

# MARKET BULLETIN

REF:Y4948

<b>Title</b>	2016 Market Charges
<b>Purpose</b>	Notification of 2016 charges, contributions, subscriptions and payment dates
<b>Type</b>	Scheduled
<b>From</b>	John Parry, Director of Finance Contact details: +44(0)20 7327 5129 <a href="mailto:john.parry@lloyds.com">john.parry@lloyds.com</a>
<b>Date</b>	17 December 2015
<b>Deadline</b>	
<b>Related links</b>	

The purpose of this bulletin is to summarise Lloyd's 2016 Market Charges.

## 1. 2016 New Central Fund contributions & Members' subscriptions

1.1 Market Bulletin Y4928 set out the principal central charges for 2016 as below:

	2015 % of stamp premium	2016 % of gross written premium
New Central Fund contributions	0.50%	0.35%
Members' subscriptions	0.50%	0.45%
	<u>1.00%</u>	<u>0.80%</u>

1.2 The first instalment (0.225%) of the members' subscription for 2016 will be collected through Central Accounting on 6 January 2016. Further details will be provided in a separate bulletin.

1.3 The New Central Fund annual contribution, including any increased annual contribution for new corporate members underwriting in 2016 that meet the definitions set out in MB Y4928, any further contributions payable where syndicates have entered into qualifying quota share arrangements outside the Lloyd's market, are payable on 1 April 2016. Details regarding payment arrangements for contributions will be advised in early 2016.

- 1.4 Transitional arrangements will be in place for the 2016 year. When calculating the final charge a 10% cap and collar on the changes to annual subscriptions and central fund contributions (overall) to 0.8% in total so that no member is advantaged or disadvantaged by more than 10% for the change to a GWP basis (from stamp premium).
- 1.5 A further contribution of up to 3% of capacity remains callable at the discretion of Council.

**2. 2016 Market Modernisation**

- 2.1 We will be seeking additional funding from Lloyd's syndicates to meet the costs of market modernisation, namely the Target Operating Model (TOM) and the Placing Platform Limited (PPL). Other initiatives such as Central Services Refresh Programme (CSRP) or the London Market Group (LMG) are being met (to the extent they are Lloyd's share) by the Corporation from the general members' subscription. The TOM / PPL costs are substantial over five years and we intend to raise funding by an additional subscription paid by syndicates from their PTFs to the Corporation.
- 2.2 The proposal is to levy 0.1% of GWP for the 2016 year of account, excluding SPSs and 100% lines on direct UK motor business (derived from SBFs) as on balance it is considered that the first set of deliverables will benefit direct UK motor business materially less than other classes of business. The charge will be based on plan premiums (per the SBF) initially and collected in four quarterly instalments in Feb, April, July and October. A true up based on actual premiums would be performed at the same date as we do this for the general members' subscriptions and CF contributions.

**3. 2016 Other Market Charges**

- 3.1 The charges set out in the schedules to this bulletin have been reviewed and approved by the Franchise Board.
- 3.2 The basis for charging the overseas operating charges has changed from a \$ for \$ cost recovery to a set %-age of gross premiums written overseas. In line with the previous basis, different %-ages will be set based on direct, binder and reinsurance business to minimise differences arising on the change in the basis. The collection method will be maintained as before, being quarterly with an adjustment after 12 months to actual level of premium written based on Foreign Insurance Legislation codes.

3.3 Whilst the basis for charging remains the same as in 2015, inflationary increases have been applied to certain charges. Further information is provided within the relevant schedules along with details of assumptions, relevant key issues and contact details for enquiries:

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3.4 If you have any queries regarding this bulletin please contact Nikki Hopper, +44(0)1634 392872 (email: [nicola.hopper@lloyds.com](mailto:nicola.hopper@lloyds.com))

John Parry  
 Director of Finance

## Overseas Operating Charges

**All charges set out below are to be paid by the relevant members of the Lloyd's community.**

### 1.1 Overseas operating charges

Following feedback received the overseas operating charges are being changed from a cost recovery to a % of overseas premium. Gross overseas (i.e. excluding UK and Channel Islands) premiums will continue to be used as the basis for the overseas operating charges. The %'s to be applied in 2016 are shown below.

Charge	Basis	2016 Operating Charge %
Direct Business - overseas	Per £ of gross overseas premium	0.40%
Reinsurance business - overseas	Per £ of gross overseas premium	0.14%
Coverholder business	Per £ of gross overseas premium	0.60%

Collections will be made from syndicates on a quarterly basis based on the previous quarters' premiums, with an adjustment in the following year to the actual gross overseas premiums written during the calendar year. This might result in amounts being repaid to individual syndicates or further collections being made. In making any adjustments, the coverholder supplement will remain at 50% of the overseas operating charge on direct business.

### 1.2 Other charges

An additional charge of 0.75% of gross written premiums is levied on business which is administered through the Lloyd's Italian office.

### 1.3 General User Pay Charges

User pay charges will apply for costs incurred on behalf of specific syndicates or work requested by specific market customers where that work requires substantial additional effort and has resulted in extra cost. These charges are likely to be on a time and materials basis and, where applicable, the cost implications will be made clear to the syndicate before proceeding with the work.

#### Further information

All queries on Overseas Operating Charges should be referred to:

Mark Outten +44(0)20 7327 6087 / [mark.outten@lloyds.com](mailto:mark.outten@lloyds.com)  
 Shanthy Gopalakrishnan +44(0)20 7327 5141 / [shanthy.gopalakrishnan@lloyds.com](mailto:shanthy.gopalakrishnan@lloyds.com)  
 Lloyd's International Trading Advice (LITA) +44(0)20 7327 6677 / [LITA@lloyds.com](mailto:LITA@lloyds.com)

## Charges in respect of Syndicates in Run-off

- 1.1 Agents with syndicates with years of account in run-off bear a run-off charge at a flat rate of £1 per £1,000 of reported net insurance liabilities, assessed by reference to the most recent audited accounts of the syndicate for each year of account in run-off. For this purpose a run-off syndicate means a syndicate which no longer accepts new or renewal insurance business (other than the variation or extension of risk previously underwritten or reinsurance to close of an earlier year of account of that syndicate). This charge is unchanged from 2015.

In this context, net insurance liabilities means the amounts retained by each syndicate in run-off, in respect of each year of account in run-off, to meet all known and outstanding liabilities carried forward as at 31 December 2015. If the relevant audited financial statements are unavailable and their production appears likely to be significantly delayed, an interim charge (to be adjusted if necessary on subsequent publication of the relevant audited accounts) may be assessed by reference to the most recently submitted quarterly monitoring return (QMR) made by the run-off managers to Lloyd's for the syndicate for the relevant years of account. Any payment of this charge not made by the due date will attract an interest charge at 5% over National Westminster Bank PLC base rate.

Point of contact: Abdul Rahim +44(0)20 7327 5764  
Email: [abdul.rahim@lloyds.com](mailto:abdul.rahim@lloyds.com)

## Capacity Markets

All charges set out below are to be paid by the relevant members of the Lloyd's community and are exempt from VAT.

Capacity Markets charges in 2016 will be the same as for 2015, as set out below.

Type of charge	Charge £
Approval of capacity offer by means of announced auction offer	1,900
Approval of formal capacity offer (cash only)	5,000
Approval of formal capacity offer (with shares or a share alternative)	6,200
Approval of conversion scheme (with interavailability)	9,600
Approval of conversion scheme (with reverse interavailability or transition)	10,600

An additional fee may be charged to sponsors to cover, for example:

- additional costs incurred in processing particularly complex schemes, especially where features not directly necessary to the scheme are included; and
- the reimbursement of any external legal (or other professional) fees incurred by Lloyd's in developing a particular scheme. An example of this is where bespoke trust deeds are prepared for reverse interavailability schemes.

Every effort will be made to make promoters/sponsors aware of the possibility of an additional charge at an early stage in the process.

Point of contact: Paul Thornton +44(0)20 7327 6281

Email: [paul.thornton@lloyds.com](mailto:paul.thornton@lloyds.com)

## Finance

### 1.1 Foreign Exchange Dealing Fees

The Treasury & Investment Management Department (LTIM) makes a charge for undertaking foreign exchange activity on behalf of Lloyd's market participants.

Foreign exchange dealing instructions may be received directly from managing agents or indirectly in connection with other activities, including the Lloyd's Currency Conversion Service.

Charges may be up to 0.04% of the value of transactions, subject to a minimum charge of £50, and are exempt from VAT. Charges are levied by adjusting the exchange rate at which deals are transacted, by reference to the relevant market rate. No separate charge is made.

As a result of the large volumes of foreign exchange business transacted by LTIM, it is able to obtain competitive dealing rates from its counterparties. This means that the exchange rates achieved are generally advantageous when compared to retail rates.

Point of contact: Tony Cullum +44(0)20 7327 6130

Email: [tony.cullum@lloyds.com](mailto:tony.cullum@lloyds.com)

### 1.2 Provision of Schedule 3 Information to Corporate Members

#### Introduction

Corporate members of Lloyd's are required to prepare their accounts in accordance with Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. Market Reporting Department (MRD) offers a "central facility" to provide corporate members with the data that they need in order to be able to prepare their accounts in accordance with Schedule 3. MRD is able to provide this facility by advising on the data requirements, collecting the syndicate data in the relevant format from managing agents, processing it and providing outputs in the Schedule 3 format for each subscribing member. If the central facility was not available, it would be necessary for individual corporate members to contact the managing agent of each syndicate on which they participate in order to negotiate arrangements to obtain this information, which would not be otherwise provided by managing agents. It is likely that the cost to a corporate member of having to obtain the data this way would be greater than the fees charged for the Lloyd's facility.

#### Fees

Each corporate member that wishes to subscribe to this service is required to pay a fee as prescribed under the Syndicate Accounting Byelaw (No. 8 of 2005) as amended. This fee is calculated by reference to the highest overall premium limit (OPL) of the corporate member concerned and number of syndicates (disregarding syndicate years of account for this purpose) in which the corporate member participates.

The prescribed fees for the December 2015 facility are set out below and vary with respect to the size (in terms of OPL) of the corporate member. They are unchanged from last year.

OPL for member*	Fee per syndicate participation** (excl VAT)	Maximum fee** (excl VAT)
£15,000,001 or greater	£125	£3,750
£10,000,001 to £15,000,000	£100	£3,000
£5,000,001 to £10,000,000	£70	£2,100
£2,000,001 to £5,000,000	£35	£1,050
£2,000,000 or less	£35	£700
Members participating on 2012 or prior run-off years only	£35	£700

\* OPL is defined as the highest OPL written for any year of account within the last three years of account.

\*\* Fees are calculated per syndicate (not syndicate year) participation.

#### Key assumptions

The fee structure for 31 December 2015 Schedule 3 reporting has been prepared on the assumption that the level of subscription to the central facility and Market Reporting Department's costs incurred in providing this facility, do not change materially from those relating to the 2014 exercise.

#### Other significant matters

No established alternative source in order for corporate members to obtain this data currently exists. As noted above, however, the cost incurred by corporate members making their own arrangements to obtain the information directly from managing agents is likely to be somewhat higher.

Point of contact: Robert Smith +44(0)20 7327 5459

Email: [robert.smith@lloyds.com](mailto:robert.smith@lloyds.com)

### 1.3 Corporate Interavailable FAL

Corporate groups may wish to rationalise their Lloyd's operations and reduce the number of underwriting subsidiaries. Lloyd's has developed a mechanism and the documentation to deal with the provision of Funds at Lloyd's to support both the business being run off by the ceasing corporate members and the increased level of underwriting by the continuing corporate member.

A fee is payable by those corporate groups seeking to consolidate and make their individual corporate members' FAL interavailable. This charge seeks to recover principally legal costs incurred by Lloyd's in respect of such consolidations. The fee is £1,000 (excluding VAT) per ceasing member subject to a maximum of £10,000 per corporate group consolidation.

Point of contact: Kevin Nethersell +44(0)20 7327 6253

Email: [kevin.nethersell@lloyds.com](mailto:kevin.nethersell@lloyds.com)



#### 1.4 Premium Tax Administration

The Tax department administers the collection and payment of UK insurance premium tax and various foreign insurance premium taxes and makes a charge to cover the administration costs of this activity. The charge is levied on a flat basis for all syndicates, arrived at by dividing total costs by the number of relevant syndicates (excluding life syndicates and those motor syndicates that file their own IPT returns and have limited exposure to foreign taxes). A 2% inflationary increase has been applied to this charge which for 2016 is £9,644 per syndicate. The collection of this charge will take place in January 2017.

Point of contact: Nick Marman +44(0)20 7327 6727

Email: [nick.marman@loyds.com](mailto:nick.marman@loyds.com)

#### 1.5 Tax Operations

The Tax department charges on a user pays basis to both members and managing agents for the provision of tax information and the filing of various tax returns on behalf of all members of Lloyd's. A 2% increase has been applied to Lloyd's share of these charges. There has been no increase to the Sutherland fees, which are charged for the filing of the member's United States and are incorporated within the Tax Operations charges. The Lloyd's Japan fees also remain unchanged. The overall price list for Tax Operations is split by customer category.

Point of contact: Christine Allcott +44(0)1634 392433

Email: [christine.allcott@loyds.com](mailto:christine.allcott@loyds.com)

## TAX OPERATIONS CHARGES 2016

### INDIVIDUAL MEMBER

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Core Services-Including third party charges</b>				
1.1	Tax Operations including Sutherland Taxation Services– Active Participation	Annual	£476	Standard Rate	Calculation and provision of UK, US, Canadian, Singapore and Japan tax return data and Sutherland charge for filing US tax return on behalf of the member. For members underwriting on the current year.
1.2	Tax Operations including Sutherland Taxation Services - Non-Active Participation	Annual	£145	Standard Rate	Calculation and provision of UK, US, Canadian, Singapore and Japan tax return data and Sutherland charge for filing US tax return. For members with open participations and/or donor members whose last remaining participation was closed at previous year end.
1.3	Tax Operations - US Resident	Annual	£505	Standard Rate	Provision of US Tax data to assist with preparation of US Resident Tax Return and Sutherland charge for provision of guidance to Lloyd's in the preparation of the US Resident Tax Return where a report is issued in the current year.
<b>2</b>	<b>Third Party Charges</b>				
2.1	Sutherland Taxation Services – Active Participation	Annual	£0	Standard Rate	£280 now included in 1.1 above
2.2	Sutherland Taxation Services – Non-Active Participation	Annual	£0	Standard Rate	£100 now included in 1.2 above
2.3	Sutherland - US Resident	Annual	£0	Standard Rated	£100 now included in 1.3 above
2.4	Lloyd's Japan	Annual	JPY 25,000	Standard Rated	Charge for filing a tax return if the member participates on syndicates underwriting in Japan included in the current year's return (2014/2015)
<b>3</b>	<b>Ad Hoc Charges</b>				
3.1	Enquiries	Per half-hour	£54	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£45	Standard Rated	Provision of duplicate items

### CORPORATE MEMBER

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Core Services including third party charges</b>				
1.1	Tax Operations – and charge for Sutherland Services	Annual	£638	Standard Rate	Calculation and provision of UK, US Canadian, Singapore and Japan tax return data and the Sutherland charge for filing US tax return on behalf of the member. Where the member has either an active, open or run-off participation in the current year or where all participations closed the previous year end.
1.2	Tax Operations and Sutherland Charges – SLP / LLP with 2 or more partners  Per partner	Annual	£208	Standard Rate	Provision of US tax information to Sutherland at partner level for those partners participating on an SLP/LLP at the commencement of the current year and the work undertaken by Sutherland for dealing with the data at partner level to process the US return for the partnership.
1.3	Tax Operations – Controlled Foreign Corporation	Annual	£505	Standard Rate	Provision of US Tax data to assist with US Tax Return and Sutherland charge for provision of guidance to Lloyd's in the preparation of the Return where a report is issued in the current year.

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>2</b>	<b>Third Party charges</b>				
2.1	Sutherland – Taxation Services	Annual	£0	Standard Rate	£390 now included in 1.1 above
2.2	Sutherland – SLP / LLP with 2 or more partners Per partner	Annual	£0	Standard Rate	£150 now included in 1.2 above
2.3	Sutherland - Controlled Foreign Corporation	Annual	£0	Standard Rated	£100 now included in 1.3 above
2.4	Lloyd's Japan	Annual	JPY 25,000	Standard Rated	Charge for filing a tax return if the member participates on syndicates underwriting in Japan included in the current year's return (2014/2015).
<b>3</b>	<b>Ad Hoc Charges</b>				
3.1	Enquiries	Per half-hour	£54	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£45	Standard Rated	Provision of duplicate items

**Note:**

Where third party costs are incurred with Sutherland for providing additional services such as dealing with Changes of Ownership and Reinsurance adjustments these will be charged to the member concerned.

**DIRECT CORPORATE PARTICIPANT**

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Core Services</b>				
1.1	Tax Operations	Annual	£1,789	Standard Rate	Calculation and provision of UK, US Canadian, Singapore and Japan tax return data and the Sutherland charge for filing US tax return on behalf of the member. Where the member has either an active, open or run-off participation in the current year or where all participations closed the previous year end.
1.2	Tax Operations – Controlled Foreign Corporation	Annual	£505	Standard Rate	Provision of US Tax data to assist with US Tax Return and Sutherland charge for provision of guidance to Lloyd's in the preparation of the Return where a report is issued in the current year.
<b>2</b>	<b>Third Party Charges</b>				
2.1	Sutherland – Taxation Services	Annual	£0	Standard Rate	£1,500 now included in 1.1 above
2.2	Sutherland - Controlled Foreign Corporation	Annual	£0	Standard Rated	£100 now included in 1.2 above
2.3	Lloyd's Japan	Annual	JPY 25,000	Standard Rated	Charge for filing a tax return if the member participates on syndicates underwriting in Japan included in the current return (2014/2015).
<b>3</b>	<b>Ad Hoc Charges</b>				
3.1	Enquiries	Per half-hour	£54	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£45	Standard Rated	Provision of duplicate items

**Note:**

Where third party costs are incurred with Sutherland for providing additional services such as dealing with Changes of Ownership and Reinsurance adjustments, calculation of potential tax liabilities for release of FAL, these will be charged to the member concerned.

**TAX OPERATIONS CHARGES 2016**  
**MEMBERS' AGENT, MANAGING AGENT AND SYNDICATE**

Ref	Chargeable Item	Category	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Base Services</b>					
1.1	Tax Operations - Filing of Syndicate Federal Excise Tax Return including Sutherland Charges	Syndicate	Annual	£1,696	Standard Rated	Per syndicate
1.2	Tax Operations – UK, Canada, United States, Illinois	Syndicate	Annual	£266	Standard Rated	Per syndicate per year of account
1.3	Tax Operations – Singapore Tax	Syndicate	Annual	£578	Standard Rated	Per syndicate year of account for syndicates underwriting business in Singapore
<b>2</b>	<b>Qualified Intermediary</b>					
2.1	Base Charge	Syndicate	Annual per syndicate	£231	Standard Rated	Per syndicate
2.2	Per 1,000 transactional lines on LDTF	Syndicate	Per 1,000 lines	£58	Standard Rated	Per syndicate
<b>3</b>	<b>Third Party Charges</b>					
3.1	Sutherland – US Taxation Services	Syndicate	Annual	£2,250	Standard Rated	Sutherland charge for dealing with syndicate information statement – Per syndicate year of account
3.2	Sutherland – North American Taxation Services	Syndicate	Annually per written premium	0.0034% est.	Standard Rated	Sutherland charge for dealing with North American taxation issues. Fixed fee to be recovered.
<b>4</b>	<b>Ad Hoc Charges</b>					
4.1	Enquiries	All	Per half-hour	£54	Standard Rated	Investigation of enquiries
4.2	Duplicate Requests (including Payments)	All	Per request	£45	Standard Rated	Provision of duplicate items

**Information Technology Group**

Lloyd's Information Technology Group will shortly begin the 2016 annual billing process by asking market firms to confirm their continuing requirement for managed infrastructure services. These services cover data communications, voice / telephone communications, associated cabling and Black Box Park usage. Following agreement of the requirements, invoices will be issued in early 2016.

**Ongoing Service Prices**

IT service prices for 2016 will remain unchanged from 2015.

**Set-up Service Charges**

Please note that the set-up of services will be charged on a time and materials basis. The manpower hourly rate remains the same as 2015, in hours £94 and out of hours £126.

Point of contact: Lesley Parietti +44(0)20 7327 5912

Email: [lesley.parietti@lloyds.com](mailto:lesley.parietti@lloyds.com)

**IT GROUP - 2016 MARKET CHARGES**

Chargeable Item	Unit of Charge	2016 Price per Unit (excl VAT)	Chargeable Item Description
<b>LLOYD'S INSURANCE NETWORK (LIN) SERVICES</b>			
LIN Network set-up – Ethernet	Per connection	Manpower Hourly Rate	Set-up of Ethernet connection to the LIN
LIN Network Annual Fee – Ethernet	Per connection	£9,043	Covers the cost of management of Ethernet connection to the LIN
LIN Network Annual Fee - Additional for Service Providers	Per customer	£1,091	Additional £1,091 per customer from 2nd up to 10th customer - Maximum £9,819. For LIN customers who use the LIN to provide a commercial service to other organisations
LIN ISP set-up - All bands	Per connection	Manpower Hourly Rate	Set-up of an Internet browsing facility for all dedicated bps.
LIN ISP service	Per connection	£2,728	Rental of a DR internet browsing facility
Virtual Private Network (via a single workstation) set-up fee	Per connection	Manpower Hourly Rate	Set-up of a secure, data encrypted tunnel through to the LIN
Virtual Private Network (via a single workstation)	Per connection	£436	Rental of a secure, data encrypted tunnel through to the LIN
Virtual Private Network (branch-to-branch) set-up fee	Per connection	Manpower Hourly Rate	Set-up of a secure, data encrypted tunnel through to the LIN
Virtual Private Network (branch-to-branch) support 256K bps	Per connection	£1,418	Rental of a secure, data encrypted tunnel through to the LIN at 256K bps
Virtual Private Network (branch-to-branch) support 512K bps	Per connection	£2,161	Rental of a secure, data encrypted tunnel through to the LIN at 512K bps
Virtual Private Network (branch-to-branch) support 1M bps	Per connection	£3,738	Rental of a secure, data encrypted tunnel through to the LIN at 1M bps
Virtual Private Network (branch-to-branch) support 2M bps	Per connection	£6,889	Rental of a secure, data encrypted tunnel through to the LIN at 2M bps
LIN DR Set-up fee - Ethernet	Per connection	Manpower Hourly Rate	Set up of an alternative route to LIN in the event of a disaster
LIN DR Annual Fee connection - Ethernet	Per connection	£2,489	
DR Invocation Tests	Per test	Manpower Hourly Rate	LIN DR testing outside annual date
LIN DR Service for DR Service Providers	Per connection	Various	Rental of service provider LIN DR connection
LIN DR Service for DR Service Providers set-up	Per connection	Manpower Hourly Rate	Set-up of service provider LIN DR connection

## IT GROUP - 2016 MARKET CHARGES

Chargeable Item	Unit of Charge	2016 Price per Unit (excl VAT)	Chargeable Item Description
<b>CABLING SERVICES</b>			
Cabling within the Lloyd's building - Provide	Per cable	Manpower Hourly Rate Plus Materials	Installation of cabling within the Lloyd's building
Fibre Optic Cable – Support	Per Fibre Pair	£745	Rental and support of fibre infrastructure
Block Wiring	Per Pair	£16	Charge for use of BT block wiring to support private PBX's (price per pair)
<b>BLACK BOX PARK (BBP1) SERVICES</b>			
Black Box Park 1 (BBP1) Rack Space - 1 unit	Per Unit	£284	Rental of 1 unit rack space in a Lloyd's cabinet
BBP1 Rack Space - 10 units	Per Unit	£1,548	Rental of a lockable portion of a Lloyd's cabinet (10 units)
BBP1 Rack Space - 20 units	Per Unit	£3,060	Rental of a lockable portion of a Lloyd's cabinet (20 units)
BBP1 Floor Space	Per Unit	£6,036	Rental of floor space in Black Box Park 1 for customers own comms. cabinet
<b>VOICE SERVICES</b>			
Installation of Voice Services	Per Unit	Manpower Hourly Rate	
Standard Extension	Per Extension	£500	Rental for Lloyd's extension number and a Lloyd's supplied analogue handset
Digital Telephone Handset	Per Handset	£110	Additional rental for a digital handset
Digital Add-on Unit	Per Handset	£135	Rent for a digital add-on unit, which supplies extra programmable keys
Additional Telephone Socket	Per Socket	£68	Rental of an additional analogue handset of an existing analogue extension
Voicemail	Per Unit	£96	Rental of a voice mailbox
Fax / Modem Line	Per Line	£234	Rental of a fax/modem link on a Lloyd's extension number
Support for IPT Infrastructure	Per Unit	£563	
Rental of an IP Conference Unit	Per Unit	£203	

**Market Services**

Market Services has applied an inflationary increase of 2% to most charges for 2016, with the following change:

**Production of address information for hardcopy Syndicate Reports & Accounts**

The existing charge based on number of members has been restructured whether the service is provided on spreadsheet or address labels, regardless of which syndicate is involved, as a fairer reflection of work carried out.

Member fund holding charges will be based on members' funds at Lloyd's position as at 1 January 2016.

Point of contact: Nikki Hopper +44(0)1634 392872

Email: [nicola.hopper@lloyds.com](mailto:nicola.hopper@lloyds.com)

**Customer Categories for Charges**

The overall price list for Market Services is split by customer category:-

- Individual Member
- Corporate Member
- Direct Corporate Participant
- Members' Agent, Managing Agent, Syndicate and Others



### MARKET SERVICES' CHARGES 2016 - INDIVIDUAL MEMBER

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Core Services</b>				
1.1	Trustee / Regulatory Services – Active Participation	Annual	£340	Outside Scope	Services for members underwriting on the current year
1.2	Trustee / Regulatory Services – Non-Active Participation	Annual	£245	Outside Scope	Services for members with open participation and/or donor members whose last remaining participation was closed at previous year end
1.3	Trustee / Regulatory Services – Participation Closed at Previous Year End (excluding donor member)	Annual	£109	Outside Scope	Services for non-donor members whose last remaining participation was closed at previous year end
<b>2</b>	<b>Fund Holding Charges</b>				
2.1	Cash Service Charge	Bi-Annual	Up to 0.125%	Exempt	Charge for administration of cash held. Subject to reduction to avoid negative return to members
2.2	Bank / Building Society Account	Annual	£59	Outside Scope	Levied per account held per fund per Owner / Dividend Code for bank / building society accounts held within funds at Lloyd's
2.3	UK Securities, Unit Trusts and Crest holdings	Annual	£55	Outside Scope	Levied per security held per fund per Owner / Dividend code for securities and unit trusts held within funds at Lloyd's
2.4	Foreign Securities and Citibank holdings	Annual	£155	Outside Scope	Levied per security held per fund per Owner / Dividend Code for securities held within funds at Lloyd's
2.5	Guarantee / Letter of Credit	Annual	£79	Outside Scope	Levied per issuing institution per fund per Owner / Dividend code for guarantees / credits held within funds at Lloyd's
2.6	Life Policy / Bond	Annual	£160	Outside Scope	Levied per issuing institution per fund per Owner / Dividend code for policies and bonds held within funds at Lloyd's
2.7	Non-Standard Currency Holdings	Annual	£59	Outside Scope	Levied per account per fund per Owner / Dividend Code for non EUR, USD, GBP and AUD accounts held within funds at Lloyd's
2.8	Foreign Exchange Transactions	Per exchange	0.04%	Exempt	Levied per currency conversion currency deals carried out on behalf a member at 0.04% of the transactional value
2.9	Special Reserve Fund Administration	Annual	£109	Outside Scope	Administration of Special Reserve fund valued in excess of £250
2.10	Unregulated Collective Investment Scheme – initial charge	One-off	£535	Outside Scope	Initial approval to allow a member to hold unregulated collective investment schemes within funds at Lloyd's
2.11	Securities and Unit Trust Overtrading	Per overtrade	£15	Exempt	Trades processed in excess of the allowance of 2 trades per holding charge levied
2.12	Standard Bond Evaluations	Per security	£26	Standard Rated	Additional charge for the non-standard pricing of securities
2.13	Individual Bond Evaluations	Per security	£38	Standard Rated	Additional charge for the non-standard pricing of securities
2.14	Private Placement & Commercial Paper Evaluations	Per security	£53	Standard Rated	Additional charge for the non-standard pricing of securities
2.15	US CMO/ABS & International MBS/ABS Evaluations	Per security	£102	Standard Rated	Additional charge for the non-standard pricing of securities

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>3</b>	<b>Ad Hoc Services</b>				
3.1	Enquiries	Per half-hour	£54	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£45	Standard Rated	Provision of duplicate items
3.3	Coming into Line Extension Requests	Per day per £5m or part	£212	Outside Scope	Granting an extension to the coming-into-line deadline and the subsequent monitoring of the extension
3.4	Underwriting requirement	Per day per £5m or part	£109	Outside Scope	Monitoring of insufficient funds and/or incomplete documentation as at 1 January
3.5	Voluntary Drawdown	Per drawdown	£79	Outside Scope	Voluntary request to utilise funds at Lloyd's to satisfy underwriting obligations
3.6	Compulsory Drawdown	Per drawdown	£160	Outside Scope	Utilisation of funds at Lloyd's on a compulsory basis to satisfy underwriting obligations
3.7	Partial Release	Per request	£109	Outside Scope	Consideration of an application for a partial release of funds at Lloyd's
3.8	Partial Release – late request	Per request	£79	Outside Scope	To ensure efficient use of resources a charge is levied for releases submitted after the prescribed deadline
3.9	Expiry of Guarantee / Letter of Credit	Per demand	£160	Outside Scope	Encashment of a guarantee / letter of credit once the expiry date falls due with no extension granted
3.10	Complex / Non-Standard Issues	Per hour	£109	Standard Rated	Complex/bespoke transactions, investigation of proposals outside the scope of existing trust, regulatory and policy obligations
3.11	Qualifying Intermediary	Per security	£5	Standard Rated	Filing of Qualified Intermediary return to the US IRS
3.12	Payments Requested via CHAPS	Per payment	£20	Exempt	Per payment requested to be made via CHAPS rather than BACS

**Notes:**

1. Where third party costs are incurred by Market Services in providing a service, these will be charged to the member concerned (e.g. Citibank Global Custody Fee, bank charges Legal Fees, Postage and Packaging, Crest late settlement charges, stamp duty).
2. Market Services reserves the right to charge members for each trade carried out where no securities holding charges have been levied.
3. Full details of each service are available upon request.

**MARKET SERVICES' CHARGES 2016 - CORPORATE MEMBER**

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Core Services</b>				
1.1	Trustee / Regulatory Services – Active Participation	Annual	£680	Outside Scope	Services for members underwriting on the current year
1.2	Trustee / Regulatory Services – Non-Active Participation	Annual	£565	Outside Scope	Services for members with open participation and/ or donor members whose last remaining participation was closed at previous year end
1.3	Trustee / Regulatory Services – Participation Closed at Previous Year End (exc. donor members)	Annual	£535	Outside Scope	Services for non-donor members whose last remaining participation was closed at previous year end
<b>2</b>	<b>Fund Holding Charges</b>				
2.1	Cash Service Charge	Bi-Annual	Up to 0.125%	Exempt	Charge for administration of cash held. Subject to reduction to avoid negative return to members
2.2	Bank / Building Society Account	Annual	£59	Outside Scope	Levied per account held per fund per Owner / Dividend Code for bank / building society accounts held within funds at Lloyd's
2.3	UK Securities, Unit Trusts and Crest holdings	Annual	£55	Outside Scope	Levied per security held per fund per Owner / Dividend Code for securities and unit trusts held within funds at Lloyd's
2.4	Foreign Securities and Citibank holdings	Annual	£155	Outside Scope	Levied per security held per fund per Owner / Dividend Code for securities held within funds at Lloyd's
2.5	Guarantee / Letters of Credit	Annual	£79	Outside Scope	Levied per issuing institution per fund per Owner / Dividend Code for guarantees / credits held within funds at Lloyd's
2.6	Non-Standard Currency Holdings	Annual	£59	Outside Scope	Levied per account per fund per Owner / Dividend Code for non EUR, USD, GBP and AUD accounts held within funds at Lloyd's
2.7	Foreign Exchange Transactions	Per exchange	0.04%	Exempt	Levied per currency conversion currency deals carried out on behalf a member at 0.04% of the transactional value
2.8	Unregulated Collective Investment Scheme – initial charge	One-off	£535	Outside Scope	Initial approval to allow a member to hold unregulated collective investment schemes within funds at Lloyd's
2.9	Interavailable Recipient Monitoring Charge - per Donor	Annual	£171	Outside Scope	Per donor charge for administration of funds at Lloyd's made interavailable to Corporate member
2.10	Interavailable Recipient Monitoring Charge – per Finalised Donor	Annual	£810	Outside Scope	Per donor charge for administration of funds at Lloyd's made interavailable to Corporate member
2.11	Securities and Unit Trust Overtrading	Per overtrade	£15	Exempt	Trades processed in excess of the allowance of 2 trades per holding charge levied
2.12	Standard Bond Evaluations	Per security	£26	Standard Rated	Additional charge for the non-standard pricing of securities
2.13	Individual Bond Evaluations	Per security	£38	Standard Rated	Additional charge for the non-standard pricing of securities
2.14	Private Placement & Commercial Paper Evaluations	Per security	£53	Standard Rated	Additional charge for the non-standard pricing of securities
2.15	US CMO/ABS & International MBS/ABS Evaluations	Per security	£102	Standard Rated	Additional charge for the non-standard pricing of securities
<b>3</b>	<b>Ad Hoc Services</b>				
3.1	Declaration of Compliance Extension Request	Per request	£280	Outside Scope	Charge for considering and granting an extension to the Declaration of Compliance deadline
3.2	Breach of Declaration of Compliance	Per breach	£109	Outside Scope	Charge for unauthorised changes highlighted by the annual Declaration of Compliance checking

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
3.3	Declaration of Compliance – Late Submission	Per late submission	£428	Outside Scope	Monitoring of late submission of documentation
3.4	Declaration of Compliance – Non-submission	Per non-submission	£535	Outside Scope	Monitoring of non-submission of documentation
3.5	Approval of Controller / Director / SLP / LLP Changes	Per change	£157	Outside Scope	Charge for considering and approving requested change
3.6	Approval of Controller / Director / SLP / LLP Changes - advance consent granted	Per change	£127	Outside Scope	Charge to action requested change
3.7	Approval of Controller / Director / SLP / LLP Changes – sale previously recommended member	Per change	£1,015	Outside Scope	Charge to action requested change
3.8	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trust	£500	Outside Scope	Charge for approving a new Trust
3.9	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trustee	£250	Outside Scope	Charge for approving a new Trustee
3.10	Approval of Controller / Director change post appointment	Per late notification	£107	Outside scope	Charge for not seeking Lloyd's approval prior to appointment of Controller / Director
3.11	Enquiries	Per half-hour	£54	Standard Rated	Investigation of enquiries
3.12	Duplicate Requests (including payments)	Per request	£45	Standard Rated	Provision of duplicate items
3.13	Coming into Line Extension Requests	Per day per £5m or part	£212	Outside Scope	Granting an extension to the coming-into-line deadline and the subsequent monitoring of the extension
3.14	Underwriting requirement	Per day per £5m or part	£109	Outside Scope	Monitoring of insufficient funds and/or incomplete documentation as at 1 January
3.15	Voluntary Drawdown	Per drawdown	£79	Outside Scope	Voluntary request to utilise funds at Lloyd's to satisfy underwriting obligations
3.16	Compulsory Drawdown	Per drawdown	£160	Outside Scope	Utilisation of funds at Lloyd's on a compulsory basis to satisfy underwriting obligations
3.17	Partial Release	Per request	£109	Outside Scope	Consideration of an application for a partial release of funds at Lloyd's NB Charge levied per participant for recipient corporate members
3.18	Partial Release – late request	Per request	£79	Outside Scope	To ensure efficient use of resources a charge is levied for releases submitted after the prescribed deadline
3.19	Expiry of Guarantee / Letter of Credit	Per demand	£160	Outside Scope	Encashment of a guarantee / letter of credit once the expiry date falls due with no extension granted
3.20	Complex / Non-Standard Issues	Per hour	£109	Standard Rated	Complex/bespoke transactions, investigation of proposals outside the scope of existing trust, regulatory and policy obligations
3.21	Qualified Intermediary	Per security	£5	Standard Rated	Filing of Qualified Intermediary return to the US IRS
3.22	Payments Requested via CHAPS	Per payment	£20	Exempt	Per payment requested to be made via CHAPS rather than BACS

**Notes:**

- Where third party costs are incurred by Market Services in providing a service, these will be charged to the member concerned (e.g. Citibank Global Custody Fee, bank charges, Companies House Filing Fee, Legal Fees, Postage and Packaging, Crest late settlement charges, stamp duty).
- Market Services reserves the right to charge members for each trade carried out where no securities holding charges have been levied.
- Full details of each service are available upon request.
- A member that commences underwriting mid-year will attract pro rata charges.

**MARKET SERVICES' CHARGES 2016 - DIRECT CORPORATE PARTICIPANT**

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Core Services</b>				
1.1	Trustee / Regulatory Services – Active Participation	Annual	£4,310	Outside Scope	Services for members underwriting on the current year
1.2	Trustee / Regulatory Services – Non-Active Participation	Annual	£2,700	Outside Scope	Services for members with open participation or members whose last remaining participation was closed at previous year end
<b>2</b>	<b>Fund Holding Charges</b>				
2.1	Cash Service Charge	Bi-Annual	Up to 0.125%	Exempt	Charge for administration of cash held. Subject to reduction to avoid negative return to members
2.2	Bank / Building Society Account	Annual	£59	Outside Scope	Levied per account held per fund per Owner / Dividend Code for bank / building society accounts held within funds at Lloyd's
2.3	UK Securities, Unit Trusts and Crest holdings	Annual	£275	Outside Scope	Levied per security held per fund per Owner / Dividend Code for securities and unit trusts held within funds at Lloyd's
2.4	Foreign Securities and Citibank holdings	Annual	£340	Outside Scope	Levied per security held per fund per Owner / Dividend Code for securities held within funds at Lloyd's
2.5	Guarantee / Letter of Credit	Annual	£186	Outside Scope	Levied per issuing institution per fund per Owner / Dividend Code for guarantees / credits held within funds at Lloyd's
2.6	FX Contract Base Charge	Per contract	£235	Outside Scope	Levied per security held per fund per Owner / Dividend code for receipt and initial setting up of contract
2.7	FX Contract Monitoring	Per month or part thereof	£102	Outside Scope	Levied per security held per fund per Owner / Dividend code for daily monitoring of contract margin
2.8	Covenant and Charge	Annual	£365	Outside Scope	Charge for monitoring of securities held within funds at Lloyd's under a Covenant and Charge arrangement
2.9	Non-Standard Currency Holdings	Annual	£59	Outside Scope	Levied per account per fund per Owner / Dividend Code for non EUR, USD, GBP and AUD accounts held within funds at Lloyd's
2.10	Foreign Exchange Transactions	Per exchange	0.04%	Exempt	Levied per currency conversion currency deals carried out on behalf a member at 0.04% of the transactional value
2.11	Unregulated Collective Investment Scheme – initial charge	One-off	£535	Outside Scope	Initial approval to allow a member to hold unregulated collective investment schemes within funds at Lloyd's
2.12	Interavailable Recipient Monitoring Charge – per Donor	Annual	£171	Outside Scope	Per donor charge for administration of funds at Lloyd's made interavailable to Corporate member
2.13	Interavailable Recipient Monitoring Charge – per Finalised Donor	Annual	£810	Outside Scope	Per donor charge for administration of funds at Lloyd's made interavailable to Corporate member
2.14	Securities and Unit Trust Overtrading	Per overtrade	£15	Exempt	Trades processed in excess of the allowance of 6 trades per holding charge levied
2.15	Standard Bond Evaluations	Per security	£26	Standard Rated	Additional charge for the non-standard pricing of securities
2.16	Individual Bond Evaluations	Per security	£38	Standard Rated	Additional charge for the non-standard pricing of securities
2.17	Private Placement & Commercial Paper Evaluations	Per security	£53	Standard Rated	Additional charge for the non-standard pricing of securities
2.18	US CMO/ABS & International MBS/ABS Evaluations	Per security	£102	Standard Rated	Additional charge for the non-standard pricing of securities
<b>3</b>	<b>Ad Hoc Services</b>				
3.1	Declaration of Compliance Extension Request	Per request	£280	Outside Scope	Consideration and granting an extension to the Declaration of Compliance deadline

	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
3.2	Breach of Declaration of Compliance	Per breach	£109	Outside Scope	Charge for unauthorised changes highlighted by the annual Declaration of Compliance checking
3.3	Declaration of Compliance – Late Submission	Per late submission	£428	Outside Scope	Monitoring of late submission of documentation
3.4	Declaration of Compliance – Non Submission	Per non submission	£535	Outside Scope	Monitoring of non-submission of documentation
3.5	Approval of Controller / Director / LLP Changes	Per change	£157	Outside Scope	Charge for considering and approving requested change
3.6	Approval of Controller / Director / LLP Changes – advance consent granted	Per change	£127	Outside Scope	Charge for actioning requested change
3.7	Approval of Controller / Director / LLP Changes - sale previously recommended member	Per change	£1,015	Outside Scope	Charge for actioning requested change
3.8	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trust	£500	Outside Scope	Charge for approving a new Trust
3.9	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trustee	£250	Outside Scope	Charge for approving a new Trustee
3.10	Approval of Controller / Director change post appointment	Per late notification	£107	Outside scope	Charge for not seeking Lloyd's approval prior to appointment of Controller / Director
3.11	Enquiries	Per half-hour	£54	Standard Rated	Investigation of enquiries
3.12	Duplicate Requests (including Payments)	Per request	£45	Standard Rated	Provision of duplicate items
3.13	Coming into Line Extension Requests	Per day per £5m or part	£212	Outside Scope	Granting an extension to the coming-into-line deadline and the subsequent monitoring of the extension
3.14	Underwriting requirement	Per day per £5m or part	£109	Outside Scope	Monitoring of insufficient funds and/or incomplete documentation as at 1 January
3.15	Voluntary Drawdown	Per drawdown	£79	Outside Scope	Voluntary request to utilise funds at Lloyd's to satisfy underwriting obligations
3.16	Compulsory Drawdown	Per drawdown	£160	Outside Scope	Utilisation of funds at Lloyd's on a compulsory basis to satisfy underwriting obligations
3.17	Partial Release	Per request	£109	Outside Scope	Consideration of an application for a partial release of funds at Lloyd's
3.18	Partial Release – late request	Per request	£79	Outside Scope	To ensure efficient use of resources a charge is levied for releases submitted after the prescribed deadline
3.19	Expiry of Guarantee / Letter of Credit	Per demand	£160	Outside Scope	Encashment of a guarantee / letter of credit once the expiry date falls due with no extension granted
3.20	Complex / Non-Standard Issues	Per hour	£109	Standard Rated	Complex/bespoke transactions, investigation of proposals outside the scope of existing trust, regulatory and policy obligations
3.21	Qualified Intermediary	Per security	£5	Standard Rated	Filing of Qualified Intermediary return to the US Internal Revenue Service
3.22	WBAgent and Tarot Access	Annual	£1,600	Standard Rated	Charge for remote access – all infrastructure costs to be borne by member
3.23	Payments Requested via CHAPS	Per payment	£20	Exempt	Per payment requested to be made via CHAPS rather than BACS

**Notes:**

- Where third party costs are incurred by Market Services in providing a service, these will be charged to the member concerned (e.g. Citibank Global Custody Fee, recovery of FTID charges, bank charges, Companies House Filing Fee, Legal Fees, Postage and Packaging, Crest late settlement charges, stamp duty).
- Market Services reserves the right to charge members for each trade carried out where no securities holding charges have been levied.
- Full details of each service are available upon request.
- A direct corporate participant that commences underwriting mid-year will attract pro rata charges.



**MARKET SERVICES' CHARGES 2016**  
**MEMBERS' AGENT, MANAGING AGENT, SYNDICATE & OTHER**

Ref	Chargeable Item	Category	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Provision of Systems</b>					
1.1	Provision of Systems	Members' Agent	Annual	£20,700	Standard Rated	Single charge per members' agent
1.2	Provision of Systems – excluding Synopsis download	Members' Agent	Annual	£9,800	Standard Rated	Single charge per members' agent
1.3	Provision of Systems	Managing Agent	Annual	£465	Standard Rated	Per syndicate - active / open / closed in distribution
<b>2</b>	<b>Results and Stamp Processing</b>					
2.1	Active Aligned / Dedicated Syndicate	Syndicate	Annual	£1,325	Standard Rated	Per syndicate per year of account
2.2	Non-Active Aligned / Dedicated Syndicate		Annual	£1,135	Standard Rated	Per syndicate per year of account
2.3	Active Spread Syndicate without MAPA Participation		Annual	£2,600	Standard Rated	Per syndicate per year of account
2.4	Non-Active Spread Syndicate without MAPA Participation		Annual	£2,245	Standard Rated	Per syndicate per year of account
2.5	Active Spread Syndicate with MAPA Participation		Annual	£3,820	Standard Rated	Per syndicate per year of account
2.6	Non-Active Spread Syndicate with MAPA Participation		Annual	£3,315	Standard Rated	Per syndicate per year of account
<b>3</b>	<b>Auction</b>					
3.1	Buy / Sell Capacity at Auction including Bilateral Arrangements	All Issuers including :	Per auction	0.05%	Outside Scope	Per successful bid
3.2	Deletion of Invalid Order / Withdrawal of Bilateral Arrangement	Members' Agent, Managing Agent, DCP, Service Provider	Per auction	£75	Outside Scope	Per deletion / per Bilateral withdrawal per party
3.3	Subscription order including Revision and Withdrawal		Per auction	£15	Outside Scope	Per bid / revision / withdrawal
3.4	Bilateral Arrangement		Per auction	£100	Outside Scope	Per party
<b>4</b>	<b>Submission of Syndicate Results File (DD file)</b>					
4.1	Single member syndicate results file (DD file) created from spreadsheet	Syndicate	Annual	£270	Standard Rated	Per file processed
4.2	Single member syndicate results file (DD file) created from fixed width text file		Annual	£54	Standard Rated	Per file processed
4.3	Spread syndicate results file (DD file) created from spreadsheet		Annual	£540	Standard Rated	Per file processed
<b>5</b>	<b>Production of address information for hardcopy Syndicate Reports and Accounts</b>					
5.1	Provision of address information on a spreadsheet	Managing Agent	Ad hoc	£125	Standard Rated	Per managing agent
5.2	Provision of address labels	Syndicate	Ad hoc	£175	Standard Rated	Per syndicate. NB materials costs in respect of label printing will also be incurred

Ref	Chargeable Item	Category	Frequency	Price	VAT Status	Charging Basis
<b>6</b>	<b>Ad hoc Services</b>					
6.1	Coming into Line Extension Requests	Members' Agent	Per day per £5m or part	£212	Outside Scope	Granting an extension to the coming-into-line deadline and the subsequent monitoring of the extension
6.2	Non-notification of a PTF Trustee change	Managing Agent	Per change	£109	Outside Scope	Non-notification to Lloyd's where a PTF Trustee is appointed or resigns and the trust deeds are not executed
6.3	Register of Agent Charges	Members' & Managing Agent	Ad hoc	£50	Zero Rated	Per copy of register requested
6.4	Lloyd's Underwriting Syndicates Publication	All	Ad hoc	£100	Standard Rated	Per copy of publication requested
6.5	Calculation of Non Distribution Interest	Managing Agent	Per request	£109	Standard Rated	Per syndicate charging late interest
6.6	Bulk and Urgent Distribution Payments	Managing Agent	Per request	£109	Standard Rated	Distribution surpluses where manual intervention is required
6.7	Enquiries	All	Per half-hour	£54	Standard Rated	Investigation of enquiries
6.8	Duplicate Requests (including payments)	All	Per request	£45	Standard Rated	Provision of duplicate items
6.9	Complex/Non-Standard Issues	All	Per hour	£109	Standard Rated	Complex/bespoke transactions, investigation of proposals outside the scope of existing trust, regulatory and policy obligations

**Notes:**

1. Where third party costs are incurred by Market Services in providing a service, these will be charged to the agent / syndicate concerned (e.g. recovery of FTID charges, bank charges, Legal Fees, Postage and Packaging, stamp duty).
2. Full details of each service are available upon request.
3. A syndicate that commences underwriting mid-year will attract pro rate charges



**MARKET SERVICES' CHARGES 2016 - MEMBER APPLICATIONS**

Ref	Chargeable Item	2016
1	Corporate Member Application - Non-private Capital	£25,000
2	Shell Corporate Member	
2.1	Stage 1	£5,000
2.2	Stage 2	£20,000
3	Corporate Member Application - Private Capital	
3.1	Base Charge - Conversion	£2,030
3.2	Base Charge - New Money	£4,060
3.3	Interavailability Fee – Individual member	£157
3.4	Interavailability Fee – Corporate member	£505
3.5	New Money where applicant is an existing member (note 1)	£2,030
4	Approval of Controller/Member/Partner/Director (note 2)	£157
5	Approval of Controller/Member/Partner/Director per Trust (note 2)	£500
6	Approval of Controller/Member/Partner/Director per Trustee (note 2)	£250
7	Approval of corporate member changes where all entities fall under Advance Consent Regime	£127
8	Approval of Controller/Member/Partner/Director change post appointment	£107
9	Approval of a sale of a previously recommenced member application	£1,015
10	Recommencement of Corporate Member Application (with no changes)	£505
11	Recommencement of Underwriting	
11.1	Individual Member (not ceased or converted)	£157
11.2	Corporate member with no change of Director / Controller	£157
11.3	Corporate member with change of Control / Structure	
11.3.1	Base Charge	£5,075
11.3.2	per Connected Entity	£157

**Notes:**

1. Applicable where private member is an existing member/LLP member/Controller/Partner
2. Applicable for new corporate member applications and corporate member changes not under Advance Consent Regime
3. Market Services may, at its discretion, reduce the application charges payable for the early submission of member applications or where more than one member applies for membership with the same corporate structure.
4. Where third party costs are incurred by Market Services in providing a service, these will be charged to the member concerned (e.g. Legal Fees, Postage and Packaging).
5. All fees are outside the scope of VAT.

## Complaint Handling Charges 2016

Complaint Handling charges remain largely unchanged apart from a standard inflationary increase.

### Complaints Handled by Complaints team

<b>UK Complaints</b>	
Administration fee for UK complaint	£119
Additional fee for full investigation – UK complaint – Tier 1 (£500 and under)	£182
Additional fee for full investigation – UK complaint – Tier 2 (£501- £10,000)	£520
Additional fee for full investigation – UK complaint – Tier 3 (£10,001 - £25,000)	£780
Additional fee for full investigation – UK complaint – Tier 4 (above £25,001)	£1,040
<b>International Complaints</b>	
Administration fee for International complaint	£208
Additional fee for International complaint	£104
Additional fee for full investigation – International complaint	£416
<b>Australian Travel Complaints</b>	
Fee for full investigation – Tier 1 (£500 and under)	£182
Fee for full investigation – Tier 2 (£501- £10,000)	£520
Fee for full investigation – Tier 3 (£10,001 - £25,000)	£780
Fee for full investigation – Tier 4 (above £25,001)	£1,040
<b>All Complaints</b>	
Additional Administration Fee	£52

### Australian Complaints Handled by Lloyd's Australia

Administration fee for complaint	£119
Fee for full investigation – Tier 1 (£500 and under)	£182
Fee for full investigation – Tier 2 (£501- £10,000)	£520
Fee for full investigation – Tier 3 (£10,001 - £25,000)	£780
Fee for full investigation – Tier 4 (above £25,001)	£1,040
Additional Administration Fee	£52

### Financial Ombudsman Service

Recovery of UK Financial Ombudsman Service (FOS) case fee	FOS revises their case fee on the 1st April each year. 2015/2016 charge fixed at £550
Recovery of UK FOS Levy	Levy is only recovered from those syndicates underwriting personal lines
Recovery of Australian FOS case fee	Charges ranges from AU\$1,500 to AU\$7,950 dependent on resources required

#### Notes

1. The Administration Fee levied will be determined by the date the Complaint was received however the Full Investigation fee will be calculated on the date the file is closed.
2. Any fees levied by external authorities (for example mediation fees levied by the authorities in the USA pursuant to the emergency statutes implemented in the wake of hurricanes) and collected via the Complaints team will be paid by the Complaints team and collected from the appropriate syndicates on a case by case basis.
3. Complaint Handling charges are not subject to VAT.

Point of contact  
– Complaints team  
Jenny Laverty +44(0)1634 392320  
Email: [jenny.laverty@lloyds.com](mailto:jenny.laverty@lloyds.com)

Point of contact  
– Lloyd's Australia Charges  
Tracey Bryan +61 (0) 2 9223 0753  
Email: [tracey.bryan@lloyds.com](mailto:tracey.bryan@lloyds.com)

## Property Services

### Market Services

#### Introduction

2016 Room Rental charges have been increased by c3.5% compared to the 2015 levels.

#### Key Assumptions

Property Services reserves the right to review its decision should it transpire that the demand for underwriting space in 2016 is significantly less than that for 2015.

### Security Passes

#### Introduction

The charges for security passes will increase to £30 from the 2015 level of £25, the charge for NUWM passes will remain at the 2015 level of £83.

#### Key Assumptions

There is a continued need for a security pass system for entry into Lloyd's buildings.

### Tenants' Service Charge

#### Introduction

The office accommodation on Galleries 4-10 attracts a service charge for the provision of all day-to-day services. Apart from telephone and data charges, tenants have a fully inclusive service charge covering their needs. Service charges will increase by 3.0% from the 2015 level.

#### Key Assumptions

Property Services has outsourced the running of the services of the 1986 Building. The costs will be reviewed throughout 2016 and any savings that can be achieved or additional costs will be passed on to the tenants.

### Tenants' Insurance Charge

#### Introduction

2016 charges will increase by 1.8% compared to the 2015 level.

#### Key Assumptions

It has been assumed that there will be a small increase to the projected rate from July 2016, but Property Services reserves the right to pass on any increases in costs.

### Contact Name for Queries

Simon Harper +44(0)20 7327 6719 (email [simon.harper@lloyds.com](mailto:simon.harper@lloyds.com))

Jack Kent +44(0)20 7327 6548 (email [jack.kent@lloyds.com](mailto:jack.kent@lloyds.com))

**PROPERTY SERVICES  
2016 MARKET CHARGES**

Chargeable Item	Customer	Means of Collection	Unit of Charge	2016 Price per Unit	Benchmark Prices	2015 Price per unit	Fixed/ Variable
<b>Room Rent</b> Charges for underwriting space on the Ground Floor to Gallery 4. This is charged on a net footprint area of the space occupied by the underwriting boxes.	G1, G2, G3 & G4  Ground Underwriters	Invoice Annually in Advance	Per sq. ft.	£432  £648	Prior years	£417  £626	V
<b>Company Market Rent</b> Charges for Company Market leases on Gallery 2 to Gallery 4. This is charged on a net footprint area of the space occupied by underwriting boxes. New entrants pay additional 50% of first year annual rental.	G2, G3 & G4 Company Market	Invoice Quarterly in Advance	Per sq. ft.	£856 Est. index linked	Prior years	£849	V
<b>Security Passes</b> The charge for security passes where applicable.	Market wide  Non-u/w working members	Invoice	Per pass	£30  £83	N/A	£25  £83	V
<b>Tenant Service Charge</b> Tenants on Galleries 4-10 of the 1986 building have a fully inclusive service charge based on square footage occupied.	Tenants 1986 Building	Invoice Quarterly in advance	Per sq. ft.	£20.52	No comparable benchmark	£19.92	V
<b>Tenant Insurance Charge</b> Tenants on Galleries 4-10 of the 1986 building pay this on the square footage occupied.	Tenants 1986 Building	Invoice Quarterly in advance	Per sq. ft.	£1.70	N/A	£1.67	V

**Admissions - Underwriting Agent/Syndicate Applications**

Ref	Chargeable Item	2016	VAT Status
1	Change in Controller (underwriting agent) (see note 1)	£10,000	Outside Scope
2	New Underwriting Agent	£200,000	Outside Scope
3.	New Syndicate	£100,000	Outside Scope
4.	New Special Purpose Syndicate (see note 3)	£50,000	Outside Scope
5.	Syndicate Merger / change of managing agent	£5,000	Outside Scope
6.	New Accredited Broker	£5,000	Outside Scope

**Notes:**

1. Applicable when a voting and/or equity interest of 50% or more is acquired.
2. The new underwriting agent and syndicate charges are payable when a proposal is presented to the Franchise Board or its designee for 'in principle' approval.
3. A Special Purpose Syndicate derives business from one source, being a quota share reinsurance of an existing syndicate.

**VAT**

VAT is not chargeable on New Entrant Charges.

Point of contact: Robert Stevenson +44(0)20 7327 5541

Email: [robert.stevenson@lloyds.com](mailto:robert.stevenson@lloyds.com)