

MARKET BULLETIN

REF: Y4010

Title **ADDITIONAL SECURITIES LIMITED (ASL) – 2006 EXPENSE LEVY**

Purpose To note that the ASL 2006 expense levy is due on 30 April 2007

Type Scheduled

From Danny Golding, Financial Control (extn 2255)

Date 20 April 2007

Deadline 30 April 2007

Related links

The 2006 expense levy is due on 30 April 2007. The expenses will be apportioned based on premium income and will be allocated to syndicates for all countries including countries where ASL funded deposits from its accumulated reserves.

In order to ensure transparency, ASL's expenses have been allocated equitably to syndicates writing business in each territory that ASL maintained a deposit, regardless of how that deposit was funded.

For those countries where the deposit was funded from reserves, the cost of using those reserves for this purpose has been charged to appropriate syndicates. However, whilst syndicates receive a separate income distribution for those countries where deposits are funded by syndicates, income earned upon deposits funded from reserves has been utilised to offset relevant expenses. Such income includes interest earned together with capital and foreign exchange gains and losses on those deposits.

Overall, a net collection of £561,552 is due from syndicates. Appendix 1 provides additional analysis of amounts by country. The collections/ (distributions) will be made via Central Accounting from/ (to) syndicate sterling PTF's on 30 April 2007.

Should you have any queries regarding the collection please contact either Michael FitzGerald on Lloyd's extension 5901 or myself on Lloyd's extension 2255.

This bulletin has been sent to all Managing Agents.

Danny Golding
Manager, Financial Reporting
Financial Control

APPENDIX 1**ASL OPERATING EXPENSES - 2006****Net Adjustment (£)****DEPOSITS FUNDED VIA COLLECTIONS FROM UNDERWRITERS**

COUNTRY	Expenses	Net income (return)/expense	Adjustment Due Coll/(Dist)
Hong Kong	127,148	(6,935)	120,213
Singapore	121,266	(11,571)	109,695
Switzerland	109,050	(14,640)	94,410
Trinidad	16,156	(1,021)	15,135
TOTAL	373,620	(34,167)	339,453

DEPOSITS FUNDED FROM COMPANY RESERVES

COUNTRY	Expenses	Net income (return)/expense	Adjustment Due Coll/(Dist)
Antigua	643	6,951	7,594
Barbados	1,692	34,206	35,898
Belize	3,830	24,221	28,051
New Zealand	642	18,131	18,773
Papua New Guinea	4,707	60,472	65,179
St Kitts	604	11,178	11,782
St Lucia	1,786	39,617	41,403
Zimbabwe	208	13,211	13,419
TOTAL	14,112	207,987	222,099

<u>GRAND TOTAL</u>	387,732	173,820	561,552
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