

FROM: Director, Worldwide Markets
LOCATION: G12
EXTENSION: 5998
DATE: 15 December 2003
REFERENCE: Y3212
SUBJECT: CANADA: NEW PERSONAL INFORMATION PROTECTION POLICY
ATTACHMENTS: 1. Lloyd's Personal Information Protection Policy
2. Notice Concerning Personal Information
ACTION POINTS: **Managing Agents, underwriters and brokers to note**
DEADLINE: **1 January 2004**

The purpose of this market bulletin is to outline Lloyd's policy on privacy, in light of several developments both at a Federal and Provincial level.

1. Federal developments

Effective 1 January 2004, Lloyd's will become subject to the provisions of the Personal Information Protection and Electronic Documents Act ("PIPEDA"). This statute sets down certain requirements in respect of the collection, use and disclosure of "personal information".

In accordance with PIPEDA, Lloyd's has developed a personal information protection policy (the "Policy") for use by Lloyd's in connection with individuals based in Canada, please see Appendix A. All parties disclosing information to Lloyd's relating to an individual in Canada, or using information supplied by Lloyd's should acquaint themselves with the purposes stated in the Policy for Lloyd's collection, use and disclosure of personal information.

Lloyd's will require that:

- any party disclosing personal information to it has obtained the necessary consent for its disclosure to Lloyd's for the purposes stated in the Policy; or
- any party to which personal information is disclosed by Lloyd's uses it only for these purposes.

All London based parties to which Lloyd's Attorney-in-Fact in Canada and Lloyd's Canada release personal information (e.g. through Scheme Canada/Lineage) should therefore be aware that this is released to them with consent for its use only for the purposes outlined in the Policy. Suppliers of data to Lloyd's in Canada, including correspondents and third party claims administrators, have been circulated with instructions to the effect that in disclosing or reporting personal information to the Lloyd's Attorney-in-Fact in Canada or Lloyd's Canada, Lloyd's will assume they have obtained the necessary consent for collection, use and disclosure for the purposes stated in the Policy.

Lloyd's has also developed an abbreviated privacy statement (see Appendix B), which it is sending to Canadian correspondents who may wish to send it to policyholders.

2. Provincial developments

2.1 Quebec legislation

The Canadian federal government has designated the Quebec Privacy Act as "substantially similar" to PIPEDA. Coverholders and correspondents in Canada should continue to follow existing procedures in respect of the collection and disclosure to Lloyd's of personal information and the disclosure to them by Lloyd's of personal information. Generally, these procedures require the party disclosing information to obtain express consent to the disclosure to Lloyd's of personal information.

2.2 Alberta, British Columbia and Ontario proposed legislation

These provinces have all introduced privacy bills but have not yet enacted them. As Lloyd's is located in Quebec, it will not be subject to the resulting legislation. However, coverholders and correspondents collecting, using and disclosing personal information in these other provinces will be and must ensure they follow the relevant provisions in collecting, using and disclosing information. In addition, because Lloyd's is located in Quebec, coverholders and correspondents collecting information in these provinces will also need to follow the provisions of PIPEDA in disclosing information to Lloyd's (i.e. since it will move across a provincial boundary). Once other provinces have enacted their own local personal privacy legislation, correspondents should take their own legal advice.

If you have any queries on this market bulletin, please contact any of the following:

Market Services Tel: 020 7327 6677
E-mail: market.services@lloyds.com

or

Yael Chen Tel: 020 7327 5608
E-mail: yael.chen@lloyds.com

This bulletin has been sent to all active underwriters, the compliance officer of managing agents, Lloyd's Brokers, the Lloyd's Market Association and the London Market Insurance Brokers' Committee.

Julian James
Director, Worldwide Markets

Appendix A**PERSONAL INFORMATION PROTECTION POLICY OF THE ATTORNEY IN FACT IN CANADA FOR LLOYD'S UNDERWRITERS AND LLOYD'S CANADA INC. ("LLOYD'S"):**

Lloyd's collects uses and discloses (or may have collected, used and disclosed) personal information for the following purposes:

- the communication with Lloyd's policyholders and other customers
- the underwriting of policies
- the evaluation of claims
- the detection and prevention of fraud
- the analysis of business results
- purposes required or authorised by law

Personal information means information about an identifiable individual, but does not include the name, title or business address or telephone number an employee of an organisation. The type of personal information that Lloyd's collects, uses and discloses is:

- Names and addresses of policyholders
- Details of insured risks
- Details of insurance coverage
- Details of losses suffered by policyholders in connection with claims
- Financial information in connection with the Premium Payment Plan
- Medical information related to certain claims

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain non-related or unaffiliated organisations or companies.

Individuals about whom personal information has been collected by Lloyd's should know that:

- personal information is safeguarded with appropriate security measures
- upon written notice to Lloyd's, access will be given to the individual's personal information except as otherwise provided by law
- the accuracy and completeness of personal information held by Lloyd's may be challenged by written notice to the address shown below
- Lloyd's will change any personal information that has been successfully challenged except as otherwise provided by law
- consent to Lloyd's collecting, using or disclosing personal information may be withdrawn subject to legal or contractual obligations and on reasonable notice. However, withdrawal may result in a requested product or service not being provided
- Lloyd's complaint procedure details how complaints about personal information will be handled

Enquiries and complaints about Lloyd's privacy policies and procedures may be directed to:

The Attorney in Fact in Canada for Lloyd's Underwriters
 1155 rue Metcalfe suite 1540
 Montreal, Quebec
 H3B 2V6
 Telephone: 514 861 8261
 Fax: 514 861 0470
 Email: info@lloyds.ca

NOTICE CONCERNING PERSONAL INFORMATION

By purchasing insurance from certain Underwriters at Lloyd's, London ("Lloyd's"), a customer provides Lloyd's with his or her consent to the collection, use and disclosure of personal information, including that previously collected, for the following purposes:

- the communication with Lloyd's policyholders
- the underwriting of policies
- the evaluation of claims
- the detection and prevention of fraud
- the analysis of business results
- purposes required or authorised by law

For the purposes identified, personal information may be disclosed to Lloyd's related or affiliated organisations or companies, their agents/mandataries, and to certain non-related or unaffiliated organisations or companies.

Further information about Lloyd's personal information protection policy may be obtained from the customer's broker or by contacting Lloyd's on 514 861 8361 or through info@lloyds.ca