crisis Triage Group is responsible for

- Assessing and recommending instigation of USF
- Management of escalations and urgent queries pertaining to the operation of this Framework from impacted market participants.
- Conducting triage during a crisis event impacting on the delivery of services to the London market.
- Receive reports directly from its membership on an incident which is affecting or has the potential to affect the delivery of core services to the London market.
- Convene upon request from any of its membership to assess the nature, scale and severity of the incident.
- Agree which organisation will lead on incident response.
- Advise on cross-market communication in response to an incident.
- Act as conduit for communications and key messages, ensuring consistency of messaging.

Urgent Settlement Process Overview

[High Level Process Overview – Swimlane Diagram]

SWIMLANE DIAGRAM PLACEHOLDER

The original swimlane diagram will be inserted here from the editable source file.

A separate reference version (PowerPoint) has been produced with Phase 1 changes applied.

Key changes: Triage Group lane added, activation path updated, broker lane highlighted as primary, standdown decision point added

PHASE 1 MARKUP: DIAGRAM CHANGE 1: Swim Lanes (#37, #42)

Confirm London Market Crisis Triage Group swim lane present between Lloyd's and Velonetic.

Broker lane highlighted as primary operational chain.

PHASE 1 MARKUP: DIAGRAM CHANGE 2: Activation Path (#37, #42)

Remove 'may recommend' implication. Triage Group recommends → COO/CFO approve → Market communication issued.

PHASE 1 MARKUP: DIAGRAM CHANGE 3: Broker-Driven Flow (#26)

Broker lane is the coordinator of the end-to-end claims settlement chain.

PHASE 1 MARKUP: DIAGRAM CHANGE 4: Recovery Phase (#19, #20, #64, #66)

Reconciliation boxes in BOTH Lloyd's and Velonetic lanes. Customer prioritisation in recovery sequencing.

Urgent Settlement Framework Instigation

[MODIFIED FROM v2.0] Feedback #37, 42: Activation model updated. 'May recommend' language replaced.

3.1 A full or partial outage of Velonetic services will be notified to brokers and managing agents through a Velonetic bulletin and the status of their services posted to the service status page (<https://dxclm.statuspage.io>). Velonetic will activate its Market Crisis Communications Plan.

3.2 A full or partial outage of Lloyd’s STFO will be notified to brokers and managing agents by Lloyd’s and both the LMA and LIIBA will be advised. Lloyd’s will invoke its response group to oversee its response and communication plan. Lloyd’s has confirmed STFO can be recovered within 10 working days based on its infrastructure recovery data.

3.3

3.3 Lloyd's will closely monitor any outage and will notify the London Market Crisis Triage Group of the developing situation. The Triage Group will convene to assess the nature, scale and severity of the incident and determine whether USF activation is required.

3.4 The London Market Crisis Triage Group is responsible for the decision to activate the Urgent Settlement Framework. Upon activation, Lloyd's will communicate to the market that the Urgent Settlement Framework has been instigated.

3.4

3.5 Once approval is received, Lloyd’s will communicate to the market that the Urgent Settlement Framework has been instigated.

3.6 Lloyd’s will also update the regulators on behalf of the market.

[NEW IN v3.0] Feedback #10, 18, 23, 28, 67: NEW: STFO Capability section. Three failure scenarios. Upstream bottleneck acknowledged.

STFO Capability During Disruption

The following section sets out what STFO can and cannot do during various failure scenarios. STFO comprises two components: Mainframe Settlement and PC Settlement/Webfocus.

The primary failure scenario this Framework addresses is a Velonetic and/or central settlement outage. A cyber attack scenario is secondary — it may trigger a Velonetic or STFO outage but the USF response is the same regardless of cause. The failure scenarios below are ordered by operational priority: full combined outage first, then partial STFO failure, then Velonetic-down/STFO-up.

Scenario	STFO Capability	Constraints
Velonetic down, STFO up (both components)	Limited direct settlement possible for claims via manual bypass. STFO can process settlements but requires manual broker submission.	Capacity-constrained. Netting/orchestration for payments cannot be replicated manually at scale. Upstream bottleneck: broker submission and MA approval processes are the real constraint.
Velonetic down, STFO partially up (Mainframe only)	Mainframe can process basic settlement transactions. PC Settlement/Webfocus reporting unavailable.	No automated reporting. Manual reconciliation required. Very limited throughput.
Both Velonetic and STFO down	No central settlement capability. Full direct settlement required.	This is the primary scenario this Framework addresses. All settlement is direct, broker-to-MA.

STFO can stand up within its recovery time objectives to make payments, but the bottleneck is upstream: broker submission, MA approval, and the inability to replicate netting and orchestration for payments at scale manually.

Urgent Settlement Triage

4.1 Once the Urgent Settlement Framework has been approved and instigated, managing agents, in collaboration with brokers, will review outstanding claims and determine which, if unsettled, would result in intolerable harm to policyholders, managing agents or the market (Urgent Claim).

4.2 The following aspects should be considered when triaging candidate claims:

- Level of harm delay could cause to the policyholder or claimant
- Payments to vulnerable customers
- Time sensitive claims settlements
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- Litigation, court ordered payments
- Contractual requirements including Premium Payment Conditions and Premium Payment Warranties

4.3 Brokers and lead managing agents should balance the urgency of the settlement with the additional work manual settlements will generate downstream as well as the risk of errors.

4.4 Once a claim has been identified as an Urgent Claim, the broker will issue a formal notification (Urgent Claim Notification) to the lead and any following syndicates by email that this Claim has been deemed Urgent. This notification should include, at a minimum, the risk reference (UMR), the claims reference (UCR), the estimated claim amount, the share of each participant, the next steps and communication plan for settling this claim.

Urgent Settlement File

5.1 Lloyd's brokers are responsible for compiling an Urgent Settlement File for each Urgent Claim and gathering all information required from all participants.

5.2 Urgent Settlement Files will be used to

- Record the data required by Lloyd's and Velonetic to manually create these settlements in the relevant systems during recovery in order to avoid duplicate settlements.
- Compile a record of key sign offs for the various checks and approvals performed off system.

5.3 The Urgent Settlement File can be found here. [PLACEHOLDER – LINK TO BE INSERTED BEFORE PUBLICATION. The file must be accessible to all market participants at point of USF activation. **Confirm final storage location and access permissions prior to sign-off.**]

5.4 There should be one Urgent Settlement File per Urgent Claim.

5.5 Information required for the purposes of tax must be included in the Urgent Settlement File.

Urgent Settlement Preparation

6.1 Once an Urgent Claim Notification has been issued, Lloyd's brokers should follow their existing internal procedures for claim payments. This will include co-ordinating the claims agreement parties approvals, and issuing the necessary documentation to enable Lloyd's managing agents to approve, record and settle transactions (e.g. bank account details). If

the contract uses Faster Claims Payment, the broker should liaise with the Lead Managing Agent to confirm this has not been settled previously

6.2 Parties involved in an Urgent Claim should look at the end-to-end insurance chain in terms of all funding required, including premium and follow syndicates to ensure that all the monies are provided to the broker ahead of policyholder / claimant(s) settlement. In some instances, a direct payment from the reinsurer to the broker may be considered.

6.3 Market Participants should be mindful of the increased risk of fraud during a crisis event.

[NEW IN v3.0] Feedback #69: Phase 1: Bank detail verification stated as prerequisite.

6.3a Pre-approved broker bank details should be verified prior to settlement. AML and sanctions checks are a separate requirement – detailed controls will be addressed in a subsequent iteration of this Framework.

6.4 The Lloyd's Claims Lead Arrangements will continue to apply throughout the partial or full outage and the recovery from the partial or full outage. All regulatory checks, due diligence and approvals must be performed and evidence documented. This may need to be done off system if the required systems are down. The Lead and/or 2nd Lead Claims Agreement Parties are responsible to ensure all requirements have been completed and shall gather the evidence as part of the Urgent Settlement File. Lead and/or 2nd Lead Claims Agreement Parties must review and confirm that all checks and approvals have been satisfactorily completed before approving the Urgent Claim for settlement. These checks include the review of the Urgent Settlement File. Once their review is completed, lead managing agents will issue a formal approval notification to the broker and other participants by email.

[NEW IN v3.0] Feedback #50, 68: Phase 1: Inflight claims risk acknowledged. Duplicate payment risk for ECF-agreed claims flagged.

6.4a Claims that have been agreed in ECF but not yet processed through STFO at the point of outage carry a risk of duplicate payment. Both brokers and managing agents share responsibility for identifying these inflight claims. Detailed freeze windows and deduplication keys will be developed in a subsequent iteration of this Framework.

Urgent Settlement Execution

[MODIFIED FROM v2.0] Feedback #45: Phase 1: Template corrections – claimant name, submission date, LIC indicator, sort code/IBAN added.

7.1 Once an Urgent Claims has been approved for settlement and all the required funds have been identified, the broker shall request all settlements from the managing agent(s). This request will be issued by email and shall contain at a minimum:

- [UMR]
- [UCR]
- Broker ref
- Syndicate ref
- Name of (re)insured
- Details of the relevant policy
- Transaction type [PM / AP / RP / PD / CC / RC / RD / TTY]
- Settlement currency
- Payment amount
- Payment Reference
- Payee Name
- Bank Account Details
- Claimant Name
- Submission Date
- LIC Indicator
- Sort Code / IBAN
- Any other relevant explanatory text (including any details of a currency conversion)

7.2 It is the responsibility of the relevant market participant to ensure monies are being sent to the correct accounts and any issues or inaccuracies may result in further reconciliation being required.

7.3 In circumstance where it is necessary for monies to be paid from either Lloyd's American Trust Fund or Lloyd's Canadian Trust Fund, a Lloyd's managing agent must send payment instructions to the trustees to make these payments on its behalf.

7.4 For payments involving Lloyd's Insurance Company (LIC):

- For Part VII business, it is possible to process non-cash transactions and syndicates are able to make payments from settlement accounts directly to brokers. As a result, there would be no need for instruction, but the syndicate should inform LIC that a payment will be made.
- For Non Part VII business, an instruction will need to be given to LIC to pay a broker, then the syndicate will need to transfer funds to LIC and then LIC can process payment to the broker. This would be a very low volume process and only possible for the most urgent of settlement situations.

7.5 If a Lloyd's managing agent is settling urgently by drawing down on a letter of credit, then the beneficiary should be instructed to draw down, and the broker should submit the appropriate documentation to Lloyd's STFO to enable the records to be updated after the services have been recovered. If this is not feasible, the broker should contact STFO who will process the settlement manually. Contact: Lloyds-stfomail@lloyds.com

7.6 Each manual settlement that would have been performed through STFO shall be recorded by the broker into the Urgent Settlement File as a separate entry.

7.7 Once the payment has been made, the managing agent(s) will send an email confirmation to the broker by replying to the originating settlement request email (see 7.1).

7.8 Once all monies have been received, the broker will proceed with the claims settlement(s) and record them in the Urgent Settlement File. The broker will send the completed Urgent Settlement File to the participating managing agents, Lloyd's (email address tbc) and to Velonetic (email address tbc).

Reconciliation and Recovery

[MODIFIED FROM v2.0] Feedback #19, 20, 24, 43, 64, 66, 75: Phase 1: Reconciliation clarifications. Market participants defined. Customer payment prioritisation. Netting constraint acknowledged.

8.1 Once the Services are back online, Lloyd's and Velonetic will lead the recovery efforts and coordinate with market participants.

For the avoidance of doubt, 'market participants' in the context of reconciliation and recovery includes Velonetic and brokers, not solely managing agents.

8.2 Market participants shall allocate sufficient resources to support the reconciliation and recovery activities and provide any required information without delay.

8.3 Before restoring market access to systems and resume processing, Lloyd's and Velonetic, supported by market participants, will:

- Reconcile the recovered data position to the position as at the beginning of the outage.
- Manually process claims and settlements that have been performed manually, relying chiefly on submitted Urgent Settlement Files.

8.4 Market access may be restored by Lloyd's and Velonetic in a controlled / phased ramp-up approach.

8.5 As the system processing resumes, any outstanding settlement related to an Urgent Claim that has been directly settled during the outage will be automatically released, unless they have already been settled directly.

8.5a Claims that have been settled during the USF activation period should be prioritised in recovery sequencing ahead of BAU settlement presentations.

8.5b Recovery prioritisation order: customer payments first, then inter-market settlements, then backlog clearing. This sequence is the principle established in this version of the Framework. The detailed prioritisation playbook — covering ownership, timelines, and escalation — will be developed in a subsequent iteration.

8.6 Once services are back to normal, market participants will endeavour to clear their backlogs in the most efficient manner and in priority order.

8.7 Market participants are responsible for their own manual reconciliations.

[NEW IN v3.0] Feedback #75, 34, 76: Recovery timelines. Lloyd's 10-day STFO recovery confirmed. Presented transparently in the Framework.

Recovery Timelines

PHASE 1: 10-Day Transparency

Lloyd's has confirmed that STFO can be recovered within 10 working days based on Lloyd's own infrastructure recovery data.

The 10-day activation window is therefore the confirmed operating assumption for this Framework.

Guidance for outages beyond 10 days will be addressed in a subsequent iteration of this Framework.

NOTE: ONGOING TESTING CONSIDERATION

The 10-day recovery timeline is confirmed based on Lloyd's infrastructure data. Separately, consideration will need to be given to how Lloyd's validates this timeline on an ongoing basis as part of its operational resilience framework. This is not a requirement within the scope of this Framework but will be picked up through the appropriate operational resilience governance.

Netting and orchestration for payments cannot be replicated manually at scale. This is the hard constraint on settlement chain viability during extended outages.

Urgent Settlement Stand Down

9.1 Lloyd's, in consultation with the London Market Crisis Triage Group and other internal stakeholders, will be determining when the Urgent Settlement Framework can be stood down.

9.2 The decision will be based on criteria to be determined based on the specific circumstances of the outage and may include:

- Responsibility for response activities being taken over by a project/incident specific team
- Service level resuming or a backlog reducing to a certain point
- Adoption of a roadmap to recovery

9.3 Once confirmed, Lloyd's will communicate to the market that the Urgent Settlement Framework has been stood down. Specific requirements about any restriction on ramp up phase as services go back online will be specified.

9.4 Lloyd's will also update the regulators on behalf of the market.

Regulatory Engagement

[MODIFIED FROM v2.0] Feedback #3, 8, 49, 65: Phase 1: PRA and FCA named explicitly.

10.1 Lloyd's will be providing regular updates to UK regulators on behalf of the market and engage appropriately.

10.1a For the avoidance of doubt, the relevant UK regulators are the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA). A full jurisdictional trigger/owner matrix including US/DOI considerations will be developed in a subsequent iteration of this Framework.

10.2 Unless otherwise instructed, Lloyd's managing agents will continue to report to the UK regulators in accordance with their existing reporting requirements.

10.3 In a number of jurisdictions including the US, Canada, Australia and South Africa, Lloyd's is obliged to file tax and regulatory reports on behalf of Lloyd's managing agents and members in respect of the insurance transactions they have entered into. The information needed to compile those reports is ordinarily obtained from Velonetic. Lloyd's will be responsible for advising regulators and tax authorities of the impact of the full or partial outage on their returns and including any estimates that may be required to avoid excessive fines, penalties or interest being charged to the Members.

10.4 Lloyd's may request ad-hoc information from market participants in order to provide information required by regulators. Market participants shall respond appropriately.

Communication

11.1 The Lloyd's Market Crisis Triage Group will be providing regular communication to market participants throughout the outage.

11.2 Lloyd's and Velonetic will also provide regular updates on their respective services.

11.3 Market participants remain responsible for all communication pertaining to a specific Urgent Claim, including broker(s), managing agent(s), coverholder. Communication should be mostly email based to allow for evidence and audit trails.

11.4 Communication including sensitive or confidential information should be appropriately encrypted to ensure safe data exchanges, particularly over email.

11.5 Market Participants must ensure they have access to sufficient contact information within their own system should the Services be unavailable.

11.6 Market Participants plans need to have a clear communication section covering communication requirements between internal teams and with external parties. Brokers are expected to play a crucial part in coordinating such communications.

11.7 Market participants should ensure that reinsurers are aware of large settlement requests that will be automatically triggered once the Services are turned back on.

[NEW IN v3.0] Feedback #5, 6, 7: Comms gaps acknowledged. Full communications runbook to be developed in a subsequent iteration of this Framework.

11.8 The following communication gaps have been identified through market feedback and are acknowledged as requiring resolution. They will be addressed in a subsequent iteration of this Framework:

- **Alternative communication channels when email is unavailable:** During a cyber incident or infrastructure failure, email may be compromised or inaccessible. No alternative channels have been identified, tested, or documented. A subsequent iteration of this Framework will identify, test, and document alternative communication channels as part of a communications runbook.
- **Secure communication for sensitive and confidential data:** The Framework requires exchange of bank details, claim amounts, and policyholder data. No secure communication solution beyond standard email encryption has been specified. A subsequent iteration of this Framework will identify and test a secure communications solution.
- **Comprehensive communications runbook:** The current Framework provides a basic comms protocol. A subsequent iteration of this Framework will deliver a full communications runbook defining audience, message ownership, channels, cadence, and pre-drafted templates for activation, status updates, backlog management, and stand-down communications.

Escalations and Urgent Queries

12.1 All escalations or urgent queries related to a specific Urgent Claim should be managed in line with the relevant participants' communication plans.

12.2 Escalations or urgent queries related to the operation of this Framework are to be directed to the London Market Crisis Triage Group.

Lessons Learnt

13.1 Following each standing down of this Framework, Lloyd's will organise a review of the efficiency of this Framework, elements that worked well and elements that need improving.

13.2 Lloyd's will coordinate and collect feedback from Market Participants and other stakeholders and provide a summary of the feedback and a plan of actions for any improvement required.

[NEW IN v3.0] Feedback #36, 54: NEW: Design decisions table.

Annex A: Design Decisions

Key design decisions with practical test and worked examples.

Decision	Principle	Practical Test	Worked Example
Standard-setting vs convening	Lloyd's convenes first while maturing toward value-add standards.	Does it need enforceability now, or alignment?	SOP readiness: convene now. Standard-setting to be addressed in a subsequent iteration of this Framework.
Life business urgency	Life claims may require settlement within 48–72 hours.	To be addressed in a subsequent iteration of this Framework.	Noted. Tiered urgency with life-specific tier to be addressed in a subsequent iteration of this Framework.
Capability vs service framing	USF is a capability, not a service.	Does language imply service or capability?	All documents reframed.
Evergreen alignment	USF first, Evergreen later.	Does delivery depend on Evergreen?	No. Joint solutions to be explored in a subsequent iteration of this Framework.

[NEW IN v3.0] Feedback #15, 53: Basic RACI for primary scenario. Comprehensive RACI to be developed in a subsequent iteration of this Framework.

Annex B: Basic RACI – Primary Scenario

Activity	Lloyd's	Triage Group	Broker	Lead MA	Velonetic
USF Activation Decision	A	R	I	I	C
Market Communication	R	C	I	I	R
Claim Triage & Prioritisation	I	I	C	R	-
Settlement File Compilation	-	-	R	A	-
Settlement Execution	-	-	R	A	-
Regulatory Engagement	R	C	-	I	-
Recovery & Reconciliation	R	I	C	C	R
Stand Down Decision	A	R	I	I	C

R = Responsible, A = Accountable, C = Consulted, I = Informed

Note: A comprehensive RACI covering all scenarios will be developed in a subsequent iteration of this Framework.

[NEW IN v3.0] Feedback #31, 33, 38: NEW: Maturity roadmap. Three-phase model.

Annex C: USF Maturity Roadmap

PHASE 1: Strengthen (v3.0, May 2025 governance)

Uplift v2.0 to a credible, scrutiny-ready framework.

Clarifications, corrections, position statements, basic RACI, definitions, scope assumptions.

Design decisions and 10-day transparency.

STFO capability section with three failure scenarios.

This is the framework only – no enablement package or readiness assurance.

Phase 2: Extend (May 2025)

Full scenario catalogue, chain-specific playbooks, tiered urgency model

Hard activation triggers, comprehensive RACI, stand-down criteria

Reconciliation playbook with duplicate prevention and netting rules

Enablement package: SOP templates, testing guidance, readiness assurance

Communications runbook with pre-drafted templates

Minimum control set: four-eyes, verified bank details, reference conventions

Phase 3: Evolve (Strategic/Funded)

Velonetic reporting hooks and automated status feeds

LIMOSS CCT/testing integrations

Evergreen milestone alignment and joint solutions