

FROM: Director, Worldwide Markets EXTN: 6677

DATE: 22 July 2005 REF: Y3600

SUBJECT: **CHANGES TO LLOYD'S OPEN MARKET CORRESPONDENT APPROVAL / REGISTRATION PROCESS**

SUBJECT AREA(S): Approval/registration process for local intermediaries in specified territories producing business to Lloyd's

ATTACHMENTS: **Appendix 1** Territories where Lloyd's open market correspondents approval/registration is required  
**Appendix 2** Outline of Open Market Correspondents approval process  
**Appendix 3** Application form to become a Lloyd's open market correspondent  
**Appendix 4** Form for registration as an additional sponsor of a Lloyd's open market correspondent

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ACTION POINTS: **Underwriters and brokers to note and comply with the new arrangements**

DEADLINE(S): The new application form and the group registration process come into effect immediately.

The extension of the requirements for open market correspondent approval/registration to marine insurance and to new territories come into force for business incepting after 1 October 2005.

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## Purpose of bulletin

To notify the market of changes to Lloyd's processes for the approval and registration of open market correspondents ("OMCs").

## Background

An OMC is an insurance intermediary that introduces business to a Lloyd's broker for placement at Lloyd's on an open market basis and which does not have the status of a Lloyd's approved coverholder.

For insurance business from certain territories (see appendix 1 for an updated list), Lloyd's has a requirement that an OMC must be approved or registered by Lloyd's. This requirement is monitored by Xchanging in accordance with Lloyd's instructions and a risk affected by the requirement will not be signed if the OMC introducing the business is not on the Lloyd's list of approved/registered OMCs.

The requirement applies to insurance intermediaries producing insurance business but not generally for reinsurance business. The exception is insurance intermediaries producing reinsurance business from Spain and South Africa where local regulations also require approval for reinsurance business.

Lloyd's approves/registers OMCs for a number of reasons:

- Because a local legislative or regulatory requirement requires Lloyd's, as a licensed insurer, to approve the local insurance intermediaries with whom it does business;
- Because a local legislative or regulatory requirement (implicit or explicit) requires Lloyd's, as a licensed insurer, to know the identity of the local insurance intermediaries with whom it does business;
- Because compliance with local fiscal and regulatory requirements requires insurance intermediaries to report business or to pay taxes and other fiscal charges to Lloyd's general representatives or attorneys-in-fact hereafter collectively referred to as "general representatives".;
- To protect Lloyd's interests in countries where Lloyd's is licensed; and
- To protect Lloyd's brand.

Lloyd's uses "approval" to describe the authorisation of an OMC in a territory where this is an explicit regulatory requirement and "registration" to describe the authorisation of an OMC in a territory where it is not an explicit regulatory requirement. The difference affects the use that an OMC can make of Lloyd's name (see details below).

## Summary of changes

Lloyd's Worldwide Markets has been responsible for administering Lloyd's OMC process since the end of 2004, responsibility for the granting of approval/registration resting with Lloyd's general representatives and attorneys-in-fact (hereafter collectively referred to as "general representatives"). Working with Legal & Compliance and Lloyd's international offices, Worldwide Markets has carried out a review of this process and, as a result, it is introducing a number of changes.

These include:

- The introduction of a new application form.
- The extension of the requirement for OMC approval/registration to marine business.
- The extension of the requirement for OMC approval/registration to new territories.
- The introduction of a process for approving OMCs with more than one office in a single application.

## New Application form

The new application form is attached (appendix 3) and is available for use immediately at [www.lloyds.com/omcforms](http://www.lloyds.com/omcforms). It incorporates a standard undertaking (annex 1), which applies to all territories, except Italy and a privacy notice (annex 2).

The form is split into 2 sections:

- Part A is completed by the applicant OMC.
- Part B is completed by the sponsoring Lloyd's broker.

The new OMC standard undertaking, which is to be completed by the applicant firm unless it only intends to produce business to Lloyd's from Italy, is attached to the application form (appendix 3/annex 1).

Applicants that intend to produce business to Lloyd's from Italy need to complete and sign a special undertaking for Italy. This application form is available on Lloyds.com via the following link [www.lloyds.com/omcforms](http://www.lloyds.com/omcforms). The Italian undertaking is necessary because of the additional responsibilities and specific documentation processes in place for handling Italian business.

## Extension to marine business

Lloyd's requirements for OMC approval currently apply to non-marine, aviation & motor business but not to marine business. After careful consideration and following consultation with the market and the LMA marine committee, it was agreed that OMC approval requirements should apply equally to all types of insurance. This reflects Lloyd's view that regulatory, financial, fiscal, reputational and licence

risks exist with regard to insurance intermediaries of marine business as with other insurance intermediaries. It is therefore appropriate to utilise a similar process.

For business incepting on or after 1 October 2005, an intermediary introducing open market marine business to a Lloyd's broker for placement at Lloyd's from any of the territories listed in appendix 1 must have OMC registration/approval.

Lloyd's brokers should ensure that any local intermediaries with whom they do business are aware of this requirement and that, if necessary, they obtain OMC approval prior to 1 October, 2005. Lloyd's has instructed Xchanging to reject slips submitted for the placement of marine insurance incepting on or after 1 October 2005 from the territories listed in appendix 1, if the intermediary is not an approved OMC.

As for other lines of business, the approval requirement for marine insurance does not apply to reinsurance, except in the case of South Africa and Spain.

## **Extension to new territories**

The territories covered by the current approval process were also reviewed. Lloyd's concluded that due to existing regulatory sensitivities and financial, fiscal and reputational risks to market practitioners it was necessary to extend the approval process to a number of other territories.

For business incepting on or after 1 October 2005 Lloyd's is extending the requirement for OMC approval to insurance intermediaries producing business from **Cyprus, Malta and Portugal** and to **surplus lines insurance from Illinois**. The OMC approval requirement in these territories only applies to direct insurance – not reinsurance – and applies to all types of business, including marine insurance.

As with the extension to marine insurance, Lloyd's brokers should ensure that any local intermediaries with whom they do business are aware of this requirement and that, if necessary, they obtain OMC approval prior to 1 October 2005. Otherwise there is a risk that the signing of contracts by Xchanging could be delayed.

## **Simplified approval process for OMCs with more than one office**

An OMC may wish to introduce business from more than one location, because they operate through a number of offices or branches. Until now, Lloyd's has treated each such location as a different entity, requiring a separate application for OMC approval/registration.

Applicants may now seek OMC approval/registration for all their offices/branches in one country in a single application. A firm doing this should provide specified contact details for each office for which they are seeking approval.

However, an applicant may not use the same application form to apply for OMC approval/registration of a subsidiary company or another firm within the same group. Instead each firm must complete its own application form because it is a separate legal entity.

Where a firm obtains OMC approval it must keep its sponsor informed and its sponsor must keep Lloyd's general representative informed of any material changes to the details of the OMCs offices as shown in its application form.

## **Changes to an OMCs details**

The OMC should inform its sponsor of any changes to the OMCs details set out in the application form. This includes matters that might affect an assessment of the OMCs suitability to be approved by Lloyd's as well as administrative matters, such as changes to the OMCs contact details. The sponsor should, in turn, keep the Lloyd's general representative in the relevant territory informed of these matters. The Lloyd's general representative will ensure that Lloyd's central records are kept up to date. These records are used by Xchanging when confirming that an OMC on a risk has Lloyd's approval, so a failure to keep Lloyd's informed can delay the signing of business. A sponsor should inform the relevant general representative if the relationship between the sponsor and an OMC

ceases for any reason so that the sponsor is unlikely to place business for the OMC at Lloyd's in the future.

There are no limits to the number of Lloyd's brokers who may deal with an OMC. A Lloyd's broker may therefore do business with an OMC whose application for Lloyd's approval was sponsored by another Lloyd's broker. In these circumstances, the Lloyd's broker who is not the original sponsor of the OMC should complete an application form (appendix 4) for registration as an additional sponsor. This form should be submitted to the relevant general representative who will effect the registration unless there is a problem. This enables Lloyd's to identify and contact the OMCs current Lloyd's broker(s) at any stage.

## **Use of Lloyd's Name by OMCs**

OMCs may not use Lloyd's name or logo unless they have been *approved* by Lloyd's (see appendix 1 which lists where OMCs are approved). This is because in the territories where OMCs are approved (and not just registered), there are specific local legal provisions for intermediaries doing business with Lloyd's.

An *approved* (i.e. not a *registered*) OMC can use the statement '*Lloyd's correspondent*' on its stationery, but may not incorporate Lloyd's name into its registered company name or trading title. A *registered* OMC cannot use Lloyd's name or logo.

Guidelines on the use of the Lloyd's name are available on Lloyds.com at:  
[www.lloyds.com/index.asp?ItemId=2425](http://www.lloyds.com/index.asp?ItemId=2425).

## **Further information**

If you have any queries about this bulletin please contact Lloyd's Worldwide Market Services:

Lloyd's Worldwide Market Services  
Tel: 020 7327 6677  
Email: [market.services@lloyds.com](mailto:market.services@lloyds.com)  
Box 190b, Gallery 1

This bulletin has been sent to active underwriters and the compliance officers of managing agents, Lloyd's brokers, Lloyd's market associations and recognised accountants.

Julian James  
Director  
Worldwide Markets

### Territories in which the approval or registration of open market correspondents is required

<b>APPROVAL REQUIRED (Regulatory requirements)</b>
Israel
Kentucky
Namibia
South Africa (includes reinsurance) ( <b>note 1</b> )
Switzerland
US Virgin Islands

<b>REGISTRATION REQUIRED (other factors)</b>
Belgium
Canada
<i>Cyprus</i>
France
Germany
Greece
Illinois (Licensed and <i>surplus lines</i> )
Ireland
Italy
Monaco
Netherlands
<i>Malta</i>
<i>Portugal</i>
Spain (includes reinsurance) ( <b>note 2</b> )

In the case of the territories in italics, the requirement applies to business incepting on or after 1 October 2005.

#### Note

1. South Africa – The approval requirement includes OMCs placing reinsurance at Lloyd's.
2. Spain – The approval requirement includes OMCs placing reinsurance at Lloyd's. For further details please refer to market bulletin Y3442 'Open Market Registration Requirement for Spanish Intermediaries', dated 3 December 2004.
3. France includes overseas departments (DOM's): Guadelupe, la Guyane, Martinique, La Réunion, St Martin, St Barthélemy; Territorial Collectivities : Mayotte, St Pierre et Miquelon; overseas territories (TOM's): French Polynesia, French Southern & Antarctic Lands, Wallis & Fortuna Islands and New Caledonia.
4. Italy includes Campoine D'Italia and Livigno
5. Portugal includes the Azores and Madeira islands.
6. Spain includes the Balearic and Canary Islands and those places in North Africa under Spanish sovereignty including Ceuta and Melilla
7. All business classes include marine but do not include reinsurance, except for South Africa and Spain where special regulatory requirements exist.

## Outline of Open Market Correspondents approval process

In summary, Lloyd's process for approving an OMC is as follows:

1. The Applicant ("A") and sponsoring Lloyd's broker ("LB") complete the application form which LB or A submits to the General Representative ("GR") for the relevant country (Application form is available from the Lloyd's website [www.lloyds.com/omcforms](http://www.lloyds.com/omcforms))

2. GR reviews the application form and consults appropriate sources of information. The GR will determine whether the applicant is suitable to be accepted to place business at Lloyd's.

3. GR decides to approve application (and may impose special conditions if necessary).

4. LB will receive a letter to confirm approval and will include details of any special conditions imposed. GR will notify A of local reporting requirements.

### Notes:

1. If GR proposes to reject application then the GR may invite the applicant to withdraw the application. Alternatively, a formal letter may be issued. The sponsoring LB will be given 14 days to respond in writing.
2. The application form is available from [www.lloyds.com/omcforms](http://www.lloyds.com/omcforms)
3. All deadlines may be extended if appropriate

**Appendix 3****Application to become a Lloyd's Open Market Correspondent**

Please read the following notes carefully before filling in this form.

1. A separate application form must be completed for each firm that wishes to become an open market correspondent. However, one application form may be used to cover more than one office of the same firm.
2. The expression "firm" is used in this form to refer to a company, a partnership and any other form of economic undertaking which is recognised at law as having a separate legal personality. The words "director" and "partner" refer to persons who hold such appointments within companies and partnerships respectively, and also to persons who have equivalent legal status in other forms of economic undertaking that are recognised at law as having a separate legal personality.
3. If you or the Lloyd's broker that is sponsoring your application ("your sponsor") are uncertain whether any fact or matter is relevant, you should disclose it.
4. If this form does not provide enough space for your answers, please continue your answers on a separate sheet of paper indicating the question you are answering.
5. When all parts of this form have been filled in, your sponsor should send it to Lloyd's General Representative/Attorney in Fact in the country in which registration or approval is required. Any documents needed to support this application should be enclosed with it.
6. In certain territories open market correspondents require to be approved in order to satisfy local legal or regulatory requirements. In other territories open market correspondents are registered as a matter of practice. Please see [www.lloyds.com/omcforms](http://www.lloyds.com/omcforms) for lists of the territories concerned in each case.
7. You and your sponsor will be notified in writing if you have been registered or approved as an open market correspondent.

**Who should fill in this form?**

**Part A** should be filled in by you, the applicant, with help from your sponsor if necessary. At the end of Part A there is a declaration that should be signed by one of your firm's board of directors or partners.

**Part B** should be filled in by your sponsor. At the end of Part B there is a declaration that a board director or partner of your sponsor must sign.

Annex 1 (the standard open market correspondent's undertaking) should be completed by you, the applicant, unless you intend to produce business to Lloyd's from Italy. If you intend to produce business to Lloyd's from Italy you should complete the standard Italian OMC undertaking and submit that with your application form to Lloyd's General Representative in Italy. Copies of the standard Italian OMC undertaking may be obtained from Carola Pisani in Lloyd's Italian office. Her contact details are:

E-mail: [carola.pisani@lloyds.it](mailto:carola.pisani@lloyds.it)

Tel: + 39 02 551 93121

Fax: + 39 02 551 93107

Annex 2 contains the privacy notice which is referred to in the declarations at the end of Parts A and B of this form.

## Part A – Details of applicant

- 1 Name of applicant  
(Please state legal name and trading name if these differ)

- 2 Applicant's contact details.

- (a) Trading address

- (b) Telephone number:

- (c) Fax number:

- (d) E-mail address<sup>1</sup>:

- (e) Website address:

- (f) Contact person:

- (g) Is the office referred to in box 2 (a) the only office for which your firm seeks open market correspondent ("OMC") registration or approval? Yes  No

If you have answered 'No' to question 2 (g), please enter the contact details (as shown in paragraphs 2 (a) – (f) above) for each additional office to be included in this application together with name and job title of the person who is responsible for managing that office on a separate sheet of paper headed "Part A, Question 2 - Additional Offices". Please attach that sheet to this form.

- 3 How long has your firm been trading as an insurance intermediary?

- 4 Has your firm applied to be (i) a Lloyd's coverholder, or (ii) an OMC before? (i) Yes  No

- (ii) Yes  No

<sup>1</sup> The office e-mail address of the contact person should be used.



**Part A – Details of applicant (continued)**

The following box (4A) is for Lloyd’s use only

4A (i) Coverholder or (ii) OMC registration or approval number

(i)	
(ii)	

5 Please list those jurisdictions<sup>2</sup> in which your firm will be acting as an insurance intermediary when arranging insurance cover with Lloyd’s underwriters.

(a)	
(b)	
(c)	
(d)	

6 Is your firm and (as necessary) is any of its directors/partners and employees a licensed or registered intermediary in the territories listed in box 5?

Yes  No

7 Is your firm (i) a party to any legal proceedings or (ii) subject to any investigation by any governmental or regulatory body at the present time?

Yes  No

8 Has your firm ever:

a) been the subject of any criminal conviction<sup>3</sup> or censure by any Court of Law, government department, state inquiry or regulatory body in any country? Yes  No

b) had any trading licence or authorisation withdrawn from it? Yes  No

c) been subject to any insolvency proceedings? Yes  No

9 Does your firm have errors and omissions insurance? Yes  No

If yes, please state:

(a) The renewal date

(b) The limit of indemnity

(c) The deductible

(d) The name of the insurer

<sup>2</sup> In those systems of government where insurance is regulated at the level of state, province or territory each relevant state, province or territory should be listed. However it is not necessary to list US states other than Illinois, Kentucky and US Virgin Islands, where Lloyd’s is licensed.

<sup>3</sup> Other than in respect of a minor traffic offence.

**Part A – Details of applicant (continued)**

- (e) Whether the policy covers all the activities of your firm in connection with placing insurance policies at Lloyd's and servicing those policies      Yes       No
- 10      Is the maintenance of errors and omissions insurance a condition of one or more of the intermediary licences listed in box 6?      Yes       No
- 11      Have there been any errors and omissions claims against your firm (whether covered by insurance or not) within the last 36 months?      Yes       No
- 12      Are you aware of an incident or circumstance that may give rise to an errors and omissions claims against your firm (whether covered by insurance or not)?      Yes       No
- 13      Please list below your firm's current directors/partners and controlling shareholders<sup>4</sup> stating (i) in the case of the directors/partners the nature of their executive responsibilities; (ii) in the case of each shareholder the size of their shareholding; and (iii) in the case of each partner the size of their partnership share.

Name	Position in firm	Area of responsibility	Size of shareholding or partnership share

- 14      Has any person listed in paragraph 13
- (a) got a criminal conviction for an offence involving dishonesty, violence, the supply of drugs or the handling of any proceeds of crime?      Yes       No

<sup>4</sup> A controlling shareholder is defined for this purpose as any person (whether individual or incorporated) who owns more than 10% of the company's shares or 10% of the shares of its holding company (if it has one).

**Part A – Details of applicant (continued)**

- |   |                              |                             |
|---|------------------------------|-----------------------------|
| (b) ever been found liable to recompense another person in any legal proceedings or been subject to investigation by any governmental or regulatory body? | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (c) got any legal proceedings against him, her or it?   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (d) been refused a trading licence or had such a licence suspended or withdrawn from them?  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |

**If you have answered ‘Yes’ to any of questions 6, 7, 8, 11, 12 or 14 above please provide further details in each case on one or more separate sheets of paper. In the case of question 6 you should state the name of the licence holder, their licence number, the licence type and the licensing authority for each jurisdiction listed in box 5.**

**Please complete the undertaking at annex 1 to this form.<sup>5</sup>**

**Applicant's declaration**

I confirm and undertake on behalf of the applicant and each of the persons listed in paragraph 13 above that:

- (i) I am authorised to make this declaration and to provide the information that is contained in Part A of this application form and in any supporting documentation;
- (ii) the information supplied in Part A of this application form and in any supporting documentation is complete and accurate to the best of the applicant's knowledge and belief;
- (iii) the applicant will notify our sponsoring Lloyd's broker(s) of any changes in the information provided in and with Part A of this application form;
- (iv) the applicant will abide by the terms of its OMC undertaking if it is granted approval or registration as an OMC; and
- (v) we have read and accept the terms of the privacy notice at annex 2 to this form.

Signed: .....

Name: .....

Position: .....

Date: .....

<sup>5</sup> Applicants that intend to produce business to Lloyd's from Italy should complete and sign the standard Italian OMC undertaking instead and annex that undertaking to their application form.

**Part B – Sponsor’s details**

1. Name of sponsor

2. Please give the following details of your<sup>6</sup> representative who is dealing with this application.

Name:

Position in company:

Fax number:

Telephone number:

E-mail address:

3. Have you brokered business in the London market for the applicant before? Yes  No

If 'Yes' for  years

**Sponsoring broker’s declaration**

I confirm and undertake on behalf of the sponsor that:

- (i) I am authorised to make this declaration and to provide the information that is contained in Part B of this application form and in any supporting documentation;
- (ii) the information supplied in Part B of this application form and in any supporting documentation is complete and accurate to the best of the sponsor’s knowledge and belief;
- (iii) on the basis of the enquiries I have made I am satisfied as to the applicant’s financial security and that the applicant and the individuals listed in paragraph 13 in Part A of this form are of good reputation;
- (iv) the sponsor will notify Lloyd’s General Representative in the country for which registration or approval is sought of any changes in the information provided in this application form of which it has knowledge; and
- (v) I have read and accept the terms of the privacy notice at annex 2 to this form.

Signed: .....

Name: .....

Position: .....

Date: .....

<sup>6</sup> The expression “you” and “your” that appear in Part B of this application form refer to the sponsor.

## Annex 1

### OPEN MARKET CORRESPONDENT'S UNDERTAKING

- To: (1) The Society of Lloyd's, One Lime Street, London EC3M 7HA, England ("Lloyd's");  
and
- (2) **[Enter the name and address of the General Representative or Attorney In Fact of the country concerned. Where the General Representative is a company the company's name and address should be entered. Where the General Representative or Attorney In Fact is an individual enter his or her title rather than his or her name as this undertaking is given to the office holder rather than to a specific individual.]** ("the General Representative")<sup>7</sup>

In consideration of our registration or approval as an open market correspondent we, **[enter the name of the applicant firm]** ("the firm"), undertake that from the date of our registration or approval as an open market correspondent until you formally release us from doing so we will:

1. Comply with all applicable laws and regulatory requirements relating to our activities as an open market correspondent in **[enter home country]** and in any other relevant jurisdiction, including all laws relating to the payment of taxes and duties.
2. Comply with each condition that attaches to our registration or approval as an open market correspondent.
3. Comply with any instruction and adhere to any guidelines that you may issue regarding the conduct of the activities of an open market correspondent, including guidelines relating to the use of Lloyd's name and trademarks.
4. Keep proper accounts and other records relating to our activities as an open market correspondent.
5. Cooperate with you and provide you with all documents, information and other materials that you may require relating to our activities as an open market correspondent in order that you may: (a) discharge any legal or regulatory requirement that may be imposed on you; or (b) assess whether we remain suitable to be approved or registered as an open market correspondent.
6. Permit you or your appointed agent at reasonable notice to inspect and, where appropriate, to take copies, of accounts and other records relating to our activities as an open market correspondent at our offices during normal office hours for the purpose of enabling you: (a) to discharge any legal or regulatory requirement that may be imposed on you; or (b) to assess whether we remain suitable to be approved or registered as an open market correspondent.
7. Notify the General Representative promptly of:
  - (a) any actual or proposed breach of any legal or regulatory requirement by us;
  - (b) any formal written complaint or legal claim sent to or served on us in respect of our activities as an open market correspondent; and
  - (c) the occurrence of any other matter that might reasonably be thought to call into question our suitability to be approved or registered as an open market correspondent.
8. Deal fairly with actual or prospective Lloyd's policyholders and otherwise fulfil our legal obligations to such persons.

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<sup>7</sup> The title and address of each of Lloyd's overseas representatives may be found at [www.lloyd's.com/Lloyd's Worldwide/CountryGuides](http://www.lloyd's.com/Lloyd's Worldwide/CountryGuides).

9. Pay all premiums due to Lloyd's underwriters promptly to our sponsor(s) in accordance with any terms of business agreement or, if different, local legal requirements.
10. Forward to our clients promptly and in accordance with any terms of business agreement or, if different, local legal requirements, any claims monies, return premiums or other monies that are paid to us by our sponsor(s) for remittance to our clients.
11. To indemnify you against all costs, claims, demands or losses which you may incur as a result of us breaching this undertaking.

This undertaking shall take effect on the day that it is signed and may be varied only by the prior written agreement of each party hereto.

We understand that any breach of this undertaking may affect our suitability to be registered or approved as an open market correspondent.

This undertaking shall be governed by the laws of England and the parties hereby irrevocably and unconditionally accept and agree to submit to the exclusive jurisdiction of the courts of England to hear any dispute relating to this Agreement.

I confirm that I am duly authorised to sign this undertaking on behalf of the firm.

Signed:.....

Full name of signatory:.....

Position of signatory with the firm:.....

Dated the ..... day of .....

Annex 2

**Privacy notice**

**1. Data Protection**

- 1.1 The processing of each application for registration or approval as an open market correspondent ("OMC") will involve the processing of personal information relating to (a) the directors, partners and/or controlling shareholders of applicant firms and (b) the responsible broker and, if different, the responsible director of the sponsoring Lloyd's broker in (a) the United Kingdom and (b), in most cases, the territory where OMC registration or approval is sought as well.
- 1.2 The processing of personal information within the United Kingdom is regulated by the Data Protection Act 1998 ("the Act"). The Society of Lloyd's ("Lloyd's") is a data controller for the purposes of the Act and holds information for the purposes specified in its notification to the Information Commissioner who is responsible for maintaining the register of data controllers under the Act.
- 1.3 The processing of personal information by Lloyd's General Representative or Attorney in Fact ("the General Representative") in the territory where OMC registration or approval is sought may be subject to separate local law requirements.

**2. The use by Lloyd's of personal information supplied in connection with applications for registration or approval as an open market correspondent**

- 2.1 The personal information which each applicant and its sponsor supply in connection with applications for registration or approvals of an OMC and any review, variation or revocation thereof will be used by Lloyd's, its agents and representatives for one or more the following purposes:
- (i) to process each application made by the applicant for registration or approval as an OMC;
  - (ii) to review the registration or approval of an OMC;
  - (iii) to check the status of the directors, partners and/or controlling shareholders of the applicant firm and the responsible broker and, if different, the responsible director of the sponsoring Lloyd's broker;
  - (iv) to verify information held about (a) the directors, partners and/or controlling shareholders of the applicant firm; and, (b) the responsible broker and (if different) the responsible director of the sponsoring Lloyd's broker;
  - (v) to consider applications for the registration of Lloyd's brokers and to review the eligibility of the sponsoring Lloyd's broker to be registered as a Lloyd's broker;
  - (vi) to conduct inquiries under Lloyd's Inquiries and Investigations Byelaw (No.3 of 1983) and reviews under Lloyd's Underwriting Byelaw (No.2 of 2003) or conduct inquiries or reviews under any re-enactment or replacement of those byelaws;
  - (vii) to prosecute enforcement proceedings at Lloyd's; and,
  - (viii) any purpose specified in paragraph 4 of Lloyd's Information and Confidentiality Byelaw (No. 21 of 1993)<sup>8</sup> or any re-enactment or replacement of those provisions.
- 2.2 Personal information relating to (a) the directors, partners and/or controlling shareholders of the applicant firm and (b) the responsible broker and (if different) the responsible director of the sponsoring Lloyd's broker may be transferred to a country or territory outside the

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<sup>8</sup> This byelaw permits Lloyd's to disclose information that it has obtained in the exercise of its statutory powers, amongst other things, for the purposes of any inquiry, disciplinary proceedings or criminal proceedings and to assist any regulator, investment exchange, professional body or clearing house in the discharge of its functions.

European Economic Area for regulatory and legal enforcement purposes in which event it may not be subject to the same level of legal protection as it has in the United Kingdom. Where permissible, details of the individuals or organisations and countries to whom or to which such information is transferred will be provided to the individual data subject on request.

### **3. Security**

- 3.1 All personal information that Lloyd's obtains in connection with an application for registration or approval as an OMC and (if appropriate) the grant of registration or approval as an OMC will be held securely by Lloyd's and its agents in paper and/or electronic form.

### **4. Confidentiality**

- 4.1 Lloyd's will treat as confidential the personal information that you supply in connection with this application for registration or approval as an OMC subject to the provisions of Lloyd's Information and Confidentiality Byelaw (No 21 of 1993) or any re-enactment or replacement thereof, and the general law.

### **5. Access to information held**

#### The processing of personal information in the United Kingdom

- 5.1 You have the right under the Act to apply for copies of the personal information which Lloyd's holds in respect of you, and the right to prevent its use for direct marketing purposes. However you should be aware that Lloyd's may be exempt from disclosing certain types of personal information which it holds.
- 5.2 Enquiries relating to the use by Lloyd's and the disclosure to you of the personal information which Lloyd's holds relating to you should be addressed to Lloyd's Data Protection Officer at the following address:

Data Protection Officer  
Compliance  
Lloyd's of London  
One Lime Street  
London EC3M 7HA  
United Kingdom.

#### The processing of personal information in the territory for which OMC registration or approval is required

- 5.3 Enquiries relating to the use by the General Representative and the disclosure to you of the personal information which the General Representative holds relating to you should be addressed to the General Representative for the territory concerned.



**Form for registration as an additional sponsor of  
a Lloyd's open market correspondent**

Please read the following notes carefully before filling in this form.

1. This form should be completed by a Lloyd's broker that wishes to be registered as an additional sponsor of a firm that is currently approved or registered as a Lloyd's open market correspondent.
2. The expression "firm" is used in this form to refer to a company, a partnership and any other form of economic undertaking which is recognised at law as having a separate legal personality. The words "director" and "partner" refer to persons who hold such appointments within companies and partnerships respectively, and also to persons who have equivalent legal status in other forms of economic undertaking that are recognised at law as having separate legal personality
3. If you are uncertain whether any fact or matter is relevant, you should disclose it.
4. If this form does not provide enough space for your answers, please continue your answers on a separate sheet of paper indicating the question you are answering.
5. At the end of Part B of this form there is a declaration that a board director or partner of the Lloyd's broker must sign.
6. When all parts of this form have been filled in, you should send it to Lloyd's General Representative in the country where the open market correspondent is registered or approved. Any documents needed to support this application should be enclosed with it.

## Part A – Details of open market correspondent

1 Name of the open market correspondent to be sponsored ("the OMC")

(Please state legal name and trading name if these differ)

The following box (1A) is for Lloyd's use only

1A OMC registration or approval number

## Part B – Details of additional sponsor

1 Name of the additional sponsoring Lloyd's broker ("the sponsor")

2 Please give the following details of your<sup>1</sup> representative who is dealing with this application.

Name:

Position in company:

Telephone number:

E-mail address:

3 Have you brokered business in the London market for the OMC before?

Yes

No

If 'Yes', for:            years

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<sup>1</sup> The expression "you" and "your" that appear in Part B of this application form refer to the sponsor.

**Part B – Additional sponsor's details (continued)**

**Sponsoring broker's declaration**

I confirm and undertake on behalf of the sponsor that:

- (i) I am authorised to make this declaration and to provide the information that is contained in this application form and in any supporting documentation;
- (ii) the information supplied in this application form and in any supporting documentation is complete and accurate to the best of the sponsor's knowledge and belief;
- (iii) on the basis of the enquiries I have made I am satisfied as to the applicant's financial security and that the applicant and each of its directors/partners and (where relevant) controlling shareholders<sup>2</sup> is of good reputation;
- (iv) the sponsor will notify Lloyd's General Representative in the country where the open market correspondent is registered or approved of any changes in the information provided in this application form; and
- (iv) I have read and accept the terms of the privacy notice at annex1 to this form.

Signed: .....

Name: .....

Position: .....

Date: .....

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<sup>2</sup> A controlling shareholder is defined for this purpose as any person (whether individual or incorporated) who owns more than 10% of the company's shares or 10% of the shares of its holding company (if it has one).

## Privacy notice

### **1. Data Protection**

- 1.1 The processing of each application for registration as an additional sponsor of an open market correspondent ("OMC") will involve the processing of personal information relating to the responsible broker within the applicant Lloyd's broker and (if different) the responsible director of that Lloyd's broker in (a) the United Kingdom and (b), in most cases, the territory where the OMC is registered or approved as well.
- 1.2 The processing of personal information within the United Kingdom is regulated by the Data Protection Act 1998 ("the Act"). The Society of Lloyd's ("Lloyd's") is a data controller for the purposes of the Act and holds information for the purposes specified in its notification to the Information Commissioner who is responsible for maintaining the register of data controllers under the Act.
- 1.3 The processing of personal information by Lloyd's General Representative or Attorney in Fact ("the General Representative") in the territory where the OMC is registered or approved may be subject to separate local law requirements.

### **2. The use by Lloyd's of personal information supplied in connection with applications for registration or approval as an open market correspondent**

- 2.1 The personal information which the Lloyd's broker named in Part B supplies in connection with its application for registration as an additional sponsor of the OMC named in Part A of this form will be used by Lloyd's, its agents and representatives for one or more of the following purposes:
- (i) to process the Lloyd's broker's application for registration as an additional sponsoring broker of the OMC named in Part A of this form;
  - (ii) to check the status of the responsible broker and, if different, the responsible director of the Lloyd's broker named in Part B of this form;
  - (iii) to verify information held about the responsible broker and, if different, the responsible director of the Lloyd's broker named in Part B of this form;
  - (iv) to review the registration or approval of an OMC;
  - (v) to review the registration of any sponsor of an OMC;
  - (vi) to consider applications for the registration of Lloyd's brokers and to review the eligibility of a Lloyd's broker to be registered as a Lloyd's broker;
  - (vii) to conduct inquiries under Lloyd's Inquiries and Investigations Byelaw (No.3 of 1983) and reviews under Lloyd's Underwriting Byelaw (No.2 of 2003) or conduct inquiries or reviews under any re-enactment or replacement of those byelaws;
  - (viii) to prosecute enforcement proceedings at Lloyd's; and
  - (ix) any purpose specified in paragraph 4 of Lloyd's Information and Confidentiality Byelaw (No. 21 of 1993)<sup>3</sup> or any re-enactment or replacement thereof.
- 2.2 Personal information relating to the responsible broker and, if different, the responsible director of the Lloyd's broker named in Part B of this form may be transferred to a country or territory outside the European Economic Area for regulatory and legal enforcement purposes

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<sup>3</sup> This byelaw permits Lloyd's to disclose information that it has obtained in the exercise of its statutory powers, amongst other things, for the purposes of any inquiry, disciplinary proceedings or criminal proceedings and to assist any regulator, investment exchange, professional body or clearing house in the discharge of its functions.

in which event it may not be subject to the same level of legal protection as it has in the United Kingdom. Where permissible, details of the individuals or organisations and countries to whom or to which such information is transferred will be provided to the individual data subject on request.

### **3. Security**

- 3.1 All personal information that Lloyd's obtains in connection with an application for registration as an additional sponsor of an OMC and, if appropriate, the grant of such registration will be held securely by Lloyd's and its agents in paper and/or electronic form.

### **4. Confidentiality**

- 4.1 Lloyd's will treat as confidential the personal information that you supply in connection with this application for sponsorship of the OMC named in Part A of this form subject to the provisions of Lloyd's Information and Confidentiality Byelaw (No. 21 of 1993) or any re-enactment or replacement thereof, and the general law.

### **5. Access to information held**

#### The processing of personal information in the United Kingdom

- 5.1 You have the right under the Act to apply for copies of the personal information which Lloyd's holds in respect of you, and the right to prevent its use for direct marketing purposes. However you should be aware that Lloyd's may be exempt from disclosing certain types of personal information which it holds.
- 5.2 Enquiries relating to the use by Lloyd's and the disclosure to you of the personal information which Lloyd's holds relating to you should be addressed to Lloyd's Data Protection Officer at the following address:

Data Protection Officer  
Compliance  
Lloyd's of London  
One Lime Street  
London EC3M 7HA  
United Kingdom.

#### The processing of personal information in the territory in which the OMC is registered or approved

- 5.3 Enquiries relating to the use by the General Representative and the disclosure to you of the personal information which the General Representative holds relating to you should be addressed to the General Representative for the territory concerned.