

Market Bulletin

Ref: Y5387

Title	Transfer of Lloyd's Italian Branch to Lloyd's Insurance Company (LIC)
Purpose	To notify managing agents of the transfer of Lloyd's Italian Branch to LIC and the introduction of a new service fee model from 1 November 2022
Type	Event
From	Mark Cooper, Lloyd's Head of Market Development for Europe
Date	28 October 2022
Deadline	N/A

The purpose of this bulletin is to notify managing agents of the transfer of Lloyd's Italian Branch to Lloyd's Insurance Company (LIC) and the introduction of a new fee for services provided to distributors by the Lloyd's Italian office from 1 November 2022.

When Lloyd's Europe was established in 2018, Lloyd's agreed with regulatory authorities to integrate the European network into LIC in a reasonable time frame. Most of Lloyd's European entities were integrated into LIC in 2021.

Lloyd's is pleased to announce that the transfer of Lloyd's Italian Branch to LIC concludes the integration process.

With a strong and established presence across the region Lloyd's Europe provides the best platform for continuing to grow European business at Lloyd's.

As part of this transition, Lloyd's is taking the opportunity to replace the "Italian levy" (an additional charge of 0.75% of gross written premium levied on business administered through the Lloyd's Italian office) with a new service fees model from 1 November 2022. The new service fee will be paid by local distributors.

This change is an update to the market charges set out in section two of the Appendix (Overseas operating charges) of [Market Bulletin Y5384](#).

The new fee model reflects the many unique market services that Lloyd's Italy provides to Italian coverholders, open market correspondents, and agents, including: policy production and issuance, premium collection, IPT payment, and public tenders production.

Under the new model the recipients of services (local distributors in Italy) will only pay for the services that they use.

The fees that local distributors will be charged for services are set out below:

- A flat fee for using the Mocha/DoPrint platform – €1000 for Coverholders; €500 for Open Market Correspondents and Agents;
- A volume based €1 policy fee per section / line of business for policy issuance;
- A €1000 fee per section / line of business for Public Tender policies with a premium equal or higher than €25.000,00. For premium lower than €25.000,00 a €1 policy fee per section / line of business will apply for policy issuance services.

Lloyd's is working with all local coverholders, open market correspondents and agents to update their agreements to include the service fee.