

Market Bulletin

Ref: Y5320

Title	COVID-19 & Changes to the Lloyd's Claims Scheme (Combined)
Purpose	To update managing agents on changes previously made on the 8 th April 2020 to the Lloyd's Claims Scheme (Combined) as part of the COVID-19 response.
Type	Event
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Date	21 st December 2020
Deadline	Immediate
Related links	Detailed below

On 8th April 2020 Lloyd's issued Market Bulletin Y5290 [here](#) which made immediate changes to the Claims Scheme as part of the response to the challenging market operational situation caused by the COVID-19 pandemic.

Those changes which empowered the lead managing agent to handle a greater volume of claims as a single agreement party were designed to provide benefits to Lloyd's policyholders, managing agents, brokers and delegated agents. The changes included increases to the Standard financial thresholds and the ability for the lead managing agent to reassign from Complex to Standard with no consultation with the current 2nd lead managing agent.

A consultation on the changes was carried out with the LMA's Claims Committee (LMACC) and LIIBA both of which confirmed their support for the changes which were to apply until 31 December 2020, when they were to be reviewed.

As scheduled, this review has now been conducted in conjunction with the LMACC and LIIBA and against the backdrop of positive stakeholder feedback over the past 8 months surrounding these changes.

The conclusion of the review is that these changes (which remain aligned to Blueprint 2) will continue to remain in force until further notice.

They will be further reviewed as part of a broader review of the Lloyd's Claims Scheme during 2021. At that stage, additional changes are forecast to be made to the Claims Scheme to further increase the alignment between the Claims Scheme and Blueprint 2.

In addition, Lloyd's expectations for the adoption of the LMA9186 Co-Lead Claims Agreement clause and the use of Proofs of Loss also remains unchanged as per Market Bulletin Y5290.

For further information, please contact:

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