

MARKET BULLETIN

REF: Y5017

Title	Transfers of Underwriting Capacity - Capacity Market Rules for 2016
Purpose	Rules and guidance relating to capacity auctions and bilateral transactions in capacity and capacity offers
Type	Scheduled
From	Peter Spires, Lloyd's General Counsel
Date	30 August 2016
Related links	http://www.lloyds.com/The-Market/Business-Timetable/Capacity-Auctions/Rules-and-guides

Summary

The rules and guidance for the 2016 capacity transfer season have now been finalised and can be viewed at the above link. The main amendments are to the Auction Rules and these have been summarised below.

Change to the Auction Rules

For the 2016 auction season a fourth auction will not be held and the remaining three auctions have been moved back by approximately a month so that they would all be held in November 2016. The auctions will now be held after the date by which business plans for unaligned syndicates are scheduled to be approved.

The primary purpose of the fourth auction was to allow members who had traded in the main three auctions to have the opportunity to reverse their auction trading if there had been a material change to the business plan of a syndicate or syndicates on which they had bought or sold capacity following the approval of the business plans. As all of the auctions are now proposed to take place after the date by which business plans for unaligned syndicates are scheduled to be approved a fourth auction is not needed for this purpose.

Auction Dates for 2016

The auction dates for 2016 are:

Auction 1	1 & 2 November
Auction 2	8 & 9 November
Auction 3	15 & 16 November

Disclosure Notification

Managing agents are reminded that Auction Rule 20(4) imposes an obligation on managing agents to ensure that any Relevant Information which comes into their possession shall be disclosed promptly to the members of their respective syndicate(s) with a copy of any such disclosure promptly provided to the Lloyd's Auction Office. The Lloyd's Auction Office will accept disclosures up to noon on the penultimate working day before an auction starts and will arrange for all disclosures to be posted to the designated area on the lloyds.com website within three hours of receipt.

Contact

Enquiries about any of the rules attached to this bulletin should be addressed to Paul Thornton (telephone 020 7327 6281, email paul.thornton@lloyds.com).

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