

MARKET BULLETIN

REF: Y4732

Title	Amendments to be made to the Binding Authority Registration (BAR) System
Purpose	To notify users of the Binding Authority Registration (BAR) system, of changes to be made to the BAR system's claims handling requirements.
Type	Event
From	Tom Bolt, Director Performance Management Directorate T: 020 7327 6700 E: Tom.Bolt@lloyds.com
Date	23 October 2013
Deadline	Changes will take effect from 17:00 on Friday 1 November 2013
Related links	Market Bulletin Y4562 ; Byelaw amendment – Third Party Administrators

This bulletin is for the attention of all users of the Binding Authority Registration (BAR) system.

The Binding Authority Registration (BAR) System

The BAR website is an online market system used by Lloyd's brokers and managing agents to register binding authorities. Further information regarding the use of the BAR system can be found here: <http://www.lloyds.com/the-market/tools-and-resources/tools-e-services/binding-authority-registration-bar>

Changes to be made to the BAR System

With effect from 17:00 on Friday 1 November 2013, when registering a new, or renewing a current, binding authority, users will be required to provide further information relating to who will handle claims notified to policies written under the binding authority.

For each approved coverholder, users will be required to state whether the lead managing agent has delegated claims handling authority to a Third Party Administrator (TPA)¹. The terminology used in the BAR system will be as follows:

“Has the lead managing agent delegated claims handling authority to a TPA, with respect to this coverholder and binding authority?”

Where a TPA has been delegated claims handling authority², the user will be required to select the TPA used from a drop-down list. The assignment of TPAs will be at coverholder level and multiple TPAs may be selected for each coverholder.

The drop-down list of TPAs will be based on Lloyd's centrally held TPA Register³. This Register contains the identity of managing agents that have informed Lloyd's that they have outsourced claims handling to that TPA. If managing agents have not previously notified Lloyd's that they outsource claims handling to the TPA, the BAR user will need to notify Lloyd's to request the Register be updated. Once Lloyd's has been notified of the new TPA and the Register has been updated, the binder registration process can be completed. Each quarter, Lloyd's will ask managing agents to validate the TPA information entered into BAR.

Please note that this BAR registration process does not change the process by which managing agents notify Lloyd's of a TPA that they intend to appoint for the first time, for the TPA Register. Managing Agents should continue to notify Lloyd's of new TPAs to be appointed by sending an email to Claims@Lloyds.com including the name and address (including post code) of the TPA, and the key contact name. For the avoidance of doubt this notification process is not an approval process and the responsibility for selecting suitable TPAs remains with the managing agents. The responsibility for ensuring Lloyd's is notified of TPAs used will also, remain with the managing agent.

Key Benefits

The changes to be made to the BAR system will enable Lloyd's to capture the relevant binding authority references against each TPA on the TPA Register. This will greatly ease the process by which managing agents provide information relating to TPAs to Lloyd's, on a quarterly basis.

Queries

Queries should be addressed to Barney Smith (Lloyd's Delegated Authorities Team) 020 7327 6057/ Barney.Smith@lloyds.com or Andrew Johnson (Lloyd's Claims Team) 020 7327 5800/ Andrew.Johnson2@lloyds.com.

¹ TPAs are as defined by paragraph 36A(h) of the [Intermediaries \(Claims Determination\) Amendment Byelaw](#).

² For the purpose of this document and the terminology to be used within the BAR system, “claims handling authority” is assumed of any entity with the ability “to determine claims”. See paragraph 36C of the [Intermediaries \(Claims Determination\) Amendment Byelaw](#) for the definition of the phrase “to determine claims”.

³ See [Market Bulletin Y4562](#) for further detail regarding the centrally held Lloyd's TPA register, and managing agents' requirement to pre-notify Lloyd's of any new TPAs used to handle claims within a binding authority.