

MARKET BULLETIN

REF: Y4284

Title	Argentina: changes in law & jurisdiction requirements
Purpose	To inform managing agents of the implications of the requirement to include Argentinean law & jurisdiction in reinsurance contracts concluded with local ceding companies
Type	Event
From	Cameron Murray, Senior Manager, International Regulatory Affairs
Date	27 May 2009
Deadline	With immediate effect

Background

Lloyd's is a registered foreign reinsurer in Argentina, which permits Lloyd's underwriters to accept reinsurance business directly from ceding companies (without the intervention of a local broker) or via a local registered reinsurance broker.

New law & jurisdiction requirements

As previously advised via the *What's New* report on Crystal, the Insurance Superintendency of Argentina (Superintendencia de Seguros de la Nación ("SSN")) published Resolution No. 33.320/2008, which requires all reinsurance contracts incepted on or after 2 September 2008 to conform to the law & jurisdiction of Argentina. This changed the former position which permitted choice of law & jurisdiction by the parties concerned.

Please note that contracts which incepted before 2 September 2008 may remain unchanged until renewal. If renewed, however, the reinsurance contract will have to conform to the law & jurisdiction of Argentina from inception date.

LMA clauses

Lloyd's Market Association (LMA) together with Lloyd's International Regulatory Affairs (IRA) has produced model clauses which may be attached to Argentinean reinsurance contracts. The clauses provide for litigation at court as well as alternative dispute resolution method of arbitration. The clauses are entitled:

- Argentina Jurisdiction Clause A – LMA5132

- Argentina Jurisdiction Clause B – LMA5133
- Argentina Arbitration Clause – LMA5134

Please note that Lloyd's underwriters may use alternative wordings provided those comply with Argentinean legislation.

Further Information

If you require additional information or wish to discuss this matter in more detail, please contact initially:

Lloyd's International Trading Advice

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