

POWERS OF CHARGING BYELAW

Commencement

This byelaw commenced on 6 December 1990.

Amendments

This byelaw was amended by Powers of Charging (Amendment) Byelaw (No. 21 of 1998).

Explanatory Note

(This note does not form part of the byelaw)

This byelaw allows the Council to charge from time to time in respect of the provision of services, the carrying out of functions under Lloyd's Acts, byelaws and regulations and the furthering of the objects of the Society.

The byelaw also provides for annual subscriptions to be paid by underwriting agents.

The Council of Lloyd's in exercise of its powers under section 6(2) of, and paragraph (4) of Schedule 2 to, Lloyd's Act 1982 by special resolution hereby makes the following byelaw.

1. General interpretation

In this byelaw:

- (a) “approved run-off company” has the meaning given in paragraph 1 of Schedule 1 to the Run-Off Companies Byelaw (No. 2 of 1995);
- (b) “auction” has the meaning given in paragraph 2(1) of the Auction Byelaw (No. 14 of 1997);
- (c) “Lloyd’s deposit” means all or any Lloyd’s deposit, Lloyd’s life deposit or additional Lloyd’s deposit, each as defined in paragraph 5 of the Membership Byelaw (No. 17 of 1993);
- (d) “member of the Lloyd’s community” has the meaning given in section 14(2) of Lloyd’s Act 1982 but shall be deemed also to include each Lloyd’s adviser and each approved run-off company;
- (e) “premiums trust fund” has the meaning given in paragraph 1 of the Schedule to the Membership Byelaw (No. 17 of 1993);
- (f) “requirements of the Council” means any requirement imposed by any byelaw or regulation made under Lloyd’s Acts 1871 to 1982, any condition or requirement imposed or direction given under any such byelaw or regulation, any direction given under section 6 of Lloyd’s Act 1982, any requirement imposed by or under any undertaking given by a member of the Society to the Society or to the Council and any other requirement imposed or direction given by the Council under Lloyd’s Acts 1871 to 1982;
- (g) “special reserve fund” means any fund so designated and set up in relation to an individual member in accordance with arrangements referred to in section 175 of, and Schedule 20 to, the Finance Act 1993;
- (h) “syndicate” has the meaning given in paragraph 1 of Schedule 1 to the Syndicate Accounting Byelaw (No. 18 of 1994).

2. Requirement to pay charges, etc.

- (1) The Council may require the payment by a member of the Lloyd’s community of such charges, levies or fees as the Council may prescribe in respect of:
 - (a) the supply, provision, rental or installation of any goods, services, facilities or amenities of any kind whatsoever; or
 - (aa) the administration of the affairs at Lloyd’s of any member of the Lloyd’s community or the provision of services or information in connection therewith, including (without prejudice to the generality of the foregoing):

- (i) in relation to any member of the Society or any underwriting agent acting as such in relation to that member, for acting as trustee or holder of, or providing or reconciling information or performing any other function in relation to, all or any part of that member's premiums trust funds, Lloyd's deposits, special reserve funds or other trust funds at Lloyd's or any cash or assets (including income) which are or were comprised in, or are or were connected with, any such fund or part; or
 - (ii) the maintenance of membership, registration or other records in respect of any member of the Lloyd's community or for the purposes of or in connection with his affairs at Lloyd's, or in respect of any syndicate or its business, and the provision or reconciliation of any such information; or
 - (iii) the maintenance of records to enable or assist any member of the Lloyd's community to carry on any business or activity or perform any function at Lloyd's or in connection with the carrying on of any such business or activity or the performance of any such function (whether the information relates to the relevant member of the Lloyd's community or its affairs or to other persons or their affairs) and the provision or reconciliation of any such information; or
 - (iv) the provision of services or information to underwriting agents in connection with any auction;
- (ab) the consideration by the Society or the Council of any application by any member of the Lloyd's community for any approval, consent, permission or exemption under or in connection with any requirements of the Council; or
 - (ac) the response by the Society to any enquiry or request for information; or
 - (b) the exercise by the Society of any function or power pursuant to Lloyd's Acts 1871 to 1982 and any byelaw or regulation made thereunder; or
 - (c) the furtherance of the objects of the Society.
- (2) In sub-paragraph (1) (except in sub-paragraph (c), "the Society" means the Society itself and also any of its officers and employees and any person or persons in or to whom (whether individually or collectively) any functions or powers are vested or delegated by or pursuant to Lloyd's Acts 1871 to 1982 and any byelaw or regulation made thereunder.
- (3) Where any charge, levy or fee falling within sub-paragraph (1)(aa)(i) is also recoverable by the Society, in its capacity as trustee, from any trust fund to which (or to any part of which) it relates, the Society may (at its sole discretion) instead of recovering that charge from the member recover it from the trust fund in question.
- (4) Where any charge, levy or fee falling within sub-paragraph (1)(aa)(i) or (ac) relates to any cash or assets (including income) which are or were comprised in, or are or were

connected with, any trust fund or part thereof, those amounts shall, for the purposes of sub-paragraph (3), be regarded as relating to the trust fund in question.

3. Subscriptions of underwriting agents

Every underwriting agent shall pay such annual subscription as the Council may require.

4. Miscellaneous powers of the Council

In relation to charges, levies, fees or subscriptions required under paragraphs 2 and 3 of this byelaw, the Council may:

- (a) determine the amount of any charge, levy, fee or subscription in accordance with a specified scale or other specified factors;
- (b) provide for the return or abatement of any charge, levy, fee or subscription in specified circumstances;
- (c) make different provision for different cases and different circumstances;
- (d) exempt wholly or in part any person or category of person from liability to pay any charge, levy, fee or subscription;
- (e) prescribe the manner and time of payment; or
- (f) charge interest on such amounts of any payment as are unpaid on the due date until the date of payment at a rate determined by the Council.

5. Powers of the Council cumulative

Except in so far as it is expressly otherwise provided, any power conferred on the Council by any provision of this byelaw is in addition to, and shall not be construed as limiting or being limited by, any other power of the Council, whether conferred by any other provision of this byelaw or otherwise.

6. Revocation and amendment of byelaws

- (1) Byelaw 26 made under Lloyd's Acts 1871 to 1951 is revoked.
- (2) The Miscellaneous Matters Byelaw (No. 15 of 1983) is amended by deleting paragraph 8 (Powers of Charging).

7. Commencement

This byelaw shall come into force on 6 December 1990.