

Market Bulletin

Ref: Y5307

Title 2021 Members' subscriptions, Central Fund contributions and other Market Charges

Purpose Notification of 2021 charges, contributions, subscriptions and payment dates

Type Scheduled

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The purpose of this bulletin is to set out the charges applicable to Lloyd's members for 2021.

Summary of charges for 2021

There will be no changes to market charges for 2021; all existing charges will be held at current levels:

- Members' subscriptions are 0.36% of planned gross written premium;
- Central Fund contributions are 0.35% and 1.40% of planned gross written premium for existing and new members respectively; and
- All other charges, including overseas operating charges and user pay charges, are held at current levels.

Delegated Contract and Oversight Manager

During the second quarter of 2020 Lloyd's confirmed it would assume responsibility for delivery and administration of the Delegated Contract and Oversight Manager service to the Lloyd's market from 2021. This service was initially planned to be administered by LIMOSS, with the associated costs being recovered from market participants. With the switch in administration to Lloyd's, the associated costs of administering this service will be absorbed by the Corporation without any additional charges being levied upon market participants.

A schedule of changes applicable to Lloyd's members for 2021 is set out below with further details in the Appendix.

Area	Market Charge	2021 rate			Calculation basis / Limits	
Market-wide charges	Members' Subscription	0.36%			GWP	
	New Central Fund Contributions	0.35%			GWP	
	New Corporate Members Central Fund Contributions	1.40%			GWP	
Overseas operating charges	All locations	Direct	0.49%		GSSP	
		Reinsurance	0.17%		GSSP	
		Coverholder	0.73%		GSSP	
	Lloyd's Italian office (Additional charge)	0.75%		GWP		
Syndicates in run-off	Syndicates in Run-off	£1 Per £1,000			net insurance liabilities	
Capacity Markets	Approval of capacity offer by means of announced auction offer	£2,400			Flat fee	
	Approval of formal capacity offer (cash only)	£6,250				
	Approval of formal capacity offer (with shares or a share alternative)	£7,850				
	Approval of conversion scheme (with inter-availability)	£12,000				
Treasury	Commingled investment accounts*	8.5bp			AUM	
	Funds at Lloyd's (FAL) cash sweep, LMDTA	3.5bp			AUM	
	Currency Conversion Service (CCS)	5bp			Per transaction	
	FX execution service	Up to 5bp			Per transaction	
	Investment of overseas regulatory deposits*	8.5bp			AUM	
Schedule 3 Charges	Overall Premium Limit for member per syndicate participation	£15,000,001 or greater*	£150		Max Fee £4,475	
		£10,000,001 to £15,000,000*	£125		Max Fee £3,700	
		£5,000,001 to £10,000,000*	£90		Max Fee £2,625	
		£2,000,001 to £5,000,000*	£50		Max Fee £1,550	
		£2,000,000 or less*	£50		Max Fee £1,025	
		Members participating on 2017 or prior run-off years only*	£50		Max Fee £1,025	
Trust Fund Levies	Australian Trust Fund	£165,050			Annual flat fee (received quarterly) in local currency.	
	Canadian Margin Fund	£51,000				
	Credit for Reinsurance and Surplus Lines Trust Fund	£34,900				
	Illinois Trust Fund	£51,000				
	Kentucky Trust Fund	£68,650				
	South African Trust Fund	£52,200				
Tax Charges	Syndicate Charges	Premium tax charges (main syndicates only)*	£20,000			Flat fee
		Syndicate UK tax returns*	£500			
		Certificate of UK Tax Residence*	£1,000			
	Member Charges		IND	CORP	DCP	
		US (incl. income and excise taxes, FATCA)*	£750	£1,000	£10,000	
		Canada*	£250	£250	£3,500	
		Singapore*	£250	£250	£3,500	
		UK tax advices (incl. CTA1/2, foreign tax schedules, etc.)*	£250			
		Third Party Funding Providers*	£100			
		Japan*	£250	£250	£3,500	
		Country by Country Reporting*			£1,000	
		US Controlled Foreign Corporations reports (only affected members)*	£750			
	LLP / SLP charge for 2nd and each further partner*	£500				

Area	Market Charge	2021 rate			Calculation basis / Limits	
		IND	CORP	DCP		
Member Services	Member Charges	Trustee / Regulatory Services	£515	£2,800	£13,900	Flat fee
		Third Party FAL Providers (TPFP)	£200			per TPFP
		Interavailable Recipient Monitoring Charge – open participation	N/A	£500		Per donor
		Interavailable Recipient Monitoring Charge – closed participation	N/A	£1,500		Per finalised donor
		Interavailable Recipient Monitoring Charge – closed > 2 years	N/A	£2,500		Per finalised donor
		Citibank Holding Charge where value held in Citibank >£10m*	£5,000			Flat fee
		Cash Service Charge	Up to 0.14%			Cash held
		Coming into Line Extension Request	£250			per day per £5m, up to 10 working days
			£500			per day per £5m > 10 working days
		Complex issues*	£120			per hour
	Member Application & Corporate Member Changes	Corporate Member Application – Non Private Capital	£52,000			per application
		Corporate Member Application – Private Capital Simple	£5,250			per application
		Corporate Member Application – Private Capital – Complex	£10,500			per application
		Change of Control Application – Simple	£1,050			per application
		Change of Control Application – Complex	£5,250			per application
		Approval of New Third Party Funding Provider – Simple (known entity)	£520			per TPFP
		Approval of Third Party Funding Provider – Simple (new entity)	£2,600			per TPFP
		Approval of Third Party Funding Provider – Complex (new entity)	£10,500			Per TPFP
		Recommencement of Underwriting – No changes	£1,050			Flat fee
		Recommencement of Underwriting – Simple	£5,250			Flat fee
		Recommencement of Underwriting – Complex	£10,500			Flat fee
		Extension/Late/Breach/Non-submission fee incl. Declaration of Compliance, PTF trustees	£520			Flat fee
	Syndicate Charges	Results & Stamp Processing – Simple (Aligned)*	£5,150			per syndicate
		Results & Stamp Processing – Complex (Spread)*	£15,450			per syndicate
		Auction – buy/sell capacity	0.06%			per successful bid
		Provision of systems to members' agents*	Up to £50,000			per members' agent, based on number of members
	Corporate Interavailable FAL	Corporate groups seeking to consolidate and make their individual corporate members' FAL interavailable *	£10,000			Per ceasing member subject to a maximum of £50,000 per corporate group

Area	Market Charge		2021 rate	Calculation basis / Limits
Complaints	UK, Australia & New Zealand Complaints	Administration fee	£150	Per complaint received by direct by Lloyd's
		Additional fee for full investigation - Tier 1	£229	Claim reserve of £500 and under
		Additional fee for full investigation – Tier 2	£655	Claim reserve £501-£10,000 and all non-claim related issues
		Additional fee for full investigation – Tier 3	£983	Claim reserve of £10,000-£25,000
		Additional fee for full investigation – Tier 4	£1,310	Claim reserve above £25,001
		Issue Investigation Ongoing Letter (UK Only)	£50	Per letter
	International Complaints	Administration fee	£262	Per complaint received by direct by Lloyd's
		Additional fee for International complaint	£131	Per DOI extension
		Additional fee for full investigation	£524	Per stage two review
	All Complaints	Additional Administration Fee	£200	Per chase / failure to comply with requirements
		Automated Chase for Documentation / Information	£50	Per chase issued
	Failure to Meet Performance Metrics and other Systemic Issues		Up to £25,000	Flat fee
	Financial Ombudsman Service	Recovery of UK Financial Ombudsman Service (FOS) case fee	FOS revises their case fee on the 1st April each year. 2020/2021 charge fixed at £650	
		Recovery of External Dispute Resolution Fees (including UK FOS)	Levy is recovered from relevant syndicates	
	Complaints Handled by Lloyd's Australia	Administration fee for complaint	A\$268	Charged for matters managed at AFCA and/or IFSO
		Fee for full investigation – Tier 1	A\$410	Claim reserve of A\$900 and under
		Fee for full investigation – Tier 2	A\$1,185	Claim reserve of A\$901-A\$18,000 and all non-claim related issues
		Fee for full investigation – Tier 3	A\$1,772	Claim reserve of A\$18,001 – A\$45,000
		Fee for full investigation – Tier 4	A\$2,370	Claim reserve of above A\$45,001
		Additional Administration Fee	A\$360	Per chase/ failure to comply with requirements.
		Response to potential systemic issues and/or significant code breach investigations	A\$1,000-\$3,000	Depending on complexity of issue and time taken to finalise.
		Australian AFCA and New Zealand IFSO case fee is payable by coverholder / DCA / managing agent	AFCA charges range from AU\$100 to AU\$13,300 dependent on the stage the matters resolve. Higher fees are charged for legacy complaints. IFSO charges approx. NZ\$1,100	

Area	Market Charge	2021 rate	Calculation basis / Limits	
Group Technology	Cabling Services	Installation of Cabling within the Lloyd's building*	Manpower Hourly Rate Plus Materials	Per cable
		Fibre Optic Cable – Infrastructure Support & Rental*	£967	Per Fibre Pair
		Block Wiring. Charge for use of BT block wiring to support private PBX's (price per pair)*	£22	Per Pair
		Fibre Installation. One-off charge for provision of fibre to an U/W box or office*	£502	Per Unit
	Black Box Park (BBP1) Services	Black Box Park 1 (BBP1) Rack Space - 1 unit*	£369	Per Unit
		BBP1 Lockable Rack Space - 10 units*	£2,010	Per Unit
		BBP1 Lockable Rack Space - 20 units*	£3,969	Per Unit
		BBP1 Floor Space*	£7,836	Per Unit
	Voice Services	BBP1 Cross Connect installation (Meet Me)*	£142	Per Unit
		Installation of Voice Services*	Manpower Hourly Rate	Per Unit
		Standard Extension Rental & Handset*	£649	Per Extension
		Digital Telephone Handset Additional Rental*	£143	Per Handset
		Digital Add-on Unit*	£176	Per Handset
		Additional Telephone Socket Rental*	£88	Per Socket
		Voicemail Rental*	£125	Per Unit
Fax / Modem Line Rental*		£305	Per Line	
Corporate Real Estate	Room Rent	G1, G2 & G3	£555	per sq. ft.
		Ground	£833	
	Company Market Rent	G2 & G3	£1,110	per sq. ft.
		Company Market	Double Room Rent	
	Security Passes	Market wide	£32	per pass
		Non-u/w working members*	£105	
Admissions	Change in Shareholding (below 10%)	£5,000	Per application VAT Status (Outside Scope)	
	Change in Shareholding (10% - 49.99%)	£20,000		
	Change in ownership (≥50%)	£50,000		
	Non – notification and retrospective application	£10,000		
	New Underwriting Agent (see note 2)	£300,000		
	New Syndicate (see note 2)	£200,000		
	New Special Purpose Arrangement (see note 2)	£75,000		
	Syndicate merger or Transfer of Management of a syndicate	£5,000		
New Accredited Broker	£10,000			

Key: Individual (IND), Corporate (CORP), Direct Corporate (DCP), Gross Written Premium (GWP), Gross Signed & Settled Premium (GSSP), Assets Under Management (AUM),

Items denoted with an asterisk (*) are exclusive of VAT and will be incurred additionally.

Appendix

1. Market-wide charges

Market charge	2021 rate	Calculation basis
Members' Subscription	0.36%	GWP
New Central Fund Contributions	0.35%	GWP
New Corporate Members Central Fund Contributions	1.40%	GWP

1. Members' Subscriptions

Member's subscriptions are levied at 0.36% of GWP (as set out in the syndicates' approved business plans). Annual subscriptions are exempt from VAT (per Market Bulletin Y2870 issued on 13 September 2002) and are payable in two instalments;

- the first instalment of 0.18% shall be paid 7 January 2021, and
- the second instalment of 0.18% shall be paid 1 June 2021.

2. New Central Fund contributions

Existing members

The annual contribution rate of 0.35% of GWP (as set out in the syndicates' approved business plans) is payable by all members (other than new corporate members participating on new syndicates) for the 2021 year of account. The annual contribution rate for RITC syndicates is 3.5% of Notional Capacity (Net Reserves x 3%, rounded up to the nearest £0.5m).

New corporate members

New corporate members pay contributions at the rate of 1.4% of gross written premiums in the approved business plans for the syndicates on which the member participates, for each of their first three years of operations. A new corporate member is one which joins Lloyd's in 2019, 2020 or 2021 and establishes / participates on one or more new syndicates. It should be noted that if that member writes on a mix of existing and new syndicates, then the higher rate will only be payable in respect of its participations on new syndicates. Where a ceased member recommences underwriting they will be deemed a new corporate member if they had not underwritten business for three or more consecutive years of account.

Where a newcomer to the Lloyd's market chooses to participate by purchasing an existing corporate member that has reinsured to close all its liabilities, that corporate member will be treated as a new member and it will be required to pay the higher contribution in respect of its participations on new syndicates.

Within the category of new corporate members, the increased charges will not apply to conversion vehicles which meet the current definition of a "successor corporate member" in

the Membership (Entrance Fees and Annual Subscriptions) Byelaw – i.e. in broad terms, any vehicle which is 85% owned by converting Names.

Callable contribution

The callable contribution remains equal to 3% of capacity, valued according to the USD / GBP mix of business.

Payment date

Entire amount due on 26 March 2021, with the option to make payments in US dollars. New Central Fund contributions are exempt from VAT.

If a mid-year pre-emption or a new syndicate is approved after 1 April 2021, the due date for the on-account payment of the contribution will be the later of the date of approval or invoiced date.

2. Overseas operating charges

Market charge		2021 rate	Calculation basis
All locations	Direct	0.49%	GSSP
	Reinsurance	0.17%	GSSP
	Coverholder	0.73%	GSSP
Lloyd's Italian office (Additional)		0.75%	GWP

The Overseas Operating Charge will be charged on Overseas Gross Signed & Settled Premium (i.e. excluding UK and Channel Islands) to cover the overseas operating costs. The charge will be collected on 27 January, 27 April, 27 July and 27 October 2021.

An additional charge of 0.75% of gross written premium is levied on business administered through the Lloyd's Italian office, reflecting the additional services provided locally.

Lloyd's Japan coverholder fees (applied to net premium after brokerages) are 12.5% on business from local intermediaries, and 5% on pooled business. In addition there is an annual coverholder fee of £15k per binder.

Overseas User Pay Charges

Overseas User Pay Charges will apply for costs incurred on behalf of specific syndicates or work requested by specific market customers where that work requires substantial additional effort and has resulted in extra cost. These charges will normally be on a time and materials basis and, where applicable, the cost implications will be made clear to the syndicate before proceeding with the work.

3. Syndicates in run-off

Market Charge	2021 rate	Calculation basis
Syndicates in Run-off	£1 Per £1,000	net insurance liabilities

Agents with syndicates with years of account in run-off bear a run-off charge at a flat rate of £1 per £1,000 of reported net insurance liabilities, assessed by reference to the most recent audited accounts of the syndicate for each year of account in run-off. For this purpose, a run-off syndicate means a syndicate which no longer accepts new or renewal insurance business (other than the variation or extension of risk previously underwritten or reinsurance to close off an earlier year of account of that syndicate).

In this context, net insurance liabilities mean the amounts retained by each syndicate in run-off, in respect of each year of account in run-off, to meet all known and outstanding liabilities carried forward as at 31 December 2020. If the relevant audited financial statements are unavailable and their production appears likely to be significantly delayed, an interim charge (to be adjusted if necessary on subsequent publication of the relevant audited accounts) may be assessed by reference to the most recently submitted quarterly monitoring return (QMR) made by the run-off managers to Lloyd's for the syndicate for the relevant years of account. Run off payments shall be collected via ARCS in July 2021.

4. Capacity Markets

Market Charge	2021 rate	Calculation basis
Approval of capacity offer by means of announced auction offer	£2,400	Flat fee
Approval of formal capacity offer (cash only)	£6,250	
Approval of formal capacity offer (with shares or a share alternative)	£7,850	
Approval of conversion scheme (with inter-availability)	£12,000	

All charges are exempt from VAT. An additional fee may be charged to sponsors to cover, for example:

- additional costs incurred in processing particularly complex schemes, especially where features not directly necessary to the scheme are included; and
- the reimbursement of any external legal (or other professional) fees incurred by Lloyd's in developing a particular scheme. An example of this is where bespoke trust deeds are prepared for reverse inter-availability schemes.

5. Treasury services

Services provided by Lloyd's Treasury and Investment Management (LTIM):

Commingled investment accounts: Market assets are effectively pooled into 3 single accounts in order to deliver efficiency and economies of scale for the market. Accounts include CAD regulated, CAD non-regulated and CAD (USD denominated) regulated. Agents tend to use these for convenience as individual agent balances in CAD do not warrant fully fledged investment mandates

FAL cash sweep, LMDTA: Sweeps any cash balances left on accounts by members and is invested as a pooled money market type fund. This fee is not collected separately, it's included within the Member Services Cash Service Charge.

Currency Conversion Service (CCS): Agents sign up to this service which effectively pools and nets all foreign exchange movements for participating agents allowing us to transact on an aggregate basis whilst meeting individual agent FX needs.

FX execution service: LTIM also offers FX trade execution on-demand.

Investment of overseas regulatory deposits: LTIM manages these investment portfolios on behalf of the market, as is required by overseas regulators. The Corporation currently has eleven of these funds plus the ASL deposits.

Market Charge	2021 rate	Calculation basis
Commingled investment accounts	8.5bp	Assets Under Management
FAL cash sweep, LMDTA	3.5bp	Assets Under Management
Currency Conversion Service (CCS)	5bp	Per transaction
FX execution service	Up to 5bp	Per transaction
Investment of overseas regulatory deposits	8.5bp	Assets Under Management

6. Schedule 3 Information

Market Charge	2021 rate	Maximum fee	
Overall Premium Limit for member per syndicate participation	£15,000,001 or greater	£150	£4,475
	£10,000,001 to £15,000,000	£125	£3,700
	£5,000,001 to £10,000,000	£90	£2,625
	£2,000,001 to £5,000,000	£50	£1,550
	£2,000,000 or less	£50	£1,025
	Members participating on 2017 or prior run-off years only	£50	£1,025

Corporate members of Lloyd's are required to prepare their accounts in accordance with Schedule 3 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. The Central Finance department offers a central facility to provide corporate members with the data that they need in order to be able to prepare their accounts in accordance with Schedule 3.

Each corporate member that wishes to subscribe to this service is required to pay a fee as prescribed under the Syndicate Accounting Byelaw (No. 8 of 2005) as amended. This fee is calculated by reference to the highest overall premium limit (OPL) of the corporate member concerned and number of syndicates (disregarding syndicate years of account for this purpose) in which the corporate member participates. OPL is defined as the highest OPL written for any year of account within the last three years of account.

7. Trust Fund Levies

Market Charge	2021 rate	Calculation basis
Australian Trust Fund	£165,050	Annual flat fee (received quarterly) in local currency
Canadian Margin Fund	£51,000	
Credit for Reinsurance and Surplus Lines Trust Fund	£34,900	
Illinois Trust Fund	£51,000	
Kentucky Trust Fund	£68,650	
South African Trust Fund	£52,200	

Trust Fund levies are collected in respect of two charge elements, Custodian Fees (charged to the Corporation by Trustee Banks) and Treasury Investment/Central Finance Management fees.

Custodian Fees are paid by the Corporation and recovered from the Trust Fund participants. The GBP equivalent is recovered at the prevailing FX rate.

When the total charge for each Trust Fund has been calculated it is apportioned across the relevant population of that Trust Fund. The quarter is further split across two periods within the quarter.

Period 1 – End of last quarter to day before adjustment date

Period 2 – Adjustment date to end of current quarter

8. Tax services

Market Charge		2021 rate			Calculation basis
		IND	CORP	DCP	
Syndicate Charges	Premium tax charges (main syndicates only)	£20,000			Flat fee
	Syndicate UK tax returns	£500			
	Certificate of UK Tax Residence	£1,000			
Member Charges	US (incl. income and excise taxes, FATCA)	£750	£1,000	£10,000	
	Canada	£250	£250	£3,500	
	Singapore	£250	£250	£3,500	
	UK tax advices (incl. CTA1/2, foreign tax schedules, etc.)	£250			
	Third Party Funding Providers	£100			
	Japan	£250	£250	£3,500	
	Country by Country Reporting			£1,000	
	US Controlled Foreign Corporations reports (only affected members)	£750			
	LLP / SLP charge for 2nd and each further partner	£500			

- Any charges for work commissioned directly with Eversheds-Sutherland LLP in relation (e.g.) to quota share policies or other issues affecting a member's US tax return and billed to Lloyd's will continue to be on-charged to the relevant member in addition to any of the above charges.
- Where other third party costs are incurred, for example, in providing additional services such as dealing with change of ownership, Reinsurance adjustments and calculation of potential tax liabilities for release of FAL, these will be charged to the member concerned.
- Where a member of managing agent raises an ad hoc query which requires an investigation, or where an error is identified resulting in the need to re-file a tax return, work undertaken by Lloyd's will be charged at £120 per hour
- All of the above charges are subject to VAT

9. Member Services

Member Services charges members and agents for admitting new members and third-party funding providers, changes of control within corporate members, maintaining FAL and distribution of profits. The descriptions of the key services are set out below:

Trustee / Regulatory Services: Services for members underwriting on the current year, or with open participation or whose last remaining participation was closed at previous year-end.

Third Party FAL Providers (TPFP): Administration of a Third Party providing Funds at Lloyd's (FAL).

Corporate interavailable FAL: Corporate groups may wish to rationalise their Lloyd's operations and reduce the number of underwriting subsidiaries. Lloyd's has developed a mechanism and the documentation to deal with the provision of Funds at Lloyd's to support both the business being run-off by the ceasing corporate members and the increased level of underwriting by the continuing corporate member.

Interavailable Recipient Monitoring Charges: Charges for administration of FAL made interavailable to Corporate Member, where the donor has open participation, where the donors last remaining participation was closed at 31 December 2019 or where the donor has failed to end their interavailable arrangement within two years of the closure of their last remaining participation, as required by M&URs

Citibank Holding Charge: Charge for holding securities in Citibank, where the value held in Citibank exceeds £10m as at 1 January 2021

Cash service Charge: Charge for administration of cash held. Subject to reduction to avoid negative return to members

Coming into Line Extension Request: Granting an extension to the coming-into-line deadline and subsequent monitoring of the extension, including funds provided by new Third Party

Complex issues: Complex/bespoke transactions, investigation of proposals outside the scope of existing trust, regulatory and policy obligations. Dependent on level of seniority involved.

Market Charge		2021 rate			Calculation basis
		IND	CORP	DCP	
Annual charges	Trustee / Regulatory Services (see description below)	£515	£2,800	£13,900	Flat fee
	Third Party FAL Providers (TPFP) (see description below)	£200			per TPFP
	Interavailable Recipient Monitoring Charge – open participation (see description below)	N/A	£500		per donor
	Interavailable Recipient Monitoring Charge – last participation closed at 31/12/2019 (see description below)	N/A	£1,500		per finalised donor
	Interavailable Recipient Monitoring Charge – arrangement not ended within 2years of closure of last participation (see description below)	N/A	£2,500		per finalised donor
	Citibank Holding Charge* (see description below)	£5,000 where value held in Citibank > £10m			Flat fee
	Cash Service Charge (see description below)	Up to 0.14%			cash held

Market Charge		2021 rate			Calculation basis
		IND	CORP	DCP	
	Coming into Line Extension Request (see description below)	£250			per day per £5m up to 10 working days per day per £5m >10 working days
		£500			
	Complex issues* (see description below)	£120			per hour
Member Application & Corporate Member Changes	Corporate Member Application – Non Private Capital	£52,000			per application
	Corporate Member Application – Private Capital Simple	£5,250			per application
	Corporate Member Application – Private Capital – Complex	£10,500			per application
	Change of Control Application – Simple	£1,050			per application
	Change of Control Application – Complex	£5,250			per application
	Approval of New Third Party Funding Provider – Simple (known entity)	£520			per TPF
	Approval of Third Party Funding Provider – Simple (new entity)	£2,600			per TPF
	Approval of Third Party Funding Provider – Complex (new entity)	£10,500			per TPF
	Recommendation of Underwriting – Simple	£5,250			Flat fee
	Recommendation of Underwriting – Complex	£10,500			Flat fee
	Extension/Late/Breach/Non-submission fee incl. Declaration of Compliance, PTF trustees	£520			Flat fee
Syndicate Charges	Results & Stamp Processing – Simple (Aligned)*	£5,150			per syndicate
	Results & Stamp Processing – Complex (Spread)*	£15,450			per syndicate
	Auction – buy/sell capacity	0.06%			per successful bid
	Provision of systems to members' agents*	Up to £50,000			per members' agent, dependent on number of members
Corporate Interavailable FAL	Corporate groups seeking to consolidate and make their individual corporate members' FAL interavailable	£10,000			Per ceasing member subject to a maximum of £50,000 per corporate group

- All fees are Outside the scope of VAT except those charges marked with an asterisk (*) which are Standard Rated.
- Where third party costs are incurred by Member Services in providing a service, these will be charged to the member concerned (e.g. bank charges for holding Euros).
- A member that commences underwriting mid-year will attract pro rata charges.
- Member Services may, at its discretion, reduce the application charges payable for the early submission of member applications (20% reduction) or where more than one member applies for membership with the same corporate structure (50% reduction).

- Where a Corporate Member Application is submitted, approved and subsequently withdrawn, 50% of the application fee will apply.
- For Corporate Member Applications seeking consent for an 'on the shelf' vehicle during non-peak periods (Jan-April, July-mid August), 20% of the application fee will apply to complete the first stage. The final balance of the application fee will be payable when the applicant completes the second stage.
- Where a Third Party Funding Provider (TPFP) is a partner of a LLP new member application, then the fee for the approval of the TPFP will be waived.
- Discounts noted above will only apply where applications are submitted fully completed, by the due date and free from errors.

10. Complaint Handling Charges

Market charge		2021 rate	Calculation basis
UK, Australia & New Zealand Complaints	Administration fee	£150	Per complaint received direct by Lloyd's
	Additional fee for full investigation - Tier 1	£229	Claim reserve of £500 and under
	Additional fee for full investigation – Tier 2	£655	Claim reserve £501- £10,000 and all non-claim related issues
	Additional fee for full investigation – Tier 3	£983	Claim reserve of £10,000- £25,000
	Additional fee for full investigation – Tier 4	£1,310	Claim reserve above £25,001
	Issue Investigation Ongoing Letter (UK Only)	£50	Per letter
International Complaints	Administration fee	£262	Per complaint received direct by Lloyd's
	Additional fee for International complaint	£131	Per DOI extension
	Additional fee for full investigation	£524	Per stage two review
All Complaints	Additional Administration Fee	£200	Per chase / failure to comply with requirements
	Automated Chase for Documentation / Information	£50	Per chase issued
Failure to Meet Performance Metrics and other Systemic Issues		Up to £25,000	Flat fee
Financial Ombudsman Service	Recovery of UK Financial Ombudsman Service (FOS) case fee	FOS revises their case fee on the 1st April each year. 2019/2020 charge fixed at £550	
	Recovery of External Dispute Resolution Fees (including UK FOS)	Levy is recovered from relevant syndicates	
Complaints Handled by Lloyd's Australia	Administration fee for complaint	A\$268	Charged for matters managed at AFCA and/or IFSO
	Fee for full investigation – Tier 1	A\$410	Claim reserve of A\$900 and under
	Fee for full investigation – Tier 2 (claim reserve of A\$901- A\$18,000 and all non-claim related issues)	A\$1,185	Claim reserve of A\$901- A\$18,000 and all non-claim related issues
	Fee for full investigation – Tier 3 (claim reserve of A\$18,001 – A\$45,000)	A\$1,772	Claim reserve of A\$18,001 – A\$45,000

Market charge		2021 rate	Calculation basis
	Fee for full investigation – Tier 4 (claim reserve of above A\$45,001)	A\$2,370	Claim reserve of above A\$45,001
	Additional Administration Fee	A\$360	Per chase/ failure to comply with requirements.
	Australian AFCA and New Zealand IFSO case fee is payable by coverholder / DCA / managing agent	AFCA charges range from AU\$100 to AU\$13,300 dependent on the stage the matters resolve. Higher fees are charged for legacy complaints. IFSO charges approx. NZ\$1,100	

- The Administration Fee levied will be determined by the date the Complaint was received whereas all other charges will be determined by the date of the charge is levied.
- Any fees levied by external authorities (for example mediation fees levied by the authorities in the USA pursuant to the emergency statutes implemented in the wake of hurricanes) and collected via the Complaints team will be paid by the Complaints team and collected from the appropriate syndicates on a case by case basis.
- Complaint Handling charges are not subject to VAT.

11. Group Technology

Lloyd's Group Technology will start the 2021 annual billing process in December 2020 by asking market firms to confirm their continuing requirement for managed infrastructure services. These services cover voice/telephone communications, associated cabling and Black Box Park usage. Following agreement of customer requirements, invoices will be issued in January 2021.

Market charge		2021 rate	Calculation basis
Cabling Services	Installation of Cabling within the Lloyd's building	Manpower Hourly Rate Plus Materials	Per cable
	Fibre Optic Cable – Infrastructure Support & Rental	£967	Per Fibre Pair
	Block Wiring. Charge for use of BT block wiring to support private PBX's (price per pair)	£22	Per Pair
	Fibre Installation. One-off charge for provision of fibre to an U/W box or office	£502	Per Unit
Black Box Park (BBP1) Services	Black Box Park 1 (BBP1) Rack Space - 1 unit	£369	Per Unit
	BBP1 Lockable Rack Space - 10 units	£2,010	Per Unit
	BBP1 Lockable Rack Space - 20 units	£3,969	Per Unit
	BBP1 Floor Space	£7,836	Per Unit
	BBP1 Cross Connect installation (Meet Me)	£142	Per Unit

Market charge		2021 rate	Calculation basis
Voice Services	Installation of Voice Services	Manpower Hourly Rate	Per Unit
	Standard Extension Rental & Handset	£649	Per Extension
	Digital Telephone Handset Additional Rental	£143	Per Handset
	Digital Add-on Unit	£176	Per Handset
	Additional Telephone Socket Rental	£88	Per Socket
	Voicemail Rental	£125	Per Unit
	Fax / Modem Line Rental	£305	Per Line
	Support for IPT Infrastructure	£731	Per Unit
	Rental of an IP Conference Unit	£264	Per Unit

Set-up Service Charges

Please note that the set-up of services will primarily be charged on a time and material basis. The manpower hourly rate charges in 2021 will be as follows; in hours £122, out of hours £164.

12. Corporate Real Estate

Market Charge		2021 rate	Customer	Calculation basis	Means of Collection
Room Rent	Charges for underwriting space on the Ground Floor to Gallery 3. This is charged on a net footprint area of the space occupied by underwriting boxes. 6 month break.	£555	G1,G2 &G3	per sq.ft.	Invoice. Annually in Advance
		£833	Ground		
Company Market Rent	Charges for Company Market leases on Gallery 2 to Gallery 3. This is charged on a net footprint area of the space occupied by underwriting boxes. New entrants pay additional 50% of first year annual rental.	£1,110 Double Room Rent	G2 & G3 Company Market	per sq.ft.	Invoice. Quarterly in Advance
Security Passes	The charge for security passes where applicable.	£32	Market wide	per pass	Invoice
		£105	Non-u/w working members		

13. Admissions

Market Charge		2021 rate	Calculation basis
Admissions	Change in Shareholding (below 10%)	£5,000	Per application
	Change in Shareholding (10% - 49.99%)	£20,000	
	Change in ownership (≥50%)	£50,000	
	Non – notification and retrospective application	£10,000	
	New Underwriting Agent (see note 2)	£300,000	
	New Syndicate (see note 2)	£200,000	
	New Special Purpose Arrangement (see note 2)	£75,000	
	Syndicate merger or Transfer of Management of a syndicate	£5,000	
	New Accredited Broker	£10,000	

- The new underwriting agent, syndicate, special purpose arrangement charge is payable when a proposal is presented to the Council or its designate for ‘in principle’ approval.
- VAT is not currently chargeable on application fees.
- Underwriting agent means managing or members’ agent.

Key contacts

Market Charges	Key Contact	Phone	Email
Members’ Subscription, Overseas Operating Charges and Central Fund Contributions	Carolyn Smith	+44 1634 392 922	Carolyn.Smith@Lloyds.com
	Lloyd’s International Trading Advice (LITA)	+44 207 327 2604	LITA@Lloyds.com
Syndicates in Run-off	Jake Tomlin	+44 207 327 6581	Jake.Tomlin@Lloyds.com
Capacity Markets	Paul Thornton	+44 207 327 6281	Paul.Thornton@Lloyds.com
Treasury & Investment Management (LTIM)	Tony Cullum	+44 207 327 6130	Tony.Cullum@Lloyds.com
Schedule 3 Information	Jake Tomlin	+44 207 327 6581	Jake.Tomlin@Lloyds.com
Tax Services	Ian Chidgey	+44 207 327 2393	Ian.Chidgey@Lloyds.com
Member Services	Nikki Hopper	+44 1634 392 780	MSCharges@lloyds.com
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Complaints - Lloyd’s Australia	Tracey Bryan	+61 (0)2 8298 0782	Tracey.Bryan@Lloyds.com
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Admissions	Nigel Williamson	+44 207 327 6415	Nigel.Williamson@Lloyds.com
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