

ENDORSEMENT TO THE MODEL BINDING AUTHORITY AGREEMENT FOR UK COMPLAINTS - NO AUTHORITY

(For use with LMA Binding Authority Agreements)

The provisions of this endorsement are to be read in conjunction with Section 22 (Complaints or Proceedings).

The Coverholder has no authority to handle Complaints against Underwriters or to offer redress to resolve Complaints.

The Coverholder shall operate written procedures that allow Complaints to be made by any reasonable means including by letter, by email, in person or by telephone (standard rate or free phone).

1. Process

Upon receipt of a Complaint against Underwriters from an Eligible Complainant below, the Coverholder must comply with the procedures as set out below.

- 1.1. The Coverholder does not have authority to handle Complaints against Underwriters.
- 1.2. Promptly record in writing any Complaint which is received by telephone or in person. A record of the Complaint shall be included in the details and relevant documents to be provided to the Underwriters in accordance with section 3.
- 1.3. If the Coverholder is in any doubt as to whether or not it is a Complaint, the Coverholder shall treat it as a Complaint.
- 1.4. The Coverholder must immediately pass the Complaint, along with all relevant documentation, to Underwriters using the following email address: **{Insert Underwriters' email address}**
- 1.5. Upon receipt of a Complaint which does not fall within the definition at Section 5.1 or is not from a person who is an Eligible Complainant as defined in 5.2 below, the Coverholder must **{Insert instructions here}**
- 1.6. If Underwriters request any further information the Coverholder must provide this promptly.
- 1.7. [The Coverholder is solely granted authority to acknowledge the Complaint. The format of the acknowledgement must be in the format found at www.lloyds.com/complaintshandling/UK, and as agreed with underwriters. **[Delete if not applicable]**

2. Additional Responsibilities

In addition to the above the Coverholder will:

- 2.1. Ensure that all members of staff that may receive Complaints in relation to any operations under this Binding Authority Agreement are trained in Complaint identification to a level appropriate to their position and role within the organisation and are aware of the above procedure;
- 2.2. [Inform policyholders of the availability of the EU Online Dispute Resolution (ODR) scheme in relation to products distributed under this binding authority agreement. Where required to do this, the Coverholder must display the following wording on their website and policy documentation:
'If you were sold this product online or by other electronic means and within the European Union (EU) you may refer your complaint to the EU Online dispute Resolution (ODR) platform. Upon receipt of your complaint the ODR will escalate

your complaint to your local dispute resolution service - this process is free and conducted entirely online. You can access the ODR platform on <http://ec.europa.eu/odr>.’] [Delete if not applicable]

3. Record Keeping

- 3.1. The Coverholder shall maintain a register of all complaints against underwriters. The register should include the following information:
 - a. Name of complainant and policyholder (if different);
 - b. Name of complainant’s representative (if applicable);
 - c. Address of complainant;
 - d. Address of complainant’s representative (if applicable);
 - e. Date complaint received;
 - f. Date referred to Underwriters;
 - g. Policy number;
 - h. Claim Reference (if applicable);
 - i. Unique market reference.
- 3.2. The Coverholder must provide a copy of the register to Underwriters, or their representatives, promptly upon request.

4. Additional Guidance

- 4.1. In the event additional guidance is required the Coverholder should contact Underwriters at: **{Insert Underwriters contact details here}**
- 4.2. Lloyd’s also provides further guidance at: www.lloyds.com/complaintshandling Or, the Coverholder could contact Lloyd’s directly on: complaints-enquiries@lloyds.com or +44(0)20 7327 5696.

5. Definitions

- 5.1. The definition of a ‘Complaint’ is:

Any oral or written expression of dissatisfaction, whether justified or not, from, or on behalf of, a person about the provision of, or failure to provide, a financial service or a redress determination, which:

- a. Alleges that the complainant has suffered (or may suffer) financial loss, material distress or material inconvenience; and
- b. Relates to an activity of that respondent, or of any other respondent with whom that respondent has some connection in marketing or providing financial services or products, which comes under the jurisdiction of the Financial Ombudsman Service.

- 5.2. Eligible Complainants are defined as:

- a. Individuals acting for purposes outside of their trade, business or profession.
- b. Micro-enterprises which are smaller businesses with less than 10 persons and an annual turnover or balance sheet of less than EUR 2 million.
- c. Charities with an annual income of less than GBP6.5 million at the time the Complaint was made.
- d. Trustees of a trust with a net asset value of less than GBP5 million at the time the Complaint was made.

- e. Small businesses which are enterprises which have an annual turnover of less than GBP6.5 million and a balance sheet total of less than GBP5 million or employ fewer than 50 persons.
- f. Professional clients and eligible counterparties, where the person is an individual acting for purposes outside of his trade, business, craft or profession.
Or
- g. Individuals who have given a guarantee or security in respect of an obligation or liability of a person who was a micro-enterprise or small business at the time the guarantee or security was given.

5.3 In the event that the Financial Conduct Authority definitions of the above are different then the Coverholder shall apply the Financial Conduct Authority definitions of Complaint and Eligible Complainant.

LMA5296A

15 October 2019