

MARKET BULLETIN

REF: Y4585

Title	Joint Market Certificates for Marine Cargo Insurance business
Purpose	New Certificate template for Lloyd's and Ins-Sure Company Markets business
Type	Event
From	Mark Patterson, Controller of Agencies, Agency, Performance Management Directorate Contact details: 020 7327 5735 / mark.patterson@lloyds.com
Date	18 April 2012
Deadline	
Attachments	JCC 2012/004 Several Liability Wording

The Certificates Office have been investigating the possibility of providing Assureds under Marine Cargo policies with a single 'Joint Certificate of Insurance' where insurance is placed across both the Lloyd's and Companies markets. As you may be aware this facility was withdrawn many years ago following the liquidation of certain Companies within the ILU market.

A new certificate template has now been developed for this purpose which is based on the "Ins-Sure Services Companies Certificate Template". The certificate will not contain Lloyd's branding and will not be countersigned for the Council of Lloyd's. Samples of the template are available on request.

This new certificate will allow brokers to provide their customers with a 'single' document where the business is placed across both the Lloyd's and Ins-Sure Company Markets. This certificate will clearly identify on the back the market leader, the aggregate share written by all Lloyd's syndicates together with the Ins-Sure Company(s) market displayed in the normal manner.

At present this certificate of insurance will only be available in 'paper' format. The possibility of producing an electronic format is currently being investigated and the Certificates Office will notify the Market when this is available.

These certificates will also contain a new "Several Liability Clause for Joint Market Certificates" wording which is now registered under JCC 2012/004, the text of which is attached for information as Appendix 1. This wording, which has been adapted from LMA 3333, makes clear the several liability of all the participants on the cover, both members of Lloyd's and Companies. Policies and wordings being presented to the Certificates Office for these new certificates will need to incorporate reference to the new JCC 2012/004 Several Liability Wording.

Please contact a member of the Certificates Office at cert-orders@lloyds.com for further information on this new template.

Mark Patterson
Controller of Agencies

Appendix 1

SEVERAL LIABILITY CLAUSE FOR JOINT MARKET CERTIFICATES

This Certificate is subject to and incorporates by reference the "several liability notice" contained within the Contract stated on the front page hereof and you are referred to the full terms of that clause.

In summary, that several liability notice provides that the liability of an insurer under the Contract is several and not joint with other insurers party to the Contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (the total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion, nor is any member otherwise responsible for any liability of any other insurer that may underwrite the Contract.

In respect of each Lloyd's syndicate, the total of the proportions under the Contract underwritten by all the members is declared in the Contract.

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