

FROM: Julian James, Director, Worldwide Markets
LOCATION: G12
EXTENSION:
DATE: 6 September 2002
REFERENCE: Y2863
SUBJECT: HONG KONG MOTOR TERRORISM POOL
SUBJECT AREA(S): To inform the market of a new terrorism pool for Hong Kong motor liability business.
ATTACHMENTS:
ACTION POINTS: **To be noted**
DEADLINE: **Immediate**

The Motor Insurance Bureau (MIB) in Hong Kong has established a limited facility of up to HK\$200 million (£16.5 million) to provide cover for the claims of innocent third parties in the event of bodily injury caused by a terrorism act through the use of a motor vehicle on the road in Hong Kong.

This facility will be funded out of the MIB "First Fund" that is already established. If this is exhausted, there will be additional levies by the MIB on motorists.

In order to retain its motor licence in Hong Kong, Lloyd's has signed up to the facility via a Supplemental Memorandum of Agreement to the original Motor Memorandum of Agreement for the MIB.

Lloyd's does not currently have a coverholder writing third party motor liability in Hong Kong. If any syndicate wishes to give a binding authority to a coverholder in Hong Kong to write this class of business, they must first contact Worldwide Markets (Alex Faris, telephone: 020 7327 6854 or email: alexandra.c.faris@lloyds.com) or Lloyd's Hong Kong office (Cameron Murray, General Representative, telephone +852 2918 9911 email: cmurray@lloydshk.com.hk).

For further information or a copy of the supplemental memorandum, please contact Worldwide Markets or the Hong Kong Representative office.

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