

# MARKET BULLETIN

REF: Y4136

**Title** LLOYD'S NEW CENTRAL FUND 2008 CONTRIBUTIONS

**Purpose** To advise Managing Agents that the 2008 New Central Fund contributions, which were included in MB Y4059 issued on 27 September 2007, will be collected on 1 April 2008. All collections will be made via the Lloyd's Central Accounting System.

**Type** Scheduled

**From** Mat Stone Financial Control (extrn 2202)

**Date** 14 March 2008

**Deadline** 19 March 2008

**Related links**

The principal New Central Fund contribution rates for 2008 are:

	Members (other than New Corporate Members as defined below)	New Corporate Members (Joining in 2006)	New Corporate Members (Joining in 2007)	New Corporate Members (Joining in 2008)
New Central Fund Contributions	0.50%	2.00%	2.00%	2.00%
<b>Total Rate Applicable</b>	<b>0.50%</b>	<b>2.00%</b>	<b>2.00%</b>	<b>2.00%</b>

New Central Fund Contributions

The annual New Central Fund contribution rate payable by all members, other than new corporate members underwriting on new syndicates, for the 2008 year of account is 0.50%. Initial payment of contributions and subscriptions on account will be based on capacity and then subsequently adjusted to written premiums in respect of each syndicate of which he is a member, as advised in MB Y4059.

New corporate members who joined in 2006 and 2007 will initially pay 2% of capacity, which will then be subsequently based on written premiums, for their second and third years of operation at Lloyd's.

New corporate members for 2008 will pay increased contributions of 2% of capacity for each of their first three years of operation, which will be subsequently adjusted based on written premiums. It should be noted that if a member writes on a mix of existing and new syndicates, then the higher rate will only be payable in respect of its participations on new syndicates.

Within the category of new corporate members the increased charges do not apply to:

- Conversion vehicles which meet the current definition of a “successor corporate member” in the Membership (Entrance Fees and Annual Subscriptions) Byelaw – i.e. in broad terms, any vehicle which is 85% owned by converting Names
- New corporate members which only participate on *existing syndicates*.

Separate arrangements apply for RITC only syndicates, who will continue to be charged no more than the annual run off charge.

#### Settlement Arrangements

As advised in MB Y4059, syndicates have the option to settle their New Central Fund contributions in sterling or US dollars.

Please notify Tina Bull **by 19 March 2008** if the New Central Fund is to be paid in US dollars. It should be noted that all settlements for the 2008 year will be made in the currencies selected now. This arrangement can be changed for 2009. For those wishing to pay in US dollars the amount to be collected will be calculated by reference to the middle closing exchange rate published in the FT on 17 March 2008.

Advices detailing amounts due will be issued on 26 March 2008 for settlement via Central Accounting on 1 April 2008.

We will be issuing a further bulletin in April 2008 explaining how the adjustment to written premiums in 2009 and 2010 will operate.

Any queries or feedback in relation to this market bulletin should be addressed to Mat Stone on ext 2202 or by e-mail to [mat.stone@lloyds.com](mailto:mat.stone@lloyds.com) or by e-mail to [Lloyds-Accounts-Receiveable@lloyds.com](mailto:Lloyds-Accounts-Receiveable@lloyds.com)

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