

Market Bulletin

Ref: Y5115

Title	US Trading Regulatory Reporting
Purpose	To advise the market of the timetable for the completion of the US Reporting packs for Quarter 3, 2017 and to provide the instructions
Type	Scheduled
From	Leslie Redmond, Manager International Finance, Market Finance (MF) Finance Directorate Direct Tel No: +44 (0)20 7327 5490 Email: leslie.redmond@lloyds.com
Date	4 September 2017
Deadline	31 October 2017 – electronic packs to be locked. See Timetable at the end of the bulletin for other deadline dates
Related links	Secure Store Lloyd's Overseas Returns Fining Policy Y4843

Please copy this letter to those within your organisation who are responsible for reviewing and completing the US reporting packs.

This bulletin provides

- a) Details on the provision of electronic packs by MF to the market
- b) Details on review and completion of the packs by the market
- c) Submission details
- d) Timetable and arrangements for the period ended 30 September 2017
- e) Link to Secure Store (select US Reporting then Shared Files) where instructions can be downloaded covering Reporting Instructions (including checklists) and Software Instructions.

Provision of electronic packs

Electronic preliminary US reporting packs for your managing agent's syndicates will be available on the Overseas Reporting System (ORS) as noted in the timetable at the end of this bulletin.

Review of packs

Whilst the reporting packs have been prepared centrally, the ultimate responsibility for submission of correct data rests with the managing agent of each syndicate and, as such, you must satisfy yourself that you have reviewed the whole return. Checklists and detailed instructions on how to update the reporting pack will be available to download from the Quick Links area of the reporting software and from Secure Store.

The Delinked Items and Incomplete Items reports will be available for download from Secure Store (see related links). Once you launch this page click on Access Secure Store, log in and select US Reporting. Click on your agent name to access these reports which you can then download. There is also a Shared Files area where templates and reference files will be placed for you to download if you need them. If you are denied access to the site please contact your Devolved Administrator to give you the required permissions. The web page has a Devolved Administrator guide to assist them.

Where there are known issues with the reporting software a document will be posted to the Quick Links area within the software detailing them, advising of any workarounds or whether the issue has been fixed.

Approval had been given by the Insurance Regulators in certain [US States](#) for Lloyd's syndicates to post reduced collateral in respect of reinsurance contracts with cedants domiciled in these states. Please see Section 2.4 of the reporting instructions for details on how to use this functionality in the pack and the additional reporting requirements that you will need to meet.

Completion of packs

Once you have completed the pack, clearing all errors and positively verifying warnings as applicable, you must lock it. **Once you have locked a pack you will not be able to unlock it to make further amendments without contacting Market Finance.** You should therefore only lock a pack once you expect that no further changes will be made.

Final hard copy Jurat pages, signed, dated and notarised as indicated (SLQ/RIQ 0) must be submitted for each reporting pack. **Full hard copy packs are not required.** The version date and time on the notarised Jurat page **must** agree to the electronic version on the ORS and you will need to produce a pdf of the whole pack for this to appear. Notarisation may be performed by a solicitor, other than an in-house solicitor, who holds a practising certificate under section 81(1) of the Solicitors Act 1974, which allows them to administer oaths and affidavits in the UK. Where your Finance Director is unavailable to sign, another director or the compliance officer may sign in their place and the Jurat page should be marked accordingly. You may wish to keep a copy of this for your own records.

When hard copy Jurat pages are submitted to Market Finance we can only guarantee their receipt if they are hand delivered directly to the **Tenants & Couriers Office on the Lower Concourse.**

Please note that this return is subject to Lloyd's Overseas Returns Fining Policy (see Market Bulletin Y4843 dated 1 December 2014). In order to meet the deadline for filing with the US Regulator, New York Department of Financial Services, it is essential that agents adhere to the timetable.

It is very important that packs are completed and locked, and the required documents submitted by the due dates as set out in the timetable at the end of this bulletin. We will take action against agents that miss these deadlines. Agents should bear this in mind when planning, not just the completion of the return, but also the submission of required documentation.

Where a Managing Agent has reason to believe that it may be unable to meet the due dates set out in the timetable it must contact us at the earliest opportunity in advance of the deadline to discuss the matter. Failure to do so will be a factor Lloyd's will take into account in deciding whether a fine is appropriate.

In addition to any fines the overseas regulator may impose, Lloyd's may at its discretion impose a fine in respect of returns which are submitted by the deadline but are either inaccurate or incomplete. In deciding whether to exercise that discretion, the Market Supervision and Review Committee (MSARC) will have regard to whether the Managing Agent itself identified the inaccuracy and brought the matter to Lloyd's attention at the earliest opportunity.

Where Lloyd's is satisfied that a fine is appropriate then the following fining regime will be implemented in respect of the late submission of a return other than where MSARC is satisfied that an alternative fine is appropriate:

Per return per syndicate – flat fine	£5,000
Per return per syndicate – additional fine per working day late	£1,000

Persistent delays will lead to further disciplinary action. These levels of fines will be annually reviewed.

If you have any queries on the contents or completion of the packs, or any comments about the software, please contact me on the above number, David Cokayne on extension 6238 (E-mail david.cokayne@lloyds.com), or send an email to Lloyds-MR-OverseasReporting@lloyds.com

Leslie Redmond
Manager International Finance
Market Finance

Timetable and arrangements for the quarter ended 30 September 2017

	<u>Key Date</u>
Provision of preliminary packs by Market Finance (MF) to managing agents at the ORS web-site. Delinked and Incomplete Items reports available on Secure Store	13 October 2017
Completed electronic packs locked by managing agents. Submit details of reduced collateral funding cedants to MF	31 October 2017
Provision of final signed and notarised Jurat pages by managing agents	2 November 2017
Cash Transfer forms to be returned to Settlements & Trust Funds, Chatham, value date 15 November 2017. <u>STFO WILL CHARGE MANAGING AGENTS £50 FOR ANY FORMS THAT ARE SENT IN LATE TO REFLECT THE COST OF ADDITIONAL MANUAL PROCESSING.</u>	8 November 2017
Instructions to transfer securities to be advised to Citibank. The latest version of the workbook that needs to be completed can be found here . Log into Secure Store, select US Reporting then Shared Files.	10 November 2017
Letters of Credit to be in place. Please ensure that these are issued with the correct beneficiary name and address which should be as follows; Citibank N.A. as Trustee for Credit for Reinsurance Trust Fund Syndicate XXXX or Citibank N.A. as Trustee for Surplus Lines Trust Fund Syndicate XXXX Citibank N.A. Trust and Custody Operations Attn: William Mulrenin 480 Washington Boulevard, 30 th Floor Jersey City, NJ 07310 USA	10 November 2017