

Market Bulletin

Ref: Y5097

| | |
|----------------------|---|
| Title | Consolidated Taxation Advices – 2014 Year of Account |
| Purpose | To set out the timetable and procedures for the submission of the syndicate tax computations |
| Type | Scheduled |
| From | Christine Allcott, Senior Manager Tax Operations Finance Direct Tel No: 01634 392433 E-mail: Christine.allcott@lloyds.com. |
| Date | 1 June 2017 |
| Deadline | 1 July 2017 |
| Related links | Appendix A – Instructions on how to Register to use CMR as a Service Provider. Appendix B – Registration form to use CMR as a Service Provider. Appendix 1 – Syndicate Tax Computation Standard Template. |

Please copy this Bulletin and its attachments to those within your organisation that are responsible for reviewing and completing the syndicate UK tax computations.

This bulletin has been produced solely for the purpose of syndicates completing their tax computations. Further guidance will be provided to members with the Consolidated Taxation Advice (CTA1)

1.0 Background

In order to provide members with a UK tax advice (CTA1) for their 2014 year of account results, syndicates are required to submit certain information to Tax Operations. The purpose of this bulletin is to inform managing agents of the information that is required by Tax Operations for the 2014 underwriting year of account including run-off syndicates at 31 December 2016.

2.0 Changes for 2014 underwriting year of account

With the introduction of new UK GAAP FRS102/103 more syndicates are adopting US dollars (USD) as their functional currency whilst reporting to Lloyd's in Sterling (GBP). We have completed a review of the changes and consulted with external advisers and HMRC.

The syndicate's computation and return should continue to be completed in GBP but some additional guidance is provided below to deal with foreign exchange (FX) adjustments that may be required for the computation. Section 7.0 of these instructions is divided into three sections:

Section A for

All syndicates using a functional currency of GBP

Section B for

Spread syndicates using a functional currency of USD

Section C for

Aligned syndicates where both member and syndicate have a functional currency of USD

There may be alternative approaches to those set out in this bulletin but the instructions support the basis on which the CTA1 for spread members will continue to be prepared. Aligned syndicates adopting a different approach should note the comments in Section 3.0 below.

It should also be noted that HMRC's expectation is that the approach taken by syndicates and members regarding FX adjustments should be consistent from year to year.

UK CTA1

Lloyd's will continue to provide data to spread members on the CTA1 on the basis that their functional currency is GBP. The instructions in this market bulletin are prepared in order to produce a tax adjusted underwriting result for members using GBP as their functional currency. Any member that relies on the CTA1 but does not use GBP as their functional currency may need to obtain information from the syndicate's managing agent to complete their tax returns. Alternative instructions

are provided for aligned syndicates where both the member and the syndicate have a functional currency of USD in order to correctly account for GBP FX adjustments.

Syndicates using a functional currency of USD

Preparation of tax computation

Syndicates using USD as their functional currency should still complete the tax computation for Lloyd's in GBP. The instructions outlining the FX adjustments required for the syndicate tax computation for these syndicates are included in 7.0 section B and section C.

If the member is using GBP as a functional currency the results of the syndicate determined in USD should be brought into the member's taxable profit in GBP at the average rate for the year of distribution. This is achieved by first translating the result in GBP on the CTA1 back to USD at the year-end exchange rate for the closing year of the year of account; the result in USD is then translated to GBP at the average rate of exchange for the year of distribution.

For 2014 year of account the corresponding distribution year would be 2017. At the time the syndicate computation is submitted the average rate of exchange for 2017 will not be known so the adjustment will be computed by Lloyd's and provided as a memorandum item on the CTA1.

OCI

It should also be noted that no adjustment should be made on the face of the tax computation for gains and losses reported as OCI.

Within the accounts amounts accounted for as OCI are typically unrealised amounts and would normally be recycled through the profit and loss as the gain or loss was realised. The annual accounts prepared by syndicates may recognise relevant amounts of OCI and accordingly may describe amounts as having been recognised in OCI in the QMA 102. However, this would not usually be the case in the underwriting accounts as underwriting is an annual venture which closes at the 36 month point and as such all gains and losses would be realised at that point and would be recognised in the income statement. The syndicate return should be based on underwriting accounts and therefore no adjustment should be made to the syndicate computation to reverse out amounts described as recognised in OCI unless audited underwriting accounts have been prepared which treat the amounts as recognised in this way.

3.0 Instructions

Please note that in order for Tax Operations to be able to produce CTA1s for members, syndicates need to follow the instructions below when completing their tax returns. This is compulsory for spread syndicates. If an aligned syndicate wishes to adopt a different treatment for any item, including Rate of Exchange adjustments,

they must notify HMRC and Lloyd's that they are not following the instructions. A copy of the notification to HMRC should be submitted to Lloyd's with the syndicate's computation. Taking such an approach will mean that Lloyd's may not be able to produce a CTA1 or CTA2 for the relevant member.

4.0 Tax computation data

The UK tax computations must be returned to Lloyd's via the Core Market Returns (CMR) website as an online form. Functionality has also been provided to enable additional documents to be attached and the computation to be printed for submission to HMRC. This will enable Tax Operations to import the data directly into its systems. However, it should be noted that Lloyd's cannot make any amendments to the return however minor. The standard template for the return is attached as appendix 1.

The online tax computation should be completed for each syndicate and should be submitted via CMR within 7 working days of submitting the tax computation to HMRC Large Business Service Financial Sector (London) and in any event by no later than close of business 1 July 2017.

Unfortunately, Tax Operations will not be able to accept any paper returns.

5.0 Accessing the forms

5.1 Managing agents

The software to return the forms will be available in production from 1 June 2017. The devolved administrator at the managing agent may need to grant access to the TUK form.

5.2 Other preparers of Lloyd's syndicate UK tax computation (Service Providers)

If you are preparing tax returns on behalf of a Lloyd's syndicate for the first time, you will need to register with Lloyd's as a Service Provider which will give you access to the CMR website, if you have not already done so. The registration instructions are attached as appendix A and can also be used by anyone who is preparing a Lloyd's syndicate tax computation on behalf of a Managing Agent. Once you have registered we will provide further instructions regarding accessing the site, which in turn provides the information that you will need regarding using the systems and the completion of the return.

6.0 Submitting the Returns to HMRC

When submitting your returns to HMRC, please ensure that you complete the section on the LL250 authorising HMRC to discuss the contents of your computation with Lloyd's.

HMRC have also asked that we remind managing agents that the following documents also need to be submitted to them along with the syndicate tax return submitted to Lloyd's:

- LL250
- Syndicate Annual Accounts for 2016
- Syndicate Underwriting Accounts for the 2014 Year of Account

If there is no requirement for the syndicate underwriting accounts to be audited, the documents to be sent to HMRC are extracts from the QMA (QMA100, QMA 102, QMA 201, QMA 205 and the Auditor's Report).

Should HMRC enquire into the syndicate return please notify Tax Operations, contact details are shown in 13.0 of this bulletin.

To produce fully reconciled consolidated taxation advices, Tax Operations will use the syndicates' results data obtained through the centralised distribution systems.

7.0 Exchange rate adjustments required to the tax computations

Section A

Exchange rate adjustments - All syndicates using GBP as functional currency

The exchange rate adjustments described below must be included within the tax computations and managing agents should provide full details of the calculations to both LBS Financial Sector (London) and to Tax Operations. The adjustments need to be shown on the face of the computation where indicated.

7.1 Distribution of USD profits

For members using GBP as their functional currency, a currency exchange adjustment is needed to recognise any exchange gain or loss in relation to the distribution of profits in USD, reflecting the foreign exchange profit or loss which arises from the date the year of account closes to the date on which USD profits are released to Market Services (MS). For syndicates releasing dollars on 10 April 2017 the rate of exchange is 1.2488.

Members will be notified in the CTA2 of the rate of exchange at the date the dollars were released to the member, so that they can make any further necessary adjustment if required in their own tax return.

The following example illustrates how an exchange loss might be calculated on a US dollar surplus of \$1,000, based on a Lloyd's year end rate of 1.24 and a rate of 1.25 applying on 10 April 2017 when the US dollars were released to MS:

| | | |
|--|--------|----------------|
| \$1,000 converted to sterling at distribution rate | 1.25 = | £800.00 |
| \$1,000 converted to sterling at year end rate | 1.24 = | <u>£806.45</u> |
| Exchange loss | = | <u>£ 6.45</u> |

The assessable profit is therefore £800 i.e. the result of £806.45 shown in the accounts less an exchange loss of £6.45. This adjustment needs to be made in respect of any dollars being released from the syndicate to the members.

An exchange rate adjustment is only required where a surplus was paid to MS. Please do not calculate an exchange gain/loss on syndicate cash calls that were paid to the syndicate as these adjustments will be calculated separately by Tax Operations and reported on members' CTA2 advices.

If you did not use the Lloyd's year end rate when calculating the profit due to members please calculate the gain/loss with reference to the actual rate used and notify Lloyds-tax-operations@lloyds.com.

The adjustment described above should not usually be relevant to members with a functional currency of USD.

7.2 Excess USD cash calls

For accounting purposes, syndicates retranslate any surplus US dollar cash calls from the date of receipt to the date of closure of the year of account (or the 36 month point if earlier) and include this adjustment in the syndicate accounts. In accordance with Market bulletin Y4334 it is HMRC's view that this gain or loss should not be subject to tax. No adjustment should be made in the syndicate tax return in respect of this amount. Instead Lloyd's will calculate the adjustment at member level and include on the CTA2.

However, it is necessary to include in the syndicate tax computation an adjustment to take account of any movement in the exchange rate from the date of the closure of the year of account to the date that the surplus is released to MS as described at 7.1

7.3 Early USD profit releases

An adjustment must also be made in the syndicate tax computation in respect of any early release of US dollar profits, from the 2014 underwriting year of account that took place during 2014, 2015 or 2016. The syndicate accounts will include the gain or loss on exchange arising on early profit releases from the date of release to the date the year of account closes. The effect of the adjustment to the syndicate tax return shown below is to remove the exchange gain or loss described above from the syndicate result.

For example, if a syndicate made an early release of \$10,000 in respect of 2014 year of account profits in June 2014, when the exchange rate was 1.69, the syndicate will have included a gain of £2147.36 in its accounts. This is calculated as follows:

| | | |
|--|---|-----------------|
| \$10,000 converted to sterling at 1.69 | = | £5917.15 |
| \$10,000 converted to sterling at 1.24 | = | <u>£8064.51</u> |
| Exchange gain | = | <u>£2147.36</u> |

An adjustment should be made in the syndicate tax return to **reverse** out this gain.

A list of average month end exchange rates is provided at the end of this bulletin to assist with the calculation of these adjustments.

Section B

Exchange rate adjustments - Spread syndicates using USD as a functional currency

The exchange rate adjustments described below must be included within the tax computations and managing agents should provide full details of the calculations to both LBS Financial Sector (London) and to Tax Operations. The adjustments need to be shown on the face of the computation where indicated.

The starting point for the computation remains the result per the personal accounts in distribution translated to GBP. Reporting on the CTA1 will also be in GBP.

7.4 Distribution of USD profits

For members using GBP as their functional currency, a currency exchange adjustment is needed to recognise any exchange gain or loss in relation to the distribution of profits in USD, reflecting the foreign exchange profit or loss which arises from the date the year of account closes to the date on which USD profits are released to Market Services (MS). For syndicates releasing dollars on 10 April 2017 the rate of exchange is 1.2488.

Members will be notified in the CTA2 of the rate of exchange at the date the dollars were released to the member, so that they can make any further necessary adjustment if required in their own tax return.

The following example illustrates how an exchange loss might be calculated on a US dollar surplus of \$1,000, based on a Lloyd's year end rate of 1.24 and a rate of 1.25 applying on 10 April 2017 when the US dollars were released to MS:

| | | |
|--|--------|----------------|
| \$1,000 converted to sterling at distribution rate | 1.25 = | £800.00 |
| \$1,000 converted to sterling at year end rate | 1.24 = | <u>£806.45</u> |
| Exchange loss | = | <u>£ 6.45</u> |

The assessable profit is therefore £800 i.e. the result of £806.45 shown in the accounts less an exchange loss of £6.45. This adjustment needs to be made in respect of any dollars being released from the syndicate to the members.

An exchange rate adjustment is only required where a surplus was paid to MS. Please do not calculate an exchange gain/loss on syndicate cash calls that were paid to the syndicate as these adjustments will be calculated separately by Tax Operations and reported on members' CTA2 advices.

If you did not use the Lloyd's year end rate when calculating the profit due to members please calculate the gain/loss with reference to the actual rate used and notify Lloyds-tax-operations@lloyds.com.

The adjustment described above should not usually be relevant to members with a functional currency of USD.

7.5 Excess GBP cash calls - USD functional currency

For accounting purposes, syndicates retranslate any surplus GBP cash calls from the date of receipt to the date of closure of the year of account (or the 36 month point if earlier) and include this adjustment in the syndicate accounts. In accordance with Market bulletin Y4334 it is HMRC's view that this gain or loss should not be subject to tax. No adjustment should be made in the syndicate return. Instead Lloyd's will calculate the adjustment at member level and include on the CTA2.

If any surplus cash calls in USD are released these amounts should be included in the calculation in respect of distribution outlined in 7.4 above.

7.6 Early GBP profit releases

An adjustment must also be made in the syndicate tax computation in respect of any early release of GBP profits, from the 2014 underwriting year of account that took place during 2014, 2015 or 2016. The syndicate accounts will include the gain or loss on exchange arising on early profit releases from the date of release to the date the year of account closes. The effect of the adjustment to the syndicate tax return shown below is to remove the exchange gain or loss described above from the syndicate result.

For example, if a syndicate made an early release of £10,000 in respect of 2014 year of account profits in June 2014, when the exchange rate was 1.69, the syndicate will have included a loss of \$ 4,500 in its accounts. This is calculated as follows:

| | | |
|----------------------------------|---|--------------------|
| £10,000 converted to USD at 1.69 | = | \$16,900.00 |
| £10,000 converted to USD at 1.24 | = | <u>\$12,400.00</u> |
| Exchange loss | = | \$ 4,500.00 |

An adjustment should be made in the syndicate tax return to **reverse** out this loss. Because the computation is in GBP this adjustment will need to be converted to GBP for inclusion in the computation at the year-end rate.

A list of average month end exchange rates is provided at the end of this bulletin to assist with the calculation of these adjustments.

Section C

Exchange rate adjustments required to the Tax Computations – Aligned Syndicates where syndicate and member have a functional currency USD

7.7 Distribution of GBP amounts where the functional currency is USD

The starting point for the tax computation will be the result in GBP.

For members with a functional currency of USD, a currency exchange adjustment is needed to recognise any exchange gain or loss in relation to the distribution of profits in GBP, reflecting the foreign exchange profit or loss which arises from the date the year of account closes to the date on which GBP profits are released to Market Services (MS). For syndicates releasing GBP on 10 April 2017 the rate of exchange is 1.2488.

The following example illustrates how an exchange loss might be calculated on a GBP surplus of £1,000, based on a Lloyd's year end rate of 1.24 and a rate of 1.25 applying on 10 April 2017 when the GBP were released to MS:

| | | | |
|--|------|---|-------------------|
| £1,000 converted to dollars at distribution rate | 1.25 | = | \$1,250.00 |
| £1,000 converted to dollars at year end rate | 1.24 | = | <u>\$1,240.00</u> |
| Exchange gain | | = | \$ 10.00 |

Due to the requirement to report the syndicate's taxable result to Lloyd's in GBP, it is necessary to translate this FX adjustment to GBP for inclusion in the CTA1. The adjustment should be translated at the Lloyd's year end rate.

So \$10.00 at 1.24 = £8.06

The assessable profit is therefore \$1,250 i.e. the result as shown in the accounts plus an exchange gain of \$10 (this is equivalent to £1,008.06 translated at the year end rate of 1.24). This adjustment needs to be made in respect of any sterling being released from the syndicate to the members.

This exchange rate adjustment is only required where a surplus was paid in GBP.

If you did not use the Lloyd's year end rate when calculating the profit due to members please calculate the gain/loss with reference to the actual rate used and notify Lloyds-tax-operations@lloyds.com.

7.8 Excess GBP cash calls USD functional currency

For accounting purposes, syndicates retranslate any surplus GBP cash calls from the date of receipt to the date of closure of the year of account (or the 36 month point if earlier) and include this adjustment in the syndicate accounts. In accordance with Market bulletin Y4334 it is HMRC's view that this gain or loss should not be subject to tax. As the CTA2 will not include the FX adjustment for this transaction, aligned syndicates may wish to include an adjustment in their syndicate computation to remove this amount from their syndicate result. As the adjustment for cash calls made in GBP will be made in USD, the adjustment as calculated must then be re-converted to GBP at year end rates.

It is also necessary to include in the syndicate tax computation an adjustment to take account of any movement in the exchange rate from the date of the closure of the year of account to the date that the surplus is released to MS as described at 7.7.

7.9 Early GBP profit releases

An adjustment must also be made in the syndicate tax computation in respect of any early release of GBP profits, from the 2014 underwriting year of account that took place during 2014, 2015 or 2016. The syndicate accounts will include the gain or loss on exchange arising on early profit releases from the date of release to the date the year of account closes. The effect of the adjustment to the syndicate tax return shown below is to remove the exchange gain or loss described above from the syndicate result.

For example, if a syndicate made an early release of £10,000 in respect of 2014 year of account profits in June 2014, when the exchange rate was 1.69, the syndicate will have included a loss of \$ 4,500 in its accounts. This is calculated as follows:

| | | |
|----------------------------------|---|-------------|
| £10,000 converted to USD at 1.69 | = | \$16,900.00 |
| £10,000 converted to USD at 1.24 | = | \$12,400.00 |
| Exchange loss | = | \$ 4,500.00 |

An adjustment should be made in the syndicate tax return to reverse out this loss. Because the computation is in GBP this adjustment will need to be converted to GBP for inclusion in the computation at Lloyd's year end rates.

A list of average month end exchange rates is provided at the end of this bulletin to assist with the calculation of these adjustments.

8.0 Foreign taxes- All syndicates

Foreign taxes (including withholding taxes on investment income) that are potentially creditable in the members' tax returns should not be included as expenses in determining the syndicate's final trading result. The instructions given below are intended as a guide only and assume that these taxes are included as expenses in the syndicate accounts.

The total result for the period (ADEG code RX01) will include foreign taxes which have been treated as syndicate expenses in the syndicate accounts. Any such taxes which are either foreign taxes on profits or withholding taxes on investment income will need to be added back for the purposes of computing the syndicate's trading result. Please note that a full analysis by country of withholding tax is now required.

Lloyd's provides the syndicates with a schedule of foreign taxes on profits which have been computed by Lloyd's and charged as syndicate expenses. Please e-mail Lloyds-Tax-Operations@Lloyds.com if you require a duplicate copy. It is expected that the taxes shown on this schedule will have been included as expenses in the syndicate result (ADEG code RX01) and will therefore need to be added back for the purposes of computing the syndicate's trading result for tax purposes. This schedule includes income tax paid in Australia, Belgium, Dominica, France, French Polynesia, Hong Kong, Israel, Malta, New Zealand, St Lucia, St Vincent and the Grenadines.

Tax liabilities which have been or will be recovered from members (e.g. US Federal Income Tax, Canadian Income Tax, Singapore Income Tax and Japanese Income Tax), would not normally be included as expenses in the syndicate accounts and therefore we would not normally expect to see any adjustment in the syndicate tax computation for these taxes.

Premium taxes, stamp duties, para fiscal charges and levies paid to any of the above countries (or any other country) do not require adjustment, since these are deductible expenses for the purposes of the syndicate's trading result.

9.0 Dividend income

The treatment of dividend income differs between corporate and individual members.

For corporate members, most UK and foreign dividends are likely to be exempt from tax under the distribution exemption rules. For individual members both UK and foreign dividends should be taxable.

No adjustment is needed to the syndicate's trading result in respect of dividend income, however details of the amount of exempt UK and foreign dividends must be provided as a memorandum item on line 24 of the syndicate tax computation.

Managing agents will need to check whether their dividends meet the criteria for exemption under Part 9A CTA 2009 and managing agents are advised to seek independent professional advice. Any dividends which are not exempt should not be included in the amount reported on line 24.

10.0 Technical reserves and appropriate amount regulations

Legislation (Finance Act 2007 Schedule 11) was introduced in respect of the taxation of general insurers' reserves, which requires insurers and Lloyd's syndicates to confirm that their reserves do not exceed the "appropriate amount".

Syndicates will need to provide the necessary written confirmation to HMRC along with their syndicate tax return but it is not necessary to provide this information to Lloyd's. Syndicates may choose to provide additional supporting evidence to HMRC but there is no requirement for this to be submitted to Lloyd's.

11.0 Timetable

11.1 The following documents must be submitted to Tax Operations within 7 days of submission to HMRC Large Business Service Financial Sector (London) and in any event no later than close of business 1 July 2017:

- A Syndicate tax computation information (Appendix 1)
- B Copy of LL250
- C Supporting Accounts
- D Detailed foreign exchange calculations

11.2 All information in connection with the above should be attached to the computation and should be submitted to Tax Operations via the CMR website.

12.0 Adherence to deadlines

- 12.1 The consolidated taxation advice produced by Tax Operations provides members with the majority of their taxation information relating to their underwriting activities at Lloyd's. In view of this it is important that the timetable in 8.1 is adhered to.

13.0 Contacts

For Core Market Returns queries and general queries regarding the tax computation

Lloyds-Tax-operations@lloyds.com
Cheryl Masson +44 (0) 1634 392620

Queries regarding the FX instructions

Lloyds-Tax-operations@lloyds.com
Christine Allcott +44 (0)1634 392433

Caroline Grainger +44 (0) 207 327 5773

Table of exchange rates to be used for calculation of adjustment as detailed in paragraph 4.0 £1 to USD

| | | |
|-----------|------|--------|
| January | 2014 | 1.6468 |
| February | 2014 | 1.6545 |
| March | 2014 | 1.6629 |
| April | 2014 | 1.6728 |
| May | 2014 | 1.6844 |
| June | 2014 | 1.6900 |
| July | 2014 | 1.7082 |
| August | 2014 | 1.6709 |
| September | 2014 | 1.6315 |
| October | 2014 | 1.6076 |
| November | 2014 | 1.5787 |
| December | 2014 | 1.5628 |

| | | |
|-----------|------|--------|
| January | 2015 | 1.5162 |
| February | 2015 | 1.5321 |
| March | 2015 | 1.4972 |
| April | 2015 | 1.4938 |
| May | 2015 | 1.5443 |
| June | 2015 | 1.5575 |
| July | 2015 | 1.5555 |
| August | 2015 | 1.5581 |
| September | 2015 | 1.5336 |
| October | 2015 | 1.5327 |
| November | 2015 | 1.5191 |
| December | 2015 | 1.5000 |

| | | |
|-----------|------|--------|
| January | 2016 | 1.4408 |
| February | 2016 | 1.4313 |
| March | 2016 | 1.4245 |
| April | 2016 | 1.4312 |
| May | 2016 | 1.4530 |
| June | 2016 | 1.4208 |
| July | 2016 | 1.3140 |
| August | 2016 | 1.3098 |
| September | 2016 | 1.3147 |
| October | 2016 | 1.2339 |
| November | 2016 | 1.2430 |
| December | 2016 | 1.2467 |

Appendix 1

Syndicate
Tax computation

Period: Reporting Years of Account (dropdown)
(Year must be 36 months or older)

YYYY

Reporting Period Summary

CTA1 Year 1
As at 31 December 2

Computation

| | | |
|--|----|---|
| Total Result for period (ADEG code RX01) | 3 | +/- |
| Exchange rate adjustments gain/(loss) - refer to Market Bulletin section 4.0 | 4 | +/- |
| Transfer pricing adjustments | 5 | +/- |
| Disallowed syndicate expenses | | |
| Entertaining | 6 | +/- |
| Non Trade Subscriptions | 7 | +/- |
| Donations | 8 | +/- |
| Capital Expenditure | 9 | +/- |
| Depreciation | 10 | +/- |
| Non-specific bad debt provisions | 11 | +/- |
| Other (please specify) | 12 | Analysis cell |
| Total disallowed syndicate expenses | 13 | A6+A7+A8+A9+A10+A11+A12 |
| Disallowed Personal expenses | | |
| Lloyd's charities trust | 14 | +/- |
| Other (please specify) | 15 | Analysis cell |
| Sub-total disallowed personal expenses | 16 | A14+A15 |
| Members' Agent Fee (ADEG RB09) | 17 | +/- |
| Total disallowed personal expenses | 18 | A16+A17 |
| Taxes | | |
| Add Certain Foreign income taxes - refer to Market Bulletin section 5.0 | 19 | +/- |
| Add Canadian withholding taxes | 20 | +/- |
| Add US withholding taxes | 21 | +/- |
| Add Foreign withholding taxes (excl Canada and US) country breakdown | 22 | Analysis cell |
| Result | | |
| Final trading result | 23 | A3+A4+A5+A13+A18+A19+A20+A21+A22 |
| MEMORANDUM ITEMS | | |
| Dividends received after 1 July 2009 - refer to Market Bulletin section 6.0 | 24 | +/- |
| Income exempt to non-residents | 25 | +/- |

Appendix A

INSTRUCTIONS FOR SERVICE PROVIDERS TO GAIN ACCESS TO LLOYD'S CORE MARKET RETURNS (CMR)

1. Firstly it will be necessary to obtain a log on for LAF production.

Via the internet go to www.lloyds.com

The screenshot shows the Lloyd's website homepage. The browser address bar displays 'https://www.lloyds.com/'. The page features a dark header with navigation links: 'LLOYDS', 'About Us', 'News & Insight', 'For the market', 'Careers', 'Investor Relations', and a search bar. Below the header is a large banner image of a satellite in space with the text 'The world's specialist insurance market.' and 'A market where our syndicates join together to insure essential, complex and critical risks'. A white arrow points to the 'Login/Register' link in the top right corner of the header. Below the banner are three news snippets: 'Lloyd's India branch officially opens', '2016 annual results', and 'Lloyd's to open insurance company in Brussels'. Each snippet includes a brief summary and a 'Read more' link.

2. On the top black bar click on REGISTER. This will take you to a page that will allow you to register as a new user. Select "Register now". The following screen should be displayed to set up a LAF account. Just follow the on screen instructions.

CREATE A LLOYD'S ACCOUNT

Your Lloyd's account gives you access to enhanced content and services. If you already have a Lloyd's account, you can log in [here](#).

Mandatory field *

PERSONAL DETAILS

Title *

First name *

Last name *

Contact telephone number

Country of residence *

Are you an insurance professional? * Yes No

COMPANY DETAILS

Job title *

Company name *

Organisation type *

LOG IN DETAILS

Email address *

Password *

Re-enter your password *

I accept the terms and conditions *

Lloyd's is a registered trade mark of the Society of Lloyd's. Lloyd's is authorised under the Financial Services and Markets Act 2000. Lloyd's Copyright 2013

Privacy & Cookies | Terms & Conditions

Once this has been completed an e-mail will be sent to you instructing you to activate your account by following the link. This step must be completed within 24 hours of registration.

There is then a two stage process in order to be able to access the return. Lloyd's will need to link your e-mail address to the managing agents for whom you act and the managing agents CMR devolved administrator will need to then grant access to the specific return.

3. In order that Lloyd's is able to associate your e-mail address to the relevant managing agents please complete appendix 2 and return it to Cheryl Masson, Lloyd's, Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent ME4 4RN.

Alternatively a signed scanned copy can be e-mailed to Lloyds-tax-operations@lloyds.com

4. On receipt of a completed appendix B by Lloyd's the individual named in the form will be set up with an account in CMR.

5. Once the CMR account has been established Lloyd's will notify the managing agent in order that their administrator can grant access to the relevant return. Additionally we will send further instructions for utilising the system.

Once you have been set up as a service provider the return can be accessed by typing the following into your internet browser

Production <https://cmr.lloyds.com>

You will then be asked to log in using the log on details that you used to register for the service. If this is the first time that you have utilised the system you will also be requested to accept the terms and conditions.

Appendix B

CORE MARKET RETURNS

ADMINISTRATION OF EXTERNAL USERS

The responsibility of maintaining External Administrator Users within the Core Market Returns database lies with the Helpdesk.

Please complete the details below:-

| | |
|--------------------------------------|--|
| Service Provider Name | |
| First Name | |
| Surname | |
| Telephone Number | |
| E-Mail Address | |
| Position | |
| Alternative contact Name | |
| Alternative contact Telephone Number | |
| Alternative contact e-mail address | |

Please list overleaf the managing agents and Lloyd's syndicate numbers for who you act.

