

Member Services Newsletter

June 2025

Welcome to the latest edition of the Member Services Newsletter.

It's been a while since our last newsletter, in fact almost a year to the day! In our last edition we said farewell to the outgoing Head of Member Relations, Ed Thomas, so I would like to take the opportunity to introduce myself as the new Head of Member Relations.

My name is Jo Caller, and I have had the privilege of being in this role since September 2024. Having worked at Lloyd's for the last 27 years, and all that time within Member Services, I can certainly say that I know how the department works, most recently leading the Transformation Project, which I appreciate has had an impact on all our members.

My focus for the remainder of 2025 is to continue with the simplification of our end-to-end processes, building out a robust, adaptable multifunctional team ready to meet new and evolving demands.

As a department, we are keen to maintain strong working relationships with all our stakeholders. We have regular meetings with members' agents and communicate with Association of Lloyd's Members (ALM), High Premium Group (HPG) and Third Party Capital Committee (TPCC) to name a few. Representatives from the department also recently attended the annual summer ALM Conference.

As always, we are keen to continue hearing from you and what you would like to hear about in future publications and encourage you to send your feedback to client-gateway@lloyds.com.



Jo Caller

Head of Member Relations

Transformation Project – Update

After starting on our transformation journey over two years ago, we have now largely completed the transition of members' Funds at Lloyd's (FAL) to Citibank. Here are the latest updates.

Onboarding and Account Setup

- All approved Investment Managers (IMs) have been onboarded with Citi, and we are pleased to confirm that all members and third party depositors who submitted a

Lloyd's Form of Appointment (LFOA) within the required deadlines have now been successfully transferred. Additionally, any late submissions were also processed and completed by the end of Quarter 1 2025.

- Online Investment (OLI) accounts used to sweep uninvested cash from cash accounts have been set up where requested and are sweeping daily with a few exceptions where there have been change requests or late form completion.

FAL Management at Citi

- Members and third party depositors who are holding tradeable assets and have not submitted a Lloyd's Form of Appointment (LFOA) are now restricted from trading. These cases are currently under review in collaboration with their respective members' agents.

- The option to pay away income and interest on these accounts has been removed. This facility was permitted during quarter one, however, this has now been suspended, and any monies will be retained in FAL.

- We are working with Citi and the Lloyd's Treasury team to identify the best solution for those members and third party depositors who hold cash only in their FAL. This money is still being invested by Lloyd's Treasury as before, and interest is paid away every six months, if elected, by Member Services.

We continue to receive ongoing requests for the list of approved IMs. To assist, we have provided the details below. Those IMs operating on an in-house only basis have been excluded, as they are not open to speculative applications for appointment.

Investment Manager
Alliance Bernstein Limited
Amundi (UK) Limited
Apollo Management International LLP
Arbuthnot Latham & Co Limited
Barclays Bank Plc
Baring Asset Management Limited
BlackRock Investment Management (UK) Limited
Blackstone ISGI Advisors L.L.C
Canaccord Genuity Wealth Limited
Charles Stanley & Co Limited
Conning Asset Management Limited
DWS Investments UK Limited
Evelyn Partners Investment Management Services LLP / Evelyn Partners Investment Management Services Limited
Goldman Sachs Asset Management
J M Finn & Co Limited
JP Morgan Asset Management (UK) Limited
Killik & Co LLP
LGT Vestra US Limited / LGT Wealth Management UK LLP
Neuberger Berman Europe Limited
New England Asset Management Limited
Payden & Rygel Global Limited
PIMCO Europe Limited
Quilter Cheviot Limited

Rathbones Investment Management
RBC Brewin Dolphin Ltd
Redmayne Bentley LLP
Ruffer LLP
Schroder & Co Limited
Wellington Management International Limited

As part of our new working model, representatives from Member Services now hold six monthly reviews with our IM community to obtain their feedback. We have actively reflected on this feedback and as a result we have already implemented some changes to our processes, including the recent change to the way that IMs can deal with the pay away of income and interest, which we have provided below as a reminder.

Income and Interest policy

Lloyd's has eliminated the requirement for investment managers to obtain consent for income and interest release to members and third party depositors. This change empowers IMs to determine the timing of income and interest releases from Lloyd's portfolios at their discretion. Consequently, there is no longer a mandate to finalise income and interest releases by the end of each quarter.

Improvements

- Reduced stress: This change will alleviate stress and tight deadlines for IMs.
- Untrapped receipts: Members will receive all income/interest without late receipts being trapped.
- Efficiency: Member Services will no longer need to review and update IMs quarterly.

This change streamlines the process, reduces administrative burdens, and improves service for both IMs and members and third party depositors.

Review of 2025

As we reach the halfway point of 2025, Member Services is pleased to share an update on our activities and achievements so far this year. We currently manage £31bn of assets held in FAL, reflecting our continued commitment to the careful stewardship of members' capital.

In readiness for 2025 underwriting, we processed instructions to release 2022 account profits to over 1,400 members, distributing approximately £2.36bn. This significant milestone underscores our dedication to delivering timely and accurate financial outcomes for our members.

The annual capacity auction process was also successfully administered, with £153m in capacity traded across three auctions. This remains a vital opportunity for members to adjust and optimise their underwriting positions.

In addition, we have been actively managing the Coming into Line and Quarterly Corridor Test processes. This includes issuing statements, coordinating the collection of additional FAL, and facilitating the release of surplus capital. Up to the end of May, we have received a total of 683 FAL re-arrangement requests, including 310 instructions which were sent to IMs.

To ensure we continue to meet regulatory expectations and uphold high standards of governance, we are conducting 1,180 risk reviews across all entities. These reviews are an essential part of our ongoing commitment to robust oversight and risk management. If you receive a request to provide supporting documentation for these reviews, we would ask for your prompt attention to these requests.

Up and Coming

Foreign Exchange Enhancements

We're pleased to share that a new foreign exchange (FX) process has been introduced for our accounts at Citi, reducing charges for this service to just 8 basis points. Your IM can now register for this process, with training and demonstrations currently being provided by Citi, to support a smooth transition for them.

Fee Reductions at Citi

In addition, we've worked closely with Citi to review and reduce the charges applied to your accounts. As a result of this collaboration, we've successfully secured refunds totalling \$74,000 for charges made in 2024.

Please keep an eye out for the new Citi rate card and your custodian fee statement. These will be issued by Member Services, via your members' agent (if you have one), or to our Direct Corporate Participants, within the next two weeks, via the FAL Online Portal.

[Click here to see other recipients of this communication within your organisation](#)

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