

FROM: Director, Worldwide Markets EXTN: 6677
DATE: 20 April 2005 REF: Y3545
SUBJECT: **INTRODUCTION OF ON-LINE CERTIFICATE ISSUING SYSTEM FOR
ITALIAN COVERHOLDERS ("MOCHA")**

SUBJECT AREA(S):

ATTACHMENTS: None

ACTION POINTS: **Managing agents and brokers to note**

DEADLINE(S): **None**

1. Background

"Mocha" is a new web-based system for issuing Lloyd's certificates which is being introduced for use by all Lloyd's coverholders in Italy. Each new or renewed binding authority will be registered and become active within Mocha, making it the sole mechanism for the issuance of Lloyd's certificates in Italy by mid 2006. Following the success of market trials and the live use of the system by selected coverholders, the system is now being rolled out to all coverholders in Italy.

Mocha is a simple, flexible and intuitive system which will greatly improve the speed and quality of certificate issuing in Italy. It allows for greater contract certainty with immediate and on-line confirmation, and ensures that only documents in compliance with the binding authority agreement are electronically signed and issued. Documents are stored and can be accessed on-line 24 hours a day at draft, quote and final stages. The system is also bi-lingual with all pages available in Italian and English. Underwriters can also access the system to monitor business written by their coverholders.

2. Implementation to all coverholders

New or renewed binding authorities will now need to be registered by Lloyd's Italian office (LIO) on Mocha so that the relevant coverholder can start issuing insurance certificates through the system. Therefore, when negotiating a new or renewed binding authority the coverholder must make contact with LIO to begin the registration process for the binding authority. A Help Desk has been set up in LIO to deal with all Mocha implementation issues and enquiries (contact details are shown below).

A copy of the binding authority signed by the underwriter must be provided to the Mocha Help Desk, together with the user agreement signed by the coverholder. LIO, using this information, will then prepare a specific underwriting sheet which includes all binding authority provisions which will be loaded onto the system. The coverholder, through his Lloyd's broker, will need to seek underwriters sign-off of the

underwriting sheet, before it can go live. Coverholders, Lloyd's brokers and underwriters will be given personal password and username details to enable them to have access to the system.

LIO will guide each coverholder through this initial process of registration and explain what details will be required for registration. LIO will also provide coverholders with a training session on the use of Mocha, where all features of the system will be explained.

3 Further information

More detailed information on Lloyd's trading rights may be found on www.lloyds.com/worldwide. Select the appropriate country from the Lloyd's trading status box (located on the right hand side of the web page) and this will take you to the Quick Reference Guide for the country selected. More detailed information may then be obtained for certain countries by selecting 'Manual' from the menu on the left hand side of the screen. You will be asked to input a user name and password. Please contact the Worldwide Market Services (contact details as above) in order to obtain this information.

Further information on Mocha can be obtained from:

Mocha Help Desk, Lloyd's Italian Office

Tel: +39 025 413 1808

Fax: +39 025 519 3107

Email: mocha@lloyds.it

www.mocha.lloyds.com

The user guide for Mocha is located at:

<http://www.lloyds.com/index.asp?ItemId=9454>

or

Worldwide Market Services

Box 190 in the Underwriting room

Tel: 020 7327 6677

Email: market.services@lloyds.com

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