

MISCELLANEOUS PROVISIONS BYELAW

Purpose

The Byelaw consolidates and revokes –

1. Promulgation of Byelaws and Regulations Byelaw;
2. The Financial Services Authority Byelaw;
3. Information and Confidentiality Byelaw;
4. Maintenance of Byelaws and Regulations Byelaw;
5. Miscellaneous Matters Byelaw;
6. Premiums Trust Fund and Regulating Trustee Byelaw; and
7. Waiver Byelaw.

The Byelaw also revokes –

1. Bilateral Arrangements (1998) Byelaw;
2. Insurance Ombudsman Byelaw;
3. Issue of Proceedings by Council Byelaw
4. Lloyd's Claims Byelaw;
5. Lloyd's 1994 Claims Scheme Byelaw;
6. Lloyd's Policy Signing Office Byelaw;
7. PCW Syndicates (Exemptions and Miscellaneous Provisions) Byelaw; and
8. Policyholder Complaints Byelaw.

Notes

Words and terms shown in italics have the meaning set out in the Definitions Byelaw.

This byelaw was made by the Council on 6 December 2006 in exercise of its powers under section 6(2) of, and paragraphs (1), (13), (18), (20), (23), (25) (31) of schedule 2 to, Lloyd's Act 1982 and may be referred to as the Miscellaneous Provisions Byelaw (No. 4 of 2006).

These notes, the note setting out the purpose of this byelaw and the headings are for guidance only and do not form part of this Byelaw.

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Part A – Provisions relating to byelaws

Promulgation and maintenance of byelaws and regulations

1. The *Council* shall promulgate a new byelaw or regulation by posting a copy in the Room.
2. The *Council* shall maintain, whether electronically or otherwise, a volume of byelaws and regulations which shall be available for inspection by any person during reasonable hours.

The Financial Services Authority

3. So far as it is possible to do so, every *requirement of the Council* must be read and given effect by the *Council* in a way which is compatible with the provisions of the Financial Services and Markets Act 2000 and any applicable rule, direction, requirement, principle, evidential provision, code and guidance made, issued or given by the *Financial Services Authority* under that Act.
4. If the *Council* is satisfied that any *requirement of the Council* is incompatible with any provision of the Financial Services and Markets Act 2000 or any rule, direction, requirement, principle, evidential provision, code or guidance made, issued or given by the *Financial Services Authority* under that Act the *Council* may dispense any person to whom the requirement applied or applies from complying with the requirement with effect from the day on which the incompatibility arose.
5. Any dispensation given under paragraph 3 of this byelaw
 - (a) may be made individually or in respect of any class or classes of person;
 - (b) may make different provision for different cases; and
 - (c) may include such additional directions, conditions or requirements as the *Council* considers necessary or appropriate.
6. The *Council* may, for the purpose of giving effect to, implementing or discharging any direction, requirement or obligation that the Financial Services and Markets Act 2000 or the *Financial Services Authority* has given to, placed on or imposed on the Council or the *Society*, give a direction to any person or any class or classes of person carrying on the business of insurance at Lloyd's to do such acts and things as may be necessary or appropriate.

Waiver

7. The *Council* may at any time direct that, to the extent specified, any *person* shall be dispensed from compliance with any provision of any *requirement of the Council* if it considers that –
 - (a) compliance would be unduly burdensome on the person in relation to whom the dispensation is to apply having regard to the benefit that compliance would confer on *members* or Lloyd's policyholders; and
 - (b) the dispensation will not result in any undue risk to any *member* or any Lloyd's policyholder.

8. Any directions given under paragraph 7 of this byelaw -
 - (a) may be made individually or in respect of any class or classes of persons;
 - (b) may be varied or revoked from time to time in whole or in part or as to any period, condition or requirement;
 - (c) may make different provisions for different cases; and
 - (d) may include provisions for the disclosure to any persons whether by the person to whom the direction is given or by the *Council* of the circumstances and details of the dispensation including the disclosure of the name of the person to whom the direction is given.

Part B – Confidentiality

Disclosure of confidential information by the Council

9. The *Council* shall not disclose confidential information without the consent of the person from whom it was received and the person whom it concerns unless disclosure is required by law or disclosure is for the purposes of –
 - (a) criminal proceedings;
 - (b) *enforcement proceedings*;
 - (c) assisting the *Financial Services Authority* or a body which performs any corresponding functions outside the United Kingdom; or
 - (d) advancing and protecting the interests of the *Society* as a whole provided such disclosure has been authorised by the *Council*.

Requirements to protect the confidentiality of information disclosed by the Council

10. A *person* subject to the *enforcement jurisdiction* of the *Society* shall comply with any requirements that the *Council* may give in connection with the disclosure of confidential information to that *person* as may be reasonably necessary to protect the confidentiality of that information.

Part C – Premiums Trust Funds

Directions, conditions and requirements relating to the regulating trustee

11. The *Council* may at any time give such directions or impose such conditions or requirements in connection with any discretion, power or authority which the *regulating trustee* has in relation to any *premiums trust deed* and whoever exercises that discretion, power or authority shall act in accordance with any such direction, condition or requirement.
12. Any delegation or sub-delegation of any discretion, power or authority which the *regulating trustee* has in relation to any *premiums trust deed* shall include provision that the delegate or sub-delegate shall act in accordance with any direction condition or requirement given or imposed under paragraph 11 of this byelaw.

Prescription of notifiable events and nomination of company

13. The *Council* may –
 - (a) prescribe any matter as a ‘notifiable event’ for the purposes of one or more *premiums trust deeds*;
 - (b) nominate any company for the purposes of one or more *premiums trust deeds* as a person with whom *premiums trust funds* may be deposited or to whom *premiums trust funds* may be lent.

Part D – Annual accounts

Accounts

14. The *Society* shall prepare annual accounts made up to the 31st day of December so as to show a true and fair view of the income and expenditure of the *Society* for the year and its state of affairs and such accounts shall be approved by the *Council*.

Audit

15. The *Council* shall appoint auditors who shall report whether in their opinion the accounts give a true and fair view of the income and expenditure of the *Society* and of its state of affairs.
16. A person shall be eligible for appointment as auditors where that person is eligible for appointment as a company auditor under sections 24, 25 and 26 of the Companies Act 1989, provided that a person eligible only by reason of subsection 25(3) shall not be eligible.

Part E – Notices

17. Unless Lloyd's Acts 1871 to 1982 or the *requirements of Council* provide otherwise, notices required to be given to *members* by the *Society* shall be given by posting in the Room.

Part F – Transitional and miscellaneous provisions

Revocations

18. The following byelaws are revoked –
- (a) Bilateral Arrangements (1998) Byelaw;
 - (b) The Financial Services Authority Byelaw;
 - (c) Information and Confidentiality Byelaw;
 - (d) Insurance Ombudsman Byelaw;
 - (e) Issue of Proceedings by Council Byelaw;
 - (f) Lloyd's Claims Byelaw;
 - (g) Lloyd's 1994 Claims Scheme Byelaw;
 - (h) Lloyd's Policy Signing Office Byelaw;
 - (i) Maintenance of Byelaws and Regulations Byelaw;
 - (j) Miscellaneous Matters Byelaw;
 - (k) PCW Syndicates (Exemptions and Miscellaneous Provisions) Byelaw
 - (l) Policyholder Complaints Byelaw;
 - (m) Premiums Trust Fund and Regulating Trustee Byelaw;
 - (n) Promulgation of Byelaws and Regulations Byelaw; and
 - (o) Waiver Byelaw.

Transitional and miscellaneous provisions

19. Every reference in the *requirements of the Council* to a definition set out in a byelaw or regulation revoked in accordance with paragraph 18 of this byelaw shall be deemed to be a reference to the Definitions Byelaw (No. 7 of 2005).
20. Any person who was as at 6 December 2006 subject to a dispensation or direction given by the Council under the Financial Services Authority Byelaw shall be deemed to be subject to a corresponding dispensation or direction given under paragraphs 4 and 6 of this byelaw.
21. Every waiver given by the *Council* under the Waiver Byelaw which subsisted as at 6 December 2006 shall be deemed to be a waiver given under paragraph 7 of this byelaw notwithstanding the revocation of the Waiver Byelaw.
22. The Central Accounting Byelaw is amended as follows –
- (a) by substituting for sub-paragraph (c) of paragraph 4(2) –

“include requirements relating to the provision of certificates, confirmations, declarations, information, opinions or reports, relating to a person applying to use a service (each such person being referred to in this byelaw as an “applicant”) or to its directors, partners, managers, controllers, major shareholders or connected companies, or to its members in the case of a limited liability partnership, in the prescribed form and to be given by such persons as the Council may prescribe or approve;”;

- (b) by adding after sub-paragraph (e) of paragraph 4(5) –

“(f) any member of an applicant or of a participant which is a limited liability partnership;”

and renumbering sub-paragraphs (f) and (g) accordingly;

- (c) by substituting for sub-paragraph (b) of paragraph 4(6) –

“will, both while he remains an applicant, participant, or a controller, director, partner, major shareholder, manager, or in the case of a limited liability partnership a member, or specified person of or in relation to the applicant or participant concerned and at all times thereafter, provide to the Council...”;

- (d) in paragraph 1 of the Schedule, after the definition of “gross payments” by adding –

““limited liability partnership” means a limited liability partnership incorporated in accordance with section 2 of the Limited Liability Partnerships Act 2000”; and

- (e) in sub-paragraph (ii) of paragraph 3(a) of the Schedule, by adding after “director” the words “, or in the case of a limited liability partnership, a member”.

23. The Definitions Byelaw is amended by inserting the following new definition after the definition of “life business” –

““limited liability partnership” means a limited liability partnership incorporated in accordance with section 2 of the Limited Liability Partnerships Act 2000;”.

24. The Enforcement Byelaw is amended as follows –

- (a) in paragraph 1, by deleting “or” at the end of sub-paragraph (g) and after sub-paragraph (g) adding the words “(h) a member of any *member* which is a *limited liability partnership*; or” and renumbering sub-paragraph (h) as sub-paragraph (i);
- (b) in paragraph 18, by deleting sub-paragraph (g) and substituting the following new sub-paragraph –

“a declaration of an individual’s unfitness or unsuitability to act as a director, partner or compliance officer of a *member* of the *Society*, an *underwriting agent* or an *approved run-off company*, or as a member of a *member* of the *Society* which is a *limited liability partnership*, or to perform a specific function within or for such a firm;”; and
- (c) by deleting paragraph 1(d) to Schedule 1 of the byelaw and replacing it with –

“(d) Audit Arrangements Byelaw (No 7 of 1998)
 - (i) the refusal of an application by a person for the entry of his name in the list of recognised accountants (under para 3).
 - (ii) the removal of a name of a recognised accountant from the list of recognised accountants (under para 5 (1)(a), (2) or (3)).”

25. Paragraph 3(h) of the Delegated Underwriting Byelaw is amended by deleting the words “Marine Insurance Certificates Byelaw (No. 3 of 2002)” and replacing them with “Insurance Certificates Byelaw (No. 1 of 2006)”.

Commencement

26. This byelaw shall come into force on 6 December 2006.