

Lloyd's Members Agency Services

LMAS

Newsletter

Special points of interest:

- Lloyd's Capital Test Timetable
- Total Release from Lloyd's Process
- Aspen Share Options
- Personal Stop Loss
- Syndicate Commentaries



Inside this issue:

LMAS News	1
Names Affairs	2
Syndicate Commentaries	8
LMAS Contact Points	14
Appendices	17

Chairman's Report

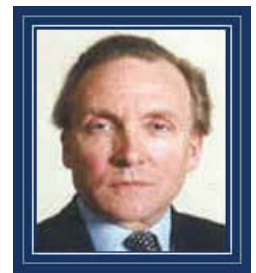
Any concern that the syndicate closure activity identified in recent Newsletters would prove a false dawn has thankfully proved groundless. As you will read real progress is being made on most fronts.

However, two matters still concern us in bringing Name's involvement to a conclusion. The first is the potential for USA taxation requirements necessitating delay in releasing Funds at Lloyd's to Names. Lloyd's is very conscious of the issue and is working to estab-

lish a means of avoiding undue delay.

The other matter is the extraordinary and puzzling number of Names who, despite our every effort, fail to respond to repeated requests for instructions as to available total and supplementary releases of Funds at Lloyd's and amounts owing to them from the annual Distribution process. Over the coming months many if not most of you will qualify for such releases. Please read our letters carefully and give

promptly the necessary instructions for despatch of your funds.



Jock Worsley

Managing Director's Report

Following receipt of your syndicate forecasts in March you will now be aware of the syndicate closures as at 31 December 2009.

Apart from the naturally open years there are now only 4 syndicates which remain open where LMAS has an involvement. The syndicates are 340, 529, 1007 and 1171 they cover seven years of account.

As a result of the closures at 31 December 2009, 800 LMAS Names will be able to bring their underwriting membership to a conclusion. In addition Centrewrite Limited will be able to close the files on a further 1,600 LMAS Names who had purchased an Exeat policy.

For those Names who remain we will of course keep you fully

informed on the progress of the remaining four syndicates. A brief report on these syndicates can be found later in this Newsletter.

The team are now in the process of preparing Cash Statements and we aim to send them to Names in early May along with the Consolidated Personal Accounts.

Since our last Newsletter one of our Names Executives has moved on, Chomps Kaeowsri has joined the Hampden Agency. The Names that were previously looked after by Chomps have been notified and allocated a new executive. It is obvious from the number of well wishes we have received she will be sorely missed. I would like to take this opportunity to thank

Chomps for the hard work and devotion she showed to LMAS during her brief stay and I would also like to wish her well in her new career.



Paul Box

Compliance Officer's Report



“The first Capital Test was run as at 16 April 2010.

This test is used primarily to determine those Names who will qualify for a release of underwriting surpluses.”

LMAS continues to meet all those regulatory requirements applicable to a run-off members' agent. Although LMAS is no longer directly regulated by the Financial Services Authority (FSA), it is regulated by Lloyd's which is itself regulated by the FSA.

LMAS Service Standards

The performance of the company is assessed regularly by the LMAS Board at its meetings, against service standards set by the Board. A schedule of the service standards is included on page 15 of this newsletter.

The most important of these service standards is that which requires all letters to be formally answered within one week, unless specific circumstances dictate that this is not possible - for example awaiting legal input or a response from a third party. Since the last newsletter in December 2009, LMAS has attained an average of 99% achievement of this service standard.

Complaints

For the benefit of all Names, although we sincerely hope you will not have cause for complaint, a formal complaint procedure (including compen-

sation claims), is in place, approved by the Board. Any written complaint against LMAS or its staff is passed to the Managing Director or Chairman and the Compliance Officer on the day of its receipt. The formal procedure will then be invoked if it is felt the complaint is sufficiently serious. Complaints, findings and outcomes will be discussed with the Chairman and reported to the Board.

A full copy of the complaints procedure is published on the website or is available from your Names' Executive.

Angela Kerr

NAMES AFFAIRS

Annual Valuation of Funds at Lloyd's

Those Names for whom Lloyd's holds assets would have received a valuation of those assets at the beginning of 2010. If you did not receive

this documentation or you have any queries relating to this subject, please do not hesitate to contact your Names' Executive who will be

only too willing to clarify any issues you may have.

Forecast Results

Those Names who still have open or run-off syndicates and will therefore receive Consolidated Personal Accounts this year, should already have

received an estimate of the results concerned. If you have any queries relating to these results, or if you have not received this documentation,

please contact your Names' Executive.

Lloyd's Capital Test Timetable

The first Capital Test was run as at 16 April 2010.

This test is used primarily to determine those Names who will qualify for a release of underwriting surpluses. It is anticipated that these figures

will be available to Names from LMAS by early May.

A further Capital Test will be calculated using a 30 June 2010 Funds at Lloyd's (FAL) Valuation and this test will determine those Names that

qualify for a release of surplus FAL. It is anticipated that LMAS will notify those Names that qualify for such releases in mid September.



Syndicate Closures at 31 December 2009; Release of Funds at Lloyd's and outstanding Overseas Tax Liabilities

As expected, a very significant proportion of the syndicate years of account, previously in run-off, closed at the end of last year. This entitles a large number of members to a total release of their Funds at Lloyd's (FAL). We would remind our Names that they will only be eligible for a release once all outstanding liabilities have been met and that these liabilities include some overseas taxes.

In accordance with central agreements, Lloyd's settles a number of overseas taxes on members' behalf. Generally, these taxes are collected from the syndicates and recovered from Names through the distribution mechanism. At the time a member's final underwriting account closes, that member will still need to be included on a minimum of two further US tax returns and one final Canadian tax return, which may give

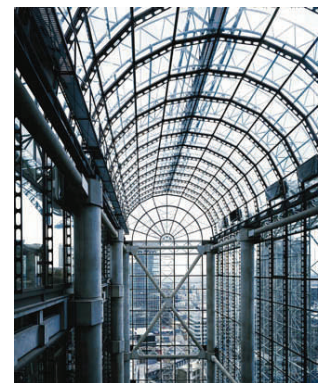
rise to further liabilities.

Whilst it has always been necessary for Lloyd's to consider the retention of funds to cover potential overseas tax liabilities, it has become increasingly difficult to assess the amounts involved. Carried forward tax losses are being used up; individual tax affairs are now more complex than ever before and Names, understandably, are requesting their FAL be released much earlier. We remain committed to requesting such releases as soon as possible but, whilst fully supportive of this objective, Lloyd's has a duty not to expose the Central Fund to any risk.

In past years, once we have received the necessary information and authority from a Name, the procedure has been that we make a formal request for the release of their FAL. Lloyd's Market Services (MS) confirm that all other liabilities have been met and the applica-

tion is passed to Lloyd's Taxation to determine whether there are any potential outstanding overseas tax liabilities. Due to the increased complexities, previously mentioned, and the number of requests anticipated this year, it may not be possible to assess the risk involved until Lloyd's tax agents in the US, LeBoeuf Lamb Greene & MacRae, report tax figures in December 2010.

We are ideally placed to discuss and negotiate this issue with other teams in MS, which we continue to do, but it may not be realistically possible to have funds released to many of our Names until the early part of 2011. We will, however, continue to request the information needed from Names in order to ensure a release at the earliest opportunity.



“At the time a member's final underwriting account closes, that member will still need to be included on a minimum of two further US tax returns and one final Canadian tax return, which may give rise to further liabilities.”

Total Release from Lloyd's Process

Notwithstanding the previous article we thought it helpful to explain the process for the release of funds.

Once the syndicate results have been reported to you and all debts have been settled including Market Services Charges, we will be able to apply to Lloyd's for the release of any remaining funds. We will write to you requesting your specific instructions for the release of your Funds at Lloyd's but we do not anticipate being in this position before the end of June.

If Lloyd's hold securities within your funds, we will require re-registration details. Securities can be registered into your own name or alternatively your Stockbroker's. If you wish to

release shares or equities to a Stockbroker, then you must have a Lloyd's Form of Appointment (LFOA) in place nominating that Broker. If a LFOA is not in place then you must provide written confirmation to us, before Lloyd's can release the holdings to your nominated Stockbroker.

If Lloyd's holds cash in your funds, we will arrange for a telegraphic transfer to your designated account of which we will require details, if you have not already provided them.

If you provide new or amended instructions, under the 2007 Money Laundering Regulations, we will need some documentary evidence of the bank account details i.e. Paying-in slip.

This is for both parties protection. **Releases by way of a cheque are no longer an option.**

Bank Guarantees, Letters of Credit and Insurance Company Guarantees will be returned to the issuing bank/company for cancellation. In the case of Insurance Company Guarantees, the policy will not be cancelled, Lloyd's will only confirm to the company that no further liability is held under the guarantee and any underlying policy between you and the company will continue.

The type of asset held in your funds will determine the time taken for these remaining funds to be released. Obviously, the quicker we are

Cont'd ..



Total Release from Lloyd's Process Cont'd ...



provided with the necessary information the quicker we will be able to return your remaining funds. This in turn will help to complete the cessation of your membership which will not take effect until 31 December 2010.

We must stress that we cannot release funds without your specific instructions as detailed.

Cessation of Membership

A number of you may have been notified by Lloyd's Market Services that the Council of Lloyd's has formally ceased your underwriting membership of the Society. This will include not only those Names whose syndicates have naturally closed by reinsurance but also members who purchased Centrewrite Exeat policies and formerly submitted their resignation to the Society.

Confirmation letters to this effect have been sent to individual members and the executors of deceased members respectively.

The letter will refer you to Paragraph 43 of the Membership Byelaw (No. 5 of 2005) ("the Byelaw"), that your individual membership of the Society of Lloyd's ceased on 31 March 2010.

As you are no doubt aware, Lloyd's is now regulated by the Financial Services Authority ("FSA"). Pursuant to FSA regulations, Lloyd's is under an obligation to require members to notify Lloyd's in writing of any change in address within one month of the change and also to make arrangements for Lloyd's to be notified in the event of their death. Lloyd's is also obliged to make and retain records of the notification by members and to provide FSA with copies of those records if so requested by the FSA. In addition, Lloyd's is required to draw your attention to Sections 320, 321 and 322 of the Financial Services & Markets Act 2000. Copies of these sections are enclosed with your cessation letter for ease of reference.

Paragraphs 49 and 50 of the Byelaw facilitate compliance with the relevant FSA regulations. In accordance with paragraph 50 of the Byelaw you are required to execute an 'Undertaking for Former Members' which is signed and witnessed and returned to Lloyd's Market Services.

We would therefore remind you to notify this agency of any change to your address details and we will notify all other concerned parties.

"We would therefore remind you to notify this agency of any change to your address details and we will notify all other concerned parties."

Funds at Lloyd's Interest Rates

The current interest rate for Sterling funds deposited with Market Services is 0.375% net of the service charge, as from 4 February 2010.

The equivalent US Dollar rate is 0.0%, as from 4 February 2010.

With effect from 21 April 2009 the Australian Dollar rate is 2.0%. The Euro rate is 0.125% since 13 January 2010.

In all cases the service charge deducted in arriving at these figures is 0.125%.



Partial Releases

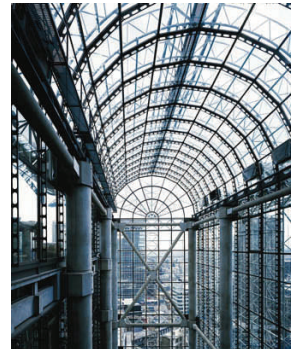
As noted previously, Lloyd's will provide LMAS with an update of Names' Funds at Lloyd's requirements following the second Capital Test calculation based on a valuation as at 30 June 2010. We should receive the information in mid September and intend to notify Names who are eligible for a

partial release of funds shortly thereafter.

This year the deadline for the submission of partial releases is provisionally 22 October 2010, however this date may be subject to change. We urge any Name qualifying for a partial release to submit an appli-

cation back to LMAS as soon as possible.

This year Lloyd's have introduced an administration charge of £100 for each request.



Personal Stop Loss Insurance

The administrators of Municipal General Insurance Limited (MGI) have recently issued their fifth annual report to the scheme creditors. Due to continuing uncertainties they have decided not to make a fifth general dividend payment at this time. However, for the

purpose of reducing costs they had previously settled in full creditors who had established claims of £1,000, or \$1,610, or less and they have now decided to increase this limit to £5,000, or \$8,050, or less. This means that, earlier this year, a 'full and final' dividend

payment was made in respect of some Names who would have been contacted by Lloyd's Market Services with a cheque or notification that funds had been credited to their Lloyd's accounts.

Aspen Share Options

A representative from LMAS recently attended a meeting between members' agents and Appleby Management (Bermuda) Limited, the administrators of The Names Trust created to hold options in Aspen Insurance Holdings. Those Names affected may recall that they were asked to relinquish capacity in Wellington in exchange for these share options and Appleby are responsible for holding them in trust until such time as the options are exer-

cised and shares sold or transferred into the members' own names.

There are approximately 1,700 options yet to be exercised but the transfer or sale process is complicated as the shares have a restricted legend which has to be removed at a cost of \$3,000. It is therefore advantageous to process a significant number of requests at one time in order to achieve the most cost effective outcome. It was

decided that it may currently be a good time to exercise any option available and that a newsletter, detailing the situation in full, should be circulated to the affected Names by the middle of April. We have agreed to assist the Trustee with the circulation of this newsletter and if, upon receipt, there are any queries regarding this matter, we will do our best to assist the Names concerned.

Centrewrite—Exeat policy

it is anticipated that Centrewrite will be offering the Exeat Reinsurance policy to Names who have resigned their underwriting membership but have been delayed in exiting Lloyd's due to their participation on one or more syndicates in run-off. It is hoped that quotations may be available during July.

Centrewrite may consider approaches, via their Names agent, for quotations for Scottish Limited Partnerships or Corporate members that fall into the same category i.e. that the underwriting membership is resigned but participation continues on one or more syndicates in run-off. Please con-

tact Angela Kerr at this agency in the first instance.

“We urge any Name qualifying for a partial release to submit an application back to LMAS as soon as possible.”

This year Lloyd's have introduced an administration charge of £100 for each request.”



COLLECTION AND DISTRIBUTION

The timetable for this process remains approximately the same as last year. For those Names with an overall liability to settle, the loss settlement date is 16 June 2010.

Any Name who has suffered an underwriting loss as at 31 December 2009 will receive a cash statement during early May. As noted above, the settlement date for any amount due will be 16 June. We will provide you with full settlement details in early May. It is anticipated that the payment of any underwriting surplus available, after application of the Capital Test, will commence towards the end of May.

Open Year Profits

As previously, any syndicate open year profit* as at 31 December 2009 may be trans-

ferred to Name's Premium Trust Funds. (* subject to satisfying certain solvency provisions set out by Lloyd's) to be utilised towards cash calls or other underwriting liabilities, or may be available for release, depending upon a Name's ability to meet the Lloyd's Capital Test requirements.

Details of the amounts transferred will be reflected on Names' cash statements.

Transfer to the New Special Reserve Fund (NSRF)

Many Names this year will receive a letter from LMAS indicating that their underwriting will be in a position of commercial profit.

In accordance with Inland Revenue rules, up to 50% of any commercial profit may be transferred to a New Special

Reserve Fund prior to the distribution of any profits.

It is important for Names to understand that a commercial profit does not indicate the actual cash position and the commercial profit may be in excess of any amount that may be available for release.

Indeed, a Name's actual cash position may still be an overall loss.



“Names, and any representative of a Lloyd's Name, such as an accountant or solicitor are now required to follow certain security guidelines before they can enter into discussions about their underwriting affairs or their clients underwriting affairs.”

Bank Details

You may recall that there was a change in the information required by a Bank to make electronic transfers to another Bank.

Every Bank in the world has a SWIFT/BIC code which can be 8 or 11 digits, which comprises of the Bank name, Country and Branch.

All USA Banks have an ABA code.

Every account in Europe has

an IBAN number which is classed as an account number but is a mixture of Country, Bank name, Sort code and Account number.

If you wish to provide us with these details now, please complete and return the Bank Details Form at the back of this newsletter.

Again we will need documentary evidence of these bank account details. i.e. paying-in

slip in order to fulfil our obligations under the 2007 UK Money Laundering Regulations. Releases by way of a cheque are no longer available.

This article, together with the following article, is also covered in the Newsletter you should have recently received from Lloyd's Market Services.

Authentication of Instructions from Names

As you will be aware, Lloyd's in conjunction with other financial institutions and regulators, has expressed concern over the rise in financial crime and identity theft. Market Services at Lloyd's, and indeed LMAS, is conscious of the need to increase measures to protect Names from such fraud, hence the necessity for the requested documentary evidence with any

bank account details provided by a Name.

Names, and any representative of a Lloyd's Name, such as an accountant or solicitor are now required to follow certain security guidelines before they can enter into discussions about their underwriting affairs or their clients underwriting affairs.

We would like to thank all our Names for their forbearance during the implementation stages within Lloyd's Market Services and indeed those on the team and would also request that, if you have not yet done so, you please return the completed pro-forma, provided with the letter, to Market Services as soon as possible, via this agency if necessary.



MAPA Reports

For those Lloyd's Names who participated on a Members Agent Pooling Arrangement (MAPA) for which LMAS are now responsible, namely the Wren MAPA 7030, we will be publishing the MAPA report which will be sent by 30 June 2010.

Where our Names participate on other MAPA's these will be dispatched as soon as these are received from the relevant MAPA reporting agents.



SYNDICATES

Syndicate Reports & Accounts

Names will recall from our Newsletters the Lloyd's initiative to reduce the number of hard copy syndicate reports and accounts that are produced annually, by offering Names the option to receive

electronic versions (or an electronic link), thereby reducing paper usage resulting in cost and labour savings as well as trees!

For those Names who re-

quested electronic versions of the reports and accounts please use the following link:

http://www.lloyds.com/Lloyds_Market/Financial_performance/

“For those Names who requested electronic versions of the reports and accounts please use the following link:

http://www.lloyds.com/Lloyds_Market/Financial_performance/”



SYNDICATES

Run-off Syndicate Commentaries

The following commentaries have been prepared based on information contained in the managing agents Report & Accounts, as at 31 December 2009.

Syndicate: 53	Managing Agent:	Renaissance Syndicate Management Ltd	
	Run-Off Manager:	Richard Murphy	
	Year(s):	1998	1999
Declared Results		(212.9%)	(63.00%)
Cash Calls to date		202.7%	67.1%

Syndicate 53 successfully closed the 1998 and 1999 accounts at 31 December 2009.

The managing agent has reported an improvement to the overall loss position of both years of account during the previous 12 months of 4.8% and 4.9% for the 1998 and 1999 accounts respectively. Names will be aware from our memorandum of 17 December 2009 of the managing agents intention to accept a quotation from Shelbourne Syndicate Services Limited to close the account at 31 December 2009.

The closure will result in a further cash call of 10.2% of capacity in respect of the 1998 account and a surplus of 4.1% for 1999. Both of which will be due for settlement in June 2010.

Syndicate: 340	Managing Agent:	Travelers Syndicate Management Ltd	
	Run-Off Manager:	Stephen Eccles	
	Year(s):	2000	2001
Declared Results		(70.6%)	(13.2%)
Cash Calls to date		67.7%	nil

Syndicate 340 was unable to close the 2000 & 2001 years of account at 31 December 2009.

Syndicate 340 was a specialist aviation syndicate and the 2000 and 2001 years of account have material exposure to losses arising from the terrorist activities in the USA of 11 September 2001. The scale and complexity of these losses have resulted in there being significant uncertainty as to their final outcome: the uncertainty relates to the extent of liability and the quantum of possible loss settlements.

In the managing agents report as at 31 December 2009 they have advised that negotiations have started that could give rise to a potential deal. In outline, all of the subrogating property insurers who had sued in New York together with most (but not all) of the insured property plaintiff's would accept a figure representing a percentage of the total remaining policy limits of the airlines and security companies. All of the other aviation defendants would benefit from the release to be given by the settling plaintiffs. Any deal along these lines would not end all current and potential litigation against the aviation defendants, but the airlines direct insurers characterised their approach as seeking "relative finality to the greatest extent possible".

In February 2010 a settlement was concluded formally with all but three of the property plaintiffs. The liability insurers of the main aviation defendants have also agreed on how any future resolution of those three outstanding property claims will be allocated amongst them.

Under the terms of the settlement agreement the relevant defendants' liability insurers have to place the settlement funds into an escrow account and they are paid out to the settling plaintiffs in the event that the settlement is approved conclusively by the New York court. Syndicate 340, as a reinsurer and a retrocessionaire, is paying its share of these funds. In the meantime the Judge has ordered that details of the settlement including the amount paid on behalf of each defendant should remain confidential.

Cont'd

Syndicate 340 Cont'd ..

The managing agents report goes on to say the terms of the settlement as negotiated would remove many, but not all of the uncertainties which have led to the syndicate remaining open and lead to a material improvement in the eventual result of both open years. However, the managing agents stresses that there are two extremely important points which cannot be over-emphasised.

1. The settlement would not extinguish all outstanding liabilities but it would provide relative finality to a greatest extent possible.
2. It is not definitive until it is approved conclusively by the New York court. This decision is still awaited.

The settlement has the potential to allow both years to be closed as at 31 December 2010, but in the event that the settlement is not approved by the court the managing agent does not anticipate being in a position to close either year of account before 31 December 2012.

In light of the above we are more optimistic that the syndicate could be in a position to close at 31 December 2010.

Syndicate: 529	Managing Agent:	Shelbourne Syndicate Services Ltd	
	Run-Off Manager:	A D Elliott	
	Year(s):	1998	1999
Declared Results		(88.2%)	(110.0%)
Cash Calls to date		103.0%	113.5%

Syndicate 529 was unable to close the 1998 and 1999 years of account at 31 December 2009.

The managing agent reports that the 1998 account has achieved a marginal improvement of 1% on the loss position during the calendar year 2009. In contrast the 1999 account has seen a further deterioration of 6.47%. In the report and accounts of 31 December 2009 the managing agent has made particular reference to the syndicates exposure to construction defects in the United States which has showed adverse developments during the year with result they have had to revise their ultimate loss projections in this area which has resulted in their re-estimating the future liabilities.

On a more positive note the syndicate will seek quotations from the third party reinsurance to close market with a view to obtaining closure at 31 December 2010.

Syndicate: 957	Managing Agent:	Duncanson & Holt Syndicate Management Ltd (CMGL)		
	Run-Off Manager:	David McElhiney		
	Year(s):	1997	1998	1999
Declared Results		(9.4%)	(64.33%)	(106.72%)
Cash Calls to date		32.89%	76.98%	124.6%

Syndicate 957 was able to close the 1997, 1998 and 1999 years of account at 31 December 2009.

Names will be aware from our memorandum of 20 November 2009 that the managing agent proposed to accept a quotation for closure from RITC Management Limited, Syndicate 5678. The final result for each of the three years in run-off was an improvement on the loss position reported at 31 December 2008. Each year of account had previously made cash calls in excess of the closing position and therefore the surplus will be due for release in June 2010.

Syndicate: 991	Managing Agent:	Capita Managing Agency Ltd		
	Run-Off Manager:	Harvey Simons		
	Year(s):	1998	1999	2000
Declared Results		(31.64%)	(41.49%)	(40.5%)
Cash Calls to date		48.14%	36.9%	35.7%

Syndicate 991 closed the 1998, 1999 and 2000 years of account at 31 December 2009.

Names will be aware from our memorandum of 4 December 2009 that Capita Managing Agency Limited proposed to accept a quotation from Shelbourne Syndicate Services Limited, Syndicate 2008 which was approved by the board and the syndicates capital providers with effect that all run-off years of account closed at 31 December 2009.

The closing result is shown above together with the cash calls made to date which will result in a surplus being paid in respect of the 1998 account and calls made for both 1999 and 2000 years of account for settlement in June 2010.

Syndicate: 1007	Managing Agent:	Novae Syndicates Ltd	
	Run-Off Manager:	J R Adams	
	Year(s):	2002	
Declared Result		(12.10%)	
Cash Calls to date		8.5%	

Syndicate 1007 was unable to close the 2002 year of account at 31 December 2009.

The reasons for putting the year of account into run-off included uncertainty over the eventual outcome on casualty treaty business and in respect of certain high profile US issues involving investment banks. Lesser uncertainties included US comprehensive, general liability business transacted in conjunction with US direct property business and a modest amount of reinsurance exhaustion which had the potential to become more pernicious under certain circumstances.

In the calendar year 2009 some deterioration has been seen in respect of a few specific claims, outweighing other instances of favourable development. The managing agent quotes in the latest report and accounts *“that going forward the low level of US interest rates in particular holds out little prospect of a useful contribution from investment return over the next 12 months”*. Under these circumstances, the managing agent has revised the forecast of the ultimate outcome to a loss of between 17.5% and 7.5% of stamp capacity.

In recent years the uncertainty surrounding some of the issues has diminished considerably, particularly in relation to casualty treaty business, following concerted action to deal with this issue, including some useful reinsurance commutations. The uncertainty over US comprehensive general liability business has also diminished with the passage of time. More recently, there has also been some useful progress in resolving some of the investment bank issues.

The managing agent will continue to investigate the possibility of attracting a third party reinsurer and it is hoped that the syndicate may be in a position to close at 31 December 2010.

Syndicate: 1101	Managing Agent:	Duncanson & Holt Syndicate Management Ltd (CMGL)		
	Run-Off Manager:	David McElhiney		
	Year(s):	1997	1998	1999
Declared Results		(36.20%)	(91.0%)	(64.6%)
Cash Calls to date		49.4%	92.6%	62.2%

Syndicate 1101 closed the 1997, 1998 and 1999 years of account at 31 December 2009.

Names will be aware from our memorandum of 20 November 2009 that the managing agent negotiated a reinsurance to close of all the run-off years of account with RITC Management Limited, Syndicate 5678. As can be determined from the above result the re-funds due on the 1997 and 1998 accounts and the call on the 1999 account will be due for settlement in June 2010.

Syndicate: 1171	Managing Agent:	Ridge Underwriting Agencies Ltd	
	Run-Off Manager:	Terry Adams	
	Year(s):	1998	1999
Declared Results		(13.9%)	(2.9%)
Cash Calls to date		16.8%	7.5%

Syndicate 1171 has been unable to close the 1998 and 1999 years of account at 31 December 2009.

Syndicate 1171 is a Life syndicate and can only be reinsured under Lloyd's current regulations into another Lloyd's Life syndicate as there are only three Life Syndicates trading at Lloyd's the opportunities are very limited to complete a RITC. **It is unlikely that the syndicate will close at 31 December 2010.**

2008 & 2009 Open Year Releases

Lloyd's has confirmed that the under mentioned syndicates will make an advanced release from 2008 and 2009 years of account, from the syndicates' trust funds to supporting Names' Personal Reserve Funds, details of the percentage that will be transferred in June 2010 are shown below:-

2008

Syndicate	Year of Account	Managing Agent	% Transferred	Transfer Amount (GBP)	Transfer Amount (USD)
33	2008	Hiscox Syndicates Ltd	6.4%	£13,500,000.00	\$50,000,000.00
386	2008	QBE Underwriting Ltd	11.94%	£25,617,240.00	\$24,074,048.00
510	2008	R J Kiln & Co Ltd	6.6%	£0.00	\$62,701,956.00
609	2008	Atrium Underwriters Ltd	8.8%	£0.00	\$30,442,777.00
1176	2008	Chaucer Syndicates Ltd	22.17%	£5,902,242.00	\$318,390.00
2121	2008	Argenta Syndicate Management Ltd	1.0%	£1,124,209.00	\$0.00
6104	2008	Hiscox Syndicates Ltd	23.1%	£3,000,000.00	\$8,000,000.00
6105	2008	Ark Syndicate Management Ltd	1.5%	£0.00	£483,000.00
2008 CST Totals				£49,143,691.00	\$176,020,171.00

2009

Syndicate	Year of Account	Managing Agent	% Transferred	Transfer Amount (GBP)	Transfer Amount (USD)
33	2009	Hiscox Syndicates Ltd	2.4%	£0.00	\$29,000,000.00
386	2009	QBE Underwriting Ltd	3.0%	£5,638,198.00	\$7,379,564.00
958	2009	Omega Underwriting Agents Ltd	4.0%	£0.00	\$16,100,000.00
1176	2009	Chaucer Syndicates Ltd	20.9%	£4,953,436.00	\$2,650,968.00
2121	2009	Argenta Syndicate Management Ltd	1.0%	£1,299,769.00	\$0.00
6105	2009	Ark Syndicate Management Ltd	6.6%	£0.00	\$3,002,246.00
2009 CST Totals				£11,891,403.00	\$58,132,778.00

2007 & 2008 Account Forecasts as at 4th Quarter 2009

Syndicate	Managing Agent	2007 Result %	2007 Already (Released) %	2008 Best Case %	2008 Worst Case %	2008 Already (Released) % *
33	Hiscox Syndicates Ltd	31.74	5.96	10.00	2.50	6.4
218	Equity Syndicate Management Ltd	0.06		4.50	(0.50)	
260	KGM Underwriting Agencies Ltd	(20.89)		(21.24)	(26.24)	
308	R J Kiln & Co Ltd	5.19		13.48	8.48	
318	Beaufort Underwriting Agency Ltd	(2.76)		(9.11)	(14.11)	
386	QBE Underwriting Ltd	66.50	13.91	23.72	18.72	13.4
510	R J Kiln & Co Ltd	13.21	5.59	10.14	5.14	6.6
557	R J Kiln & Co Ltd	16.62		14.49	9.49	
570	Atrium Underwriters Ltd	17.57		7.98	2.99	
609	Atrium Underwriters Ltd	6.49		14.98	9.98	8.8
623	Beazley Furlonge Ltd	14.55		12.50	7.50	
727	S A Meacock & Co Ltd	17.14		14.50	4.50	
779	Jubilee Managing Agency Ltd	11.40		6.64	1.64	
780	Advent Underwriting Ltd	17.48	10.23	(17.50)	(22.50)	
807	R J Kiln & Co Ltd	10.59		8.00	3.00	
958	Omega Underwriting Agents Ltd	16.40		5.02	0.00	
1176	Chaucer Syndicates Ltd	54.39	39.61	45.00	35.00	37.8
1200	Argo Managing Agency Ltd	14.67	2.25	2.00	(8.00)	
2007	Novae Syndicates Ltd	10.26		(2.50)	(7.50)	
2010	Cathedral Underwriting Ltd	11.37		10.00	5.00	
2121	Argenta Syndicate Management Ltd	11.91	2.0	6.00	1.00	1.0
2525	Max at Lloyd's Ltd	40.94		7.50	0.00	
2526	Max at Lloyd's Ltd	24.18		17.20	9.70	
2791	Managing Agency Partners Ltd	27.81		13.00	8.00	
3245	Argo Managing Agency Ltd	8.39		0.00	0.00	
3334	Sportscover Underwriting Ltd	3.69		14.00	9.01	
4040	HCC Underwriting Agency Ltd	(1.75)		2.50	(2.50)	
6101	Argenta Syndicate Management Ltd	8.59		6.00	1.00	
6102	Argenta Syndicate Management Ltd	8.10		6.00	1.00	
6103	Managing Agency Partners Ltd	40.80		12.50	7.50	
6104	Hiscox Syndicates Ltd	0.00		32.50	25.00	23.1
6105	Ark Syndicate Management Ltd	0.00		7.72	2.81	1.5

* Includes transfers to be made in June 2010 and reflects the aggregate transfers made to date.

LMAS CONTACT DETAILS w.e.f. 8 March, 2010

Job Title	Name	Telephone No.	Facsimile No.	E-Mail
Managing Director	Paul Box	01634 392082	01634 392081	paul.box@lloyds.com
Company Secretary & Compliance Officer	Angela Kerr	01634 392083	01634 392081	angela.kerr@lloyds.com
<i>PA to Paul Box and the LMAS Team</i>	Jane Morton	01634 392090	01634 392081	jane.morton@lloyds.com
SBAU members	Paul Box	01634 392082	01634 392081	paul.box@lloyds.com
SLP & Corporate Names	Angela Kerr	01634 392083	01634 392081	angela.kerr@lloyds.com
Members A-F plus Deceased Members A-K	Jenny Inkpen	01634 392084	01634 392081	jennifer.inkpen@lloyds.com
Members G-M plus Deceased Members L-Z & Syndicate Analyst	Cliff Talbot	01634 392085	01634 392081	clifford.talbot@lloyds.com
Members N - Z	Tony Skelt	01634 392088	01634 392081	anthony.skelt@lloyds.com

If you would like to write to us please use the contact address below:

Lloyd's Members Agency Services Limited
Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent ME4 4RN

Or if you would prefer to contact us by e-mail you can either e-mail your designated Names Executive as above or you can send an e-mail to the LMAS mailbox at:
Lloyds-LMAS@lloyds.com

Primary Service Standards

Service standards for 2010 are as follows: -

1. All letters to be substantively answered within one week (unless specific circumstances dictate otherwise in which case a holding letter of acknowledgement to be sent within one week).
2. All telephone calls to be returned within one working day.
3. All funds from Names to be sent on as appropriate within one working day of receipt or the following day in peak periods.
4. Chasing letters for payment of outstanding debt to be sent to all relevant Names by the end of July. Chasing letters for outstanding cash calls to be sent to all relevant Names no later than 30 days after the due date.
5. Names to be notified of potential compulsory drawdown/central fund withdrawal within 5 working days of receipt of documentation from MS. Deposit drawdown documentation to be completed and returned to MS within 28 days of receipt. Central Fund withdrawals to be submitted to MS within 33 days of receipt.
6. LMAS production and dispatch of cash statement to Names.
 - a) Names in a loss making position to be notified of annual underwriting result providing 'best practice' 28 days notice.
 - b) Names in a surplus position to be notified of annual underwriting result within 7 days of the Lloyd's Capital Test data being provided to LMAS.
7. Payment of Profit to Names to be carried out within 5 working days of receipt of instruction from Name, including any conversions.
8. Agents' fees and profit commission in respect of 2000 and prior years to be reconciled by end of August annually and remitted to relevant agents.
9. Total Release of Funds at Lloyd's.
 - a) Names to be notified of total release availability by the end of July.
 - b) Applications for total FAL releases for ceased Names be submitted to MS within 3 working days of receipt of instructions from Name.
10. Partial release details to be sent to Names within 7 working days of receipt of 30 June capital test data. Partial release applications to be submitted to Lloyd's within 3 working days of receipt of a fully completed authorisation.
11. Cash call statements to be sent to Names providing the 'best practice' 28 days notice to the affected Names.
12. Syndicate RITC proposals to be sent on to Names within 7 days of receipt from Managing Agents.
13. Calculate and issue to Names forecast results within 7 days of receipt of the data from Lloyd's.



The Board receives monthly reports of performance against service standards.

Market Services' Contact Points

Department	E-mail Address	Telephone Number
Market Service Charges	market-services-charges@lloyds.com	01634 392320
Personal Details/Dividend Instructions	operational-support@lloyds.com	01634 392195
Historical Enquiries	operational-support@lloyds.com	01634 392565
Tax Issues and Tax Advices	tax-operations@lloyds.com	01634 392620/392376 (UK) 01634 392180/392833 (US)
FAL Issues such as: Corporate Actions—Elective	corporate-actions-instructions@lloyds.com	01634 392602
Corporate Actions—Mandatory	corporate-actions@lloyds.com	01634 392511
Trade & Settlements & Asset Acceptability Requests	trades@lloyds.com	01634 392196/392724
Complaints	member-complaints@lloyds.com	01634 392320

Legal Disclaimer

This document has been prepared for information purposes only. Under no circumstances should it be seen as a solicitation to buy or sell securities or other instruments, or to participate on any Lloyd's syndicates. Whilst all reasonable care has been taken to ensure that the

information contained in this report was accurate at the time of publication, Lloyd's Members Agency Services Limited does not make any representations as to the accuracy or completeness of such information. As an underwriting agent at Lloyd's, Lloyd's

Members Agency Services Limited is an exempt person as respects investment business carried on or in connection with or for the purpose of insurance business at Lloyd's.

Underwriting Insurance is a high-risk business.

NEW BANK DETAILS FORM / RELEASE OF CASH INSTRUCTION FORM

NAME: _____ **MEMBER No.:** _____

Please indicate the currency you would like any releasable surplus to be paid:

STERLING **US\$** **BOTH**

£ PAYMENT TO UK BANK

Account Number _____
Sort Code _____
Beneficiary Name _____
Bank Name _____
Bank Branch _____
Bank Address _____

US\$ PAYMENT TO UK BANK

IBAN Code _____
BIC Code (Swift Code) _____
Beneficiary Name _____
Bank Name _____
Bank Branch _____
Bank Address _____

ANY CURRENCY TO US BANK

Account Number _____
ABA Code _____
Beneficiary Name _____
BIC Code (Swift Code) _____
Bank Name _____
Bank Address _____

ANY CURRENCY TO EUROPEAN BANK

IBAN Code _____
BIC Code (Swift Code) _____
Beneficiary Name _____
Bank Name _____
Bank Address _____

ANY CURRENCY TO AUSTRALIAN BANK

Account Number _____
BSB Code _____
Beneficiary Name _____
BIC Code (Swift Code) _____
Bank Name _____
Bank Address _____

PLEASE PAY ANY SURPLUS TO FUNDS AT LLOYD'S

IT IS NECESSARY TO SUPPLY COPY DOCUMENTATION TO SUPPORT THE ABOVE BANK ACCOUNT DETAILS (i.e. PAYING-IN-SLIP) TO SATISFY NEW MONEY LAUNDERING REQUIREMENTS

SIGNED: _____

DATE: _____