Insurance Regulatory and Development Authority of India (Lloyd's India) Regulations, 2016[1]

[Amended up to 23rd August, 2023]

F. No. IRDAI/Reg/4/116/2016- In exercise of the powers conferred by section 3, 6 and 114A of the Insurance Act, 1938, and sections 14 read with 26 of the Insurance Regulatory and Development Authority of India Act, 1999, the Authority, in consultation with the Insurance Advisory Committee hereby makes the following regulations, namely:

CHAPTER I

1.**Short title and commencement**:

(a)These regulations may be called the Insurance Regulatory and Development Authority of India (Lloyd's India) Regulations, 2016.

2.**Definitions -** In these regulations, unless the context otherwise requires:

(a)"Act" means the Insurance Act, 1938;

(b)"Applicant" means: a) The Society of Lloyd's on behalf of Members of Lloyd's; hereafter referred to as Lloyd's; b) service companies of Lloyd's India; and c) Syndicates of Lloyd's India.

(c)"Authority" means the Insurance Regulatory and Development Authority of India established under sub-section (1) of Section 3 of the Insurance Regulatory and Development Authority Act 1999 (41 of 1999);

(d)"Indian reinsurer" means a reinsurer granted certificate of registration by the Authority under Section 101A of the Act.

(e)"Insurance Brokers placing risks with Lloyd's India" means Indian Composite/ Reinsurance Brokers who wish to place business with Lloyd's India and meet the specified criteria.

(f)"Lloyd's India" means the branch office of the applicant granted certificate of registration by the Authority under these regulations to transact reinsurance business. (g)"Managing Agent" means a corporate entity which has permission from Lloyd's to manage a syndicate and carry on underwriting and other functions on behalf of members of Lloyd's

(h)"Members of Lloyd's India" means Member of Lloyd's those who wish to participate in Lloyd's India;

(i)"Net Owned Fund (NOF)" shall consist of

i)paid up equity capital,
ii)free reserves,
iii)securities premium account
sum of which is reduced by

[1]Vide Notification No. F. No. IRDAI/Reg/4/116/2016 dated 09th March, 2016 published in the Gazette of India, Extraordinary Part III – Section 4, vide No. 98 dated 9th March, 2016 (w.e.f. 17th March, 2016)

iv)accumulated losses,
v)book value of intangible assets,
The Net Owned Fund should be computed on the basis of last audited Balance Sheet and any capital raised after the Balance Sheet date should not be accounted for while computing NOF.

(j)"Service Companies of Lloyd's India" means

i)Service Companies promoted by Managing Agents of Lloyd's

ii)Service Companies promoted by Indian Companies and meets the specified criteria

(k)"Syndicates of Lloyd's India" means Syndicates of Lloyd's who wish to participate in Lloyd's India through a service company delegated authority arrangement.

(l)Words and expressions used and not defined in these regulations but defined in the Insurance Act, 1938 (4 of 1938) or Insurance Regulatory and Development Authority Act, 1999 (41 of 1999), shall have the meanings respectively assigned to them in those Acts, Rules, Regulations issued under those Acts as the case may be.

CHAPTER II

CONSTITUENTS OF LLOYD'S INDIA

3.Constituents of Lloyd's India include

(a)Members of Lloyd's, formed collectively as

(b)Syndicates who delegate authority to

(c)Service companies, located within Lloyd's India

4.Lloyd's shall set up Lloyd's India, that will be granted certificate of registration to establish a market and associated structures for conduct of reinsurance business in India and outside India in the manner set out in the regulations.

5.Lloyd's India being a market shall ensure that the market and the constituents are housed within an office location of Lloyd's India for the conduct of reinsurance business.

6.The syndicates and service companies of Lloyd's India will also be issued certificate of registration by the Authority in accordance with these regulations.

CHAPTER III

REGISTRATION OF LLOYD'S INDIA

7.Procedure for registration for Lloyd's India

(a)The applicant desiring to carry on reinsurance business through Lloyd's India shall make a requisition for registration application in

Form IRDAI/Lloyd's/ R1.

(b)The applicant, whose requisition for registration application has been accepted by the Authority, shall make an application in

Form IRDAI/Lloyd's/R2 for grant of a certificate of registration for carrying on reinsurance business.

8. [2]**[Requisition for Registration application:** An applicant shall make a requisition for registration application under Regulation 7 for Re-insurance business wherein the Lloyd's India Syndicate shall maintain a minimum retention of 50% of the Indian Re-insurance business.]

[Explanation: Any retrocession to an IIO up to 20% of Indian re-insurance business underwritten shall be reckoned towards the required minimum retention of 50%.][3]

9.**Eligibility criteria -** The Authority may consider request for requisition for registration application from the applicant to set-up Lloyd's India in India on being satisfied that:

(a)The applicant has obtained the prior approval or an in-principle clearance from the home country regulator at the time of filing the application with the Authority.

(b)The applicant shall be registered or certified in a national regulatory environment and with whom the Government of India has signed Double Taxation Avoidance Agreement.

(c)The Net Owned Fund of the applicant shall not be less than the prescribed amount of rupees five thousand crore at any time.

(d)The applicant shall have a minimum credit rating which is having atleast good financial security characteristics from any of the internationally renowned credit rating agencies for the last 3 years.

(e)The applicant shall have been in reinsurance business for at least 10 years.

(f)The applicant shall have a solvency margin as stipulated by the home regulator. (g)The applicant shall infuse a minimum assigned capital of rupees one hundred crore into Lloyd's India.

(h)Any other requirement that may be specified by the Authority from time to time.

10.Requisition for Registration Application

(a)An applicant shall be eligible to apply for requisition of application, if such applicant upon registration will be an insurer as defined in section 2(9)(d) of the Act:

Provided that the applicant whose:

[2]Substituted by Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018 dated 30th November, 2018 (w.e.f. 1st January, 2019). Prior to its substitution, regulation 8 read as under:

"Requisition for registration application – An applicant shall make a requisition for registration application under regulation 7 for reinsurance business in any of the following:

(a)Category I – wherein each syndicate shall maintain a minimum retention of 50% of the Indian reinsurance business.

(b)Category – II – wherein each syndicate shall maintain a minimum retention of 30% of the Indian reinsurance business."

[3]Inserted byInsurance Regulatory and Development Authority of India (Re-insurance) (Amendment) Regulations, 2023

i. requisition for registration application has been rejected by the Authority at any time during the preceding three financial years on the date of requisition for registration application; or

ii. application for registration has been rejected by the Authority at any time during the preceding three financial years on the date of requisition for registration application; or

iii. certificate of registration has been cancelled or withdrawn by the Authority in the preceding three years; shall not be eligible to make a requisition for registration application under these regulations.

11.Every requisition for registration application shall be accompanied by:

(a)a certified copy of the charter and byelaws under the Lloyd's Act, 1982 which details the manner of formation and conduct of its business;

(b)the name, position, address and the occupation of the person proposed to be in-charge of the operations in India;

(c)a statement indicating infusion of the assigned capital as may be specified by the Authority from time to time;

(d)a certified copy of the annual report of applicant for the last five years preceding the year of filing of requisition of registration application

(e) copy of the certificate from the home country regulator that the applicant has the necessary permissions to open Lloyd's India.

(f)a letter of comfort from Lloyd's that it shall meet claims against members of Lloyd's underwriting reinsurance through a Service Company in Lloyd's India and that the holder of reinsurance policy issued by a member of Lloyd's under these regulations shall have recourse to Lloyd's Chain of Security, including the Central Fund at all times.

(g)any other requirement that may be specified by the Authority from time to time.

12.**Furnishing of further information and clarification, etc**. - The Authority may require the applicant, to furnish further information or clarification regarding the matters relevant to consider the requisition for registration application.

13.**Consideration of requisition for registration application**.-

(a)The Authority shall take into account all matters relating to carrying on the business of reinsurance by the applicant while considering its requisition for registration application.

(b)In particular and without prejudice to the generality of the foregoing, the Authority shall consider the following matters, namely: -

(i)the general track record of conduct and performance of the applicant in the field of business/ profession they are engaged in;

(ii)the record of conduct and performance of the directors and persons in management of the applicant;

(iii)the proposed infrastructure of Lloyd's India, to effectively carry out the reinsurance business;

(iv)the proposed business plan for the five succeeding years;

(v)other relevant matters for carrying out the provisions of the Act.

(c)The Authority on being satisfied with the information submitted that-

Form IRDAI/ Lloyd's/ R1 is complete in all respects and is accompanied by all documents required therein;

(b) Lloyd's India will carry on all functions in respect of the reinsurance business; may accept the requisition and direct supply of the application for registration to the applicant.

14.**Rejection of requisition for registration application** –

(1)Where the requirements under regulation 13 are not complied with, the Authority may, after giving the applicant a reasonable opportunity of being heard, reject the requisition for registration application.

(2)The order rejecting the application under sub-regulation (1) shall be communicated by the Authority within thirty days of such rejection to the applicant in writing stating therein the ground on which the requisition for registration application has been rejected.

(3)An applicant aggrieved by the decision of the Authority under sub-regulation (2) may, within a period of fortyfive days from the date on which a copy of the decision is received appeal to the Securities Appellate Tribunal (SAT) for reconsideration of the decision.

15.**Application for registration –**

(1)An applicant, whose requisition for application for registration has been accepted, may make an application in Form IRDAI/Lloyd's/ R2 for grant of certificate of registration.

(2)Every application shall be accompanied by---

(a)documentary proof of evidence of having rupees one hundred crore or more assigned capital;

(b)an affidavit by the person authorised by the Board of Directors or the executive committee of Management, of the applicant, as the case may be, certifying that the requirements of the assigned capital have been satisfied;

(c)an affidavit by the applicant certifying that the requirements of section 6(2) of the Act to the effect that Net Owned Fund of the company is above rupees five thousand crore, have been satisfied

(d)the receipt showing payment of non-refundable fee of rupees five lakhs;

(e)a certificate from a practising chartered accountant or a practising company secretary certifying that all the requirements relating to registration fees, assigned capital and other requirements of the Act have been complied with by the applicant; (f)any other information required by the Authority during the processing of the application for registration.

16.Consideration of Application

(a)The Authority shall take into account for considering the grant of certificate of registration, all matters relating to carrying on the business of reinsurance by the applicant through Lloyd's India.

(b)In particular and without prejudice to the generality of the foregoing, the Authority shall consider the following matters for grant of certificate to the applicant, namely:-

(a) the record of conduct and performance of the directors and persons in management of the applicant;

(b) the proposed infrastructure of Lloyd's India;

(c) the proposed underwriting skills that will be transferred to Lloyd's India; (d) other relevant matters for carrying out the provisions of the Act.

(c)The Authority on being satisfied that---

(i)the application in

Form IRDAI/ Lloyd's/ R2 is complete in all respects and is accompanied by all documents required therein;

(ii)the applicant shall carry on the reinsurance business as may be specified;

may accept the application for registration to the applicant.

17.Rejection of application for registration

(a)Where an application for registration is not complete in all respects and does not conform to the regulations or instructions specified in

Form IRDAI/ Lloyd's/ R2, and after considering the matter referred to in regulations 15, 16 and 19 and on being satisfied that it is not desirable to grant a certificate of registration the Authority, by an order, may reject the application.

Provided before rejecting the application the applicant is given a reasonable opportunity of being heard by the Authority.

(b)The order rejecting the application under sub-regulation (1) shall be communicated by the Authority within thirty days of such rejection to the applicant in writing stating therein the ground on which the application has been rejected.

(c)An applicant aggrieved by the decision of the Authority under sub-regulation (2) may, within a period of thirty days from the date on which the copy of the decision is received, appeal to the SAT for reconsideration of such decision.

(d)The fees, referred to in clause (d) of regulation 15(2), shall not be refunded.

18.**Manner of payment of fee for registration** - The non-refundable fee of rupees five lakhs shall be remitted by a bank draft issued by any scheduled bank in favour of the Insurance Regulatory and Development Authority of India or by recognised electronic funds transfer to Insurance Regulatory and Development Authority of India.

19.**Grant of certificate of registration** - The Authority, after making such inquiry as it deems fit and on being satisfied that –

(a)The applicant is eligible, and in his/ her opinion, is likely to meet effectively its obligations imposed under the Act;

(b)the financial condition and the general character of management of the applicant are sound;

(c)the volume of business likely to be available to and earning prospects of the applicant will be adequate;

(d)the interests of the general public will be served if the certificate is granted to the applicant in respect of the class of reinsurance business specified in the application;

may register the applicant as a branch office of Lloyd's [4][***] for which the applicant is found suitable and grant the applicant a certificate in

Form IRDAI/Lloyd's /R3.

20.Conditions governing the approval of Lloyd's India

While considering the grant of certificate of registration for Lloyd's India, the Authority shall stipulate the following conditions:

a.The applicant shall furnish a duly certified copy of the resolution of the Board of Directors or the Executive Committee of Management of the applicant, as the case may be, in support of the commitment given in the letter of comfort as per Regulation 11(f). b.Lloyd's India shall be capable of underwriting risks and settling claims on behalf of member of Lloyd's.

c.The minimum assigned capital shall be invested in accordance with the IRDAI (Investment) Regulations, 2000 as amended from time to time.

d.The applicant shall make a firm commitment to appoint in its branch office in India, sufficiently skilled staff to underwrite specialized classes of business and that the underwriting of Indian business shall take place at the Indian branch on behalf of members of Lloyd's.

e.The applicant shall make a commitment to organise training of Indian underwriters in handling various classes of business.

f. Lloyd's India shall comply with the requirements of Foreign Exchange Management Act, 1999 and any other law in force governing the operations of such offices.

g.Lloyd's India shall follow the Insurance Act, 1938, IRDA Act, 1999, Rules, Regulations, circulars, guidelines, etc. in its operations.

21.**Time Limit:** An applicant who has been granted a certificate of registration under these Regulations shall commence reinsurance business for which he has been authorised within twelve months of the date of registration.

Provided, however, that if Lloyd's India is not able to commence the reinsurance business within the specified period of twelve months, it can, before the time limit expires, seek an extension, by a proper written application, to the Chairperson of the Authority.

(a)The Chairperson of the Authority on receipt of the request will examine it and communicate the decision in writing either rejecting the request or granting it.

(b)No extension of time shall be granted by the Chairperson of the Authority beyond eighteen months from the date of grant of certificate of registration under Regulation 19.

[4]The words "for reinsurance category as specified in Regulation 8 of these regulations" omitted by Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018 dated 30th November, 2018 (w.e.f. 1st January, 2019);

CHAPTER IV

MEMBER'S OF LLOYD'S INDIA

22.Member of Lloyd's India

(a)Lloyd's India shall inform the Authority in the format given in Annexure "1" of Members of Lloyd's who wish to participate in Lloyd's India.

(b)The list of Members of Lloyd's underwriting through Service Companies of Lloyd's India shall be furnished to the Authority on an annual basis.

CHAPTER V

SERVICE COMPANIES OF LLOYD'S INDIA

23.Norms for establishing Service Companies of Lloyd's India

(a)Managing Agents of Lloyd's and Indian companies wishing to participate in Lloyd's India shall set up a service company with the following norms

i. The service company may be a private or a public limited company with a minimum capital of rupees five lakh.

ii. The main objects of MOA/ AOA shall be to provide all technical, underwriting, binding risks, settling claims, administrative, accounting, investment, regulatory and other assistance to the syndicate(s) whom they represent.

iii. The service company shall be responsible for all statutory & regulatory filings and compliances on behalf of the syndicate it represents.

iv. The Chief Executive Officer (CEO) of a service company shall be subject to fit & proper criteria and shall be appointed with prior approval of the Authority.

v. Any other requirement that may be specified by the Authority from time to time

24.Procedure for registration of service company for Lloyd's India

(a)The Managing Agents of Lloyd's who wish to set-up a service company to underwrite reinsurance at Lloyd's India shall make an application to the Authority through Lloyd's India in the format given at Annexure "2".

(b)Indian companies who wish to set-up a service company for Lloyd's India shall make an application to the Authority through Lloyd's India in the format given at Annexure "2".

(c)The service company shall indicate the syndicate(s) that it may or may not represent in Lloyd's India.

(d)The application for registration of a service company for Lloyd's India shall be accompanied with fee of rupees fifty thousand.

25.Undertakings to be completed by service company for Lloyd's India

(a)The service company shall complete the Lloyd's Service Company Coverholder Undertaking through which the Service Company agrees to comply with all relevant rules and requirements of Lloyd's and the local legal, fiscal, taxation and regulatory authorities.

(b)The service company shall also complete the Lloyd's Coverholder Decision Paper which provides detailed information on the proposed Service Company, including:

i. the level of underwriting and claims authority granted to the Service Company,

ii. the business strategy for the Service Company,

iii. details relating to principal staff operating in the Service Company,

iv. financial information,

v. professional indemnity details,

vi. classes of business to be underwritten by the Service Company,

vii. the approach the Service Company will take to ensure compliance with registration requirements

viii.

other requirements as specified by Lloyd's subject to approval of the Authority.

(c)Subsequent to completing the decision paper, the service company shall perform Lloyd's Service Company Self- Assessment against the Lloyd's Minimum Standards which includes information such as any internal audit carried out on the Service Company.

(d)Any other requirement that may be specified by the Authority from time to time.

26.Consideration of application to become a service company of Lloyd's India

(a)The Chairperson of the Authority after taking into account all submissions including the recommendation of

Lloyd's India shall issue a certificate of registration jointly to the service company of Lloyd's India and the syndicate (s) it represents.

(b)The certificate of registration granted shall be valid for a period of 3 years.

27.Conditions governing service companies of Lloyd's India

(a)The service companies of Lloyd's India shall be subject to compliance of the conditions laid down by Lloyd's India.

(b)The service companies shall enter into Service Company Underwriting Agreement, a contract that delegates authority to the service company from the Members of the relevant syndicates.

(c)The service company of Lloyd's India under the Service Company Underwriting Agreement shall be responsible for the following:

i. Binding insurances and amendments thereto on behalf of Members of Lloyd's;
ii. Acting on behalf of Members of Lloyd's for the purpose of receiving premiums from reinsured's and settling refunds and to receive claims money prior to onward transmission to reinsured's;
iii. management and control of expenses;
iv. employment of underwriting staff;
v. Any other task that may be entrusted to it by Lloyd's India to carry out the business of reinsurance in an efficient manner.

(d) The service company shall undertake the following:

i. issuance of documents evidencing the contracts of insurance, endorsements and other such documents evidencing cover as may be agreed in writing by the underwriters;
ii. collect and process premiums and return premiums on the underwriters behalf;

iii. handle claims and/or settle claims, if authorised;
iv. shall use prominently the name of the Syndicates which they represent and that they are merely writing on Syndicates capacity and not acting as insurers themselves;
v. skill development and capacity building of local talent;
vi. strive to make India as a reinsurance hub;
vii. compliance with FEMA and other local laws;
viii. compliance to the conditions laid down by Lloyd's India;
ix. compliance of Act, Regulations, guidelines, circulars issued by the Authority;
x. compliance to any other requirement that may be specified by the Authority from time to time.

28.Rejection of application or revocation of certificate of registration for a service company of Lloyd's India

(a)Where an application of Indian company for setting up a service company is rejected by Lloyd's India, the Indian company may appeal to the Authority.

(b)The Authority may consider the appeal and considering all facts of the case may pass necessary orders. In case the application of a service company of Lloyd's India is rejected by the Authority, such an order shall be communicated by the Authority within thirty days of such rejection in writing stating therein the ground on which the application has been rejected.

(c)Where the certificate of registration issued by the Authority is sought to be revoked by Lloyd's India the same shall be sent to the Authority along-with the recommendation of Lloyd's India giving the reasons for revocation.

(d)The Authority may consider the request and considering all facts of the case may pass necessary orders.

(e)In case the certificate of registration of a service company of Lloyd's India is revoked by the Authority, such an order shall be communicated by the Authority within thirty days of such revocation in writing stating therein the ground on which the application has been revoked.

(f)An applicant aggrieved by the decision of the Authority under sub-regulation (b) may, within a period of forty-five days from the date on which a copy of the decision is received appeal to the Securities Appellate Tribunal (SAT) for reconsideration of the decision.

29.Renewal of certificate of registration for a service company of Lloyd's India (a)The service company shall apply for renewal of certificate of registration through Lloyd's India in the same format given in Annexure "2".

(b)The procedure of renewal of certificate of registration of a service company, consideration of the application, undertakings and conditions governing their conduct shall be as specified in Regulations 24, 25, 26 and 27 above.

30.Surrender of certificate of registration of a service company of Lloyd's India (a)A service company may apply for a surrender of certificate of registration through Lloyd's India.

(b)The Authority may consider the request for surrender after considering all facts of the case including servicing of the existing contracts and may pass necessary orders.

CHAPTER VI

SYNDICATES PARTICIPATING IN LLOYD'S INDIA

31.Procedure for syndicates participating in Lloyd's India

(a)Syndicates of Lloyd's who wish to underwrite reinsurance through a Service Company in Lloyd's India shall apply along-with the service company to the Authority through Lloyd's India in the format given at Annexure "2".

32.Consideration of application to underwrite in Lloyd's India

(a)The Chairperson of the Authority after taking into account all submissions including the recommendation of Lloyd's India shall issue a certificate of registration jointly to the service company of Lloyd's India and the syndicate(s) it represents.

33.Conditions governing approval to operate as a syndicate in Lloyd's India

(a)Every syndicate shall through the service company maintain an assigned capital of rupees five crore.

(b)The syndicates shall enter into Service Company Underwriting Agreement, a contract that delegates authority to the service company from the Members of Lloyd's of the relevant syndicates.

(c)Syndicates of Lloyd's India shall ensure that:

i. the reinsurance business is managed on behalf of the members of Lloyd's India through the service company;

ii. the members of the syndicates contract with the reinsured;

iii. premiums are collected at syndicate level and carried to a premium trust funds held for that syndicate;

iv. outward reinsurance is placed and recoveries are collected at syndicate level;
v. expenses associated with the conduct of the business are incurred and paid at syndicate level;
vi. liabilities are paid at syndicate level;
vii. surpluses are determined at syndicate level;
viii. cash calls are made at syndicate level; and
ix. any other requirement that may be specified by the Authority from time to time.

34.Renewal of certificate of registration to underwrite in Lloyd's India

(a)The syndicates of Lloyd's India shall apply along-with the service companies to the Authority through Lloyd's India in the format given at Annexure "2".

(b)The procedure of renewal of certificate of registration of a syndicate of Lloyd's India, consideration of the application and conditions governing their conduct shall as specified in Regulations 31, 32 and 33 above.

35.Surrender of certificate of registration to underwrite in Lloyd's India

(a)A syndicate may apply for a surrender of certificate of registration through Lloyd's India.

(b)The Authority may consider the request for surrender after considering all facts of the case including servicing of the existing contracts and may pass necessary orders.

CHAPTER VII

INSURANCE BROKERS PLACING RISKS WITH LLOYD'S INDIA

36.Norms for becoming an Insurance broker placing risks with Lloyd's India

(a)Only those insurance brokers who have been granted certification of registration by the Authority to work as composite or reinsurance brokers can work for Lloyd's India. (b)The functioning of insurance brokers associated with Lloyd's India will be governed by the IRDA (Insurance Brokers) Regulations, 2013.

CHAPTER VIII

MANNER AND PAYMENT OF FEES

I. Lloyd's India

37.**Annual fee**. –

(1)Lloyd's India which has been granted a certificate of registration under Section 3 of the Act shall pay an annual fee to the Authority by 31st day of December of each financial year.

(2)The annual fee shall be higher of

(a)Ten lakhs rupees, or[5]

(b)one twentieth of one percent of the total premium in respect of facultative reinsurance accepted in India during the financial year preceding the year in which the annual fees is required to be paid subject to a maximum of rupees ten crore.

38.(1) If Lloyd's India fails to deposit the annual fee before the date specified in regulation 37, the Authority may accept the payment of annual fee along with an additional fee by way of penalty of:

a.Two percent of the annual fee if paid within 30 days from the specified date.

b.Ten percent of the annual fee if paid before the end of financial year

[5]Substituted for 'five lakh rupees or' by Insurance Regulatory and Development Authority of India (Re-insurance) (Amendment) Regulations, 2023

(2) Where Lloyd's India has failed to pay the fee before the end of the financial year then, certificate of registration shall be liable to be cancelled.

39. **Manner of payment of fee** - The annual fee shall be paid into the account of Insurance Regulatory and Development Authority of India. The annual fee shall be remitted by a bank draft issued by any scheduled bank payable at Hyderabad or by any recognised electronic funds transfer mode.

40.**Issue of duplicate certificate.--**The Authority may, on receipt of fee of rupees five thousand, issue a duplicate certificate of registration to Lloyd's India, if Lloyd's India makes an application to the Authority in

Form IRDAI/Lloyd's/ R4.

II. Service Company and syndicates of Lloyd's India

41. **Renewal fee –** The service company shall pay a renewal fee of rupees fifty thousand at the time of renewal of their certificate of registration carrying its name and that of the syndicate(s) that it may represent.

42. **Manner of payment of renewal fees -** The manner of payment of renewal fee shall be as specified in regulations 38.

43. **Issue of duplicate certificate –** The Authority may, on receipt of fee of rupees five thousand, issue a duplicate certificate to the service company.

CHAPTER – IX

PROCEDURE FOR ACTION IN CASE OF DEFAULT

44. **Suspension or cancellation of certificate.—** Without prejudice to any penalty which may be imposed or any action taken under the provisions of the Act, the registration of Lloyd's India or the service company or the syndicate granted certification of registration who -

(a)conducts its business in a manner prejudicial to the interests of the policyholders or ceding insurers;

(b)fails to furnish any information as required by the Authority relating to its reinsurance business;

(c)does not submit periodical returns as required under the Act or by the Authority;

(d)does not cooperate in any inquiry conducted by the Authority;

(e)indulges in manipulating the reinsurance business;

(f)indulges in unfair trade practices;

(g)fails, at any time, to comply with the provisions of Section 64VA as to the excess of the value of his asset over the amount of his liabilities,

(h)is in liquidation or is adjudged as an insolvent,

(i)if the business or a class of the business has been transferred to any person or has been transferred to or amalgamated with the business of any other insurer without the approval of the Authority,

(j)makes default in complying with, or acts in contravention of, any requirement of the Act or of any rule or any regulation or order made or any direction issued thereunder (k)carries on any business other than insurance business or any prescribed business, (l)makes a default in complying with any direction issued or order made, by the Authority under the Insurance Regulatory and Development Authority Act, 1999, (m)makes a default in complying with , or acts in contravention of, any requirement of the General Insurance Business (Nationalisation) Act, 1972 or the Foreign Exchange Management Act, 1999 or the Prevention of Money Laundering Act, 2002

(n)fails to pay the annual fee, or the renewal fee,

(o)is convicted of an offence under any law for the time being in force

may be suspended or cancelled [6][***] for such period as may be specified by the Authority by an order;

Provided that the Authority for reasons to be recorded in writing may, in case of repeated defaults of the type mentioned above, impose a penalty of cancellation of certificate of registration.

In the case of Lloyd's India, the Authority, may withhold registration already made, if it is satisfied that Lloyd's has been debarred by law or practice by the home country to carry on reinsurance business.

45.**Manner of making order of suspension or cancellation of certificate.—**No order of suspension or cancellation shall be imposed except after holding an enquiry in accordance with the procedure specified in these regulations.

46.**Manner of holding enquiry before suspension or cancellation —**

(1)For the purpose of holding an enquiry under regulation 45, the Authority may appoint an enquiry officer.

(2)The enquiry officer shall issue to Lloyd's India or the service company or the syndicate a notice at the principal place of business.

(3)Lloyd's India or the service company or the syndicate may, within thirty days from the date of receipt of such notice, furnish to the enquiry officer a reply, together with copies of documentary or other evidence relied upon by it or sought by the Authority.

[6]The words "for the category of reinsurance business" omitted by Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018 dated 30th November, 2018 (w.e.f. 1st January, 2019);

(4)The enquiry officer shall give a reasonable opportunity of being heard to Lloyd's India or the service company or the syndicate to enable it to make submissions in support of its reply made under sub-regulation (3).

(5)If it is considered necessary, the enquiry officer may ask the Authority to appoint a presenting officer to present its case.

(6)Lloyd's India or the service company or the syndicate may either appear through an authorised employee or through any other person duly authorised by it before the enquiry officer,

Provided that no advocate shall be permitted to represent Lloyd's India or the service company or the syndicate at the enquiry:

Provided further that where an advocate has been appointed by the Authority as the presenting officer under subregulation (5), it shall be lawful for Lloyd's India or the service company or the syndicate to present its case through an advocate.

(7)The enquiry officer shall, after taking into account all relevant facts and submissions made by Lloyd's India or the service company or the syndicate, submit a report to the Authority and recommend the penalty to be awarded as also the justification of the penalty proposed.

47.**Show-cause notice and order:-**

(1)On receipt of the report from the enquiry officer, the Authority shall consider the same and if considered necessary by it, issue a show-cause notice as to why action as it considers appropriate should not be initiated.

(2)Lloyd's India or the service company or the syndicate shall, within twenty-one days of the date of receipt of the show-cause notice, send a reply to the Authority.

(3)The Authority after considering the reply to the show-cause notice, if received, shall as soon as possible but not later than thirty days from the receipt of the reply, if any, pass such orders as it deems fit. If no reply is furnished to the Authority by Lloyd's India or the service company or the syndicate within 90 days of the service of the notice, the Authority can proceed to decide the issue ex-parte.

(4)An order passed under sub-regulation (3) shall give reasons therefor including justification of the penalty imposed by that order.

(5)The Authority shall send a copy of the order made under sub-regulation (3) to Lloyd's India or the service company or the syndicate.

48.**Effect of suspension or cancellation of certificate**- On and from the date of suspension or cancellation of the certificate, Lloyd's India or the service company or the syndicate shall cease to transact new reinsurance business:

49.**Publication of order -** The order of the Authority passed under sub-regulation (3) of regulation 47, shall be published in atleast two daily newspapers in the area where Lloyd's India or the service company or the syndicate has its principal place of business**.**

Chapter X

OPERATIONS OF LLOYD'S INDIA

50.**Operational issues pertaining to Lloyd's India:** The applicant granted the certificate of registration by the Authority to transact reinsurance business through Lloyd's India shall ensure that the following minimum requirements are addressed at all times and shall submit to the Authority the necessary approval of their Board of Directors or the executive committee of their Management, as the case maybe:

1.Geographical Scope – Syndicates of Lloyd's India through their service company shall transact reinsurance business with Indian insurers, as well as reinsurance business outside India in accordance with their laid down underwriting policy.

2.Assigned Capital –

(a)The assigned capital of Lloyd's India shall not to be less than the amount specified at the time of grant of certificate of registration. This amount shall be invested in accordance with the IRDA (Investment) Regulations, 2000 as amended from time to time.

(b)In addition the syndicates of Lloyd's India through their service company shall maintain an assigned capital specified at the time of grant of certificate of registration which shall be invested in accordance with the IRDA (Investment) Regulations, 2000 as amended from time to time.

3.Appointment of Chief Executive Officer, Lloyd's India and key management personnel of service company that represents the syndicates –

(a)Lloyd's shall obtain prior approval of the Authority on the appointment, reappointment, removal and managerial remuneration payable to Chief Executive Officer, Lloyd's India. The person so appointed shall satisfy the 'fit and proper criteria of the Authority.

(b)The details of the key personnel of a service company along-with their bio-data shall be submitted as part of the registration process and any change subsequently intimated to the Authority. For the purposes of these regulations key personnel shall include chief executive officer, chief financial officer and chief underwriter in the service company for the syndicate(s).

4. [7]Outsourcing: The service company of Lloyd's India shall retain the core activities such as underwriting, claims settlement and regulatory compliances; and may outsource functions such as back-office servicing, IT, accounts, marketing, human resources, administration and publicity. No other function can be outsourced without the prior approval of the Authority.

5.Accounting –The service companies of Lloyd's India shall prepare and submit financial returns including statement of accounts of the syndicates through Lloyd's India in the manner as may be specified in the IRDA (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 as amended from time to time.

6.Investment- The service companies of Lloyd's India shall invest and keep invested the investible assets of the syndicate through Lloyd's India in accordance with the IRDA (Investment) Regulations, 2000 in so far as they are applicable to Indian reinsurers.

For the purpose of these regulations, "Investible Assets" include the following a.assets corresponding to the liabilities arising out of Indian reinsurance business or the amount of premium retained in the country of the Indian reinsurance business, whichever is higher, and

b.Margin of solvency computed in accordance with the solvency regulations issued by the Authority.

7. [8][Reinsurance: - The syndicates of Lloyd's India shall be subjected to Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018.]

[7]Omitted the word "investment", by Insurance Regulatory and Development Authority of India (Re-insurance) (Amendment) Regulations, 2023.

[8]Substituted by Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018 dated 30th November, 2018 (w.e.f. 1st January, 2019). Prior to its substitution, sub regulation (7) read as under:

"Reinsurance & Retrocession: -

(a)The syndicates of Lloyd's India shall be subject to the same reinsurance regulations as applicable to Indian insurer and reinsurer.

(b)In case Lloyd's India is granted certificate of registration as per Regulation 8(a), then

i)each syndicate shall maintain a minimum retention of 50% of the Indian reinsurance business. ii)a syndicate who fails to keep the minimum retention limit of 50%, notwithstanding penal action given in clause (d) below, shall obtain prior approval of the Authority to transact business in Category – II. iii)a syndicate granted approval under clause 8(b)(ii) above shall not be eligible for order of preference for cessions by Indian insurers as those available to Indian Reinsurer for a minimum period of 3 years, unless the syndicate has obtained specific prior approval of the Authority on an application seeking exemption from the 50% minimum retention limit.

(c)In case Lloyd's India is granted certificate of registration as per Regulation 8(b)
i)each syndicate shall maintain a minimum retention of 30% of the Indian reinsurance business. ii)a syndicate who fails to keep the minimum retention limit of 30%, notwithstanding penal action given in clause (d) below, shall not underwrite new reinsurance business from Indian insurance companies

8.Order of preference for cessions by Indian insurers – Every Indian insurer, in order of preference, shall offer for participation in its facultative and treaty surpluses to Lloyd's India on par with branch offices of foreign reinsurers as given in regulation 28(9) of IRDAI (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015.

9.Solvency Margin – The service companies of Lloyd's India shall prepare and submit statement of assets, liabilities and solvency margin requirements of the syndicates through Lloyd's India in the manner as may be specified in the IRDA (Assets, Liabilities and Solvency Margin of Insurers) Regulations 2000 as amended from time to time.

10.Repatriation of surplus – Any repatriation of the surplus generated by the operations of the syndicates of Lloyd's India shall be only with prior approval of the Authority.
The Authority before granting such an approval shall obtain all relevant information and satisfy itself that the assets of the syndicates of Lloyd's India are adequate to meet their liabilities. In addition, the repatriation of surplus shall comply with the other requirement of RBI/FEMA, as applicable.

11.Delegated authorities: The service company of Lloyd's India shall provide systems and checks to ensure that delegated powers, in respect of syndicates they represent, are exercised prudently and judiciously by the authorised officials and has no adverse fallout

on the operation in India. The Lloyd's and Lloyd's India shall also review the delegated powers of functionaries at every service company and syndicate level as regards adequacy of such powers to meet local operational requirements and the delegated authority. A copy of such review shall be filed with the Authority annually.

12. Supervision and Control: Lloyd's and Lloyd's India shall review all control returns including the system of periodical reviews submitted by the service companies to ensure effective supervision and control and to monitor the syndicates continued viability. A copy of synopsis of the findings of the inspection / audit / scrutiny and compliance submitted by Lloyd's India put up to the Audit Committee of the Lloyd's shall also be submitted to the Authority.

13. Other issues: Lloyd's India shall immediately report to the Authority any regulatory or supervisory action taken by the home country regulator with full details and the penalty, any administrative action, if any imposed and the remedial steps taken by Lloyd's to prevent its recurrence.

for a period of 3 years, unless the syndicate has obtained specific prior approval of the Authority on an application seeking exemption from the 30% minimum retention limit.

(d)Any breach of the specified limits shall be viewed as violation of the regulations and shall render Lloyd's India and the syndicate liable for penal action as specified under the Insurance Act, 1938."

14. Reporting requirements by the syndicates through the service company of Lloyd's India to the Authority-

Lloyd's India shall submit to the Authority the following reports as stipulated.

i. Financial reporting
ii. Actuarial reporting
iii. Business Reporting
iv. Downgrading Reporting: Lloyd's India shall immediately report along-with relevant documents to the Authority any downgrade in rating by any internationally renowned credit rating agency.
v. Erosion of Net Owned Fund: Lloyd's India shall immediately report to the Authority more than 5% erosion in the Net Owned Fund of the applicant.

15. Returns: The Authority may specify submission of any such other return by Lloyd's India or Service Company or Lloyd's as it may deem appropriate.

16. Further powers of the Authority

a.the Authority shall have the right to call, inspect or investigate any document, record or communication from Lloyds' India or service company of Lloyd's India or the syndicate(s) of Lloyd's India.

b.notwithstanding the above, where the Authority is of the opinion that the operations of Lloyd's India or service company of Lloyd's India or the syndicate(s) of Lloyd's India are not in the interests of the Indian market, the Authority reserves the right to take appropriate steps including suspension or cancellation of certificate of registration after giving an opportunity to Lloyd's of being heard.

c.Any syndicate or the service company of Lloyd's India opened with the approval of the Authority shall be closed only with the prior approval of the Authority. d.Lloyd's who has a representative office in India and is granted certificate of registration to function as a branch office, shall close the representative office within six months of grant of the certificate of registration.

e.Power of the Authority to issue clarifications: In order to remove any difficulties in respect of the application or interpretation of any of the provisions of these Regulations, the Chairperson of the Authority may issue appropriate clarifications from time to time.

FORM IRDAI/ LLOYD'S/ R1

[REQUISITION FOR REGISTRATION APPLICATION FOR LLOYD'S INDIA]

1.Name of the applicant:
2.Address:
3.Date of incorporation of the applicant: [DD/MM/YYYY]
4.Registration No. (issued by the regulatory Authority of Foreign Country):
5.Line of reinsurance business: Life/ General/ Composite
6. [9][***]

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[9]Omitted by Insurance Regulatory and Development Authority of India (Re-insurance) Regulations, 2018 dated 30th November, 2018 (w.e.f. 1st January, 2019). Prior to its omission, point number 6 read as under:

7.Amount of authorised capital or its equivalent and amount subscribed:
8.Name, Address and contact details of the person(s) responsible for the affairs of Lloyd's India.
9.Name, Address and contact details of the Regulatory Authority where the applicant is registered.
10.Net Owned Fund of the applicant as on _____ (latest financial year).....
11.Credit rating for the last 3 years from any internationally renowned credit rating agencies.
12.No. of years that the applicant has been active in the foreign reinsurance business
13.Permission from the home country regulator allowing establishing a Lloyd's India
14.Minimum Solvency Margin prescribed by the home regulator
15.Solvency margin of the applicant
16.Basis of calculating the solvency margin
17.Details of Lloyd's: [Please give full name, address, percentage of holding in the paid up capital of the foreign reinsurer, Occupation, Qualifications and Experience, Number of shares held and Percentage of share capital in the company] Please attach separate sheets if necessary. Details of persons holding more than 1% of the paid up capital or its equivalent of the applicant are to be given.

Full Name [first, middle, surname]	Date of Birth	Address with Telephone Nos., Fax Nos., E-mail	Qualifications	Experience	Present occupation	No. of equity (voting rights) shares and percentage of total holding	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. / Ms.							

Note: If the shareholder/ subscriber is a company or a body corporate registered in a foreign country, give the name of the company or body corporate in column (1), the country of incorporation and the date of registration in column (2), mention the areas of operation of the company in col.(5), leaving the columns 4 and 6 blank; particulars indicating the countries of operation, nature of business enclosing statements of accounts of the company or body corporate for the last 5 years are to be given. Adequate care may be taken to furnish full and

complete information truthfully. Any misrepresentation found later will lead to disqualification of the applicant.

18.Details of Members of Lloyd's: [Please give full name, address, percentage of holding in the paid up capital of the foreign reinsurer, Occupation, Qualifications and Experience, Number of shares held and Percentage of share capital in the company] Please attach separate sheets if necessary. Details of persons holding more than 1% of the paid up capital or its equivalent of the applicant are to be given.

Category applied for order of preference of cessions of the Indian insurers: □ Category –I / □ Category – II

Full Name [first, middle, surname]	Date of Birth	Address with Telephone Nos., Fax Nos., E-mail	Qualifications	Experience	Present occupation	No. of equity (voting rights) shares and percentage of total holding	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. / Ms.							

Note: If the shareholder/ subscriber is a company or a body corporate registered in a foreign country, give the name of the company or body corporate in column (1), the country of incorporation and the date of registration in column (2), mention the areas of operation of the company in col.(5), leaving the columns 4 and 6 blank; particulars indicating the countries of operation, nature of business enclosing statements of accounts of the company or body corporate for the last 3 years are to be given. Adequate care may be taken to furnish full and complete information truthfully. Any misrepresentation found later will lead to disqualification of the applicant.

19.**Applicant***:* This section should set out the background information. Following information should be included:

- Particulars of the applicant (e.g. company name, address, names of directors, etc.).
- Nature of business, years in business of the applicant.
- Past record of regulatory interventions/restrictive directions in respect of the applicant.
- The applicant's reasons for entering the reinsurance market.
- Financial statements for the last five years. Strengths of the applicant.
- Ratings by international credit rating agencies for the last 3 years excluding the year of making the application
- Indication of the degree of commitment to the Indian market place displayed by the applicant.
- The obligations undertaken by the applicant.

20.Lloyd's India Details

This section should provide the key aspects of Lloyd's India. This will cover the following:

- Lloyd's India Address:
- Address for Communication (state the name of the Authorised person, telephone numbers, fax numbers, mobile number, e-mail address and such other details:
- Chief Executive Officer & CFO and allocation of responsibilities.(Proposed)
- Organizational structure. Reporting relationships.

Details of Members of Syndicates who delegate authority to Service Companies and Lloyd's India: [Please give full name, address, percentage of holding in the paid up capital of the foreign reinsurer, Occupation, Qualifications and Experience, Number of shares held and Percentage of share capital in the company] Please attach separate sheets if necessary. Details of persons holding more than 1% of the paid up capital or its equivalent of the applicant are to be given.

Full Name [first, middle, surname]	Date of Birth	Address with Telephone Nos., Fax Nos., E-mail	Qualifications	Experience	Present occupation	No. of equity (voting rights) shares and percentage of total holding	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. / Ms.							

Note: If the shareholder/ subscriber is a company or a body corporate registered in a foreign country, give the name of the company or body corporate in column (1), the country of incorporation and the date of registration in column (2), mention the areas of operation of the company in col.(5), leaving the columns 4 and 6 blank; particulars indicating the countries of operation, nature of business enclosing statements of accounts of the company or body corporate for the last 5 years are to be given. Adequate care may be taken to furnish full and complete information truthfully. Any misrepresentation found later will lead to disqualification of the applicant.

21.Capital structure

□ Amount of Assigned

Capital:

22.Details of Directors of the applicant and the person responsible for overseeing Lloyd's India and Chief Executive Officer (CEO) and Chief Financial Officer (CFO) of Lloyd's India (Key Management Personnel) :

Please furnish the particulars in separate sheets the pro forma given below:-

Name (and any previous names)

Private and Business Address (including any other private addresses within the last 15 years), current Telephone, Fax and E-mail Addresses:

Date and Place of Birth

Nationality (and any previous Nationality)

Passport / Identity Card:

-- Number

-- Date and Place of Issue:

-- Date of expiry

-- Issuing Authority:

Name and Address of Bank:

-- Account Numbers and Type of Account:

-- Details of any loans or guarantees issued to or on behalf of the company in which the Directors and Key anagement Personnel have a management or shareholding interest

Family Status
Details and Dates of Academic Qualification:
Details and Dates of Professional Qualification:
Description of the prospective position (including responsibilities) and proposed date of commencement:
Work Experience:
- Existing and Previous Employers (covering last 15 years)
- Details of whether the Directors and Key Persons and / or their Employers have been formally supervised or regulated
- Nature of Employer's Business
- Designation: (including duties and responsibilities)
- Date of Appointment
- Date of Resignation/Departure
- Details of Other Business interests in the last 15 years where the Directors and Key Management Personnel have been a working shareholder, director or controller.
Relationship with the Company or related Companies or other third parties:- - Details of shareholdings or voting powers in the company, or related Companies or third parties:
- Details of any Business relationships with the company or related Companies or third parties:
- Details of any Business relationships between the Directors and Key Management Personnel former employers and the company or related Companies or third parties: Full details on the Directors and Key Management Personnel reputation and character:-
- whether the applicant has ever been declared bankrupt;
- any convictions of any offence involving fraud or other dishonesty;
- any disqualification of the Directors and Key Management Personnel from acting as a director or in the management of any company or organisation;
- whether the Directors and Key Management Personnel have ever been refused (or had revoked) a licence or authorisation to carry on any regulated financial business; Any censure or disciplinary action initiated by any government, regulatory or professional body;
Any dismissals from office or employment, subjection to disciplinary proceedings by the Directors' and Key Management Personnel's employer or been refused entry to any profession or occupation;
Any litigation in which the Directors and Key Management Personnel have been involved over the last 5 years;
Whether any governmental, regulatory or professional body has ever investigated any employer, company or organisation with which the Directors and Key Management Personnel have been associated as a director, officer, manager or shareholder; Whether any company or organisation with which the Directors and Key Management Personnel were associated as a director, officer, manager, shareholder or controller has ever been wound up, gone into receivership or ceased trading either whilst the

Directors and Key Management Personnel was associated with it or within one year after the Directors and Key Management Personnel so ceased to be associated.

In the Remarks column, please mention whether any director is an agent, broker, any other intermediary, director or employee of any other insurance company (or reinsurer) in India or in any foreign country or director of any other company in India or in any foreign country.

23.Financial Projections

A description of the model used for financial projections and assumptions should be provided, (financial projections for a period of 5 years separately, for each year from the commencement of operations). These should set out the following:

- Amount of business.
- Size of support and administrative staff.
- Premium income.
- Investment income.
- Commissions and other sales related expenses.
- Expenses of administration.
- Income tax and other taxes.
- Statutory reserves.
- Required solvency margins.
- Profit and loss accounts and balance sheets.
- Capital needs.
- Break-even periods and the Return on Capital.

This section should also discuss the manner in which the future capital needs will be met.

24.**Particulars of Previous Application**: Has the applicant ever applied for registration or request for registration in India? If so, give particulars.

25.**Conclusion:** In conclusion, the application should discuss the viability of the operations. Any special issues or concerns should also be indicated.

Certification

I, the undersigned, solemnly declare that the facts given in this application form on behalf of the Applicant are true and that the projections and estimations are based on reasonable assumptions.

Place:

Date:

Signature of the Authorised Person *(with seal)*

FORM IRDAI/LLOYD'S/ R2

APPLICATION FOR REGISTRATION

1.***Geographic Spread:*** Give the address of the office. Please furnish which countries, jurisdictions and territories Lloyd's India will cover.

2.Market Research and Analysis

The applicant may have undertaken some form of market analysis to ascertain the market potential. The applicant may furnish full description of the research, along with the conclusions reached.

3.Types of Reinsurance arrangements to be offered

The applicant may give detail of the types of reinsurance arrangements that it will offer to the Indian and other markets in order to enable it to become a regional hub.

4.***Underwriting***

This section should describe the approach used for underwriting of proposals, etc. Please also state the nature of support to be provided in underwriting and in training of underwriters and upgradation of skills of the local persons by the applicant.

5.Investments

The applicant should describe its investment philosophy that will be appropriate for the products it intends to market. Other information should include the investment personnel, investment adviser (if outsourced), location of the investment operations, investment brokers to be used, etc. and norms regarding Investment, Valuation, Exposure – Prudential – Provisioning Norms.

6. Information Technology

Insurance industry is very much dependent on computer technology. Full description should be provided of the following:

- The different areas where computer systems will be employed.
- The degree of interconnectivity of the systems.
- A description of how the IT systems will be used to develop the required Management Information System.
- Extent of procedures and operations which will remain manual.

7.Retention Limits and Reinsurance

The nature of reinsurance arrangements should be described fully, giving the following details:

- The basis of reinsurance.
- Terms of reinsurance.
- Manner of reinsurance support from Lloyd's / Members of Lloyd's.

8.Recruitment and Training

Different areas may require personnel with different skill sets. Some of the special technical skills would require special focus. The applicant should submit a detailed write-up on its plans to impart technical skills and knowledge locally.

9. Internal Controls

The applicant will need to establish a set of procedures and norms for various activities. The manner in which these will be monitored should be described.

10.Expenses of Administration

The proposed expenses as a per cent of premium.

11. Technical skills

The technical skills of the people who will work in the Lloyd's India and service company and plan for imparting knowledge for skill upgradation at local level.

Certification

I, the undersigned, solemnly declare that the facts given in this application form on behalf of the Applicant are true and that the projections and estimations are based on reasonable assumptions.

Place Date: Signature of the Authorised Person (with Seal)

FORM IRDAI/LLOYD'S/ R3

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

(Seal of the Authority)

CERTIFICATE OF REGISTRATION

Registration Number._____

This is to certify that LLOYD'S INDIA located at _____ has this day been registered in accordance with the provisions of sub-section (2A) of section 3 of the Insurance Act, 1938 (4 of 1938) to transact the classes of business specified in the Schedule below.

Given under the seal of the Authority at this _____ day of _____ two thousand and _____

FORM IRDAI/ LLOYD'S/ R4

Schedule

APPLICATION FOR ISSUE OF DUPLICATE CERTIFICATE OF REGISTRATION

Classes of business which may be transacted: --

1. (LLOYD'S INDIA shall apply in the following

To

Insurance Regulatory and Development Authority of India.

Hyderabad

We request you to issue a duplicate certificate of registration for which we give below the following details:

2.Registration Number:

3.Date of Certificate of Registration:

4.How original certificate has been lost, destroyed or mutilated?

5.Particulars of remittance of fee.

Place:

Date:

Yours truly,

Signature of the Chief Executive Officer (Name of the Chief Executive Officer)

(With Seal)

Notes:

1.Enclose the original copy of the resolution of the board for the issue of duplicate certificate, in duplicate.

2.Enclose a DD for Rupees five thousand drawn in favour of Insurance Regulatory and Development Authority of India payable at Hyderabad or a proof of electronic funds transfer of the amount to the account of IRDAI.

Annexure "1"

1.Details of Members of Lloyd's India : [Please give full name, address, percentage of holding in the paid up capital of the foreign reinsurer, Occupation, Qualifications and Experience, Number of shares held and Percentage of share capital in the company]

Please attach separate sheets if necessary. Details of persons holding more than 1% of the paid up capital or its equivalent of the applicant are to be given.

Full Name [first, middle, surname]	Date of Birth	Address with Telephone Nos., Fax Nos., E-mail	Qualifications	Experience	Present occupation	No. of equity (voting rights) shares and percentage of total holding	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. / Ms.							

Note: If the shareholder/ subscriber is a company or a body corporate registered in a foreign country, give the name of the company or body corporate in column (1), the country of incorporation and the date of registration in column (2), mention the areas of operation of the company in col.(5), leaving the columns 4 and 6 blank; statements of accounts of the company or body corporate for the last 3 years are to be given

Annexure "2"

Application Form - IRDAI/ Lloyd's India Service Company & Lloyd's India Syndicate **(to be applied through Lloyd's India)**

I. Details of Lloyd's India Service Company

2.Name of the Lloyd's India Service Company:

3.Address:

4.Date of incorporation of the applicant: [DD/MM/YYYY]

5.Registration No. issued by the Registrar of the Company, India:

6.Main objects of MOA/ AOA of the Lloyd's India service company:

7.Amount of authorised capital or its equivalent and amount subscribed:

8.No. of years that the managing agent / promoter of the service company has been active.

If so, details thereof:

9.Permission from Lloyd's allowing establishment of a service company by the Managing Agent or Board Resolution by the Board of Directors of the promoter of the service company, as applicable:

10. Details of shareholders/ subscribers of the service company: [Please give full name, address, percentage of holding in the paid up capital of the managing agent, Occupation, Qualifications and Experience, Number of shares held and Percentage of share capital in the company] Please attach separate sheets if necessary. Details of persons holding more than 5% of the paid up capital or its equivalent of the applicant are to be given.

Full Name [first, middle, surname]	Date of Birth	Address with Telephone Nos., Fax Nos., E-mail	Qualifications	Experience	Present occupation	No. of equity (voting rights) shares and percentage of total holding	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. / Ms.							

Note: If the shareholder/ subscriber is a company or a body corporate registered in a foreign country, give the name of the company or body corporate in column (1), the country of

incorporation and the date of registration in column (2), mention the areas of operation of the company in col.(5), leaving the columns 4 and 6 blank; particulars indicating the countries of operation, nature of business enclosing statements of accounts of the company or body corporate for the last 5 years are to be given. Adequate care may be taken to furnish full and complete information truthfully. Any misrepresentation found later will lead to disqualification of the service company.

11. **Details of Managing Agent / Promoter of the Service Company, as applicable**: This section should set out the background information. Following information should be included:

- Particulars of the Managing Agent / Promoter of the service company, as applicable (e.g. company name, address, names of directors, etc.).
- Nature of business, years in business of the Managing Agent/ Promoter of the Service Company.
- Past record of regulatory interventions/restrictive directions in respect of the Managing Agent/ Promoter of the Service Company.
- Financial statements for the last five years.
- Strengths of the Managing Agent/ Promoter of the service company.

12. Details of Service Company

This section should provide the key aspects of the service company. This will cover the following:

- Service Company Address:
- Address for Communication (state the name of the Authorised person, telephone numbers, fax numbers, mobile number, e-mail address and such other details:
- Whether the service company has completed the Lloyd's Service Company Coverholder Undertaking through which the Service Company agrees to comply with all relevant rules and requirements of both Lloyd's and the local legal, fiscal, taxation and regulatory authorities. – Yes/ No
- Whether the service company has completed the Lloyd's Coverholder Decision Paper - Yes/ No
- Please provide detailed information on the following:
  i. the level of underwriting and claims authority granted to the Service Company by the Managing Agent/ Promoter;
  ii. the business strategy for the Service Company which will include geographic

spread, underwriting, types of reinsurance arrangements including retention limits, investments, information technology recruitment and training, internal controls, expenses of administration, technical skills.

iii. details relating to principal staff operating in the Service Company,

iv. financial information,

v. professional indemnity details,

vi. classes of business to be underwritten by the Service Company,

vii. the approach the Service Company will take to ensure compliance with licensing requirements.

- Allocation of responsibilities of Chief Executive Officer, Chief Underwriting Officer & Chief Financial Officer.(Proposed)
- Organizational structure. Reporting relationships.
- Whether the service company has completed the Lloyd's Service Company Self-Assessment against the Lloyd's Minimum Standards – Yes/ No

- Whether the Service company has entered into Service Company Underwriting Agreement, a contract that delegates authority to the service company from Members of Lloyd's of the relevant syndicates – Yes/ No
- If yes, the details of the syndicates they represent.

13. Details of all the Directors, Chief Executive Officer (CEO), Chief Underwriting Officer (CUO) and Chief Financial Officer (CFO) of the service company (Key Management Personnel):

Please furnish the particulars in separate sheets the pro forma given below:-

- Name (and any previous names)
- Private and Business Address (including any other private addresses within the last 15 years), current Telephone, Fax and E-mail Addresses:
- Date and Place of Birth
- Nationality (and any previous Nationality)
- Passport / Identity Card:
  --Number
  --Date and Place of Issue:
  --Date of expiry
  --Issuing Authority:
- Details of any loans or guarantees issued to or on behalf of the company in which the Directors and Key Management Personnel have a management or shareholding interest
- Family Status
- Details and Dates of Academic Qualification:
- Details and Dates of Professional Qualification:
- Description of the prospective position (including responsibilities) and proposed date of commencement:
- Work Experience:
  - Existing and Previous Employers (covering last 15 years)
  - Details of whether the Directors and Key Persons and / or their Employers have been formally supervised or regulated
  - Nature of Employer's Business
    - Designation: (including duties and responsibilities)
    - Date of Appointment

- Date of Resignation/Departure
- Details of Other Business interests in the last 15 years where the Directors and Key Management Personnel have been a working shareholder, director or controller.

Relationship with the Company or related Companies or other third parties:- - Details of shareholdings or voting powers in the company, or related Companies or third parties: - Details of any Business relationships with the company or related Companies or third parties:

- Details of any Business relationships between the Directors and Key Management Personnel former employers and the company or related Companies or third parties:

Full details on the Directors and Key Management Personnel reputation and character:-

- whether the applicant has ever been declared bankrupt;
- any convictions of any offence involving fraud or other dishonesty;
- any disqualification of the Directors and Key Management Personnel from acting as a director or in the management of any company or organisation; - whether the Directors and Key Management Personnel have ever been refused (or had revoked) a licence or authorisation to carry on any regulated financial business;

Any censure or disciplinary action initiated by any Government, regulatory or professional body;

Any dismissals from office or employment, subjection to disciplinary proceedings by the Directors' and Key Management Personnel's employer or been refused entry to any profession or occupation;

Any litigation in which the Directors and Key Management Personnel have been involved over the last 5 years;

Whether any governmental, regulatory or professional body has ever investigated any employer, company or organisation with which the Directors and Key Management Personnel have been associated as a director, officer, manager or shareholder;

Whether any company or organisation with which the Directors and Key Management Personnel were associated as a director, officer, manager, shareholder or controller has ever been wound up, gone into receivership or ceased trading either whilst the Directors and Key Management Personnel was associated with it or within one year after the Directors and Key Management Personnel so ceased to be associated.

In the Remarks column, please mention whether any director is an agent, broker, any other intermediary, director or employee of any other insurance company (or reinsurer) in India or in any foreign country or director of any other company in India or in any foreign country.

II. Details of the Lloyd's India Syndicate

14. Name and other details of Members of Lloyd's promoting Lloyd's India Syndicate:
15. Permission from Members of Lloyd's to set-up Lloyd's India syndicate:
16. Line of reinsurance business that will be underwritten by Lloyd's India syndicate: Life/ General/ Composite
17. Whether the syndicate has entered into the Service Company Underwriting Agreement – Yes/No

18.If yes, details of the service company

19.Amount of assigned capital of Lloyd's syndicate: Rs ....

20.**Financial Projections**

A description of the model used for financial projections and assumptions should be provided, (financial projections for a period of 5 years separately, for each year from the commencement of operations). These should set out the following:

- Amount of business.
- Size of support and administrative staff.
- Premium income.
- Investment income.
- Commissions and other sales related expenses.
- Expenses of administration.
- Income tax and other taxes.
- Statutory reserves.
- Required solvency margins.
- Profit and loss accounts and balance sheets.
- Capital needs.
- Break-even periods and the Return on Capital.

This section should also discuss the manner in which the future capital needs will be met.

21.**Particulars of Previous Application**: Has the applicant ever applied for registration or request for registration in India? If so, give particulars.

22.**Conclusion:** In conclusion, the application should discuss the viability of the operations. Any special issues or concerns should also be indicated.

Joint Certification by the Lloyd's India Service Company and Lloyd's India Syndicate

We, the undersigned, solemnly declare that the facts given in this application form on behalf of the Applicant are true and that the projections and estimations are based on reasonable assumptions.

1.Signature of the Authorised Person representing Lloyd's India Service Company *(with seal)*

.....

2.Signature of the Authorised Person representing Lloyd's India Syndicate *(with seal)*

.....

Place:

Date:

Certification by Chief Executive Officer, Lloyd's India

I, the undersigned, solemnly declare that the facts given in this application form on behalf of the Applicant are true.

1. Signature of the Chief Executive Officer, Lloyd's India *(with seal)*

Place

Date:

JOINT CERTIFICATE OF REGISTRATION FOR LLOYD'S INDIA SERVICE COMPANY AND LLOYD'S INDIA SYNDICATE

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

JOINT CERTIFICATE OF REGISTRATION

Registration Number._____

This is to certify that

1. (Name of the Lloyd's India Service Company with address)
2. (Name of the Lloyd's India Syndicate)

has this day been jointly registered in accordance with the provisions of sub-section (2A) of section 3 of the Insurance Act, 1938 (4 of 1938) to become constituents of Lloyd's India and transact reinsurance business in accordance with the Insurance Regulatory and Development Authority of India (Lloyd's India) Regulations, 2015.

Given under the seal of the Authority at this _____ day of _____ two thousand and _____

Place:

Date:

for Insurance Regulatory and Development Authority of India