

## SCHEDULE 3

### PROVISIONS APPLYING TO AGGREGATE ACCOUNTS

## PART 1

### GENERAL PROVISIONS AND ANNUAL REPORT

#### Statement as to disclosure of information to auditors

4.—(1) The annual report must contain a statement to the effect that, in the case of each of the persons who are members of the Council of Lloyd's at the time the report is approved—

- (a) so far as the Council member is aware, there is no relevant audit information of which the auditor of the aggregate accounts is unaware; and
- (b) the Council member has taken all the steps that he or she ought to have taken as a member of the Council to become aware of any relevant audit information and to establish that the auditor of the aggregate accounts is aware of that information.

(2) In sub-paragraph (1) “relevant audit information” means information needed by the auditor of the aggregate accounts in connection with preparing the auditor's report.

(3) For the purposes of sub-paragraph (1) the Council member is regarded as having taken all the steps that he or she ought to have taken as a member of the Council in order to do the things mentioned in sub-paragraph (1)(b) if he or she has—

- (a) made such enquiries of fellow Council members and of the auditors of the aggregate accounts for that purpose; and
- (b) taken such other steps (if any) for that purpose,

as were required by his or her duty as a member of the Council of Lloyd's to exercise due care, skill and diligence.

(4) Where the annual report containing the statement required by this paragraph is approved but the statement is false, every member of the Council who—

- (a) knew that the statement was false, or was reckless as to whether it was false; and
- (b) failed to take reasonable steps to prevent the report from being approved,

commits an offence.

(5) A person guilty of an offence under sub-paragraph (4) is liable—

- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine, or both;
- (b) on summary conviction to imprisonment for a term not exceeding three months or to a fine not exceeding the statutory maximum, or both.

**Changes to legislation:**

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Insurance Accounts Directive (Lloyd's Syndicate and Aggregate Accounts) Regulations 2008. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

**Changes and effects yet to be applied to :**

- Regulations power to modify conferred by [2023 c. 29 s. 3Sch. 1 Pt. 2](#)
- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)