

<b>Title</b>	2017 Market Charges
<b>Purpose</b>	Notification of 2017 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>	8 December 2016

The purpose of this bulletin is to summarise Lloyd's 2017 Market Charges.

### **2017 Members' subscriptions, Market modernisation levy and Central Fund contributions**

1.1 This Market Bulletin supersedes the initial rates set out in MB Y5025 for the proposed central charges for 2017. The revised rates are:

- Members' subscriptions of 0.40% of gross written premium;
- Market modernisation levy of 0.09% of gross written premium;
- Standard rate Central Fund (CF) contributions of 0.35% of gross written premium.

The movement in exchange rates has increased subscription receipts in converted sterling against a predominately UK cost base for the Corporation. In view of this, Council has agreed that the subscription rate will be reduced from the initially advised rate of 0.45% to 0.40% of GWP to give the final rates set out below.

The CF has significant USD exposure and it is considered appropriate for CF contributions to vary with premiums, a key exposure metric. The standard rate is, therefore, confirmed at 0.35%.

The movement in exchange rates has increased Market modernisation levy receipts in converted sterling against a UK cost base. In view of this, Council has agreed that the levy rate will be reduced from the initially advised rate of 0.1% to 0.09% of GWP, excluding 100% UK motor lines, to give the final rates set out below.

A further contribution to the CF of up to 3% of capacity remains callable at the discretion of Council.

<b>% of GWP</b>	<b>2017</b>	<b>2016</b>
Members' subscriptions	<b>0.40%</b>	0.45%
New Central Fund contributions	<b>0.35%</b>	0.35%
Market modernisation levy	<b>0.09%</b>	0.10%
<b>Total</b>	<b>0.84%</b>	0.90%

- 1.2 The first instalment of 0.2% of the Members' subscription for 2017 will be collected through Central Accounting on 6 January 2017 and invoices will be issued by 23 December 2016. The second instalment of the 2017 Members' subscriptions will be due on 1 June 2017. Members' subscriptions for 2017 are exempt from VAT as per Market Bulletin Y2870 issued on 13 September 2002.
- 1.3 The New Central Fund annual contribution, including any increased annual contribution for new corporate members underwriting in 2017 that meet the definitions set out in MB Y5025, and further contributions payable where syndicates have entered into qualifying quota share arrangements outside the Lloyd's Market, are payable on 3 April 2017. Details regarding payment arrangements for contributions will be advised in early 2017.
- 1.4 The Market modernisation levy will be collected on 20 January, 21 April, 21 July and 20 October 2017.
- 1.5 The cap and collar transitional arrangements for the 2016 year will no longer apply in 2017.

**2017 Other Market Charges**

- 1.6 The charges set out in this bulletin have been reviewed and approved by the Franchise Board and Council.
- 1.7 Whilst the basis for charging remains the same as in 2016, 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:

	<b>Schedule</b>	<b>Pages</b>
Overseas operating charges	1	3
Syndicates in run-off	2	4
Capacity Markets	3	5
Finance	4	6-11
Information Technology Group	5	12-14
Market Services	6	15-23
Complaint Handling	7	24
Property Services	8	25-26
Admissions	9	27

## 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

Overseas operating charges will continue to be charged based on a % of gross overseas (i.e. excluding UK and Channel Islands) premiums. The %'s to be applied in 2017 are shown below.

Charge	Basis	2017 Operating Charge %
Direct Business – overseas	Per £ of gross overseas premium	0.40%
Reinsurance business - overseas	Per £ of gross overseas premium	0.14%
Coverholder business supplement	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 020 7327 6087 / [mark.outten@lloyds.com](mailto:mark.outten@lloyds.com)
- Shanthy Gobalakrishnan 020 7327 5141 / [shanthy.gobalakrishnan@lloyds.com](mailto:shanthy.gobalakrishnan@lloyds.com)
- Lloyd's International Trading Advice (LITA) 020 7327 6677 / [LITA@lloyds.com](mailto:LITA@lloyds.com)

**Charges in respect of Syndicates in Run-off**

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 2016.

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 2016. 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 020 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 2017 will be the same as for 2016, 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

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 020 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 020 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 2016 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 2013 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 2016 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 2015 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: Nadia Yakoob 020 7327 6317

Email: [nadia.yakoob@lloyds.com](mailto:nadia.yakoob@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 020 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 2017 is £9,837 per syndicate. The collection of this charge will take place in January 2018.

Point of contact: Nick Marman 020 7327 6727/Victoria Clarke 020 7327 6835  
Email: [nick.marman@lloyds.com](mailto:nick.marman@lloyds.com) / [victoria.clarke@lloyds.com](mailto:victoria.clarke@lloyds.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. Sutherland Asbill and Brennan LLP continue to charge Lloyd's for preparation of the United States Federal Income Tax return and the Federal Excise tax return on a fixed fee basis which is unchanged since 2010. However, the fees are invoiced in US dollars and currency fluctuations have made it necessary to increase these charges by 10% for 2017. The Lloyd's Japan fees also remain unchanged but will be charged to members in sterling so again subject to changes as a result of fluctuation in exchange rates. The overall price list for Tax Operations is split by customer category.

Point of contact: Christine Allcott 01634 392433  
Email: [christine.allcott@lloyds.com](mailto:christine.allcott@lloyds.com)



**TAX OPERATIONS CHARGES 2017**

**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	£508	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	£156	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	£523	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	£308 now included in 1.1 above
2.2	Sutherland Taxation Services – Non-Active Participation	Annual	£0	Standard Rate	£110 now included in 1.2 above
2.3	Sutherland - US Resident	Annual	£0	Standard Rated	£110 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 (2015/2016)
<b>3</b>	<b>Ad Hoc Charges</b>				
3.1	Enquiries	Per half-hour	£55	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£46	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	£682	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	£225	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	£523	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	£429 now included in 1.1 above
2.2	Sutherland – SLP / LLP with 2 or more partners Per partner	Annual	£0	Standard Rate	£165 now included in 1.2 above
2.3	Sutherland - Controlled Foreign Corporation	Annual	£0	Standard Rated	£110 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 (2015/2016).
<b>3</b>	<b>Ad Hoc Charges</b>				
3.1	Enquiries	Per half-hour	£55	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£46	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	£1,945	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	£523	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	£1,650 now included in 1.1 above
2.2	Sutherland - Controlled Foreign Corporation	Annual	£0	Standard Rated	£110 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 (2015/2016).
<b>3</b>	<b>Ad Hoc Charges</b>				
3.1	Enquiries	Per half-hour	£55	Standard Rated	Investigation of enquiries
3.2	Duplicate Requests (including Payments)	Per request	£46	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 2017**  
**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	£1,764	Standard Rated	Per syndicate
1.2	Tax Operations – UK, Canada, United States, Illinois	Syndicate	Annual	£271	Standard Rated	Per syndicate per year of account
1.3	Tax Operations – Singapore Tax	Syndicate	Annual	£589	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	£236	Standard Rated	Per syndicate
<b>3</b>	<b>Third Party Charges</b>					
3.1	Sutherland – US Taxation Services	Syndicate	Annual	£2,475	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	£55	Standard Rated	Investigation of enquiries
4.2	Duplicate Requests (including Payments)	All	Per request	£46	Standard Rated	Provision of duplicate items

**Information Technology Group**

Lloyd's Information Technology Group will shortly begin the 2017 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 2017.

**Ongoing Service Prices**

IT has applied an inflationary increase of approximately 2% to most charges relating to Cabling, Black Box Park & Voice Service for 2017. Note in line with current contracts, price increases for Black Box Park Services will be effective from 1 April, 2017. All other price increase will be effective from 1 January, 2017.

**Ongoing Service Prices**

A review of the LIN service is currently underway which will affect the charges in 2017. Further information will be published as soon as this is available.

**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 has increased by 2% against 2016 prices as follows, in hours £96 and out of hours £129.

Point of contact: Lesley Parietti 020 7327 5912

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

**IT GROUP - 2017 MARKET CHARGES**

Chargeable Item	Unit of Charge	2017 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 - 2017 MARKET CHARGES**

<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	£760	Rental and support of fibre infrastructure
Block Wiring	Per Pair	£17	Charge for use of BT block wiring to support private PBX's (price per pair)
Fibre Installation	Per Unit	£395	One-off charge for provision of fibre to an U/W box or office
<b>BLACK BOX PARK (BBP1) SERVICES</b>			
Black Box Park 1 (BBP1) Rack Space - 1 unit	Per Unit	£290	Rental of 1 unit rack space in a Lloyd's cabinet
BBP1 Rack Space - 10 units	Per Unit	£1,580	Rental of a lockable portion of a Lloyd's cabinet (10 units)
BBP1 Rack Space - 20 units	Per Unit	£3,120	Rental of a lockable portion of a Lloyd's cabinet (20 units)
BBP1 Floor Space	Per Unit	£6,160	Rental of floor space in Black Box Park 1 for customers own comms. cabinet
BBP1 Cross Connect installation	Per Unit	£112	One off charge to install cross-connect from Carrier Meet Me Room to customer location in BBP1
<b>VOICE SERVICES</b>			
Installation of Voice Services	Per Unit	Manpower Hourly Rate	
Standard Extension	Per Extension	£510	Rental for Lloyd's extension number and a Lloyd's supplied analogue handset
Digital Telephone Handset	Per Handset	£112	Additional rental for a digital handset
Digital Add-on Unit	Per Handset	£138	Rent for a digital add-on unit, which supplies extra programmable keys
Additional Telephone Socket	Per Socket	£69	Rental of an additional analogue handset of an existing analogue extension
Voicemail	Per Unit	£98	Rental of a voice mailbox
Fax / Modem Line	Per Line	£240	Rental of a fax/modem link on a Lloyd's extension number
Support for IPT Infrastructure	Per Unit	£575	
Rental of an IP Conference Unit	Per Unit	£207	

## Market Services

Market Services has applied an inflationary increase of 2% to most charges for 2017, with the following changes:

### Interavailable Recipient Monitoring Charge – per Finalised Donor

Increase in charge from £810 to £1,000 to reflect the additional work in monitoring end of Interavailability where interavailable FAL of members with no open years does not count towards the successor member's FAL requirement.

### Underwriting requirement

This fee has been removed, where the failure to deliver the required and correctly completed documentation/assets by the Coming into Line (CIL) deadline will incur the CIL extension fee, including new corporate members.

### Approval of Third Party Funding Provider – known entity

Introduction of a £500 charge to approve a new Third Party Funding Provider (TPFP), where the TPFP is a known entity.

### Approval of Third Party Funding Provider – new entity

Introduction of a £2,070 charge to approve a new Third Party Funding Provider (TPFP), where the TPFP is a new entity.

### Change of Control Application – Base Charge

Introduction of a £500 base fee for a change of control application for corporate members. Further charges apply for the approval of each controller.

### Approval of a new PTF Trustee

Introduction of a £130 charge for considering and approving a new PTF trustee.

### Submission of Syndicate Results File (DD file)

These fees have been removed and are now incorporated in with the DCP Core Service Charge.

### DCP Core Services Trustee / Regulatory Services – Active Participation

This charge has been increased by 5.5% to encompass the provision of systems and services in respect of results and distribution processing.

### DCP Core Services Trustee / Regulatory Services – Non Active Participation

This charge has been increased by 5.7% to encompass the provision of systems and services in respect of results and distribution processing.

### Provision of Systems for Managing Agents -Per syndicate - active / open / closed in distribution

This charge has been reduced to £100, from £465 to reflect the removal of ADEG system and provision of replacement results process.

**Member fund holding charges will be based on members' funds at Lloyd's position as at 1 January 2017.**

Point of contact: Nikki Hopper 01634 392872

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

**MARKET SERVICES CHARGES 2017**  
**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	£348	Outside Scope	Services for members underwriting on the current year
1.2	Trustee / Regulatory Services – Non-Active Participation	Annual	£250	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	£111	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	£60	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	£56	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	£158	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	£81	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	£164	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	£60	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	£111	Outside Scope	Administration of Special Reserve fund valued in excess of £250
2.10	Unregulated Collective Investment Scheme – initial charge	One-off	£548	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

**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, 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.



## MARKET SERVICES CHARGES 2017

### 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	£695	Outside Scope	Services for members underwriting on the current year
1.2	Trustee / Regulatory Services – Non-Active Participation	Annual	£579	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	£548	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	£60	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	£56	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	£158	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	£81	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	£60	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	£548	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	£175	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	£1,000	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 Charges</b>				
3.1	Declaration of Compliance Extension Request	Per request	£286	Outside Scope	Charge for considering and granting an extension to the Declaration of Compliance deadline
3.2	Breach of Declaration of Compliance	Per breach	£111	Outside Scope	Charge for unauthorised changes highlighted by the annual Declaration of Compliance checking
3.3	Declaration of Compliance – Late Submission	Per late submission	£437	Outside Scope	Monitoring of late submission of documentation
3.4	Declaration of Compliance – Non-submission	Per non-submission	£548	Outside Scope	Monitoring of non-submission of documentation

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
3.5	Approval of Third Party Funding Provider – known entity	Per entity	£500	Outside Scope	Charge for approving a new Third Party Funding Provider where the entity is connected to an existing member of Lloyd's
3.6	Approval of Third Party Funding Provider – new entity	Per entity	£2,070	Outside Scope	Charge for approving a new Third Party Funding Provider where the entity is not connected to an existing member of Lloyd's
3.7	Change of Control Application – Base Charge	Per application	£500	Outside Scope	Charge for considering proposed change of control application
3.8	Approval of Controller / Director / SLP / LLP Changes	Per change	£160	Outside Scope	Charge for considering and approving requested change
3.9	Approval of Controller / Director / SLP / LLP Changes - advance consent granted	Per change	£130	Outside Scope	Charge to action requested change
3.10	Approval of Controller / Director / SLP / LLP Changes – sale previously recommenced member	Per change	£1,035	Outside Scope	Charge to action requested change
3.11	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trust	£510	Outside Scope	Charge for approving a new Trust
3.12	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trustee	£255	Outside Scope	Charge for approving a new Trustee
3.13	Approval of Controller / Director change post appointment	Per late notification	£109	Outside scope	Charge for not seeking Lloyd's approval prior to appointment of Controller / Director

**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, Companies House Filing Fee, 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.
4. A member that commences underwriting mid-year will attract pro rata charges.

**MARKET SERVICES CHARGES 2017  
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	£4,550	Outside Scope	Services for members underwriting on the current year
1.2	Trustee / Regulatory Services – Non-Active Participation	Annual	£2,855	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	£60	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	£282	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	£348	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	£190	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	£240	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	£104	Outside Scope	Levied per security held per fund per Owner / Dividend code for daily monitoring of contract margin
2.8	Covenant and Charge	Annual	£374	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	£60	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	£548	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	£175	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	£1,000	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

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>3.</b>	<b>Ad Hoc Services</b>				
3.1	Declaration of Compliance Extension Request	Per request	£286	Outside Scope	Charge for considering and granting an extension to the Declaration of Compliance deadline
3.2	Breach of Declaration of Compliance	Per breach	£111	Outside Scope	Charge for unauthorised changes highlighted by the annual Declaration of Compliance checking
3.3	Declaration of Compliance – Late Submission	Per late submission	£437	Outside Scope	Monitoring of late submission of documentation
3.4	Declaration of Compliance – Non-submission	Per non-submission	£548	Outside Scope	Monitoring of non-submission of documentation
3.5	Approval of Third Party Funding Provider – known entity	Per entity	£500	Outside Scope	Charge for approving a new Third Party Funding Provider where the entity is connected to an existing member of Lloyd's
3.6	Approval of Third Party Funding Provider – new entity	Per entity	£2,070	Outside Scope	Charge for approving a new Third Party Funding Provider where the entity is not connected to an existing member of Lloyd's
3.7	Change of Control Application – Base Charge	Per application	£500	Outside Scope	Charge for considering proposed change of control application
3.8	Approval of Controller / Director / SLP / LLP Changes	Per change	£160	Outside Scope	Charge for considering and approving requested change
3.9	Approval of Controller / Director / SLP / LLP Changes - advance consent granted	Per change	£130	Outside Scope	Charge to action requested change
3.10	Approval of Controller / Director / SLP / LLP Changes – sale previously recommended member	Per change	£1,035	Outside Scope	Charge to action requested change
3.11	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trust	£510	Outside Scope	Charge for approving a new Trust
3.12	Approval of Controller / Director/SLP/LLP Changes – involving trusts	Per Trustee	£255	Outside Scope	Charge for approving a new Trustee
3.13	Approval of Controller / Director change post appointment	Per late notification	£109	Outside scope	Charge for not seeking Lloyd's approval prior to appointment of Controller / Director
3.14	WBAgent and Tarot Access	Annual	£1,640	Standard Rated	Charge for remote access – all infrastructure costs to be borne by member

**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 2017**  
**APPLICABLE TO ALL MEMBERS, MEMBERS' AGENT, MANAGING AGENT,**  
**SYNDICATE & OTHERS**

Ref	Chargeable Item	Frequency	Price	VAT Status	Charging Basis
<b>1</b>	<b>Ad Hoc Services</b>				
1.1	Enquiries	Per half-hour	£55	Standard Rated	Investigation of enquiries
1.2	Duplicate Requests (including Payments)	Per request	£46	Standard Rated	Provision of duplicate items
1.3	Coming into Line (and associated deadlines) Extension Requests	Per day per £5m or part	£216	Outside Scope	Granting an extension to the coming-into-line deadline and the subsequent monitoring of the extension for the receipt of assets and / or complete documentation, including new corporate member applications
1.4	Voluntary Drawdown	Per drawdown	£81	Outside Scope	Voluntary request to utilise funds at Lloyd's to satisfy underwriting obligations
1.5	Compulsory Drawdown	Per drawdown	£164	Outside Scope	Utilisation of funds at Lloyd's on a compulsory basis to satisfy underwriting obligations
1.6	Partial Release	Per request	£111	Outside Scope	Consideration of an application for a partial release of funds at Lloyd's
1.7	Partial Release – late request	Per request	£81	Outside Scope	To ensure efficient use of resources a charge is levied for releases submitted after the prescribed deadline
1.8	Expiry of Guarantee / Letter of Credit	Per demand	£164	Outside Scope	Encashment of a guarantee / letter of credit once the expiry date falls due with no extension granted
1.9	Complex / Non-Standard Issues	Per hour	£111	Standard Rated	Complex/bespoke transactions, investigation of proposals outside the scope of existing trust, regulatory and policy obligations
1.10	Qualifying Intermediary	Per security	£5	Standard Rated	Filing of Qualified Intermediary return to the US IRS
1.11	Payments Requested via CHAPS	Per payment	£20	Exempt	Per payment requested to be made via CHAPS rather than BACS

**MARKET SERVICES' CHARGES 2017**  
**MEMBERS' AGENT, MANAGING AGENT, SYNDICATE & OTHERS**

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	£21,125	Standard Rated	Single charge per members' agent
1.2	Provision of Systems – excluding Synopsis download	Members' Agent	Annual	£10,000	Standard Rated	Single charge per members' agent
1.3	Provision of Systems	Managing Agent	Annual	£100	Standard Rated	Per syndicate – run-off/ closed in distribution
<b>2</b>	<b>Results and Stamp Processing</b>					
2.1	Active Aligned / Dedicated Syndicate	Syndicate	Annual	£1,355	Standard Rated	Per syndicate per year of account
2.2	Non-Active Aligned / Dedicated Syndicate		Annual	£1,160	Standard Rated	Per syndicate per year of account
2.3	Active Spread Syndicate without MAPA Participation		Annual	£2,655	Standard Rated	Per syndicate per year of account
2.4	Non-Active Spread Syndicate without MAPA Participation		Annual	£2,300	Standard Rated	Per syndicate per year of account
2.5	Active Spread Syndicate with MAPA Participation		Annual	£3,910	Standard Rated	Per syndicate per year of account
2.6	Non-Active Spread Syndicate with MAPA Participation		Annual	£3,395	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 :  Members' Agent, Managing Agent, DCP, Service Provider	Per auction	0.05%	Outside Scope	Per successful bid
3.2	Deletion of Invalid Order / Withdrawal of Bilateral Arrangement		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>Production of address information for hardcopy Syndicate Reports and Accounts</b>					
4.1	Provision of address information on a spreadsheet	Managing Agent	Ad hoc	£128	Standard Rated	Per managing agent
4.2	Provision of address labels	Syndicate	Ad hoc	£179	Standard Rated	Per syndicate. NB materials costs in respect of label printing will also be incurred
<b>5</b>	<b>Ad hoc Services</b>					
5.1	Non-notification of a PTF Trustee change	Managing Agent	Per change	£111	Outside Scope	Non-notification to Lloyd's where a PTF Trustee is appointed or resigns and the trust deeds are not executed
5.2	Approval of a new PTF Trustee	Managing Agent	Per change	£130	Outside Scope	Charge for considering and approving requested change
5.3	Register of Agent Charges	Members' & Managing Agent	Ad hoc	£50	Zero Rated	Per copy of register requested
5.4	Lloyd's Underwriting Syndicates Publication	All	Ad hoc	£100	Standard Rated	Per copy of publication requested
5.5	Calculation of Non Distribution Interest	Managing Agent	Per request	£111	Standard Rated	Per syndicate charging late interest
5.6	Bulk and Urgent Distribution Payments	Managing Agent	Per request	£111	Standard Rated	Distribution surpluses where manual intervention is required

**Notes:**

- 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).
- Full details of each service are available upon request.
- A syndicate that commences underwriting mid-year will attract pro rate charges

**MARKET SERVICES CHARGES 2017**  
**MEMBER APPLICATIONS & CORPORATE MEMBER CHANGES**

Ref	Chargeable Item	2017
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	£2,070
3.2	Base Charge - New Money	£4,140
3.3	Interavailability Fee – Individual member	£160
3.4	Interavailability Fee – Corporate member	£515
3.5	New Money where applicant is an existing member (note 1)	£2,070
4	Change of Control Application – Base Charge	£500
5	Approval of Controller/Member/Partner/Director (note 2)	£160
6	Approval of Controller/Member/Partner/Director under Advance Consent Regime (note 2)	£130
7	Approval of Controller/Member/Partner/Director per Trust (note 2)	£510
8	Approval of Controller/Member/Partner/Director per Trustee (note 2)	£255
9	Approval of Controller/Member/Partner/Director change post appointment	£109
10	Approval of a sale of a previously recommended member application	£1,035
11	Approval of Third Party Funding Provider – known entity	£500
12	Approval of Third Party Funding Provider – new entity	£2,070
13	Recommencement of Corporate Member Application (with no changes)	£515
14	Recommencement of Underwriting	
14.1	Individual Member (not ceased or converted)	£160
14.2	Corporate member with no change of Director / Controller	£160
14.3	Corporate member with change of Control / Structure	
14.3.1	Base Charge	£5,175
14.3.2	per Connected Entity	£160

**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
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 2017**

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	£121
Additional fee for full investigation – UK complaint – Tier 1 (£500 and under)	£185
Additional fee for full investigation – UK complaint – Tier 2 (£501- £10,000)	£530
Additional fee for full investigation – UK complaint – Tier 3 (£10,001 - £25,000)	£795
Additional fee for full investigation – UK complaint – Tier 4 (above £25,001)	£1,060
<b>International Complaints</b>	
Administration fee for International complaint	£212
Additional fee for International complaint	£106
Additional fee for full investigation – International complaint	£424
<b>Australian Travel Complaints</b>	
Fee for full investigation – Tier 1 (£500 and under)	£185
Fee for full investigation – Tier 2 (£501- £10,000)	£530
Fee for full investigation – Tier 3 (£10,001 - £25,000)	£795
Fee for full investigation – Tier 4 (above £25,001)	£1,060
<b>All Complaints</b>	
Additional Administration Fee	£53

**Australian Complaints Handled by Lloyd's Australia**

Administration fee for complaint	£121
Fee for full investigation – Tier 1 (£500 and under)	£185
Fee for full investigation – Tier 2 (£501- £10,000)	£530
Fee for full investigation – Tier 3 (£10,001 - £25,000)	£795
Fee for full investigation – Tier 4 (above £25,001)	£1,060
Additional Administration Fee	£53

**Financial Ombudsman Service**

Recovery of UK Financial Ombudsman Service (FOS) case fee	FOS revises their case fee on the 1st April each year. 2016/2017 charge fixed at £550
Recovery of External Dispute Resolution Fees (including UK FOS)	Levy is recovered from relevant syndicates
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 01634 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

2017 Room Rental charges have been increased by 2.0% compared to the 2016 levels.

## Key Assumptions

Property Services reserves the right to review its decision should it transpire that the demand for underwriting space in 2017 is significantly less than that for 2016.

**Security Passes**

## Introduction

The charges for security passes remain at the 2016 level of £30, the charge for NUWM passes will also remain at the 2016 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 5.6% from the 2016 level.

## Key Assumptions

Property Services has outsourced the running of the services of the 1986 Building. The costs will be reviewed throughout 2017 and any savings that can be achieved or additional costs will be passed on to the tenants.

**Tenants' Insurance Charge**

## Introduction

2017 charges will increase by 2.9% compared to the 2016 level.

## Key Assumptions

It has been assumed that there will be a small increase to the projected rate from July 2017, but Property Services reserves the right to pass on any increases in costs.

**Contact Name for Queries**

Simon Harper 020 7327 6719 (email [simon.harper@lloyds.com](mailto:simon.harper@lloyds.com))

Jack Kent 020 7327 6548 (email [jack.kent@lloyds.com](mailto:jack.kent@lloyds.com))

**PROPERTY SERVICES  
2017 MARKET CHARGES**

Chargeable Item	Customer	Means of Collection	Unit of Charge	2017 Price per Unit	Benchmark Prices	2016 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.	£441  £662	Prior years	£432  £648	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.	£875 Index linked	Prior years	£856	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	£30  £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.	£21.66	No comparable benchmark	£20.52	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.	£1.75	N/A	£1.70	V

**Admissions - Underwriting Agent/Syndicate Applications**

Ref	Chargeable Item	2017	VAT Status
1	Change in Controller of an underwriting agent (see note 1)	£50,000	Outside Scope
2	New Underwriting Agent (see note 2)	£200,000	Outside Scope
3.	New Syndicate (see note 2)	£100,000	Outside Scope
4.	New Special Purpose Arrangement (see note 2)	£50,000	Outside Scope
5.	Syndicate merger or Transfer of Management of a syndicate	£5,000	Outside Scope
6.	New Accredited Broker	£5,000	Outside Scope

Notes

- 1) Fee is payable when a voting &/or equity interest of 50% or more is to be acquired
- 2) The new underwriting agent, syndicate, special purpose arrangement charge is payable when a proposal is presented to the Franchise Board or its designee for 'in principle' approval.
- 3) VAT is not currently chargeable on application fees

Point of contact: Robert Stevenson 020 7327 5541

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