

# MARKET BULLETIN

<b>From</b>	Director, Worldwide Markets
<b>Date</b>	24 November 2006
<b>Reference</b>	Y3907
<b>Subject</b>	<b>Switzerland: Bound Assets</b>
<b>Subject areas</b>	To inform underwriters that the collection of the 2007 Swiss reserves ("Bound Assets") will be calculated by reference to outstanding Swiss claims and premium income reported for 2006.
<b>Attachments</b>	None
<b>Action points</b>	<b>To note contents</b>
<b>Deadlines</b>	<b>20 December 2006</b>

Underwriters who have written Swiss business in 2006 are reminded that the annual collection of Swiss technical reserves (known as "Bound Assets") to be made by Additional Securities Limited in the 1<sup>st</sup> Quarter 2007 will be calculated on the basis of syndicates' Swiss premium income recorded in 2006 and outstanding claims as at 31 December 2006.

Lloyd's Swiss office, Zurich ("LSO") will calculate the total liabilities as at 31 December 2006 (the "Bound Assets Reserving Requirement") and the level of Bound Assets reserved to meet that Requirement. LSO uses, *inter alia*, outstanding claims data supplied by XChanging Claims Services ("XCS"). The required amount of Bound Assets will be collected from syndicates and transferred to Lloyd's trust accounts in Switzerland.

All Swiss claims for all years of account recorded by XCS as still outstanding at the close of business on Friday 29 December 2006 will form part of the calculation of Bound Assets to be collected from syndicates in 1st Quarter 2007. However, these claims must be submitted to XCS before 20 December 2006 in order to be processed.

Underwriters are therefore reminded of the importance of submitting claims for settlement by this deadline, to avoid the possibility of paid claims being treated as still outstanding for Swiss regulatory purposes.

**Further information:**

If you have any queries relating to the calculation of the Swiss Bound Assets reserving requirement, please address them to Graham West at Lloyd's Zurich office (Tel. 00 41 44 266 6070); [graham.west@lloyds.com](mailto:graham.west@lloyds.com)).

Please refer questions on the procedure for ASL's collection of syndicates' shares of the Bound Assets to Mike FitzGerald (extension 5901; [Michael.Fitzgerald@lloyds.com](mailto:Michael.Fitzgerald@lloyds.com)).

This bulletin is being sent to all members' agents, direct corporate members, managing agents, recognised accountants, market associations, underwriters and Lloyd's brokers for information.

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