

**FROM:** General Manager, Members' Financial Services  
**LOCATION:** 58/NEG  
**EXTENSION:** 6056  
**DATE:** 24 June 1999  
**REFERENCE:** MFD/CT/PBL/Y2080/1sb/pblbulletin  
**SUBJECT:** DEPOSIT DRAWDOWNS - VOLUNTARY REQUESTS  
**SUBJECT AREA(S):**  
**ATTACHMENTS:** FOL3(B)(G), FOL3(B)(L), FOL3(B)(G)(SLP), FOL3(B)(L)(SLP), FOL2(A)(G), FOL2(A)(L), FOL2(A)(G)(SLP), FOL2(A)(L)(SLP)  
**ACTION POINTS:** **Members' Agents to submit voluntary drawdown forms where applicable**  
**DEADLINE:** **Not applicable**

The purpose of this bulletin is to remind members' agents of the procedures for submitting deposit drawdowns where such drawdowns have been requested by individual members (voluntary drawdowns) and to advise of the similar process for voluntary drawdowns for SLPs.

The forms to be submitted to request voluntary deposit drawdowns are as follows;

Individual Members

	<b>General</b>	<b>Life</b>
<b>Member</b>	FOL3(B)(G)	FOL3(B)(L)
<b>Agent</b>	FOL2(A)(G)	FOL2(A)(L)

SLP

	<b>General</b>	<b>Life</b>
<b>Limited Partner</b>	FOL3(B)(G)(SLP)	FOL3(B)(L)(SLP)
<b>Agent &amp; General Partner</b>	FOL2(A)(G)(SLP)	FOL2(A)(L)(SLP)

It will be noticed that the form FOL2 has been modified and that it is now not necessary to detail the syndicates to be paid, but the date to be inserted in the form must be the date of the Agents Information (AI) file on which debts are based. Facilities to allow for US dollar liabilities have been included. The FOL forms have also been amended to reflect that separate forms should be submitted for general and life business.

It should be noted that in respect of individual members that the previous versions of the FOL forms will continue to be accepted in the short term (i.e. recognising that some drawdown documentation may already have been prepared).

### User Pays

Members' agents are reminded that user pays charges, as prescribed, will apply to all deposit drawdowns. Reference should be made to Market Bulletin Ref: Y1029 – 1999 MSU Charges dated 4 December 1998.

### Compulsory Drawdowns/Withdrawals from New Central Fund

Bulletins covering these subjects will be issued shortly. Members' agents should note that these processes are not expected to commence before August.

### Submission of Drawdown Forms/Contacts

Completed drawdown forms should be sent to the Members' Funds Department. Any questions relating to the Deposit drawdown process can be addressed to Paul Lutman (ext. 2517) or Jenny Pamplin (ext. 2320).

### Corporate Members

Voluntary drawdown procedures will be issued in due course but it should be noted that in most cases a full audit certificate will be required. Any questions from Direct Corporate Members can be directed to Malcolm Colesworthy (ext. 2497). Any questions in connection with drawdowns for SLPs or Corporate member conversion schemes can be directed to Karen Fox (ext. 2368).

This bulletin has been sent to all members' agents, advisers and Direct Corporate Participants.

Colin Tyne  
General Manager  
Members' Financial Services

To: The Council of Lloyd's

**MEMBER'S REQUEST FOR VOLUNTARY RELEASE OF FUNDS  
TO MEET UNDERWRITING LIABILITIES  
(GENERAL)**

Name of Member .....("The Member") Member No. ....

I am advised that I have incurred underwriting liabilities at Lloyd's. Without prejudice to my right to dispute the validity of those liabilities, I request that liabilities up to £..... and/or US\$ ..... be funded out of assets held at Lloyd's or otherwise held in my funds at Lloyd's. I agree in relation to any payment required to be made out of any such assets for such purpose that

- (a) Lloyd's may at its discretion realise, drawdown on or disperse such assets in any order and at any time and I hereby waive the need for compliance with any formalities in relation thereto;
- (b) any financial institution which has issued any guarantee or letter of credit which forms any part of such assets can make payments pursuant to any such guarantee or letter of credit without the need for compliance by Lloyd's, any members' agent or that financial institution with any formalities provided for in any such guarantee or letter of credit, any trust deed or any relevant agreement;
- (c) the amount realised from any realisation or drawdown of any such assets is at my risk and Lloyd's shall not be responsible, or have any liability, for any loss or damage arising from any such realisation or drawdown, including its timing.

Signature(s) ..... Date .....

If signature not of member please indicate authority to sign (e.g. executor).

**Note 1** The Member's Lloyd's deposit cannot be regarded as a current account for the funding of losses and/or cash calls. A request for a voluntary release will be dealt with as expeditiously as possible but without any liability on Lloyd's part for any interest or other expenses incurred by the Member after the date of the request.

**Note 2** Please list below (or on attached sheet) which assets you wish to be utilised to realise the required amount. While Lloyd's will endeavour to comply to your wishes it can neither be bound nor restricted by such wishes.

**FOL3(B)(G)**

To: The Council of Lloyd's

**MEMBER'S REQUEST FOR VOLUNTARY RELEASE OF FUNDS  
TO MEET UNDERWRITING LIABILITIES  
(LONG TERM)**

Name of Member .....("The Member") Member No. ....

I am advised that I have incurred underwriting liabilities at Lloyd's. Without prejudice to my right to dispute the validity of those liabilities, I request that liabilities up to £..... and/or US\$ ..... be funded out of assets held at Lloyd's or otherwise held in my funds at Lloyd's. I agree in relation to any payment required to be made out of any such assets for such purpose that

- (a) Lloyd's may at its discretion realise, drawdown on or disperse such assets in any order and at any time and I hereby waive the need for compliance with any formalities in relation thereto;
- (b) any financial institution which has issued any guarantee or letter of credit which forms any part of such assets can make payments pursuant to any such guarantee or letter of credit without the need for compliance by Lloyd's, any members' agent or that financial institution with any formalities provided for in any such guarantee or letter of credit, any trust deed or any relevant agreement;
- (c) the amount realised from any realisation or drawdown of any such assets is at my risk and Lloyd's shall not be responsible, or have any liability, for any loss or damage arising from any such realisation or drawdown, including its timing.

Signature(s) ..... Date .....

If signature not of member please indicate authority to sign (e.g. executor).

**Note 1** The Member's Lloyd's deposit cannot be regarded as a current account for the funding of losses and/or cash calls. A request for a voluntary release will be dealt with as expeditiously as possible but without any liability on Lloyd's part for any interest or other expenses incurred by the Member after the date of the request.

**Note 2** Please list below (or on attached sheet) which assets you wish to be utilised to realise the required amount. While Lloyd's will endeavour to comply to your wishes it can neither be bound nor restricted by such wishes.

**FOL3(B)(L)**

To: The Council of Lloyd's

**LIMITED PARTNER'S REQUEST FOR VOLUNTARY RELEASE OF FUNDS TO  
MEET UNDERWRITING LIABILITIES INCURRED BY  
A SCOTTISH LIMITED PARTNERSHIP  
(GENERAL BUSINESS)**

Name of Limited Partner ..... ("the Limited Partner")

Name of Member .....("the Member") Member No. ....

I am advised that the Member in which I am a Limited Partner has incurred underwriting liabilities at Lloyd's. Without prejudice to my right to dispute the validity of those liabilities, I request that liabilities up to £ ..... and/or US\$ ..... be funded out of assets made available by me in connection with the underwriting of the Member and which I have agreed may be used to fund such member's liabilities. I agree in relation to any payment required to be made out of any such assets for such purpose that

- (a) Lloyd's may at its discretion realise, drawdown on or disperse such assets in any order and at any time and I hereby waive the need for compliance with any formalities in relation thereto;
- (b) any financial institution which has issued any guarantee or letter of credit which forms any part of such assets can make payments pursuant to any such guarantee or letter of credit without the need for compliance by Lloyd's, any members' agent or that financial institution with any formalities provided for in any such guarantee or letter of credit, any trust deed or any relevant agreement;
- (c) the amount realised from any realisation or drawdown of any such assets is at my risk and Lloyd's shall not be responsible, or have any liability, for any loss or damage arising from any such realisation or drawdown, including its timing.

Signature(s) ..... Date.....

If signature is not that of the Limited Partner please indicate authority to sign.

**Note 1** A Limited Partner's Lloyd's deposit cannot be regarded as a current account for the funding of losses and/or cash calls. A request for voluntary release will be dealt with as expeditiously as possible but without any liability on Lloyd's part for any interest or other expenses incurred by the Limited Partner after the date of the request.

**Note 2** Please list below (or on attached sheet) which assets you wish to be utilised to realise the required amount. While Lloyd's will endeavour to comply to your wishes it can neither be bound nor restricted by such wishes.

To: The Council of Lloyd's

**LIMITED PARTNER'S REQUEST FOR VOLUNTARY RELEASE OF FUNDS TO MEET UNDERWRITING LIABILITIES INCURRED BY A SCOTTISH LIMITED PARTNERSHIP (LONG TERM)**

Name of Limited Partner ..... ("the Limited Partner")

Name of Member .....("the Member") Member No. ....

I am advised that the Member in which I am a Limited Partner has incurred underwriting liabilities at Lloyd's. Without prejudice to my right to dispute the validity of those liabilities, I request that liabilities up to £ ..... and/or US\$ ..... be funded out of assets made available by me in connection with the underwriting of the Member and which I have agreed may be used to fund such member's liabilities. I agree in relation to any payment required to be made out of any such assets for such purpose that

- (a) Lloyd's may at its discretion realise, drawdown on or disperse such assets in any order and at any time and I hereby waive the need for compliance with any formalities in relation thereto;
- (b) any financial institution which has issued any guarantee or letter of credit which forms any part of such assets can make payments pursuant to any such guarantee or letter of credit without the need for compliance by Lloyd's, any members' agent or that financial institution with any formalities provided for in any such guarantee or letter of credit, any trust deed or any relevant agreement;
- (c) the amount realised from any realisation or drawdown of any such assets is at my risk and Lloyd's shall not be responsible, or have any liability, for any loss or damage arising from any such realisation or drawdown, including its timing.

Signature(s) ..... Date.....

If signature is not that of the Limited Partner please indicate authority to sign.

**Note 1** A Limited Partner's Lloyd's deposit cannot be regarded as a current account for the funding of losses and/or cash calls. A request for voluntary release will be dealt with as expeditiously as possible but without any liability on Lloyd's part for any interest or other expenses incurred by the Limited Partner after the date of the request.

**Note 2** Please list below (or on attached sheet) which assets you wish to be utilised to realise the required amount. While Lloyd's will endeavour to comply to your wishes it can neither be bound nor restricted by such wishes.

To: The Council of Lloyd's

**MEMBERS' AGENT'S DECLARATION  
VOLUNTARY RELEASE OF FUNDS TO MEET UNDERWRITING LIABILITIES  
(GENERAL)**

Name of:..... (the Member) Member No. ....

As at \_\_\_\_\_<sup>1</sup>the Member had

- (i) unsatisfied liabilities in respect of open or run-off years of account; and/or
  - (ii) unfunded losses in respect of closed years of account;
- totalling in aggregate amount £ \_\_\_\_\_ US\$ \_\_\_\_\_.

The Members' Agent accordingly declares

- (a) that there are insufficient funds available in the Premiums Trust Fund of the Member to meet the Members Lloyd's obligations; and/or
- (b) the Member has sustained on a closed underwriting account an ascertained loss which has not been funded.

The Members' Agent therefore considers that, a drawdown from the Member's general deposit trust fund in an amount of not more than £ \_\_\_\_\_ \$US \_\_\_\_\_ is appropriate.

The Member has completed a request and agreement form in respect of such drawdown, and this is attached.

Agent .....

Agents Stamp

Signature .....

Position .....

Date .....

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<sup>1</sup> Insert the date of the Agents Information (AI) file on which this Members' Agent's Declaration is based. Note the amounts in the extract from the AI file should only relate to the liabilities in (i) and (ii) exclusively and not to any other liabilities.

To: The Council of Lloyd's

**MEMBERS' AGENT'S DECLARATION  
VOLUNTARY RELEASE OF FUNDS TO MEET UNDERWRITING LIABILITIES  
(LONG TERM)**

Name of:..... (the Member) Member No. ....

As at \_\_\_\_\_<sup>1</sup> the Member had

- (i) unsatisfied liabilities in respect of open or run-off years of account; and/or
  - (ii) unfunded losses in respect of closed years of account;
- totalling in aggregate amount £ \_\_\_\_\_ US\$ \_\_\_\_\_.

The Members' Agent accordingly declares

- (a) that there are insufficient funds available in the Premiums Trust Fund of the Member to meet the Members Lloyd's obligations; and/or
- (b) the Member has sustained on a closed underwriting account an ascertained loss which has not been funded.

The Members' Agent therefore considers that, a drawdown from the Member's Life deposit trust fund in an amount of not more than £ \_\_\_\_\_ US\$ \_\_\_\_\_ is appropriate.

The Member has completed a request and agreement form in respect of such drawdown, and this is attached.

Agent .....

Agents Stamp

Signature .....

Position .....

Date .....

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<sup>1</sup> Insert the date of the Agents Information (AI) file on which this Members' Agent's Declaration is based. Note the amounts in the extract from the AI file should only relate to the liabilities in (i) and (ii) exclusively and not to any other liabilities.



To: The Council of Lloyd's

**MEMBERS' AGENT'S DECLARATION  
VOLUNTARY RELEASE OF FUNDS TO MEET UNDERWRITING LIABILITIES  
(GENERAL)**

Name of:..... (the Member) Member No. ....

As at \_\_\_\_\_<sup>1</sup>the Member had

(i) unsatisfied liabilities in respect of open or run-off years of account; and/or

(ii) unfunded losses in respect of closed years of account;

totalling in aggregate amount £ \_\_\_\_\_ US\$ \_\_\_\_\_.

The Members' Agent accordingly declares

(a) that there are insufficient funds available in the Premiums Trust Fund of the Member to meet the Members Lloyd's obligations; and/or

(b) the Member has sustained on a closed underwriting account an ascertained loss which has not been funded.

The Members' Agent therefore considers that, the Member being a Scottish Limited Partnership, and after consultation with the General Partner, that an amount<sup>2</sup> of not more than that shown against each Limited Partner's name in the Schedule attached hereto shall be drawdown from each such Limited Partner's Lloyd's general deposit to meet the Member's above liabilities.

Each of the Limited Partners has completed a request and agreement form in respect of the drawdown of such Partner's general deposit, and these are attached.

Agent .....

Agents Stamp

Signature .....

Position .....

Date .....

General Partner .....

Signature .....

Position .....

Date .....

<sup>1</sup> Insert the date of the Agent Information (AI) file on which this Members' Agent's Declaration is based. Note the amounts in the extract from the AI file should only relate to the liabilities in (i) and (ii) exclusively and not to any other liabilities.

<sup>2</sup> This amount must not exceed the relevant Limited Partner's Specified Fund.

**SCHEDULE**

**Limited Partner**

**Amount**

To: The Council of Lloyd's

**MEMBERS' AGENT'S DECLARATION  
VOLUNTARY RELEASE OF FUNDS TO MEET UNDERWRITING LIABILITIES  
(LONG TERM)**

Name of:..... (the Member)                      Member No. ....

As at \_\_\_\_\_<sup>1</sup> the Member had

- (i)      unsatisfied liabilities in respect of open or run-off years of account; and/or
  - (ii)     unfunded losses in respect of closed years of account;
- totalling in aggregate amount £ \_\_\_\_\_ US\$ \_\_\_\_\_.

The Members' Agent accordingly declares

- (a)      that there are insufficient funds available in the Premiums Trust Fund of the Member to meet the Members Lloyd's obligations; and/or
- (b)      the Member has sustained on a closed underwriting account an ascertained loss which has not been funded.

The Members' Agent therefore considers that, the Member being a Scottish Limited Partnership, and after consultation with the General Partner, that an amount<sup>2</sup> of not more than that shown against each Limited Partner's name in the Schedule attached hereto shall be drawdown from each such Limited Partner's long term deposit to meet the Member's above liabilities.

Each of the Limited Partners has completed a request and agreement form in respect of the drawdown of such Partner's long term deposit, and these are attached.

Agent .....    Agents Stamp

Signature .....

Position .....

Date .....

General Partner .....

Signature .....

Position .....

Date .....

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<sup>1</sup> Insert the date of the Agents Information (AI) file on which this Members' Agent's Declaration is based. Note the amounts in the extract from the AI file should only relate to the liabilities in (i) and (ii) exclusively and not to any other liabilities.

<sup>2</sup> This amount must not exceed the relevant Limited Partner's Specified Fund.

**SCHEDULE**

**Limited Partner**

**Amount**