

# **MARKET SERVICES' NEWSLETTER**

Welcome to the December 2009 edition of the Market Services' newsletter keeping you updated on events within Market Services.

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## **1 Funds at Lloyd's – New Trust Deeds**

Lloyd's has recently completed a review of the suite of trust deeds (both interavailable and non-interavailable) by which funds at Lloyd's are held. These deeds were last updated in the context of the introduction of corporate capital in the mid-1990's and as such were overdue a further review.

As a result, new forms of trust deed have been prepared which will come into effect during 2010. As required by the FSA Handbook, during the course of 2009 consultation took place on the new form deeds with interested parties including the members' agents, the ALM, the LMA and members of the DCP community.

The objectives in undertaking the review are to make the deeds more streamlined and easier to operate, remove administrative inefficiencies and bring them up to date. The proposals were welcomed by the parties consulted and members may recall a brief ALM article on the topic in Issue No 3/2009 of ALM News.

Further details on the changes and the actions required by members will follow in due course. It is anticipated that active members will have entered into new form deeds by the end of the first quarter. In the meantime, members are not required to take any action until contacted directly by Market Services or their members' agent.

A market bulletin will also be issued shortly. It is intended that examples of the new form deeds, together with a guidance note on the changes that have been made, and the market bulletin will be available via Lloyds.com for members to view.

For further information please contact: Karen Fox, 01634 392368

Email: [membership-arrangements@lloyds.com](mailto:membership-arrangements@lloyds.com)

## **2 Claims Equalisation Reserve Reports - For Corporate Members**

A market bulletin Y4339, setting out the mechanics of establishing a Claims Equalisation Reserve, the information to be provided and the calculation that members need to make in order to determine the eligible CER, was issued on the 27 November 2009. This can be accessed on Lloyds.com.

Whilst it was anticipated that the figures for the 2005 year of account would be sent to members in January, this has not been possible. A system is being developed to produce the relevant reports for members and it is currently anticipated that reports for 2005 and 2006 will be available in March/April 2009.

For further information, please contact: Christine Allcott, 01634 392233

Email: [christine.allcott@lloyds.com](mailto:christine.allcott@lloyds.com)

### **3 Distribution 2010 - Profit and Loss Payment Dates**

Since 1997 Market Services has accelerated the timetable for the release of profits for non-aligned members from 28 July to 1 May in line with our commercial approach to continuous improvement. However, looking ahead to the 2010 timetable there does not appear to be any further scope at present to accelerate this date, member's agents are in agreement with this. Therefore we can confirm that, subject to the results of the Release Test, profits will be available for non-aligned members from 30 April. The loss payment date remains as 16 June.

For further information, please contact: Dave Stevens, 01634 392287

Email: [david.stevens@lloyds.com](mailto:david.stevens@lloyds.com)

### **4 Syndicate Reports and Accounts**

During 2009, Market Services introduced an option for members to view their syndicate reports and accounts electronically via Lloyds.com. This proved very popular with members and also helped to reduce printing costs for managing agents at a time when Lloyd's is committed to reducing its environmental impact. If you previously elected for electronic versions then this instruction should be carried forward by your members' agent. However, if you previously received hard copy syndicate reports and accounts and now wish to switch to the electronic option please contact your members' agent, providing your email address and they will liaise with us to make the necessary arrangements.

For further information, please contact: Dave Stevens, 01634 392287

Email: [david.stevens@lloyds.com](mailto:david.stevens@lloyds.com)

### **5 Lloyds.com**

Market Services is currently reviewing the information available to members via the Lloyd's website Lloyds.com. It is our aim to use this platform to provide useful information to members in an electronic format thereby reducing paper flow. We are currently planning to have general pages covering subjects such as standard forms, contact details, interest rates and the members' newsletter as well as pages informing you of our strategy and priorities for the coming year. We would like to ask members for their suggestions on information they would find useful via this platform. Unfortunately, it is not possible to display personal information such as funds at Lloyd's information via Lloyds.com.

The Market Services micro-site will be launched during the first quarter of 2010 and those members who have provided us with email contact details via the Verification of Identity pro forma will receive an email advising them that the site is available to view. All other members will be notified via the first members' newsletter of 2010.

For further information please contact: Jenny Laverty 01634 392320

E-mail [jenny.laverty@lloyds.com](mailto:jenny.laverty@lloyds.com)

## 6 Swift Bureau Goes Live

In line with our key priorities for 2009, Swift functionality was successfully implemented on the 5 October 2009.

The main benefits of using Swift are:-

- Electronic straight through processing of UK trade related payments to Citibank (our external custodians) and international payments to members
- Electronic straight through processing of funds at Lloyd's trades with Citibank
- The elimination of dual data input into systems and its associated risk.

During the period 5 October 2009 to 3 November 2009, Market Services completed transactions using Swift to the value of:

Sterling – £196,695,891.71

US Dollar – \$215,967,039.45

Euro – €1,454,871.52

Australian Dollar – AUD\$146,439.66

The use of Swift will be increased over the coming months by bringing more brokers and investment managers on line, culminating in a fast, cost effective, secure method of cash and stock settlement for all funds at Lloyd's transactions.

For further information, please contact: Janice Baldwin, 01634 392294

Email: [janice.baldwin@lloyds.com](mailto:janice.baldwin@lloyds.com)

## 7 Verification of Identity

Market Services wrote to all members in October this year setting out the revised security measures being put in place across teams to authenticate and validate instructions from members. To date these measures appear to be working very well and we are very pleased with the positive attitude being displayed by all affected. We would take this opportunity to thank you all for your patience and understanding during the implementation stages.

Attached to the letter was a pro-forma for completion by members to confirm existing email addresses or providing email addresses for the first time. Whether providing email addresses or not we did ask all members to sign and return the pro-forma to us in order that the pro-forma could also be used to authenticate member's signatures. Again, we have had an excellent response from members, for which we thank you. However, those of you who have yet to return the pro-forma, we would ask that you please do so as soon as possible. Providing this detail for us will not only assist us with authentication and verification, but this in turn will speed up the activities for which such verification and authentication is required, thereby enabling us to become more cost effective.

For further information, please contact: Angela Kerr, 01634 392083

Email: [angela.kerr@lloyds.com](mailto:angela.kerr@lloyds.com)

## 8 Vodafone Dividends

Lloyd's have received a notification from Vodafone Group in connection with the payment of future dividends. With effect from February 2010, Vodafone Group will only pay dividends by direct credit into a nominated bank or building society account. Should these details not be lodged with the registrar in sufficient time for the February dividend payment, the dividend will be retained by the registrar until such time that direct credit instructions are received.

As at 1 October 2009 we endeavoured to capture the names affected by this decision but the above should be borne in mind when purchasing or transferring in a holding of Vodafone Group to funds at Lloyd's (FAL), where the member currently receives their dividend payments by cheque.

Should a member wish to amend their current instructions (cheque) to receive the Vodafone dividends direct to their bank account they must contact Market Services in writing with the details of their bank account. Please note these instructions will also be applied to all the securities held within FAL that have the same designation.

For compliance purposes and for our records to be updated, we are required to see evidence of the account to which the funds are to be paid. This can be in the form of either a copy of a paying in slip, a cheque, statement or a letter from the bank showing the account number, sort code and account name.

For further information, please contact: Rosie Barrett, 01634 392364

Email: [rosie.barrett@lloyds.com](mailto:rosie.barrett@lloyds.com)

## 9 Members' Cash Interest Rates

For members' information the next interest payment will be as at 31 December, with payments to bank accounts in early January. The latest update of interest rates is shown below. Members are reminded to advise us of any amendments to your bank account details and provide documentary evidence of this to the address below or via email to [operational-support@lloyds.com](mailto:operational-support@lloyds.com).

<u>Currency</u>	<u>Period</u>	<u>Rate</u>
GBP	01/07/2009 – 04/11/2009	0.500%
	05/11/2009 – 30/11/2009	0.250%
US Dollar	01/07/2009 – 16/07/2009	0.125%
	17/07/2009 – 30/11/2009	0.250%
Euro	01/07/2009 – 06/08/2009	0.625%
	07/08/2009 – 22/10/2009	0.375%
	23/10/2009 – 30/11/2009	0.250%
Aus Dollar	01/07/2009 – 30/11/2009	2.000%

For further information please contact: Janice Baldwin 01634 392294  
Debbie Nash 01634 392654

E-mail: [janice.baldwin@lloyds.com](mailto:janice.baldwin@lloyds.com)  
[debbie.nash@lloyds.com](mailto:debbie.nash@lloyds.com)

## **10 Market Services' Pricing 2010**

Market Services' charges for 2010 were approved by the Franchise Board on 23 November 2009. The details remain unchanged from the indicative price list provided to members in October 2009 and so are not reproduced within this newsletter. If you wish to receive an additional copy of the price list please contact us using the details below.

As in previous years, the fund holding charges will be based upon members' funds at Lloyd's position as at 1 January 2010 and Charges Statements will be issued in March 2010.

For further information please contact: Jenny Laverty 01634 392320

E-mail [market-services-charges@lloyds.com](mailto:market-services-charges@lloyds.com)

I hope you have found this newsletter informative and if you would like to see an article on a particular subject please let me know.

Jenny Laverty

**MARKET SERVICES**

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