

Market Bulletin

Ref: Y5328

Title Lloyd's Insurance Company - Updated Coverholder Appointment Agreement

Purpose To inform the market that Lloyd's Insurance Company has published the endorsement LBS0084 for LBS0001A

Type Event

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Deadline With immediate effect

Related links <https://www.lloydswordings.com>

The LBS0084: a new mandatory endorsement for the LBS0001A

All Coverholders accepting EEA business on behalf of Lloyd's Brussels need to be appointed using the mandatory form of the Coverholder Appointment Agreement (CAA).

Following discussions with the LMA, the current version of the CAA (LBS0001A) has been updated by the above-mentioned endorsement the LBS0084.

The changes relate in general to align the terminology in the CAA with the new Managing Agent Outsourcing Agreement where references to "Managing Agent" are changed to "service provider",

The other changes are:

1. A revised list of Manufacturer activities has been set out in section 20.12 of the schedule.
2. The wording of the introduction section is updated.
3. Grammatical corrections have been made to section 23.

The Managing Agent Outsourcing Agreement that was issued in Q3 2020 contained a completely revised CAA wording in Schedule 3. This CAA wording was published in December 2020 as LBS0001B. Based on feedback from the LMA and given that new CAAs can be produced in DCOM in the future, Lloyd's Europe decided not to proceed with the introduction of LBS0001B and chose to produce the LBS0084 endorsement instead.

Impact on new CAA arrangements

All new CAAs must be endorsed with the LBS0084 with immediate effect.

Impact on existing CAA arrangements

Existing CAAs in the form of LBS0001A must be endorsed with the LBS0084. This should be done within three months of the date of this bulletin.

LBS0084 and the Guidance Notes for it are available on the Lloyd's Wording Repository at <https://www.lloydswordings.com>.

Please note that these changes relate only to CAAs with Lloyd's Insurance Company and not binding authority agreements with Lloyd's Underwriters.

Further information

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