

COVERHOLDER BRANCH QUESTIONNAIRE CANADA

Branch Name	
Head Office Address	
Branch Address	

KEY STAFF

	Name	Email	Telephone
Principal of Organization			
Compliance Officer			
Underwriting Manager			
Claims Manager			
Individual Handling Complaints			
Firm Website			

OPERATIONS

1. Are your internal systems the same as the head office? Yes No

2. Your firm is licensed for all class(es) and in the jurisdiction(s) where business will be written Yes No

Alberta	<input type="checkbox"/>	Northwest Territories	<input type="checkbox"/>	Québec	<input type="checkbox"/>
British Columbia	<input type="checkbox"/>	Nova Scotia	<input type="checkbox"/>	Saskatchewan	<input type="checkbox"/>
Manitoba	<input type="checkbox"/>	Nunavut	<input type="checkbox"/>	Yukon	<input type="checkbox"/>
New Brunswick	<input type="checkbox"/>	Ontario	<input type="checkbox"/>		
Newfoundland	<input type="checkbox"/>	Prince Edward Island	<input type="checkbox"/>		

3. Type of business to be written: Retail (doing business with the public) Wholesale

4. Where business is written through sub-agent(s), the onus is on the applicant to ensure that the sub-agent(s) is/are appropriately licensed.

5. Claims handling will be by a Canadian law firm(s) or a licensed Canadian adjuster(s).

Name:

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6. Should your request for Coverholder Branch be successful, and should you intend on writing Open Market or reinsurance business under this authority, you will need to have completed the applicable undertaking and you will be required to register to the Attorney In Fact (AIF) signing process. With the implementation of the OSFI regulation (Part XIII) "insurance in Canada of risks", it is a requirement that brokers in Canada sign an agreement to reaffirm the specific activities that they undertake on Lloyd's behalf. This is to secure that when signed, Lloyd's business in Canada, it will meet the definition of "insurance in Canada of risks", and minimize any disruption for Lloyd's and its partners in Canada.

Does your firm intend on writing Open Market business? Yes No

If yes, please complete and attach the [Coverholder's OMC Undertaking](#) form.

Does your firm intend on writing Reinsurance? Yes No

If yes, please complete and attach the [Reinsurance Undertaking](#) form.

Post approval Lloyd's Canada will contact you and provide you with documentation including terms and conditions for registration to the AIF signing process (ASPS). **Note: you will be unable to place business on the Open Market until you have signed the terms and conditions and registered to the ASPS.**

Post approval, for questions/training regarding the ASPS, please contact canadianaif@lloyds.com.

REPORTING

7. What is Lineage?

Lineage is a cost effective online tool used for the reporting and settlement of Canadian binding authority business. It also generates reports for regulatory reporting.

Key features of Lineage are:

Accounting & Settlement (A&S)

As a transaction is created in Lineage it is displayed in real time to A&S where it is allocated in the settlement Cash flow, in accordance with the applicable terms of trade, to the appropriate eligible settlement parties.

Report Facilities

Report Dashboard allows users to conduct analysis on the performance of their business by extracting information and key business metrics directly from Lineage.

Information Gathering Through Data Entry or Data Upload

Allows parties with a binding authority contract entered in Lineage, to input, manage and consult their data (Organization Profile, Binding Authority, Policies and Claims) directly through Lineage, thereby improving the quality and accuracy of information.

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Sanctions Screening: In order to respect OSFI's Designated Persons and Sanctions Laws Instruction Guide, Lineage also performs a daily validation to verify whether any insurance transactions have been effected with individuals or entities identified in the following Regulations: United Nations, UK Treasury, US Terrorism and others.

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8. The applicant has discussed with its Lloyd's Broker the manner in which reporting is to be handled. Please check below the agreed method of reporting.

An individual from our office will follow up with you within two weeks to set-up the reporting facility for your office.

For questions/training regarding the reporting of the above business to Lloyd's Canada, please contact info@lloyds.ca.

Accounting & Settlement Business: All direct Binding Authority business (premiums and claims) must be reported to Lloyd's Canada through Lineage (Lloyd's Canada Portal).

OR

Non-Accounting & Settlement Business: It is mandatory that the **following** direct Binding Authority business be reported to Lloyd's Canada through Lineage (Lloyd's Canada Portal): Commercial Ontario Liability (premiums and claims) and Automobile (premiums and claims).

COMPLIANCE

Once you are granted Coverholder status, you are required to comply with the following:

9. Policy wordings to be used have been agreed by contract Underwriters and comply with Canadian legal requirements.

10. Where business is written 100% Lloyd's, the framework of Lloyd's declarations page LSW1548B will be used. (Refer to your Lloyd's Broker for a copy of LSW1548B)

11. Your firm will familiarize itself with the "Lloyd's Underwriters' Policyholders' Complaint Protocol": [LSW1542F](#)

12. Your firm understands that it is your responsibility to collect and directly remit the Provincial Sales Tax on each policy to the appropriate government authorities.

Note: It is the responsibility of Lloyd's Underwriters to pay the premium and fire tax on each provincial policy.

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13. Where legal documents are served on the Attorney In Fact/Lloyd's Representative/Superintendent of Insurance, these will be referred to the applicant who is to ensure that the concerned Lloyd's Underwriters' interests are protected (this generally means the appointment of legal counsel, as instructed by Underwriters). If you are directly served with a legal action intended for Lloyd's Underwriters, you are to immediately advise the office of the Attorney In Fact at info@lloyds.ca.
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14. Your firm will need to register and abide by the terms set out in the Canada Manual found in [Crystal](#) accessible through the Lloyd's website.
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15. Your firm understands the responsibilities as a Coverholder as it relates to (but are not limited to) the implication and the application of the following topics:
- A) Licensing Requirements
 - Choice of Law
 - Jurisdiction
 - Disclosure
 - Lloyd's Code of Consumer Rights and Responsibilities – LSW1565C
 - Cancellation and Non-Renewal
 - Countersignature Requirements
 - Master Policies
 - Language of Contract
 - Policy Documentation including Subscription Policy Documentation
 - B) Year of Account (and its implications on lead/follow business) - The year to which a risk is allocated and to which all premiums and claims in respect of that risk are attributed. The year of account of a risk is usually determined by the calendar year in which the risk incepts. A year of account is normally closed by reinsurance at the end of 36 months.
 - C) Your firm has developed a suitable and robust policy to meet your obligation to report and monitor any activities by your insureds in relation to money laundering, sanctioned countries and terrorist lists and bribery activities.

Lloyd's has developed three on-line training modules on Financial Crime, which can be found [here](#).

Once your firm has been granted Coverholder Branch status, you are required to complete the aforementioned on-line training modules.

Should you have any questions, please contact your Lloyd's Broker or the concerned Underwriter/Managing Agent.

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16. It is mandatory for your firm to comply with the [Canada – Regulatory Reporting Requirements Table](#).

17. Canada's Anti-Spam Legislation (CASL): You are familiar and compliant with the regulation effective July 1, 2014.

For further information, please contact info@lloyds.ca

I have read and agree to the foregoing.

Signature of Applicant: _____ Date: _____

Please print name and title in block letters: _____