

MARKET BULLETIN

REF: Y4347

Title	Business return for 2009: Business not processed through Xchanging
Purpose	To arrange the collection of all premium and claim data relating to the 2009 calendar year, where the transactions to which these relate were not processed through Xchanging.
Type	Scheduled
From	Leslie Redmond, Manager Overseas Reporting, Market Finance, Finance Risk Management & Operations Direct 'phone number: 020 7327 5490 email: leslie.redmond@lloyds.com
Date	11 December 2009
Deadlines	1. 22 December 2009 for initial sign off form. 2. 29 January 2010 for return of data forms electronically
Related links	Initial sign off form to return to Market Finance

This bulletin applies to all Lloyd's syndicates. If there is no data to report because all transactions were processed through Xchanging, syndicates should still complete the initial sign-off form and return it by **22 December 2009**.

Managing agents of syndicates who confirm that they have processed business outside Xchanging in 2009 must subsequently supply data returns electronically.

Background

To comply with Lloyd's legal obligations to report business to overseas supervisory and fiscal authorities, Lloyd's 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. 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 Market Finance's only source of information about business not processed through Xchanging is from the syndicates which have written it.

Returns required

These returns are aimed at gathering all non-Xchanging data from the market for calendar year 2009. This applies to all inward 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 class of business in 2009, 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, Market Reporting 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 Market Finance electronically by **29 January 2010**. Please note the data required is for original premium, additional premium, return premium, claim and refund transactions processed by syndicates in the calendar year 2009, 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 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
- Claim reserves for fees **only**, where syndicates are not including these in their reserves for solvency purposes. Where fees are being reserves for in addition to indemnity or expense payments, then the fee amount should be included in the figures included on the return.

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 Lloyd's 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.

Managing agents should note that in line with last year Irish Motor Forms 1 & 8 which were included with this have been separated from this return. However, if you have processed any Irish motor business outside of Xchanging, then please ensure you continue to record this business on Tab A1 Europe as part of this Non-XIS collection process. A separate market bulletin will be issued later this month by International Regulatory Affairs concerning Irish Motor Business reporting requirements, which will include Forms 1 & 8.

If you have any questions on the contents of this letter please contact me on the above number or Graham Dickinson, on 020 7327 6418 Email: graham.dickinson@lloyds.com or Nadia Yakoob, on 020 7327 6317 Email: nadia.yakoob@lloyds.com.

Leslie Redmond
Manager, Overseas Reporting, Market Finance

NON-XCHANGING BUSINESS RETURN FOR CALENDAR YEAR 2009

MANAGING AGENT NAME: _____

SYNDICATE NUMBER(S): _____

NAME _____

Please delete statement 1 or 2 as applicable:

In relation to business written or recorded in 2009:

- 1 I hereby confirm that all premiums received, and claims by the above syndicate in 2009 were processed through Xchanging.
- 2 I hereby confirm that the above syndicate did process premiums and/or claims outside Xchanging for the 2009 calendar year. Please email the contact name below the relevant forms for completion during January 2010.

Signed

Name

Position

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

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Date

Please return this form as a scanned image to nadia.yakoob@lloyds.com by 22 December 2009