



# CEO Lunch

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Lloyd's Market Association

[www.lmalloyds.com](http://www.lmalloyds.com)





# High level of market support



- Largest ever Board representing over 60% of market capacity
- Good mix of CEO, COO, CFO, underwriting and claims
- LMA Board cross-memberships with Council, Franchise Board and CIB
- Over 1,600 market practitioners support our panels/committees
- All managing and members' agents are members



# High level of market support



- Every agent has someone involved on at least one of our committees and most have many
- 54 Associate members e.g. PWC, Clyde & Co, JP Morgan Asset Management, Charles Taylor Consulting
- Over 6,300 attendances by members at LMA events in 2012
- Over 200 press articles on our activities appeared in the trade press and also The Sunday Times and FT in 2012



A vertical image on the left side of the slide showing a complex network of industrial pipes and structural elements, likely from a refinery or chemical plant, set against a clear blue sky.

# Current Board agenda

- 2025 Vision - International Market Development
- Claims Transformation Programme
  - Volume Claims Service
  - Legacy Claims
  - Broker portal
- Project Darwin (Central Services Refresh)
- Market Appetite for Shared Services
  - Catastrophe models
  - Data cleansing
  - Contract certainty checks
  - Credit control



# Current Board agenda



- Solvency II
  - Embedding within 'Business as Usual'
  - PRA's supervisory approach to implementation
- Utility Placing Platform (Qatarlyst)
- Legal /Regulatory environment (incl. Law Commission and EC Enquiry)
- Business Planning Process
  - Business plan approval
  - Capital setting
  - Annual timetable





# Underwriting issues

## Wordings

- 75 Wordings released in 2012
- Number of wordings on LWR trebled in past 5 years to over 4,600
- 3,000 users downloading 18,000 wordings per month

## Nuclear

- Six new nuclear and radioactive contamination exclusion clauses
- Will bring the market's wordings in line with modern nuclear technology



# Underwriting issues



## Eurozone

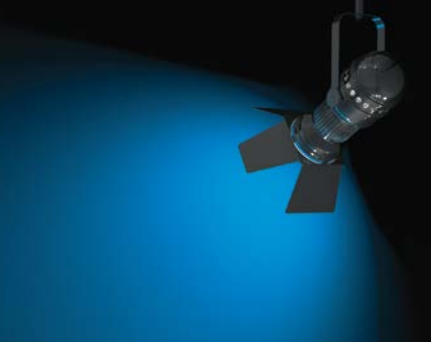
- Guidance on Eurozone exit/monies-in-transit
- Model Contract Continuity Clause released
- Joint LMA/Clyde & Co guidance for 1/1 renewals



## Contingent Business Interruption

- Following Japan earthquake and Thai floods
- Model Suppliers and Customer Questionnaire issued on supply chain management





# Influencing the broker relationship



## Commission Disclosure

- Further guidance on broker remuneration
- Model wording for inclusion in a line slip



## Qatarlyst

- Utility Placing Platform jointly owned with IUA/LIIBA
- To provide governance around pricing/development

## Working with LIIBA on:

- Static claims
- Expert fees
- Visits to catastrophe affected areas







# Legal / Regulatory environment

## Reform of financial regulation in the UK

- Responded to Treasury on draft MoU between FCA, PRA and Lloyd's
- Regular dialogue with FCA and PRA teams
- Consultations on: client money, trapped premiums, FSCS funding, Insurance Mediation Directive, approved persons, fees and levies

## Law Commission / legal issues

- Damages for late payment of claims
- Non-disclosure and remedies
- Use and effect of warranties
- Reservation of rights



# Questions

- Are we focusing on the right issues?
- Are there things we are not doing that we should be doing?
- Are there things we are doing that we should not be?

Please respond to the LMA Board member or Executive Management member on your table

