

MARKET BULLETIN

From	Tax & Treasury (extn 5901)
Date	1 March 2006
Reference	Y3755
Subject	ADDITIONAL SECURITIES LIMITED (ASL) - 2006 Collection and Distribution
Subject areas	Overseas deposit collection and distribution
Attachments	None
Action points	Managing Agents to note contents
Deadlines	None

This Market Bulletin notifies Managing Agents of the forthcoming 2006 Additional Securities Limited ("ASL") deposit collection and distribution exercise.

1 Date

The collection and distribution exercise for 2006 is due to take place on Wednesday 29 March 2006.

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 2006, collections will be made for the Australian Statutory Deposit, Bahamas, Grenada, Hong Kong, Namibia, Singapore, St Vincent, Switzerland and Trinidad & Tobago.

3 Basis of Apportionment

For those countries where collections will be made, each syndicate's deposit requirement will be collected from the 2006 year of account and apportioned based upon 2005 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 amount due to be collected will be net of the return of the 2005 deposit principal, plus income earned to 31 December 2005 and foreign exchange gains/losses to 17 February 2006. Accordingly, a single Sterling settlement to/from syndicates' PTFs will be processed via Central Accounting on 29 March 2006.

Interest for the period 1 January to 28 March 2006 and foreign exchange gains/losses for the period 18 February to 28 March 2006 will be distributed once figures are available. It is anticipated that this will be during June 2006.

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 17 March 2006.

This Market Bulletin has been sent to all Managing Agents.

Michael FitzGerald
Tax & Treasury