

FROM: Mike FitzGerald, Treasury Services EXTN: 5901
DATE: 7 March 2005 REF: Y3512
SUBJECT: **ADDITIONAL SECURITIES LIMITED (ASL) – 2005 Collection & Distribution**
SUBJECT AREA(S): Overseas deposit collection and distribution
ATTACHMENTS: None

ACTION POINTS: **To note contents**
DEADLINE(S): **None**

This Market Bulletin notifies Managing Agents of the forthcoming 2005 Additional Securities Limited (“ASL”) deposit collection and distribution exercise.

1) Date

The collection and distribution exercise for 2005 is due to take place on Tuesday 29 March 2005.

2) Collection

As in previous years, it is proposed that collections will only be made for those countries with larger deposits funded through ASL.

For 2005, collections will continue to be made for the Australian Statutory Deposit, Grenada, Hong Kong, Namibia, Singapore, St Vincent, Switzerland, Switzerland Credit Equalisation Reserve and Trinidad.

3) Basis of Apportionment

For those countries where collections will be made, each syndicate’s deposit requirement will be collected from the 2005 year of account and apportioned based upon 2004 premium income data.

As an exception to this, the collections for Hong Kong and Switzerland will be allocated on a basis which more accurately reflects the method employed by local regulators to calculate the total deposit requirement.

The actual collection amount will be net of the return of the 2004 deposit principal, plus income earned to 31 December 2004 and foreign exchange gains/losses to 18 February 2005. Accordingly, a single Sterling settlement to/from syndicates’ PTFs will be processed via Central Accounting on 29 March 2005.

Interest for the period 1 January to 28 March 2005 and foreign exchange gains/losses for the period 19 February to 28 March 2005 will be distributed once figures are available. It is anticipated that this will be during June 2005.

4) Further Detail

Individual syndicate statements will be sent to Managing Agents shortly through the Central Accounting system.

Any queries relating to these figures should, in the first instance, be directed to Michael FitzGerald, Lloyd's Extension 5901 or Scott Binskin on Extension 2301, and **must** be raised no later than Friday 18 March 2005.

This Market Bulletin has been sent to all Managing Agents.

Michael FitzGerald
Treasury Services