



Lloyd's security trust fund instrument No. 1 of 2017

Insurance Act 1973

I, Heidi Richards, delegate of APRA, under subsection 68(1) of the *Insurance Act 1973* (the Act), REQUIRE Lloyd's to comply with the document that forms the Schedule to this instrument, titled "Lloyd's Security Trust Fund Arrangements".

This instrument takes effect on the date of registration on the Federal Register of Legislation.

Dated: 12 April 2017

[Signed]

Heidi Richards
General Manager
Policy & Advice Division

Interpretation

In this instrument:

APRA means the Australian Prudential Regulation Authority.

Lloyd's has the meaning given in subsection 3(1) of the Act.

Schedule

Lloyd's Security Trust Fund Arrangements comprises the 23 pages commencing on the following page.



Lloyd's Security Trust Fund Arrangements

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Name of instrument

1. This instrument is the Lloyd's Security Trust Fund Arrangements.

Commencement

2. This instrument commences on the date of registration on the Federal Register of Legislation.

Authority

3. This instrument is made under subsection 68(1) of the *Insurance Act 1973* (the Act).

Application

4. This instrument applies to Lloyd's.

Interpretation

5. In this instrument:¹

‘1992 and prior business’ means, in relation to an underwriter, all liabilities under contracts of insurance underwritten at Lloyd's (other than Life Business) and originally allocated to the 1992 year of account or any earlier year of account including, without limitation, any such liabilities reinsured to close into the 1993 or any later year of account, but excluding any liabilities re-signed, or re-allocated pursuant to a premium transfer, into 1993 or any later year;

‘Australian Auditing Standards’ is a reference to the Australian Auditing Standards issued by the Auditing and Assurance Standards Board (AUASB) as in force from time to time;

‘bank’ means an authorised deposit-taking institution within the meaning of subsection 5(1) of the *Banking Act 1959* (the Banking Act), but does not include a building society, credit union, provider of purchased payment facilities or an authorised non-operating holding company within the meaning of subsection 5(1) of the Banking Act;

‘final judgment’ includes an order of an Australian court made to enforce:

- (a) a judgment of a court of another country; or
- (b) in Australia, an award of an arbitrator following an arbitration held in Australia or elsewhere;

‘Life Business’ has the same meaning as “long term business” in the *Insurance Companies Act 1982* of the United Kingdom, as in force on 3 September 1996;

¹ Note, in accordance with paragraph 13(1)(b) of the *Legislation Act 2003*, expressions used in this instrument have the same meaning as in the Act. In particular, ‘covered’, ‘insurance liability’, ‘Lloyd's’, ‘qualified corporation’, ‘secured’ and ‘security trust fund’ have the same meaning as in the Act.

‘Lloyd’s Agent in Australia’ means the person appointed by Lloyd’s in accordance with section 95 of the Act;

“*Lloyds Security Trust Fund Rules*” means a legislative instrument, as in force from time to time, made under subsection 70(1) of the Act; and

‘reinsurance to close’ means an underwriting agreement or arrangement treated by the practices of Lloyd’s as reinsurance to close.

Security trust funds

6. At all times while this instrument is in force, Lloyd’s must ensure that security trust fund arrangements, and ancillary or incidental arrangements, in accordance with this instrument are in existence.
7. Lloyd’s must maintain the security trust funds specified in Attachment A, except where APRA approves, in writing, the termination of any security trust fund to which this paragraph applies. APRA may do so if it is satisfied that:
 - (a) all insurance liabilities secured by the security trust fund are secured by another security trust fund; or
 - (b) there are no longer any insurance liabilities to be secured by the security trust fund.
8. The trust deed for a security trust fund must provide for payment in Australia of final judgments obtained in Australia for insurance liabilities secured by the fund.
9. However, the trust deed does not have to provide for payment of exemplary or punitive damages or damages for which a contract of insurance does not expressly provide.
10. A contract of insurance or reinsurance that is mentioned in Attachment A in relation to a security trust fund may be covered by another security trust fund if APRA thinks it is reasonable, having regard to the reinsurance to close or other underwriting arrangements of Lloyd’s.

Approval of trust deeds

11. The trust deed for a security trust fund, or an alteration of such a trust deed, must be approved, in writing, by APRA.
12. In deciding whether to approve a trust deed, or an alteration of a trust deed, APRA must have regard to the following matters:
 - (a) the right of a holder of a contract of insurance covered by the fund to enforce payment of a final judgment;
 - (b) the operation, accounting and other practices and reinsurance arrangements of the insurance market conducted by Lloyd’s;

- (c) the provision made for:
 - (i) management of the fund if the fund is placed under judicial trusteeship or is wound up or dissolved under the Act; and
 - (ii) payment of claims if the fund is wound up or dissolved under the Act;
 - (d) whether the fund is established under Australian law and subject to Australian law and the jurisdiction of Australian courts;
 - (e) arrangements for custody and investment of the fund's assets; and
 - (f) any other matter that APRA considers relevant.
13. Without limiting the terms of a trust deed for a security trust fund, it may include terms that deal with the following matters:
- (a) making payment, without final judgment, of a claim in Australia under a contract of insurance covered by the fund;
 - (b) periodic release of assets representing amounts more than the funding needed by the fund;
 - (c) releasing investment income derived from fund assets; and
 - (d) suspending payment, in whole or part, of a final judgment or claim if:
 - (i) the obligations of Equitas Reinsurance Limited are suspended in whole or part; and
 - (ii) the suspension cannot affect the operation of a scheme for winding up or dissolution of the fund.

Approval of trustees

14. A trustee of a security trust fund must be approved by APRA.
15. Before approving a trustee of a security trust fund, APRA must be satisfied that:
- (a) the trustee is a qualified corporation;
 - (b) the trustee can perform the duties of a trustee of a security trust fund in a proper manner; and
 - (c) the sum of the amount of a bank guarantee, if any, in respect of the trustee's duties as trustee and the value of the net tangible assets of the trustee is at least \$5 million.
16. For subparagraph 15(c), a guarantee must be:
- (a) given by a bank;

- (b) given in a form approved by APRA; and
- (c) subject to a condition that it cannot be revoked unless APRA approves.

Funding

17. The assets of a security trust fund must:
- (a) be assets in Australia;
 - (b) be unencumbered, except for fees and expenses of:
 - (i) the trustee in accordance with the trust deed; or
 - (ii) investment transactions on ordinary commercial terms; and
 - (c) have a value that meets the funding requirement mentioned in Attachment B for the trust.
18. For paragraph 17, an asset must be valued in accordance with the *Lloyd's Security Trust Fund Rules*.

Information

19. Lloyd's must ensure the trustee of a security trust fund is given enough information to allow the trustee to operate the trust according to its terms and the requirements of the Act.
20. Lloyd's must ensure there are arrangements that allow it to provide information, accounts, statements and actuarial reports required by the Act.

Records

21. Lloyd's must ensure records that allow accounts and statements to be prepared and audited properly and conveniently are kept for 7 years after the completion of the transactions to which they relate.
22. Lloyd's must give or cause to be given to APRA the accounts and statements mentioned in Attachment C in the form, for the periods and within the time mentioned in Attachment C.
23. Lloyd's must ensure:
- (a) the accounts and statements referred to in Attachment D are audited by an auditor who is approved by APRA; and
 - (b) an audit certificate is given to APRA in a form approved by APRA and within the time mentioned in Attachment D.

Notices

24. Lloyd's must give or cause to be given to APRA written notice of the following matters:
 - (a) intention to change a trustee of a security trust fund;
 - (b) failure of a security trust fund to comply with paragraph 17; and
 - (c) default of more than 30 days in payment to the trustee of the security trust fund for its services.
25. For the purposes of subparagraph 24(b), a breach of subparagraph 17(c) is taken to have occurred if, and only if:
 - (a) for a syndicate year of account in the new business fund—the deficiency is more than \$1,000 and is also more than 5% of the funding requirement for the syndicate year of account;
 - (b) for any security trust funds other than the reserve fund—the deficiency is more than \$500,000;
 - (c) for the reserve fund—the deficiency is more than \$10,000.

Agreements

26. Lloyd's must give or cause to be given to APRA on request a copy of every agreement about the operation of a security trust fund.

Review of APRA's decisions

27. Part VI of the Act applies to a decision of APRA under this instrument.

Determinations made under previous instrument

28. Any exercise of APRA's discretion under the *Lloyd's Security Trust Fund Determination No 1* made on 9 June 2000 continues to have effect as though exercised pursuant to a corresponding power (if any) exercisable by APRA under this instrument.

Attachment A – Security trust funds

Definitions

1. In this Attachment, ‘registered office’ has the meaning given by the *Corporations Act 2001*.

Equitas fund

2. The Equitas fund is a security trust fund in respect of the liabilities under contracts of insurance or reinsurance of the kind mentioned in paragraph 3 of this Attachment.
3. Paragraph 2 of this Attachment applies to a contract if:
 - (a) it covers liabilities that are:
 - (i) 1992 and prior business that is reinsured by Equitas Reinsurance Limited; or
 - (ii) other business that is reinsured (directly or indirectly) from time to time by Equitas Reinsurance Limited;
 - (b) Division 15 of Part III of the *Income Tax Assessment Act 1936* as in force immediately before 1 July 2000, as modified by paragraph 10 of the Schedule to the Act as in force immediately before 1 July 2000, applied to the premiums; and
 - (c) the premiums were not paid or payable in United States of America dollars.

Interim fund

4. The interim fund is a security trust fund in respect of liabilities under contracts of insurance or reinsurance of the kind mentioned in paragraph 5 of this Attachment.
5. Paragraph 4 of this Attachment applies to a contract if:
 - (a) it is written, or has a date of inception of risk, before 1 July 1998;
 - (b) it is not business of a kind mentioned in subparagraph 3(a) of this Attachment;
 - (c) Division 15 of Part III of the *Income Tax Assessment Act 1936* as in force immediately before 1 July 2000, as modified by paragraph 10 of the Schedule to the Act as in force immediately before 1 July 2000, applies to the premiums;
 - (d) the underwriter is liable, as a member of a syndicate for a year of account of the syndicate, to members of the syndicate, or another syndicate, for an earlier year of account under reinsurance to close; and

- (e) the premiums were not paid or payable in United States of America dollars.

New business fund

- 6. The new business fund is a security trust fund in respect of the liabilities under contracts of insurance or reinsurance of the kinds mentioned in paragraphs 7 and 8 of this Attachment.
- 7. Paragraph 6 of this Attachment applies to a contract if:
 - (a) it is expressed, and the premium is payable, in Australian dollars;
 - (b) it has a date of inception of risk on or after 1 July 1998;
 - (c) it is a contract:
 - (i) that is underwritten for a year of account on or after 1 July 1998; or
 - (ii) for which the underwriter is liable, as a member of a syndicate, for a year of account of the syndicate, to members of the syndicate or any other syndicate for an earlier year of account under a reinsurance to close; and
 - (d) it is:
 - (i) a contract for the insurance of real property, fixtures or buildings in Australia;
 - (ii) a contract for the insurance of any other property or risk if the insured is:
 - (A) a body corporate that has a registered office or principal place of business in Australia; or
 - (B) a person, other than a body corporate, that has a residential address or place of business in Australia; or
 - (iii) a contract or reinsurance and:
 - (A) the registered office of the ceding company that has reinsured with Lloyd's underwriters is in Australia; or
 - (B) the ceding company that has reinsured with Lloyd's underwriters is not incorporated in Australia but the contract is entered with a branch office in Australia of that company.
- 8. Paragraph 6 of this Attachment also applies to a contract that is initially covered by the interim fund and reinsured under reinsurance to close with a syndicate for the 1998, or a subsequent, year of account.

Reserve fund

9. The reserve fund is a security trust fund in respect of:
 - (a) the same liabilities as the new business fund;
 - (b) liabilities under contracts of insurance or reinsurance of the kind mentioned in paragraph 10 of this Attachment; and
 - (c) rights the Treasurer would have been entitled to exercise under section 94 of the Act (as in force immediately before 1 July 2000) in relation to rights acquired or accrued under the Act immediately before 1 July 2000.

10. Subparagraph 9(b) of this Attachment applies to a contract if:
 - (a) it would be a contract of the kind mentioned in paragraph 5 of this Attachment if paragraph 5 of this Attachment were amended by omitting “before 1 July 1998” and substituting “before 1 July 2000”; and
 - (b) it is not a contract of the kind mentioned in paragraph 5, 7 or 8 of this Attachment.

Attachment B – Funding requirements

Definitions

1. In this Attachment:
 - (a) ‘quarter’ means 3 months starting on 1 January, 1 April, 1 July or 1 October; and
 - (b) ‘year’ means 12 months starting on 1 January.

Equitas fund

2. Following the end of a rebalancing period:
 - (a) further funding must be arranged within 60 days to meet any shortfall between the value of assets and the funding requirement; and
 - (b) funds in excess of the funding requirement can be released from the trust.
3. For the Equitas fund:
 - (a) the rebalancing period is each quarter; and
 - (b) the funding requirement is:
 - (i) on 1 July 2000—the amount worked out in accordance with paragraph 4 of this Attachment for the last quarter that ended more than 30 days before 1 July 2000; and
 - (ii) for a quarter ending after 1 July 2000—the amount worked out in accordance with paragraph 4 of this Attachment for that quarter.
4. The funding requirement for a quarter is:

$$(\text{liabilities} \times \text{scaling factor}\%) + \$2 \text{ million}$$

where:

liabilities means the reported gross of reinsurance outstanding claims liabilities on the last day of the rebalancing period.

scaling factor is an amount determined by APRA so that the result of the formula is a reasonable estimate of the value of aggregated secured liabilities on the last day of the rebalancing period:

- (a) gross of reinsurance;
- (b) discounted to allow for the time value of money; and
- (c) including liabilities incurred but not reported.

Interim fund

5. For the interim fund:
- (a) the rebalancing period is each year; and
 - (b) the funding requirement is:
 - (i) on 1 July 2000—the amount worked out in accordance with paragraph 6 of this Attachment for the last year that ended more than 30 days before 1 July 2000; and
 - (ii) for a year ending after 1 July 2000—the amount worked out in accordance with paragraph 6 of this Attachment for that year.
6. The funding requirement for a period is:

$$(\text{liabilities} \times \text{scaling factor}_1\%) + (\text{premium income} \times \text{scaling factor}_2\%)$$

where:

liabilities means the reported gross of reinsurance outstanding claims liabilities on the last day of the rebalancing period.

premium income means premium income, net of brokerage but gross of reinsurance ceded, for the years of account for which the liabilities are secured by the fund.

scaling factor₁ and **scaling factor₂** are amounts determined by APRA so that the result of the formula is a reasonable estimate of the value of aggregated secured liabilities on the last day of the rebalancing period:

- (a) net of reinsurance;
- (b) discounted to allow for the time value of money; and
- (c) including liabilities incurred but not reported.

New business fund

7. For the new business fund:
- (a) the rebalancing period is each quarter;
 - (b) the funding requirement is:
 - (i) on 1 July 2000—the amount worked out in accordance with paragraph 8 of this Attachment for the last quarter that ended more than 30 days before 1 July 2000; and
 - (ii) for a quarter ending after 1 July 2000—the amount worked out in accordance with paragraph 8 of this Attachment for that quarter.

8. The funding requirement for a quarter is, in respect of each syndicate year of account with liabilities secured by the fund (other than a closed year of account of a syndicate):

$$(\text{liabilities} \times \text{scaling factor}_1\%) + (\text{premium income} \times \text{scaling factor}_2\%)$$

where:

liabilities means the reported gross of reinsurance outstanding claims liabilities for the year of account of the syndicate on the last day of the rebalancing period.

premium income means premium income, net of brokerage but gross of reinsurance ceded, for the syndicate for the open year of account of the syndicate for which the liabilities are secured by the fund.

*scaling factor*₁ and *scaling factor*₂ are amounts determined by APRA so that the result of the formula is a reasonable estimate of the value of aggregated secured liabilities on the last day of the rebalancing period:

- (a) net of reinsurance;
 - (b) discounted to allow for the time value of money; and
 - (c) including liabilities incurred but not reported.
9. For paragraph 8 of this Attachment, a syndicate year of account is closed if all the liabilities of the syndicate for that year of account have been reinsured under reinsurance to close.

Reserve fund

10. For the reserve fund:
- (a) the rebalancing period is each year; and
 - (b) the funding requirement is:
 - (i) on 1 July 2000 – \$3 million; and
 - (ii) for a year ending after 1 July 2000 – the greater of:
 - (A) 6% of the aggregate funding requirement of the new business fund; or
 - (B) \$3 million.

Attachment C – Accounts and statements

Part 1 - Commentary

1. The accounts and statements required for paragraph 22 are:
 - (a) Form L1—Underwriting Account for Insurance Business in Australia (to be lodged annually within four months of the balance date);
 - (b) Form L2—Underwriting Analysis by Class of Insurance Business (to be lodged annually within four months of the balance date);
 - (c) Form L3Q—Quarterly Statement of Reported Claims Outstanding for 1992 and Prior Business—“Equitas Fund” (to be lodged for each quarter defined in paragraph 1 of Attachment B and within 45 days of the quarter end);
 - (d) Form L4Q—Quarterly Statement of Premiums and Claims for 1/1/93 to 30/6/98 Business—“Interim Fund” (to be lodged for each quarter defined in paragraph 1 of Attachment B and within 45 days of the quarter end); and
 - (e) Form L5Q—Quarterly Statement of Premiums and Claims for Aggregate Business on and from 1/7/98—“New Business Fund” (to be lodged for each quarter defined in paragraph 1 of Attachment B and within 45 days of the quarter end);

as set out in Part 2 of this Attachment.
2. Dollar amounts are to be rounded to the nearest multiple of \$1,000. For example, \$10,500 is to be rounded down to \$10,000 and \$10,501 is to be rounded up to \$11,000.
3. The statements are to be completed in accordance with any directions noted on the form and are to be signed by Lloyd’s Agent in Australia.

Part 2 - Forms

FORM L1

<i>Insurance Act 1973</i> Form L1	LLOYD'S - UNDERWRITING ACCOUNT INSURANCE BUSINESS IN AUSTRALIA
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Year Ended 31/12/.....

	Second year immediately preceding current year of account	First year immediately preceding current year of account	Current year of account
	SA'000	SA'000	SA'000
1. Premium income (gross) in:			
First year			
Second year			
Third year			
2. Total			
3. Claims paid in:			
First year			
Second year			
Third year			
4. Reserve at end of third year of account			
5. Total (items 3 + 4)			
6. Commission, Fire Brigade charges & stamp duty (not including income tax)			
7. Other expenses			
8. Total (items 5 + 6 + 7)			
9. Underwriting surplus or deficit (item 2 less item 8)		*	*

Notes

- Item 7: Expenses may be determined as a proportion of global management expenses according to the ratio of Australian premium income to global premium income.
- * Interim result for open years of account.

Lloyd's Agent in Australia:

Name:

Signature:

Date:

FORM L2

Insurance Act 1973	LLOYD'S - UNDERWRITING ANALYSIS
Form L2	INSURANCE BUSINESS IN AUSTRALIA

Year Ended 31/12/.....

Class of Business	Direct Premiums including Inward Facultative Reinsurance (Gross) (1)	Inward Treaty Reinsurance Premiums (Gross) (2)	Total Premium Income (Gross) (1) + (2) (3)	Commission Expenses (4)	Income Tax and all other Expenses (5)	Claims Paid (Gross) (6)	Gross Premiums less Claims and Expenses (3) - (4) - (5) - (6) (7)
	SA '000	SA '000	SA '000	SA '000	SA '000	SA '000	SA '000
A. Accident and Health							
Current Year							
First Preceding Year							
Second Preceding Year							
B. Motor Vehicle Damage and Liability							
Current Year							
First Preceding Year							
Second Preceding Year							
C. Aircraft Damage and Liability							
Current Year							
First Preceding Year							
Second Preceding Year							
D. Ships' Damage and Liability							
Current Year							
First Preceding Year							
Second Preceding Year							
E. Goods in Transit							
Current Year							
First Preceding Year							
Second Preceding Year							
F. Property Damage							
Current Year							
First Preceding Year							
Second Preceding Year							
G. General Liability							
Current Year							
First Preceding Year							
Second Preceding Year							
H. Pecuniary Loss							
Current Year							
First Preceding Year							
Second Preceding Year							
Total for all classes and years of account							

Note: For Column 5, the amount of management expenses may be determined as a proportion of global management expenses according to the ratio of Australian Premium Income to Global Premium Income. These expenses are to be further allocated to class of business on a basis to be specified.

Lloyd's Agent in Australia

Name: Signature: Date:

FORM L3Q

Insurance Act 1973 Form L3Q	QUARTERLY STATEMENT OF REPORTED CLAIMS OUTSTANDING 1992 AND PRIOR BUSINESS (“EQUITAS FUND” AS DEFINED)
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Report for Quarter Ended:

GROSS KNOWN OUTSTANDING CLAIMS (at quarter end) (\$A'000)	RESERVING FACTOR	NOMINAL BASE RESERVE	PLUS \$A2M	TOTAL NOMINAL RESERVE (\$A'000)

Lloyd's Agent in Australia:

.....
Name
Signature
Date

FORM L4Q

Insurance Act 1973	QUARTERLY STATEMENT OF PREMIUMS AND CLAIMS
Form L4Q	1/1/93 TO 30/6/98 BUSINESS ("INTERIM FUND" AS DEFINED)

Report for Quarter Ended:

PARTICULARS	Originating (pure) year of account	Long tail business			Short tail business			Total business	
		(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Nominal Reserve
DETAILS OF NET PREMIUMS#	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
	TOTAL								
GROSS KNOWN OUTSTANDING CLAIMS (at quarter end)	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
	TOTAL								
NET PREMIUMS SIGNED IN CALENDAR YEAR (to date)									
GROSS CLAIMS PAID IN CALENDAR YEAR (to date)									

Cumulative net premiums to the report date since commencement of the particular years of account

* Only report information in respect of these years to the extent that they HAVE NOT been closed into a 1999 or subsequent year of account

Lloyd's Agent in Australia:

.....
Name
Signature
Date

FORM L5Q

Insurance Act 1973	QUARTERLY STATEMENT OF PREMIUMS AND CLAIMS AGGREGATE BUSINESS ON AND FROM 1/7/98 ("NEW BUSINESS FUND" AS DEFINED)
Form L5Q	

Report for Quarter Ended:

PARTICULARS	Originating (pure) year of account	Long tail business			Short tail business			Total business	
		(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Nominal Reserve
DETAILS OF NET PREMIUMS#	Current yr								
	Previous yr								
	2 yrs previous								
	(etc)								
	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
TOTAL									
GROSS KNOWN OUTSTANDING CLAIMS (at quarter end)	Current yr								
	Previous yr								
	2 yrs previous								
	(etc)								
	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
TOTAL									
NET PREMIUMS SIGNED IN CALENDAR YEAR (to date)									
GROSS CLAIMS PAID IN CALENDAR YEAR (to date)									

Cumulative net premiums to the report date since commencement of the particular years of account

* Only report information in respect of these years to the extent that they HAVE been closed into the year of account being reported on this return

Lloyd's Agent in Australia:

.....
Name Signature Date

Attachment D – Audited accounts and statements

Part 1 - Commentary

1. The accounts and statements required for subparagraph 23(a) are:
 - (a) Form L3—Annual Statement of Reported Claims Outstanding for 1992 and Prior Business—“Equitas Fund” (to be lodged within 4 months of the balance date);
 - (b) Form L4—Annual Statement of Premiums and Claims for 1/1/93 to 30/6/98 Business—“Interim Fund” (to be lodged within 4 months of the balance date); and
 - (c) Form L5—Annual Statement of Premiums and Claims for Aggregate Business on and from 1/7/98—“New Business Fund” (to be lodged within 4 months of the balance date);as set out in Part 2 of this Attachment.
2. Dollar amounts are to be rounded to the nearest multiple of \$1,000. For example, \$10,500 is to be rounded down to \$10,000 and \$10,501 is to be rounded up to \$11,000.
3. The statements are to be completed in accordance with any directions noted on the form and are to be signed by Lloyd’s Agent in Australia.
4. An audit certificate in the form approved under subparagraph 23(b) must be lodged within 4 months of the annual balance date.

Part 2 - Forms

FORM L3 (AUDITED)

Insurance Act 1973	ANNUAL STATEMENT OF REPORTED CLAIMS OUTSTANDING
Form L3 (Audited)	1992 AND PRIOR BUSINESS ("EQUITAS FUND" AS DEFINED)

Report for Year Ended:

GROSS KNOWN OUTSTANDING CLAIMS (at year end) (\$A'000)	RESERVING FACTOR	NOMINAL BASE RESERVE	PLUS \$A2M	TOTAL NOMINAL RESERVE (\$A'000)

Lloyd's Agent in Australia:

.....
Name
Signature
Date

FORM L4 (AUDITED)

Insurance Act 1973 **ANNUAL STATEMENT OF PREMIUMS AND CLAIMS**
Form L4 (Audited) **1/1/93 TO 30/6/98 BUSINESS ("INTERIM FUND" AS DEFINED)**

Report for Year Ended:

PARTICULARS	Originating (pure) year of account	Long tail business			Short tail business			Total business	
		(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Nominal Reserve
DETAILS OF NET PREMIUMS#	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
	TOTAL								
GROSS KNOWN OUTSTANDING CLAIMS (at year end)	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
	TOTAL								
NET PREMIUMS SIGNED IN CALENDAR YEAR									
GROSS CLAIMS PAID IN CALENDAR YEAR									

Cumulative net premiums to the report date since commencement of the particular years of account

* Only report information in respect of these years to the extent that they HAVE NOT been closed into a 1999 or subsequent year of account

Lloyd's Agent in Australia:

.....
Name Signature Date

FORM L5 (AUDITED)

Insurance Act 1973	ANNUAL STATEMENT OF PREMIUMS AND CLAIMS
Form L5 (Audited)	AGGREGATE BUSINESS ON AND FROM 1/7/98
	("NEW BUSINESS FUND" AS DEFINED)

Report for Year Ended:

PARTICULARS	Originating (pure) year of account	Long tail business			Short tail business			Total business	
		(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Reserving Factor	Nominal Reserve	(\$A'000)	Nominal Reserve
DETAILS OF NET PREMIUMS#	Current yr								
	Previous yr								
	2 yrs previous								
	(etc)								
	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
TOTAL									
GROSS KNOWN OUTSTANDING CLAIMS (at year end)	Current yr								
	Previous yr								
	2 yrs previous								
	(etc)								
	1998*								
	1997*								
	1996*								
	1995*								
	1994*								
	1993*								
TOTAL									
NET PREMIUMS SIGNED IN CALENDAR YEAR									
GROSS CLAIMS PAID IN CALENDAR YEAR									

Cumulative net premiums to the report date since commencement of the particular years of account

* Only report information in respect of these years to the extent that they HAVE been closed into the year of account being reported on this return

Lloyd's Agent in Australia:

.....

Name

Signature

Date