

MARKET BULLETIN

REF: Y4420

| | |
|----------------------|--|
| Title | Extension of 2010 Pilot Scheme for Claims |
| Purpose | To communicate the extension of the 2010 Pilot Scheme for Claims into 2011 |
| Type | |
| From | Tom Bolt, Performance Management Director Performance Management Directorate |
| Date | 29 September 2010 |
| Deadline | |
| Related links | 2010 Pilot Scheme for Claims (attaching Lloyd's 2006 Claims Scheme (as amended) and 2010 Process Guidelines) |

On 30 November 2009 Market Bulletin Y4341 introduced the amended Lloyd's 2006 Claims Scheme which incorporated at Annex 1 the 2010 Pilot Scheme (the '2010 Pilot Scheme') to pilot a new claims agreement framework. As a result of the Pilot's success the Franchise Board has decided to extend the Pilot into 2011. Until further notice the scope of the Pilot, i.e the specific risk codes as detailed in Schedule 1 to the 2010 Pilot Scheme, will remain unchanged.

Brokers should therefore continue to use the language set out in the above Bulletin in all slips or contracts of insurance or reinsurance incepting on or after 1 January 2010 (ie including those incepting on or after 1 January 2011). For ease of reference this wording is repeated below. The terms used in the language below are defined in the 2010 Pilot Scheme.

"Basis of Claims Agreement:

In accordance with the Lloyd's 2006 Claims Scheme or as amended

Claims Agreement Parties:

In respect of the Lloyd's 2006 Claims Scheme: The Leading Lloyd's Underwriter and XCS for the following Lloyd's syndicates.

In respect of the 2010 Pilot Scheme: The Leading Lloyd's Underwriter only for Category 3 claims. The Leading Lloyd's Underwriter and the Second Lloyd's Underwriter for Category 1 and 2 claims."

If you have any questions regarding the above please do not hesitate to contact the project team at:
ClaimsTransformationProject@lloyds.com or 0207 327 5900.