

MARKET BULLETIN

From	Director, Worldwide Markets
Date	5 th December 2006
Reference	Y3911
Subject	Overseas business return for 2006: Business not processed through Xchanging
Subject areas	Premiums and claims for the calendar year 2006, for Non-UK transactions not processed through Xchanging
Attachments	Initial sign off form to return to Worldwide Markets.
Action points	<ol style="list-style-type: none"> 1. Managing agents to complete and return the attached form in respect of all syndicates that received premiums or handled claims in 2006. 2. Managing agents of syndicates who confirm that they have processed business outside Xchanging in 2006 to subsequently supply data returns electronically.
Deadlines	<ol style="list-style-type: none"> 1. 20th December 2006 for initial sign off form. 2. 31st January 2007 for return of data forms electronically

Purpose of bulletin

This bulletin is to arrange the collection of all premium and claim data relating to the 2006 calendar year, where the transactions to which these relate were not processed through Xchanging. This bulletin applies to all Lloyd's syndicates who received premiums or handled claims in 2006. If there is no data to report because all transactions were processed through Xchanging, syndicates should still complete and return the attached form by **20th December 2006**.

Background

To comply with Lloyd's legal obligations to report business to overseas supervisory and fiscal authorities, Worldwide Markets requires accurate and complete financial data about Lloyd's underwriters' business.

The requested information is important for maintaining Lloyd's trading status. Lloyd's uses it to adjust ASL deposits and to complete accurate regulatory returns, including reports

submitted to the FSA of Lloyd's aggregate business from EU member states and detailed reporting to the Irish authorities. The supplied data is also used to provide global management information for inclusion in Lloyd's annual return to the FSA.

Most transactional data is available from Xchanging, but Worldwide Markets only source of information about business not processed through Xchanging is the syndicates who have written it.

Returns required

These returns are aimed at gathering all non-Xchanging data from the market for calendar year 2006. This applies to all inward business and therefore replaces the separate requests made annually for motor business and the additional request sent out regarding Irish business.

Please complete and return the sign off form per syndicate, deleting the statement that does not apply. (See Appendix 1) All syndicates are required to supply a return of this form, including syndicates in run-off.

If your syndicate has received premium or handled claims outside Xchanging for any non-UK class of business in 2006, please notify us of a contact name within your organisation with whom we can liaise to obtain the required data.

Where a syndicate confirms that data needs to be reported, Worldwide Markets will send an e-mail to the notified contact, containing:

- i) an Excel Workbook to complete and return
- ii) guidance notes on the information requested
- iii) a sign off document

The data will need to be completed and returned to Worldwide Markets electronically by **31st January 2007**. Please note the data required is for original premium, additional premium, return premium, claim and refund transactions processed by syndicates in the calendar year 2006, including transactions that relate to all earlier years of account. Please also ensure that syndicate service company business is included in the data supplied. UK business including Northern Ireland, Isle of Man and the Channel Islands) is now required to be included so as to provide a complete global picture of all Lloyd's business.

The data being submitted must **NOT** include the following transactions

- Business processed through Xchanging
- Profit commissions and any other non-premium or non-claim miscellaneous accounting entries.
- Outward Reinsurance

- Transactions where a non-cash entry was recorded at Xchanging

It should be noted that where data is supplied by syndicates for certain countries where trust fund or audit requirements exist, it may be necessary for Worldwide Markets to carry out subsequent further investigation with syndicates concerned in order to verify that the correct procedures and settlements have taken place. This is likely to involve requesting a transaction level supplementary file of data from syndicates to enable further analysis and enquiry.

In addition, where figures reported are significant, it may be necessary to ask syndicates to carry out specific supporting actions to ensure that the business is properly reported at the required level of detail, for example, adjusting US surplus lines trust fund reporting packs.

Further information

Further information about the content of this Bulletin may be obtained from Lloyd's Worldwide Markets as follows:

Lloyd's Worldwide Market Services
Tel: 020 7327 6677
Email: market.services@lloyds.com
Box: 190b, Gallery 1

Or

Susan Blackman, Worldwide Markets:
Tel: 020 7 327 6267
Email: susan.m.blackman@lloyds.com

Or

Graham Dickinson, Worldwide Markets:
Tel: 020 7 327 6418
Email: graham.dickinson@lloyds.com

This bulletin is being sent to compliance officers of all managing agents.

Julian James
Director, Worldwide Markets

Susan Blackman
Worldwide Markets
Lloyd's
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Appendix 1

OVERSEAS BUSINESS RETURN FOR 2006

MANAGING AGENT NAME: _____

SYNDICATE NUMBER(S): _____

NAME _____

Please delete statement 1 or 2 as applicable:

In relation to business written or recorded in 2006:

- 1 I hereby confirm that all premiums received, and claims paid by the above syndicate in 2006 were processed through Xchanging.
- 2 I hereby confirm that the above syndicate did process premiums and/or claims outside Xchanging for the 2006 calendar year. Please email the contact name below the relevant forms for completion during January 2007.

Signed

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Name

Position

Contact name and email address for Worldwide Markets to send the electronic workbook to (if applicable):

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Date

**Please return this form as a scanned image to
Susan.M.Blackman@lloyds.com**