

# MARKET BULLETIN

REF: Y4571

<b>Title</b>	Lloyd's Dollar Trust Funds
<b>Purpose</b>	To advise managing agents of returns due to be submitted for the 2011 United States tax return – Nil returns are required
<b>Type</b>	Scheduled
<b>From</b>	Christine Allcott, Manager, Finance, Risk Management & Operations Contact details: 01634 392433 email: <a href="mailto:Christine.allcott@lloyds.com">Christine.allcott@lloyds.com</a>
<b>Date</b>	8 March 2012
<b>Deadline</b>	See below for details
<b>Related links</b>	

This bulletin covers the following returns required for the United States Federal Income Tax return:-

1. Lloyd's Dollar Trust Funds – Appendix 1
2. Securities issued by US Entities held outside of the US Dollar Trust Funds - Appendix 2
3. Apportionment of US Investment Income to Underwriting Years of Account - Appendix 3
4. If you hold members Fund's at Lloyd's within the syndicate please contact Clare Narramore regarding the requirements for the returns. Funds at Lloyd's must not be included within the LDTF return.

## Background

All Lloyd's Members are potentially subject to US tax under the provisions of the Closing Agreement concluded with the US Internal Revenue Service. To comply with Lloyd's reporting obligations under these Agreements, certain information detailed in the Appendices attached must be provided to Lloyd's.

It is important the information provided to Tax Operations is accurate, as any errors will impact on the income allocated to the members of your syndicate and consequently their United States tax liability. Should an error subsequently be found, requiring the amendment or re-filing of the tax return, then the managing agent will have to meet any costs incurred.

**Deadlines for Return**

- 1. Lloyd’s Dollar Trust Funds - 10 April 2012
- 2. Valuation of the Lloyd’s Dollar Trust Funds (Appendix C) - 10 April 2012
- 3. Securities issued by US Entities held outside US Dollar Trust Funds - 14 May 2012
- 4. SPTF Appendix F - 14 May 2012
- 4. Apportionment of US Investment Income to underwriting years of account - 16 April 2012

**Distribution**

This bulletin has been sent to all managing agents and preparers of US tax reports.

**Queries**

If you have any queries regarding any of the bulletins please direct them by email to [Lloyds-Tax-Operations@Lloyds.com](mailto:Lloyds-Tax-Operations@Lloyds.com) or by telephone as follows:-

<u>Area</u>	<u>Contact</u>	<u>Telephone number</u>
Issues with all Software	Clare Narramore	01634 392180
Lloyd’s dollar trust funds - Appendix 1	Lorraine Neal	01634 392376
Equities held in Lloyds Dollar Trust Fund	Clare Narramore	01634 392180
Securities issues by US entities held outside of the dollar trust funds – Appendix 2	Lorraine Neal	01634 392376
Apportionment of US Investment income to years of account	Ian Chidgey	01634 392393

Christine Allcott  
 Manager, Tax Operations

**LLOYD'S DOLLAR TRUST FUNDS****1 Background**

- 1.1 In order for Lloyd's to comply with the reporting obligations within the Closing Agreement, investment income and capital gains/losses on the US Dollar trust funds must be calculated under US principles.
- 1.2 The information provided will be reconciled to reports filed with the United States Internal Revenue Service by the various custodians to enable Lloyd's to discharge its obligations as Qualified Intermediary (QI) for the syndicates.
- 1.3 Additionally, in order to be able to allocate US investment income between 'Effectively Connected' Income and 'Non-Effectively Connected' Income, under the 2005 United States Closing Agreement between Lloyd's and the United States Internal Revenue Service, the year end valuation of the Lloyd's Dollar Trust Fund (LDTF) must also be provided.

**2 Provision of copies of forms 1042-S**

- 2.1 In accordance with to Market Bulletin Y3021 dated 31 March 2003 if managing agents have forms 1042-S in their possession in respect of calendar year 2011, these should be sent, together with any supporting documentation to Lorraine Neal, Tax Operations, Fidentia House, Walter Burke Way, Chatham, Kent ME4 4RN as soon as possible and in any event by no later than 10 April 2012.

**3 Reporting requirements for Dollar Trust Funds held in the UK (LDTF)**

- 3.1 In order that Tax Operations may calculate the gains and losses within the LDTF for US tax purposes, a return of LDTF investments is required. If your syndicate invests in equities, Hedge Funds or Mutual Funds please contact Clare Narramore for guidance on how to deal with this for the 2011 return.
- 3.2 A return must be completed for each syndicate holding assets in the LDTF, at 1.1.2011 and/or during 2011. Instructions to assist the completion of the return are attached as Appendix a. Instructions for using the software are attached on Appendix b.
- 3.3 If you did not submit a return for the LDTF for 2010 but need to provide details of investments and interest for 2011 please contact Clare Narramore on 01634 392180 or [clare.narramore@lloyds.com](mailto:clare.narramore@lloyds.com)

Table of items required to be reported / excluded

To be reported to Tax Operations	To be collected centrally
All LDTF assets held during 2011 and income received in 2011 (excluding those items collected centrally) for all custodians.	Interest on Citibank Dublin sweep account, and AIM mutual fund.
Equities must be included but on a separate return. Please contact Tax Operations to discuss this.	Bank interest on Citibank US\$ accounts held by syndicates
Interest on US\$ bank accounts excluding Citibank. (should be included on appendix C)	Co-mingled funds invested by Lloyd's Treasury department
Investments which provide an exemption from Federal Income Tax included in LDTF to be notified to Tax Operations.	
Mutual Funds, Hedge Funds, Foreign Partnerships and any other investments.	

- 3.4 To discharge its QI obligations on behalf of the syndicates, Tax Operations reconciles the interest / dividends reported by the syndicate to records provided by the various custodians. This function has now been automated, but requires that all transactions entered into the LDTF return contain either an ISIN or CUSIP code. Therefore any entries relating to purchases of stock which are not additions to that currently held should contain either ISIN or CUSIP codes.
- 3.5 As part of this exercise any queries will be raised with both the managing agent and the custodian. Consequently, the managing agent's assistance in resolving such queries is necessary if correct information is to be made available on a timely basis to file the return.
- 3.6 As mentioned in 1.3 above a valuation of the LDTF at 31.12.2011 is also required. The schedule in Appendix c must be completed showing the syndicate number and the valuation of the LDTF, in dollars. Nil returns must also be submitted.
- The valuation should include the value of the gross assets held in the LDTF at 31.12.11 before deduction of liabilities. This valuation should include all assets, except for the reinsurer's share of technical provisions. Debtors and Lloyd's Central Accounting debtor balances should be included.
- The valuation should not include the value of any Funds at Lloyd's (FAL) monies held in the LDTF.
- 3.7 The electronic returns must be signed off by the Finance Director and submitted via the market returns website by no later than 10 April 2012. Appendix c must be e-mailed to [Lloyds-tax-operations@lloyds.com](mailto:Lloyds-tax-operations@lloyds.com).
- 3.8 Contact details for 'US LDTF Investment Income' must be updated on the Market Returns website as Tax Operations will utilise these contacts in the event of any queries.

**Instructions for the Provision of LDTF Data****1 The Return**

Full details of how to use the return are included in Appendix b. The operation of the function is self-explanatory. The system contains validation checks to enable you to consider the details in the return and to assist in ensuring the records submitted are correct. The return must include all LDTF assets regardless of custodian.

**2 Purchase and Sales**

- 2.1 Please record any maturities under sales. The system will advise if sales are recorded for stock that is not held. If the maturity date has been exceeded, then a disposal must be recorded. Pay downs and asset backed securities should also be included on these schedules. If these details are loaded utilising CSV file it is then possible to amend individual entries. Issue dates of the securities held must be provided if there is less than a year between issue date and maturity. The maturity date must be provided for all securities. All transactions with a trade date of 2011 must be entered on the schedules, even if the settlement date is 2012. If last year you omitted to report securities with a trade date of 2010 and settlement date 2011 these should also be included on this report.

**3 Dividend and Interest**

- 3.1 Accrued Interest – This field should only be used to reflect interest purchased and sold between interest payment dates and for no other purpose.
- 3.2 All dividends and interest payments should be recorded in the interest column. The system will carry out some basic checks to ensure that any income recorded originated from a security shown as either brought forward or purchased during the year. It is therefore imperative that the same security/ISIN codes are used for interest as were assigned to the acquisition of stock.
- 3.3 Any interest on pay downs of asset backed securities must be included in the interest schedule. It should not be included as accrued interest sold. Any coupon received on the maturity of a bond must also be shown as interest and should not be included as part of the principle or as accrued interest sold.

**4 Validation/Reasonability Checks**

- 4.1 Any validation items on the validation report must be corrected to enable the return to be submitted, and a reason must be selected from a drop down box for any items highlighted by a reasonability check.
- 4.2 In order to see the transaction summary for a particular stock, click on the stock, right click with the mouse and select stock profile from the dropdown box. This may assist you with resolving any queries that arise on validation.

**LDTF Software**

**1 Introduction**

1.1 These instructions give users some basic information concerning the software and the initial steps required to prepare each system for the LDTF return process.

**2 User Maintenance**

2.1 The first version of the software will contain five User IDs. These are:

User Name	User ID	Password	Assigned Functions
Operator	op	operator	Print, update, validate, view
Supervisor	sup	supervisor	Delete, export, import, print, remove sign-off, roll-forward, update, validate, view
Administrator	admin	admin	User maintenance, including password resets and unlocking records
Sign Off	so	signoff	Export, print, remove sign-off, sign-off, validate, view
View Only	view	view	View, print

The administrator is the only user who can maintain log-on IDs.

**3 To Create a New User:**

Click the 'Add User' button  
 Input the requested information – User ID, User Name, Access Level (from the drop down box) and password.  
 Click 'OK'.

**4 To Reset A Password:**

Click once on the user  
 Click the 'Reset Password' button  
 Enter a new password  
 Click 'OK'

**5 Delete A User:**

Click once on the user  
 Click the 'Delete User' button  
 Click 'OK' to confirm the delete operation.

**6 Moving around the forms**

6.1 Firstly, log in utilising the User ID and password that has been provided to you as above.

- 6.2 On entering the software, a list of Syndicates/Tax Years, for which your agency is responsible, will be displayed. Alongside each is a 'Select Action' box. Clicking on the downward arrow will produce the following options:
- 6.3 Delete: this option will delete the Syndicate/Tax Year from the database.
- 6.4 Export File to MS: When all LDTF returns are complete and signed-off this option is used to prepare a data file to be returned to Tax Operations via the market returns website.
- 6.5 Import from a CSV file: This option enables the import of data directly into LDTF software (see file format at the end of the document).
- 6.6 Print: This option will print all years of account for the selected syndicate. A sub-menu will offer the option of printing the selected forms.
- 6.7 Remove Sign-Off: Selecting this option will allow you to amend the data after the forms have been signed-off.
- 6.8 Roll Forward: Selecting this option will prepare blank forms for the following tax year. The forms will include brought forward figures. The forms must be validated and signed-off before rollover will be allowed.
- 6.9 Update: This option allows you to complete and amend the data in the forms with the exception of the brought forward figures. There are tabs for the five forms to be completed. You may move between forms at any time.
- 6.10 Validate: Selecting this option will perform checks against your completed forms. An on screen report will be produced summarising any errors found, together with any reasonability check failures and answers selected. To pass validation, the forms must be error free and all reasonability checks answered.
- 6.11 View: This option is similar to the update function; however, data can be viewed only and not updated.
- 6.12 Sign-Off: This option is available to the sign off user only. It should be used when the data is complete and has passed validation. Only signed-off forms can be returned to Tax Operations via the export function.

## **7 Setting up a Syndicate**

- 7.1 Firstly, each syndicate needs to be set up on the main screen (the first screen after signing in). Click the 'Add' button and enter the syndicate number (without preceding zeros). This will set up the syndicate line. A drop down box is located at the end of the syndicate line; from here the software functions can be initiated (Please see the table above for the functions assigned to each user type).
- 7.2 The syndicate can now be rolled forward. This can only be completed by a user that has logged on as a supervisor.

## **8 Roll Forward**

- 8.1 The supervisor must log in. Select the 'Roll Forward' option from the drop down box. Click OK. Each of the syndicate forms must be 'rolled forward' individually. The software is now ready for the next tax year.

## **9 Inputting the LDTF Data**

- 9.1 It is possible to access and input into the forms by selecting 'Update' from the drop down box.
- 9.2 The LDTF forms can all be accessed using the tab selection, instead of opening and closing each form respectively. If the tabs are not visible, selecting the window maximise button should correct this.

## **10 Form Validation**

- 10.1 Validation of each form takes place as you leave the form and not as you leave a field. On exiting the form, the software will advise you of any errors and the fields in which they occur. The options of correcting the data at that point or continuing are provided. This approach allows the user to complete as much or as little of the forms as required without having to correct the data before being able to continue. Running the validation report will produce a list of all errors, which will need to be corrected before the return can be signed off.

## **11 Validating the Whole Return**

- 11.1 To run the validation report, select 'Validation' from the drop down box on the main screen next to the relevant syndicate/year. A report is produced that is viewable on screen. Clicking on the print icon will then print the report to the default printer.
- 11.2 If the validation was successful, a message will be displayed advising 'Validation Complete and Successful'.

## **12 Sign-Off**

- 12.1 To sign-off, the current user will need to sign out. The sign-off log on ID must then be used to log on. The user should select 'Sign-Off' from the drop down box. An approval date and a submission date must be input into the form provided. The data can then be signed-off by entering the password assigned to the sign-off ID. On completion, the syndicate line will show a tick in the 'signed-off' box, the name of the user, together with the approval and submission dates.

## **13 Printing**

- 13.1 Printing is initiated from the main screen. Select the 'print' option from the drop down box at the side of the respective syndicate year. A page will be displayed listing the reports available. Then click the 'Print' button. Please note that reports can not be printed from the respective form page. However, this selection page can be kept open whilst updating and running reports as required.



**14 Importing From A CSV File**

- 14.1 Form data can also be imported from a CSV File, but please be aware that data already in the forms will be overwritten by the imported data. From the main screen from the drop down box next to the syndicate/year select 'Import CSV File'. Locate the relevant CSV file on your system/network and click 'Open'. A message is displayed advising of the success of the import. (A file layout is enclosed at the end of these notes).

**15 Exporting the Data to Tax Operations**

- 15.1 Once the return has been completed, validated and signed off, it can then be exported, ready to send to Tax Operations.

From the main screen, select the 'Export to MSU File' from the drop down box next to the relevant syndicate/year. Select the directory to where you wish to export the file and click 'Select'. A confirmation message will be displayed once completed. The file can then be uploaded to the Market Returns web site, via the Business Reporting tasks option under the Market Reporting tab.

**US Tax  
LDTF Investment Income  
CSV Import File Specification**

	<b>Purchases</b>	<b>Sales / Maturities</b>	<b>Interest</b>	<b>Type of field</b>
1	Syndicate	Syndicate	Syndicate	Number
2	Year	Year	Year	Number
3	Type (P)	Type (S)	Type (I)	Text
4	Security Code	Security Code	Security Code	Text
5	Description Of Security	Description Of Security	Description Of Security	Text
6	Trade Date	Trade Date	Receipt Date	Date (“dd/mm/yyyy”)
7	Maturity Date	Maturity Date	Maturity Date	Date (“dd/mm/yyyy”)
8	Nominal	Nominal	Nominal	Number
9	Total Cost	Total Proceeds	Gross Interest	Number
10	Accrued Interest	Accrued Interest	Not required	Number
11	Net Cost	Net Proceeds	Not required	Number
12	Issue Date	Issue Date	Not required	Date (“dd/mm/yyyy”)
13	Settlement Date	Settlement Date	Not required	Date (“dd/mm/yyyy”)

The CSV file will need to have the following fields:

- The file needs to be delimited with comma separators.
- Text and Date fields need to be qualified by double quotation marks.
- The ‘Type’ field should contain “P” for purchases, “S” for sales or maturities and “I” for interest payments.
- If there is no ‘Issue Date’ or the type of income is an interest payment, there should still be a comma at the end of the line signifying a blank field. In the case of an interest payment there should be 3 comma’s at the end for fields 10, 11 and 12 which are not required.

Example of text file for fictitious syndicates 8765 and 9876 for year 2001:

```

8765,2001,"P","11102GDS4","British
Telecom","03/02/2001","26/04/2001",270000.00,2072065.33,0.00,2072065.33,"26/4/2000","06/02/2001"
8765,2001,"I","11102GDS4","British Telecom","03/02/2001","26/04/2000",650000.00,2072065.33, , , ,
8765,2001,"P","912810FH6","U.S.
Treasury","29/02/2001","26/04/2030",1969.00,2072065.33,0.00,2072065.33, ,"03/03/2001"
8765,2001,"P","11102GDS4","British
Telecom","03/02/2001","26/04/2001",7900000.00,2072065.33,0.00,2072065.33,"26/4/2000","06/02/2001"
9876,2001,"I","XS0126192862","Merrill Lynch","26/03/2001","26/06/2003",5000000.00,2072065.33, , , ,
9876,2001,"P","3133MENT","4.500 FHLB
4.5%","06/06/2001","26/04/2003",2900000.00,2072065.33,0.00,2072065.33, ,"09/06/2001"
9876,2001,"S","3133MENT","4.500 FHLB
4.5%","07/07/2001","26/04/2002",2100000.00,2072065.33,0.00,2072065.33,"26/4/2000","10/07/2001"
9876,2001,"S","3133MENT","4.500 FHLB
4.5%","07/05/2001","26/04/2003",570000.00,2072065.33,0.00,2072065.33, ,"10/07/2001"
    
```

**LLOYD'S DOLLAR TRUST FUND INFORMATION PAGE**

Syndicate Number		
Value of LDTF (see Appendix 1 3.6)	US\$	This must not include FAL valuation

**BANK INTEREST RECEIVED ON LDTF IN 2011 OUTSIDE OF CITIBANK**

Account Name	Amount	Currency

Please add further lines if required

**PLEASE SELECT ALL OF THE FOLLOWING THAT APPLY**

- Nil Return (If you have selected Nil Return and have a LDTF valuation, please detail the assets that form the valuation)
- A Bond return has/will be submitted.
- An Equity return has/will be submitted.
- A Hedge Fund return has/will be submitted
- A Mutual Fund return has/will be submitted.
- If relevant any Foreign Partnership (K1) documentation has/will be submitted.

**FAL held in the syndicates premium trust fund must be reported as part of the LDTF return in a separate FAL database, It is not to be included in the data requested above.**

**PLEASE COMPLETE THE FOLLOWING INFORMATION**

Name	
Position in Organisation	
Telephone Number	
Email	
Signature	

Please return to [Lloyds-Tax-Operations@lloyds.com](mailto:Lloyds-Tax-Operations@lloyds.com) by the 10<sup>th</sup> April 2012.

## SECURITIES ISSUED BY US ENTITIES HELD OUTSIDE THE US DOLLAR TRUST FUNDS

### 1 Reporting Requirements

1.1 A return is required for each syndicate that held during 2011 either:-

US dollar securities issued by a US entity, but held outside of the US dollar trust funds, or

Securities denominated in currencies other than dollars, issued by a US entity, held outside of the dollar trust funds, e.g., Sterling denominated US securities.

1.2 Syndicates must not include interest earned on bank deposits, including certificates of deposit, or investment income or capital gains/losses earned/incurred with respect to securities issued by a non US entity.

1.3 If you did not submit a return for the SPTF for 2010 but need to provide details of investments and interest for 2011 please contact Clare Narramore on 01634 392180 or [clare.narramore@lloyds.com](mailto:clare.narramore@lloyds.com)

1.4 Full details of how to use the return are included in Appendix e. The operation of the function is self-explanatory. The system contains validation checks to enable you to consider the details in the return and to assist in ensuring the records submitted are correct. The return must include all US Dollar SPTF assets regardless of custodian.

### 2 Provision of copies of forms 1042-S

2.1 Further to Market Bulletin Y3021 dated 31 March 2003, managing agents are requested to forward copies of forms 1042-S in respect of calendar year 2010, if they are in their possession, together with any supporting documentation, to Lorraine Neal, Tax Operations, Fidentia House, Walter Burke Way, Chatham, Kent ME4 4RN as soon as possible and in any event by no later than 10 April 2012.

#### 2.2 Procedure

2.3 The returns required in 1.1 above are available on the Market Returns website. Full instructions are included in Appendix d. It is vital that full details are included on the schedule for each of the relevant securities held. All transactions must be reported in US dollars at the rate of exchange on the day the transaction was completed. The nominal value of the transaction must be retained in the original currency.

2.4 The electronic returns must be signed off by the Finance Director and be submitted via the Market Returns website by no later than 10 April 2012. Appendix f must be e-mailed to [Lloyds-tax-operations@Lloyds.com](mailto:Lloyds-tax-operations@Lloyds.com)

3.3 Contact details for 'US SPTF Investment Income' must be updated on the Market Returns website as Tax Operations will utilise these contacts in the event of any queries.

**Instructions for the Provision of SPTF Data****1.0 The Return**

- 1.1 The schedules for providing the requested SPTF data are in the same format as those required for the LDTF return. Full details of how to use the return are included in Appendix e. The operation of the function is self-explanatory. The system contains validation checks to enable you to consider the details in the return and to assist in ensuring the records submitted are correct.

**2 Purchase and Sales**

- 2.1 Please record any maturities under sales. The system will advise if sales are recorded for stock that is not held. If the maturity date has been exceeded, then a disposal must be recorded. Asset backed securities should also be included on these schedules. If these details are loaded utilising a CSV file it is then possible to amend individual entries. Issue dates of the securities held must be provided if there is less than a year between issue date and maturity. The maturity date must be provided for all other securities. All transactions with a trade date of 2011 must be entered on the schedules, even if the settlement date is 2012. If last year you omitted to report securities with a trade date of 2010 and settlement date 2011 these should also be included on this report. If you do not have the trade date available you may use the settlement date but you should be consistent.

**3 Dividend and Interest**

- 3.1 All dividends and interest payments should be recorded. The system will carry out some basic checks to ensure that any income recorded originated from a security shown as either brought forward or purchased during the year. It is therefore imperative that the same security codes are used for interest as were assigned to the acquisition of stock.

**4 Validation/Reasonability Checks**

- 4.1 Any validation items on the validation report must be corrected to enable the return to be submitted, whilst a reason must be selected from a drop down box for any items highlighted by a reasonability check.
- 4.2.1 In order to see the transaction summary for a particular stock, click on the stock, right click with the mouse and select stock profile from the dropdown box. This may assist you with resolving any queries that arise on validation.

## SPTF Software

**1 Introduction**

- 1.1 These instructions give users some basic information concerning the software and the initial steps required to prepare each system for the SPTF return process.

**2 User Maintenance**

- 2.1 The first version of the software will contain five User IDs. These are:

User Name	User ID	Password	Assigned Functions
Operator	op	operator	Print, update, validate, view
Supervisor	sup	supervisor	Delete, export, import, print, remove sign-off, roll-forward, update, validate, view
Administrator	admin	admin	User maintenance, including password resets
Sign Off	so	signoff	Export, print, remove sign-off, sign-off, validate, view
View Only	view	view	View, print

The Administrator is the only user who can maintain log-on IDs.

**3 To Create a New User:**

Click the Add User button

Input the requested information – User ID, User Name, Access Level (from the drop down box) and password.

Click OK.

**4 To Reset A Password:**

Click once on the user

Click the Reset Password button

Enter a new password

Click OK

**5 Delete A User:**

Click once on the user

Click the Delete User button

Click OK to confirm the delete operation.

## 6 Moving around the forms

- 6.1 Firstly, log in utilising the User ID and password that has been provided to you as above.
- 6.2 On entering the software, a list of Syndicates/Tax Years, for which your agency is responsible, will be displayed. Alongside each is a **select action** box. Clicking on the downward arrow will produce the following options:
- 6.3 Delete: This option will delete the Syndicate/Tax Year from the database.
- 6.4 Export file to Tax Operations: When all SPTF returns are complete and Signed-Off this option is used to prepare a data file to be returned to Tax Operations.
- 6.5 Import from a CSV file: This option enables the import of data directly into SPTF software (see file format at the end of the document).
- 6.6 Print: This option will print all years of account for the selected syndicate. A sub-menu will offer the option of printing all the forms.
- 6.7 Remove Sign-Off: Selecting this option will allow you to amend the data after the forms have been signed-off.
- 6.8 Roll Forward: Selecting this option will prepare blank forms for the following Tax Year. The forms will include brought forward figures. The forms must be validated and signed-off before rollover will be allowed.
- 6.9 Update: This option allows you to complete and amend the data in the forms. There are tabs for the five forms to be completed. You may move between forms at any time.
- 6.10 Validate: Selecting this option will perform checks against your completed forms. An on screen report will be produced summarising any errors found, together with any reasonability check failures and answers selected. To pass validation, the forms must be error free and all reasonability checks answered.
- 6.11 View: This option is similar to the update function; however, data can be viewed only and not updated.
- 6.12 Sign-Off: This option is available to the sign off user only. It should be used when the data is complete and has passed validation. Only signed-off forms can be returned to Tax Operations via the export function.

## 7 Setting up a Syndicate

- 7.1 Firstly, each syndicate needs to be set up on the main screen (the first screen after signing in). Click the 'Add' button and enter the syndicate number (without preceding zeros). This will set up the syndicate line. A drop down box is located at the end of the syndicate line, from here the software functions can be initiated (please see the table above for the functions assigned to each user type).



7.2 The syndicate can now be rolled forward. This can only be completed by a user that has logged on as a supervisor.

## 8. Roll Forward

8.1 The supervisor must log in. Select the 'Roll Forward' option from the drop down box. Click OK. Each of the syndicate forms must be 'rolled forward' individually. The software is now ready for the next tax year.

## 9. Inputting the SPTF Data

9.1 It is possible to access and input into the forms by selecting 'Update' from the drop down box.

9.2 The SPTF forms can all be accessed using the tab selection, instead of opening and closing each form respectively. If the tabs are not visible, selecting the window maximise button should correct this.

## 10. Form Validation

10.1 Validation of each form takes place as you leave the form and not as you leave a field. On exiting the form, the software will advise you of any errors and the fields in which they occur. The options of correcting the data at that point or continuing are provided. This approach allows the user to complete as much or as little of the forms as required without having to correct the data before being able to continue. Running the validation report will produce a list of all errors, which will need to be corrected before the return can be signed off.

## 11. Validating the Whole Return

11.1 To run the validation report, select 'Validation' from the drop down box on the main screen next to the relevant syndicate/year. A report is produced that is viewable on screen. Clicking on the print icon will then print the report to the default printer.

11.2 If the validation was successful, a message will be displayed advising 'Validation Complete and Successful'.

## 12. Sign-Off

12.1 To sign-off, the current user will need to sign out. The sign-off log on ID must then be used to log on. The user should select 'Sign-Off' from the drop down box. An approval date and a submission date must be input into the form provided. The data can then be signed-off by entering the password assigned to the sign-off ID. On completion, the syndicate line will show a tick in the signed-off box, the name of the user, together with the approval and submission dates.

**13. Printing**

- 13.1 Printing is initiated from the main screen. Select the 'Print' option from the drop down box at the side of the respective syndicate/year. A page will be displayed listing the available reports. Check the box next to the required report, or click the 'Select All' button. Then click the 'Print' button. Please note that reports can not be printed from the respective form page. However, this selection page can be kept open whilst updating and running reports as required.

**14. Importing From A CSV File**

- 14.1 Form data can also be imported from a CSV File, but please be aware that if there is any data already in the forms will be overwritten by, the imported data. From the main screen, select 'Import CSV File' from the drop down box next to the syndicate/year. Locate the relevant CSV file on your system/network and click 'Open'. A message is displayed advising of the success of the import. (A file layout is enclosed as Appendix b).

**15. Exporting the Data to Tax Operations**

- 15.1 Once the return has been completed, validated and signed off, it can then be exported, ready to send to the Tax Operations.
- 15.2 From the main screen, select the 'Export to MSU File' from the drop down box next to the relevant syndicate/year. Select the directory to where you wish to export the file and click 'Select'. A confirmation message will be displayed once completed. The file can then be uploaded to the Market Returns web site, via the Business Reporting tasks option under the Market Reporting tab.

**STERLING PREMIUM TRUST FUND INFORMATION PAGE**

Syndicate Number

**PLEASE SELECT ONE OF THE FOLLOWING OPTIONS**

No securities issued by US entities were held outside the LDTF (Nil Return)

Or

A SPTF return has been submitted.

**PLEASE COMPLETE THE FOLLOWING INFORMATION**

Name	
Position in Organisation	
Telephone Number	
Email	
Signature	

Please return to [Lloyds-Tax-Operations@lloyds.com](mailto:Lloyds-Tax-Operations@lloyds.com) by the 14<sup>th</sup> May 2012.

**APPORTIONMENT OF US INVESTMENT INCOME TO UNDERWRITING YEARS OF ACCOUNT****1 Apportionment of US Dollar Investment Income – Riesco Percentages**

- 1.1 A return is required to allocate the investment income of each syndicate for the calendar year 2011 to the respective underwriting years of account open during the year.
- 1.2 The Riesco forms are available electronically on the Lloyd's L-net and can be accessed utilising L-net InfoBase, selecting 'Market Returns' and then 'Taxation Operations'.

**2 Basis of the Return**

- 2.1 Details are required for the allocation of US Dollar investment income and capital gains for calendar year 2011 to the underwriting accounts open during the year. One of three bases may be used: -
  - a) Wherever possible, a single return should be made based on the combined income from the Lloyd's American Trust Fund (LATF-1993 & post accounts only), the Lloyd's Dollar Trust Funds (LDTF) and the Surplus Lines and Credit for Reinsurance Static Funds – the Consolidated Return.
  - b) Separate returns may be made for LATF and LDTF including Static Funds income.
  - c) As for b) above but with the Static Funds income excluded from the LDTF returns and specific returns made for these Static funds.
- 2.2 The fund or funds to which the return relates must be indicated by selecting the appropriate fund from the dropdown box on the return.
- 2.3 Income from the Joint Assets Trust Funds and Illinois and Kentucky Trust Funds should be ignored in completing the returns.

**3 Allocation of Income to Years of Account**

- 3.1 Riesco percentages - The percentages of the US Dollar investment income for calendar year 2011, attributable to each year of account open during 2011, must be entered, including any run-off year(s). The sum of all the percentages must equal 100%.

- 3.2 If income from a group account in the LATF is to be allocated to more than one syndicate, the percentage split between syndicates must be provided separately. The total allocated over all syndicates on the account should equal 100% and a Riesco return must be submitted for each syndicate concerned.

**4 Return Process Deadlines and Queries**

- 4.1 The form must be submitted via the Market Returns website (L-Net) no later than 16 April 2012. Please submit by using the 'send to tax operations' button.