

# MARKET BULLETIN

REF: Y4498

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| <b>Title</b>    | Additional Securities Limited – Swiss Technical Reserve (Bound Assets) Requirements  |
| <b>Purpose</b>  | To inform underwriters of changes to the quarterly Bound Assets collection and distribution timetable with immediate effect.   |
| <b>Type</b>     | Quarterly  |
| <b>From</b>     | Andrew Gurney, Senior Manager International Licences<br>International Regulatory Affairs<br>Contact details: +44 (0)20 7327 6194<br><a href="mailto:andrew.gurney@lloyds.com">andrew.gurney@lloyds.com</a> |
| <b>Date</b>     | 14 June 2011   |
| <b>Deadline</b> | 30 June 2011 for Q2 funding  |

## Swiss technical reserves (Bound Assets)

Following discussions with FINMA, the Swiss regulator, Lloyd's has agreed to amend its Swiss technical reserves (known as "Bound Assets") collection and distribution timetable to align funding and reporting dates, as required by the Swiss regulatory framework.

With immediate effect the dates of notification of funding requirements and the subsequent collection or distribution of funds by Additional Securities Limited will be brought forward by one month to align with Lloyd's reporting timetable. The revised dates for syndicate advices and subsequent settlement for the next four quarters are set out in the table below:

| Quarter | Syndicate Advices Sent | Settlement Date |
|---------|------------------------|-----------------|
| Q2 2011 | 23/06/2011             | 30/06/2011      |
| Q3 2011 | 23/09/2011             | 30/09/2011      |
| Q4 2011 | 23/12/2011             | 30/12/2011      |
| Q1 2012 | 23/03/2012             | 30/03/2012      |

Lloyd's Swiss office, Zurich ("LSO") will continue to calculate the total liabilities each quarter (the "Bound Assets Reserving Requirement") and the level of Bound Assets reserved to meet that requirement, but will do so one month earlier each quarter. LSO uses *inter alia*, outstanding claims data supplied by Xchanging Claims Services ("XCS"). Funds will be collected from or distributed to syndicates as appropriate in order to meet the required amount of Bound Assets, and any increase in the requirement transferred to Lloyd's Bound Assets bank accounts in Switzerland.

Statements for Q2 will be sent to syndicates shortly, however, the calculation of liabilities undertaken indicates no additional funds will be required.

**Further information:**

If you require additional information or wish to discuss this matter in more detail, please contact:

**Lloyd's International Trading Advice**

Lloyd's Desk, Ground Floor, Underwriting room  
Telephone 020 7327 6677  
Email [LITA@lloyds.com](mailto:LITA@lloyds.com)  
[www.lloyds.com/crystal](http://www.lloyds.com/crystal)

If you have any queries relating to the calculation of the Swiss Bound Assets reserving requirement, please address them to:

Graham West  
Lloyd's Switzerland  
(00 41 44 266 6070; [graham.west@lloyds.com](mailto:graham.west@lloyds.com)).

Please refer questions relating to ASL to:

Gurdip Sappal  
Lloyd's Treasury & Investment Management  
(0207 327 5762; [gurdip.sappal@lloyds.com](mailto:gurdip.sappal@lloyds.com)).