



## LMA GUIDANCE - RMAR COMPLETION

Scope	The RMAR must be completed by all MAs with retail (or composite) mediation permissions
Timing	Feb 2013 - the latest date for submission can be found by logging into the FSA GABRIEL system
RMAR sections to be completed	G, H and I

### Section G - Training and Competence

Question	Guidance notes
Total number of staff	This is the total number of employees of your MA - this number includes any staff working in overseas offices of your MA and staff working in service companies which are your ARs (although NOT service companies which are authorised in their own right).
Questions on advice	If your MA only accepts business through Lloyd's brokers or otherwise on a non-advised basis, then the answer to each of these questions is zero

### Section H - COBS Data

Question	Guidance notes
Do FSA regulated activities form the core business of the firm?	This is 'Yes' for all MAs
Number of ARs registered with the firm and associated questions	If your MA does not have any ARs, the answer to these questions is zero. If your MA does have ARs, consider the extent to which you have met the monitoring requirements of ARs - details of the requirements can be found at: <a href="http://fsahandbook.info/FSA/html/handbook/SUP/12">http://fsahandbook.info/FSA/html/handbook/SUP/12</a>

### Section I - Supplementary Product Sales Data

Question	Guidance notes
Q1. Total non-investment insurance premium derived from retail customers.	<ul style="list-style-type: none"> <li>• A retail customer (consumer) is defined as an individual acting outside his/her trade, business or profession</li> <li>• Applies to any consumer who can make a claim under the relevant insurance policy. Therefore, premium from Group and Master policies should be included, when consumers hold certificates and can make a claim</li> <li>• All retail business must be included - worldwide</li> <li>• All distribution methods are included (coverholders, ARs, separately authorised service companies** and open market retail business).</li> </ul>

	<ul style="list-style-type: none"> <li>• Only include NEW policies which inceptioned within the reporting period and NOT RENEWALS.</li> <li>• Where premiums are non-sterling, use prevailing Lloyd's exchange rate or rate at which you have booked bordereaux</li> <li>• If some retail business is on a subscription basis, you should report only your share of the premium</li> <li>• Premium should be reported on a net basis</li> </ul>
Q2. Please indicate in column A each product type where the firm has arranged transactions for retail customers during the reporting period.	Select 'Yes' for each product type where a retail policy of that type inceptioned within the reporting period. MAs should not attempt to 'fit' other types of policies into these categories (e.g. if your only retail business was hot-air balloon policies, you would select 'No' for each category)
Q4. Chains	A chain is where the Lloyd's broker which passes the business to your MA is not the producing broker

\*\* There will be double-counting between managing agent returns and returns submitted by separately authorised service companies - that is intended by the FSA.

### *Best endeavours*

For question 1 in section I, on Supplementary Product Sales Data, the FSA (CBU) team are not asking MAs to go to unreasonable lengths in an attempt to provide an *exact* figure. However, the FSA (CBU) team would expect MAs to make reasonable efforts to submit information which reasonably reflects the amount of retail business they have.

An example of "best endeavours" would be in the context of the new business/renewal business split: if an overseas coverholder does not report specifically on the new business/renewal breakdown, MAs could use relevant MI on renewal rates to estimate this figure.

In order to evidence the use of "best endeavours", MAs should ensure that they can (1) show how they have taken reasonable steps to identify retail business; and (2) explain the methodology of the estimations.

It is expected that during the course of their thematic work, the FCA (CBU) would want some estimation of the number of an MA's retail customers/policies sold across different classes (home, travel, motor etc) and that, over time, it would expect to see refinement to the "total premium income" figure - this should be borne in mind in discussions with coverholders concerning MI collection.

LMA  
12 December 2012