

MARKET BULLETIN

REF: Y4336

Title	Monaco – Regional extensions to coverholder approvals
Purpose	To set out changes to Lloyd's regional approvals for coverholders in and writing business from Monaco.
Type	Event
From	Cameron Murray, Senior Manager, International Regulatory Affairs General Counsel's Division
Date	25 November 2009
Deadline	With effect from 1 March 2010
Related links	Market Bulletin Y4123 Market Bulletin Y4125 Crystal - Legal advice

With effect from 1 March 2010 Monaco will be treated separately from France in the coverholder regional extension process. Monaco will continue to be included within the European Economic Area (EEA) regional extension category.

This decision has been taken by Lloyd's following legal advice received regarding the position of Monegasque intermediaries doing business in or from France. A copy of the legal advice may be found in Crystal via the above link.

Impact upon coverholders located in Monaco

From 1 March 2010, Lloyd's will treat existing Monegasque coverholders as authorised to accept business in Monaco only (except to the extent that they have existing authorisation extensions). If the underwriters of their binding authority want the coverholder to accept business from insureds in other EEA Member States (including France) an application must be submitted for a regional extension for the EEA.

Underwriters proposing to arrange such an extension should note the reasons for introducing this new requirement and ensure that the coverholder will operate in accordance with applicable legal obligations in any other country from which the coverholder will be accepting business.

Impact upon coverholders located outside Monaco, which do business in Monaco

From 1 March 2010 Monaco will be listed separately and may be selected, for Binding Authority Registration purposes, from the list of territories within the EEA region.

Lloyd's brokers and managing agents with Lloyd's coverholders currently approved for the EEA region do not need to take any action. However, for binding authorities incepting or renewing on or after 1 March 2010 Lloyd's brokers and managing agents should ensure that, where appropriate, Monaco is shown separately from France in Section 11 of the schedule to the binding authority wording and the binding authority registration record.

Market bulletins Y4123 ('Regional extensions to coverholder approvals', 4 February 2008) and Y4125 ('Coverholder approval: international requirements' 13 February 2008) provides further details of the coverholder regional extension approval process.

Further Information

If you have any queries relating to this bulletin please contact:

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