

LLOYD'S COMPENSATION (AMENDMENT) INSTRUMENT 2003

Powers exercised

- A. The Financial Services Authority amends the Compensation sourcebook in the exercise of the following powers and related provisions in the Act:
- (1) section 138 (General rule-making power);
 - (2) section 156 (General supplementary powers);
 - (3) section 213 (The compensation scheme); and
 - (4) section 214 (General).
- B. The rule-making powers listed in A above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 1 January 2004.

Amendments to the Compensation sourcebook

- D. The Compensation sourcebook is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Lloyd's Compensation (Amendment) Instrument 2003.

By Order of the Board
20 November 2003

Annex

Amendment to the Compensation sourcebook

In this annex text in square brackets indicates provisions already made¹ but coming into force on 1 January 2004. Rule COMP 13.4.21R (Levies on the Society of Lloyd's) is now modified as indicated by inserting the text underlined below:

[Levies on the Society of Lloyd's]

[13.4.21 R The *FSCS* may impose a levy on the *Society* to be calculated as the aggregate of the levies that would be imposed on each *member* if this chapter applied to *members*, as follows:

- (a) a share of any un-expired portion of an *establishment costs levy*;
- (b) a proportionate share of a *base costs levy* in respect of the *compensation scheme's* costs for the period from 1 January 2004 to the end of the *compensation scheme's* financial year and a share of such levies for all subsequent financial years;
- (c) a *specific costs levy* and a *compensation costs levy* in respect of costs arising out of a *relevant person* being *in default*, arrangements made under *COMP 3.3.1R* or measures taken under *COMP 3.3.3R* where];

(i) [the default occurs or the circumstances giving rise to the arrangements being made or the measures being taken, as the case may be, occur]; and

(ii) the *protected contracts of insurance* in connection with which the costs arise were entered into;

on or [after 1 January 2004.]

¹ The text was made through the Lloyd's Compensation Instrument 2003.