



LLOYD'S MARKET ASSOCIATION

Model Binding Authority Agreements

Members are advised that the LMA's Binding Authority Wordings Committee has produced updated versions of the Model Binding Authority Agreements and accompanying Guidance Notes as follows:

[View the website version of the Bulletin to download these documents](#)

- LMA3113 Model Binding Authority Agreement (excluding U.S. & Canada domiciled coverholders)
- LMA3114 U.S. Model Binding Authority Agreement
- LMA3115 Canadian Model Binding Authority Agreement
(Plus the associated Canadian endorsements for use in conjunction with LMA3115)
- Guidance Notes Consolidated guidance applying to LMA3113, LMA3114 & LMA3115
- LMA5209 Endorsement for Direct Binding Authorities
- LMA5210 Canadian Attorney in Fact process Endorsement
(For Non-Canadian Domiciled Coverholders)
- LMA5142A Separate Bank Accounts Clause (UK)
- LSW649E Australian Binding Authority Endorsement

Members are advised that the following may still be used:

- LMA5058A U.S. General Cover Conditions
- LSW1598B South Africa Binding Authority Endorsement

The current Non-Marine model agreements were published in July 2006 and a full review has now been undertaken with the aim of reducing the number of model wordings and to incorporate a number of standard endorsements used by the market and which have been published over the past several years. This has removed the need for separate non-marine, marine and direct versions. The wordings have also been updated to reflect market practice and current regulatory requirements.

We have also produced an annotated version of LMA3113 which includes explanatory notes under the relevant sections where there have been major changes.

The documents are suitable for use in the circumstances described in the Guidance Notes. However, the wordings are intended solely as model wordings and accordingly are illustrative. They have been produced and distributed for the guidance of Members, who are free to agree different appropriate wordings.

These new model agreements update LMA3018, LMA3019, LMA3020, LMA3021 and LMA3024 (and the applicable direct versions) all of which can still be used if required. However, for those managing agents who wish to adopt the new model wordings, by agreement with LIIBA it is suggested that the updated wordings be used for binding authorities incepting with effect from 1 November 2013, or earlier if agreed by all parties.

The new wordings together with the Guidance Notes can be found on the Wordings Repository and on www.lloyds.com.

The updated model binding authorities should be used in conjunction with the revised Market Reform Binding Authority slip templates. These updated slip templates will be published separately in due course by the London Market Group (contact: steve.hulm@lloyds.com). They have been designed specifically for use with the model agreements and all the documents are being published to coincide with the year end renewal timetables.

In addition the LMA has also produced a simple guide for coverholders to explain the key changes in these wordings. This document along with all the other documents can also be found on the [Lloyd's website](#).

Enquiries about these new model agreements should be directed in the first instance to: Adrian Graham, LMA (adrian.graham@lmalloyds.com).

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