

FROM: Secretary to Lloyd's Disciplinary Board
LOCATION: G3/86
EXTENSION: 6835
DATE: 27 August 2003
REFERENCE: Y3125
SUBJECT: FIXED PENALTY PROCEEDINGS
SUBJECT AREA(S): Disciplinary Proceedings
ATTACHMENTS: None
ACTION POINTS: **For Information**
DEADLINE: **None**

Four managing agents have received fixed penalty fines totalling £31,000 in Lloyd's disciplinary proceedings. The fines imposed ranged from £5,000 to £13,000.

The proceedings related to the failure to submit syndicate returns/annual accounting returns by the prescribed deadline, pursuant to requirements made under the Solvency & Reporting Byelaw and the Syndicate Accounting Byelaw.

On 29 November 2002 Lloyd's issued a market bulletin (Y2925) stating:

"Lloyd's will levy fines on managing agents in connection with the submission of returns submitted on or after the deadline date (including where it is necessary for a return to be re-submitted due to the appearance of errors in the validation report or other irregularity arising from our review of the return)."

Having failed to submit returns by the prescribed date, proceedings were instituted against the agents who agreed to pay the fixed penalty fines.

In accordance with Lloyd's usual policy relating to fixed penalty proceedings, Lloyd's determined not to publish the identity of the defendants in these cases.

This bulletin is being sent to all underwriting agents, corporate members, market associations, the ALM, recognised accountants and the Financial Services Authority.

H F Walsh
Secretary to Lloyd's Disciplinary Board