



ECLIPSE

Proposal for LMA

Lloyd's Europe Expert Open Market
and DCA Invoice Capture &
Validation

LMA Proposal for Lloyd's Europe Solution

Background & Requirements

Background

The existing Lloyd's Europe expert fee VAT reporting and data capture process is limited by the following:

- poor controls at point of expert submission
- poor data quality and unstructured VAT data capture within the claims handling process
- reporting that captures the poor data quality
- duplicative and manual reporting of invoices and fee / VAT data across the market via CRS and SecureStore

Impact

The impact of this is:

- inaccurate reporting to Lloyd's Europe, resulting in non-reliable VAT books (tax authorities could then reject Lloyd's Europe's VAT books and all fees payments would become subject to Belgian VAT)
- incorrect or duplicative tax payment
- manual processes and reporting burden across the market
- Duplication of tax payments due to ambiguous reporting

Requirements

In order to resolve these issues, the Market is seeking:

- A standard process for the capture of all Expert invoices and related data on Lloyd's Europe claims
- Validation of all invoicing with Experts to ensure correct Tax categorisation
- Standard output for Managing Agents and Lloyd's Europe which meets tax/VAT reporting requirements
- Access to electronic copies of invoices to support taxation reporting, tax audits queries and resolve queries
- A solution that resolves both Part VII and new business for Lloyd's Europe
- A solution that work for both Open Market and Delegated Authority claim portfolios

LMA Proposal for Lloyd's Europe Solution

Gemini Expert Overview



G E M I N I

GEMINI Expert brings together clients and their key suppliers in a collaborative, mutually beneficial platform to maximise the relationship, reduce transaction costs and provide meaningful insights to all parties.

It has been adopted by the Lloyd's and London insurance market who spend up to £1bn on experts annually. Managing Agents have historically struggled to understand how much of their spend is attributed to experts globally. Additionally, experts have antagonised for too long over slow invoice processing with delays up to several months long.

GEMINI was implemented to overcome these challenges. For the first time, managing agents have access to empirical data on the cost and performance of claims experts globally. GEMINI is now the Lloyd's market-wide adopted platform for Managing Agents. We are continuously working on enhancing Gemini to bring better developments and insight to the market.

For Lloyd's Europe requirements, GEMINI Expert can facilitate:

- accurate, data driven identification of applicable tax rates at source
- enhanced and accurate expert, tax, and regulatory reporting (via Gemini and CRS)
- reduced propensity for duplicative tax payments
- automated reporting of data to MAs, via API, or a data dashboard export
- centralised access for Lloyd's, to enable Lloyd's Europe oversight, audit, and reporting of invoices and tax/VAT reporting

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LMA Summary of current Gemini Expert process vs Lloyd's Europe process

Submission & Validation

GEMINI	Expert fee submission direct to Gemini		Validation of expert data against tax rules to ensure accuracy of VAT, invoice, and Lloyd's Europe as payee	<p>Impact & Benefit: One source of fee / VAT data capture and processing that creates data accuracy for downstream processing and reporting - at a reduced MA and market cost.</p> <p>Increased cost of submitting fees and VAT without structured data capture and data validation.</p>
Lloyd's Europe	Expert fee submission to MA	MA fee submission to Fees Direct / Fee agent	No validation on expert submission against tax rules	

Processing

GEMINI	Fee / VAT data and invoice stored and processed centrally. Accurate and consistent processing of fee / VAT data, submitted as part of claim and fee agreement process (within ECF) and via API to carriers CMS.	Assessment of fee / VAT by claims handler informed by validation output and the data processed by Gemini via API and ECF	<p>Impact & Benefit: Data captured and enhanced to support claim agreement and processing, enabling each MA to correctly apply and record VAT.</p> <p>Incorrect application of VAT creates increased risk of incorrect and /or additional local tax being applied and paid.</p>
Lloyd's Europe	Fee / VAT data processed inconsistently via multiple submission channels	Manual assessment by claims handler with no validation and limited local tax knowledge	

Reporting

GEMINI	Gemini reporting of validated data available at MA level for lead and follow – where an MA has adopted Gemini. CRS reporting enriched with accurate data via Gemini.	Gemini stores validated data and invoices centrally for audit and ongoing reporting, reportable to MAs and can be enhanced to be accessible by and reportable to Lloyd's Europe	<p>Impact & Benefit: Centralised storing and reporting of invoices and fee / VAT data for MAs and or Lloyd's Europe</p> <p>Manual and duplicative invoice and fee / VAT reporting via CRS and SecureStore</p>
Lloyd's Europe	CRS reporting of non validated data at MA level for lead and follow where non-Gemini submission and processing channels are used	MA uploads fee / VAT invoice per transaction to SecureStore	

LMA Proposal for Lloyd's Europe Solution

Gemini Expert Process Flow

Attached is the workflow showing the validation process to be applied to all Expert invoices

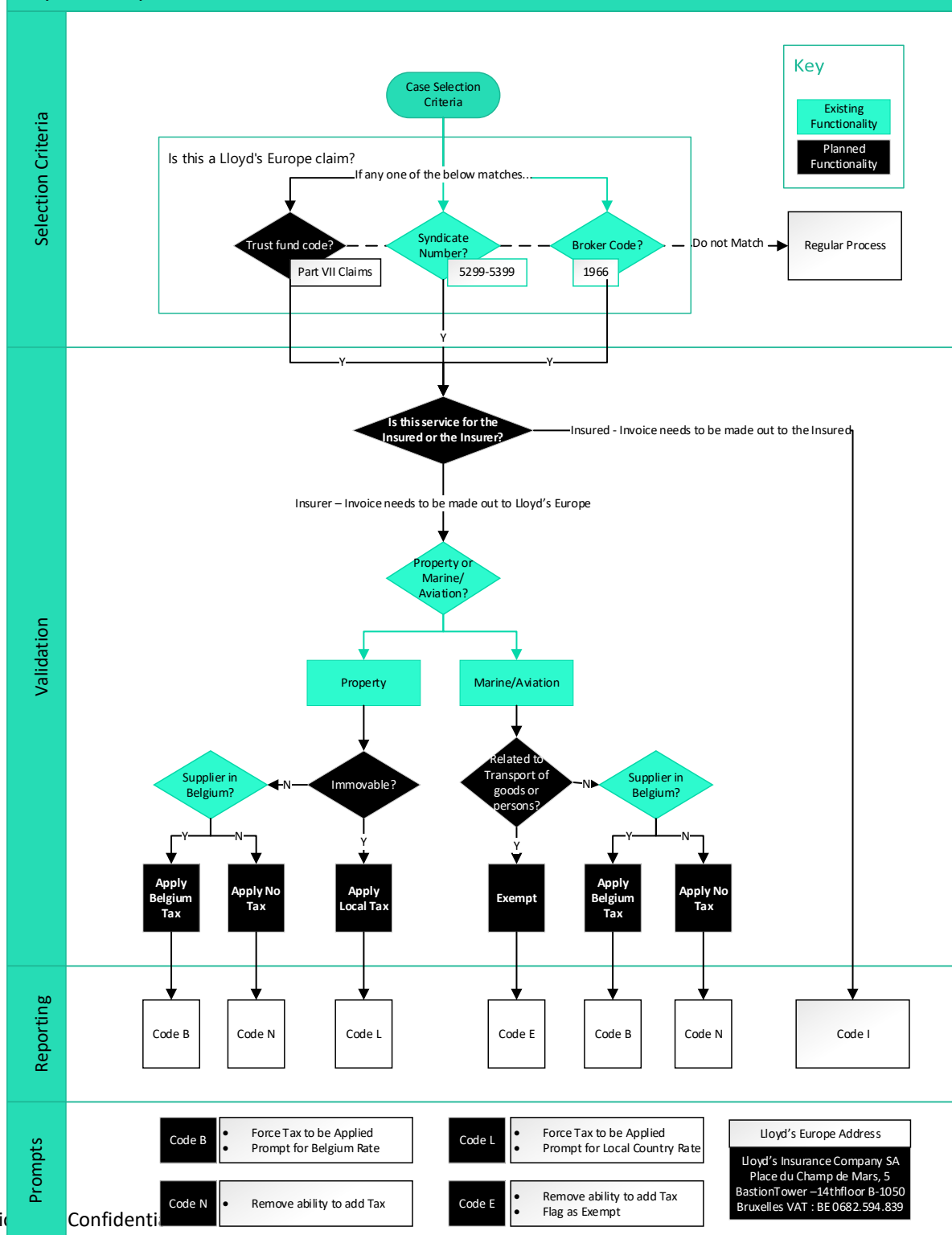
This will be applied to both GEMINI Expert and GEMINI DCA

This process has been reviewed and approved by Lloyd's Europe.

GEMINI will update ECF with the correct coding to allow DXC to capture accurate Tax Coding for CRS reporting

Over time, Gemini can provide all the required reporting for Managing Agents and Lloyd's Europe.

Lloyd's Europe Tax Process



Lloyd's Europe Address
 Lloyd's Insurance Company SA
 Place du Champ de Mars, 5
 Bastion Tower - 14th floor B-1050
 Bruxelles VAT : BE 0682.594.839

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Gemini DCA Overview



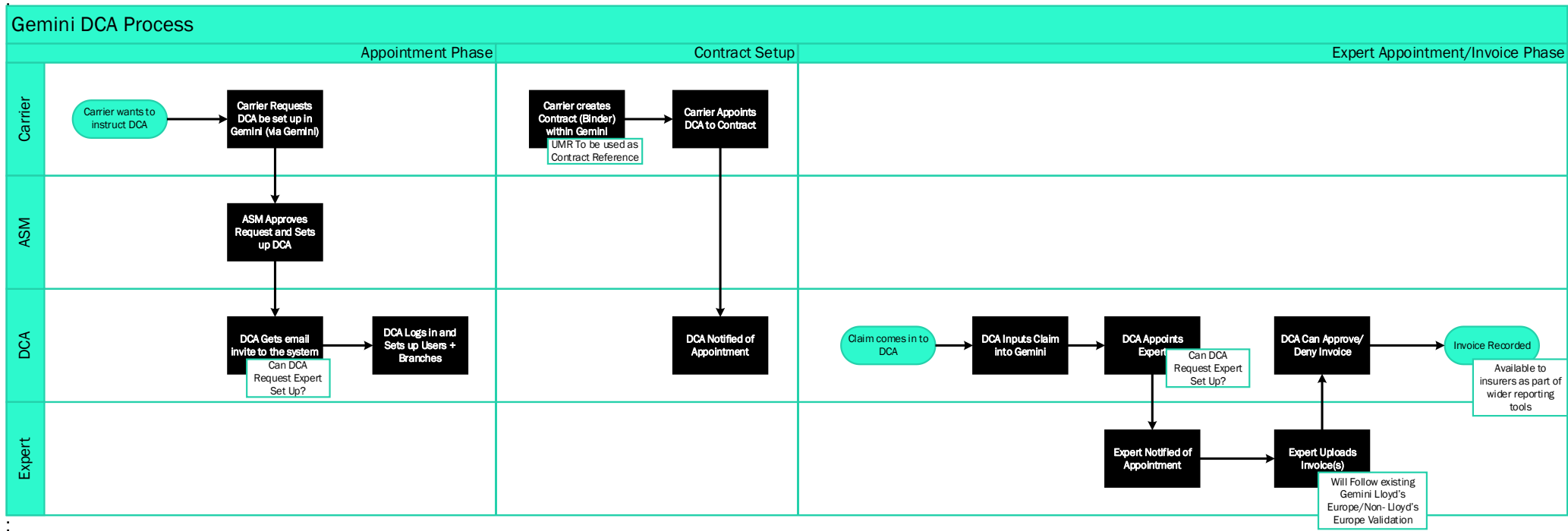
G E M I N I

GEMINI DCA will follow the logic and structure from GEMINI Expert and apply it to the Delegated Authority claims world requirements to include the instruction of Experts by the DCA and the submission and validation of invoices from Experts. An overview of the features is set out below:

- Insurer requests that a DCA is added (like the Expert role today) to Gemini
- DCA provided access and can then record expert appointments in Gemini
- Expert gets instruction to raise invoice in Gemini, with the same invoice validation on VAT
- Invoice then sent by Gemini to the DCA for approval (within the Gemini platform)
- Once approved, the data is secured for Lloyd's Europe PVII reporting purposes, and the DCA is then able to discharge the experts fees via existing processes (i.e. out of loss fund)

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Gemini DCA Process Flow



Workflow onboards DCAs & allow them to instruct Experts & review and approve their invoices

Expert invoice data will be added to GEMINI Expert for Managing Agent reporting purposes

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