
STATUTORY INSTRUMENTS

2005 No. 1998

The Insurers (Reorganisation and Winding Up) (Lloyd's) Regulations 2005

PART 2

LLOYD'S MARKET REORGANISATION ORDER

Syndicate set-off

22.—(1) This regulation applies where—

- (a) a member (“the debtor”) is subject to a relevant insolvency proceeding; and
- (b) no order under regulation 13(3) is in effect in relation to the debtor.

(2) In the application of section 323 of the 1986 Act or Article 296 of the 1989 Order, [^{F1}Rules 14.24 and 14.25] of the Insolvency Rules or [^{F2}Rule 2.086 and] R4.096 of the Insolvency Rules (Northern Ireland) to the debtor, the following paragraphs apply in relation to each syndicate of which the debtor is a member, and for that purpose each reference to the debtor is to the debtor as a member of that syndicate only.

(3) Subject to paragraphs (4) and (5), where there have been mutual credits, mutual debts or other mutual dealings between the debtor in the course of his business as a member of the syndicate (“syndicate A”) and a creditor, an account shall be taken of what is due from the debtor to that creditor, and of what is due from that creditor to the debtor, such account to be taken in respect of business transacted by the debtor as a member of syndicate A only and the sums due from one party shall be set off against the sums due from the other.

(4) Where the creditor is a member (whether or not a member of syndicate A) and there have been mutual credits, mutual debts or other mutual dealings between the debtor as a member of syndicate A and the creditor in the course of the creditor's business as a member of syndicate A or of another syndicate of which he is a member, paragraph (5) applies.

(5) A separate account must be taken in relation to each syndicate of which the creditor is a member of what is due from the debtor to the creditor, and of what is due from the creditor to the debtor, in respect only of business transacted between the debtor as a member of syndicate A and the creditor as a member of the syndicate in question (and not in respect of business transacted by the creditor as a member of any other syndicate or otherwise), and the sums due from one party shall be set off against the sums due from the other.

(6) In this regulation—

- (a) references to a member include references to a former member; and
- (b) “relevant insolvency proceedings” means proceedings in respect of an application or petition referred to in regulation 13(1).

Changes to legislation: *The Insurers (Reorganisation and Winding Up) (Lloyd's) Regulations 2005, Section 22 is up to date with all changes known to be in force on or before 22 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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Textual Amendments

- F1** Words in reg. 22(2) substituted (23.4.2019) by [The Financial Services and Markets \(Insolvency\) \(Amendment of Miscellaneous Enactments\) Regulations 2019 \(S.I. 2019/755\)](#), regs. 1, **6(2)**
- F2** Words in reg. 22(2) inserted (6.4.2007) by [The Insurers \(Reorganisation and Winding Up\) \(Amendment\) Regulations 2007 \(S.I. 2007/851\)](#), regs. 1, **3(11)**

Changes to legislation:

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Changes and effects yet to be applied to :

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)