

FROM: Director, Worldwide Markets
LOCATION: 86 / G12
EXTENSION: 5998
DATE: 7 April 2004
REFERENCE: Y3287
SUBJECT: **ITALIAN COMPLAINTS REGISTER AND NEW PROCEDURES FOR DISPUTE HANDLING**
SUBJECT AREA(S):
ATTACHMENTS: None
ACTION POINTS: **Please note**
DEADLINE: **With effect 1 April 2004**

1. Introduction

From 1 April 2004, all insurers operating in the Italian market are required to maintain a specific register for recording complaints handled by them, under the monitoring of the Italian regulatory authority (ISVAP). The introduction of these new procedures is set out in ISVAP circular 518/D.

Lloyd's Italian Office (LIO) will maintain this register on behalf of the Lloyd's market and will also fulfil the regulatory reporting requirements each quarter. The co-operation of local accredited intermediaries, Lloyd's brokers, underwriters, loss adjusters and lawyers ("the parties") is essential in this process to ensure LIO obtains the required information in order for it to meet these obligations.

2. Requirements

The register of complaints, which must be maintained in electronic form, will be managed by LIO. Any communication received from insureds, claimants or – policyholders, which contains a complaint relating to a contract written on an establishment basis and which is not merely a request for information, must be included in the register kept at LIO.

LIO will rely on the parties to obtain the necessary information to include in the register and enable the LIO to deliver to the claimant an official reply.

Disputes concerning the amount of settlement and /or the determination of liability remain the exclusive competence of the courts and conciliatory systems (such as arbitration) where appropriate.

3. Procedures for complaints handling

Any party which receives a query from LIO regarding a complaint is requested to provide all relevant information necessary to enable LIO to issue a proper reply within the timeframe allowed by ISVAP.

Local open market correspondents and coverholders, i.e. the parties who will be approached by LIO as a first step, should when receiving the query from LIO seek to deal with it at their earliest convenience. A draft of the response should be delivered to LIO within 10 working days or - if this deadline cannot be met - an indication of the date by which the complaint can be addressed should be given to LIO instead. All information should be sent electronically to LIO on email servizioclienti@lloyds.it

Should the complainant not be satisfied by the reply, or in the event of there being no acknowledgement within the set timeframe, the complainant is entitled to appeal to ISVAP.

Underwriters need not set up new specific procedures for complaints handling, as these requirements will be fulfilled by LIO. However, underwriters must ensure other parties communicate all information to LIO on demand and that they co-operate fully to enable LIO to meet these requirements.

4. The complaints register for Lloyd's underwriters

The complaints register must hold, on a case by case basis, information relating to the identity of the client, the company or intermediary concerned in the complaint, general information on the complaint, the type of insurance involved and the outcome of the handling process.

LIO will submit a quarterly report (with effect from the end of 2nd quarter 2004) to ISVAP which will include a statistical spreadsheet of data collected in the complaints register and a summary report identifying any frequent complaints, trends or special circumstances. Data forwarded to ISVAP will be monitored and ISVAP may request further additional information.

5. Notice to the Proposer/Assured

The pre-contractual notice declaration for Italy has been updated to reflect the new regulations by ISVAP regarding complaints management.

6. Contact details

If you have further queries about this bulletin, please contact:

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This bulletin is being sent to all compliance officers, managing agents, active underwriters and Lloyd's brokers.

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