



LMA Aviation Committee

TERMS OF REFERENCE

All Committee members should familiarise themselves with the LMA's Competition Compliance Guidelines (see Appendix 1 hereto). The link to this document on the LMA website is:

http://www.lmalloyds.com/lma/Web/market_places/legal/Materials/LMA_Competition_law_guidance.aspx.

In accepting membership of any committee, that individual/organisation agrees to be bound by these Terms of Reference and to comply with the Competition Compliance Guidelines.

1 DEFINITIONS

"LMA" means the Lloyd's Market Association;

"LMA Full Member" means any Managing Agency or Members' Agency operating at Lloyd's;

"LMA Executive" means the employees of the LMA, individually and collectively;

"The Committee" means LMA Aviation Committee

2 CONTEXT/BACKGROUND

2.1 The LMA is the representative body for underwriting businesses at Lloyd's. It is a company limited by guarantee, owned by its members (managing and members' agents).

2.2 The LMA's mission is:

"to provide professional, technical support to the Lloyd's underwriting community".

2.3 The LMA Board, consisting of market leaders the majority of whom are directly elected by the members, sets the overall strategy, direction and priorities of the LMA. It delegates delivery to Policy Committees which in turn rely on a variety of specialist committees/panels, both permanent and ad hoc. The LMA depends on several hundred volunteers on all these committees/panels to ensure that the views it expresses are representative of the market and the services it provides are in tune with members' needs.

3 ROLE AND SCOPE OF THE COMMITTEE

3.1 The Committee reports to the LMA Board

3.2 The Committee is established in order to represent the interests and needs of aviation and aerospace underwriters at Lloyd's and for guiding the services provided by the LMA to the aviation and aerospace market. In relation to its underwriting and claims work the Committee shall ensure effective representation on and liaise as required with the LMA Underwriting and Claims Committees.

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- 3.3 The Committee has the following roles:
- 3.3.1 to promote efficient operation and the highest technical standards in the aviation and aerospace sector;
 - 3.3.2 to represent the interests of practitioners in this sector to Lloyd's and other organisations relevant to the sector in the UK and overseas;
 - 3.3.3 to respond to requests from practitioners in this sector, the LMA Executive, Policy Committees and other committees and panels for advice and recommendations on issues and, where necessary, raise with any organisation or individual issues with which that organisation or individual may be able to assist;
 - 3.3.4 to support and co-ordinate Lloyd's aviation representatives on London Market joint committees and other bodies or organizations in the UK or overseas;
 - 3.3.5 in fulfilling its objectives the Committee may appoint, maintain and oversee sub-committees or working parties to consider specific matters.
 - 3.3.6 in relation to any LMA model wordings or model agreements, to consult with practitioners in the relevant sectors or classes of business, both representatives of LMA members and, as appropriate, external persons or organisations, and following this to publish such model wording or agreement on the LMA website and, if a policy wording, in the market wordings repository, in order to promote the highest level of market efficiency and standards for the benefit of LMA members, practitioners, policyholders and their representatives and other counterparties of LMA members.
 - 3.3.7 All Aviation (AVN) Wordings are prepared and published by the Aviation Insurance Clauses Group (AICG) in accordance with AICG's Terms of Reference – see www.aicg.co.uk.
 - 3.3.8 The Committee will nominate up to six LMA aviation representatives (not necessarily members of Committee) to serve on the Aviation Insurance Clauses Group (AICG).
 - 3.3.9 The Committee will nominate up to five of its members to serve on the Aviation Liaison Forum (ALF) with the Aviation Technical Committee (ATC) of the International Underwriting Association (IUA).
- 3.4 The Committee will fulfil this role by:
- 3.4.1 being constituted so as to be representative of the interest of the aviation and aerospace sector;
 - 3.4.2 meeting on a regular basis with planned agendas and minutes of proceedings; and
 - 3.4.3 publishing a summary of its work from time to time on the LMA's website by way of summary minutes of its meetings or an annual summary.

4 OFFICERS

4.1 Chairman



4.1.1 Duties

- (a) The Chairman will oversee the efficient and effective operation of the Committee in accordance with these Terms of Reference.
- (b) In fulfilling these duties The Chairman will use best endeavours to act independently with due regard for the interests of all managing and members' agents, and in accordance with any legal or regulatory requirements.
- (b) In particular, the Chairman (with the assistance of the Secretary) shall ensure that the Committee conducts its business in accordance with the requirements of UK and EU competition law.

4.1.2 Election

- (a) A Chairman shall be elected by the Committee.
- (b) Relevant experience/criteria
 - Broad experience of the sector
 - Recognised authority among practitioners in the sector
 - Ability to represent practitioners' interests to external bodies
 - Reputation for fairness and integrity
 - Technical knowledge

4.1.3 Termination/Retirement

- (a) No Chairman shall hold office for more than two years in succession, except by a formal resolution of the Committee.
- (b) By notice served by the LMA Chief Executive the Chairman may be removed from office if he/she (i) ceases to fulfil the requirements of membership of the Committee, (ii) becomes incapable of performing the functions of the office as outlined in these Terms of Reference whether by illness, infirmity, incompetence or (iii) is found by a properly constituted tribunal or supervisory authority to have breached any law or regulation applicable in the Lloyd's market or the relevant sector.
- (c) At a meeting a majority of two thirds or more of the Members of the Committee may decide to remove and replace the Chairman during the course of his/her term of office if there are serious concerns as to how he/she is discharging his/her role under these Terms of Reference. The Chairman will cease to act with immediate effect and the Deputy Chairman will become the new Chairman until a replacement has been appointed.
- (d) The Chairman can appeal against his/her removal in accordance with section 7.

4.2 Deputy Chairman

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4.2.1 Duties

The Deputy Chairmen shall perform the functions of the Chairman in the event of the Chairman's absence, incapacity or on an interim basis in the event of the Chairman's removal.

4.2.2 Appointment

- (a) Up to two Deputy Chairmen shall be appointed by the Committee.
- (b) Relevant experience/criteria
 - Broad experience of the sector
 - Recognised authority among practitioners in the sector
 - Ability to represent practitioners' interests to external bodies
 - Reputation for fairness and integrity
 - Technical knowledge

4.2.3 Termination

- (a) No Deputy Chairman shall hold office for more than two years in succession, except by a formal resolution of the Committee.
- (b) By notice served by the LMA Chief Executive the Deputy Chairman may be removed from office if he/she ceases (i) to fulfil the requirements of membership of the Committee, (ii) becomes incapable of performing the functions of the office as outlined in these Terms of Reference whether by illness, infirmity, incompetence or (iii) is found by a properly constituted tribunal or supervisory authority to have breached any law or regulation applicable in the Lloyd's market or the relevant practice area.
- (c) At a meeting a majority of two thirds or more of the Members of the Committee may decide to remove and replace the Deputy Chairman during the course of his/her term of office if there are serious concerns as to how he/she is discharging his/her role under these Terms of Reference. The Deputy Chairman will cease to act with immediate effect and a replacement will be appointed.
- (d) The Deputy Chairman can appeal his/her removal in accordance with section 7.

4.3 Secretary

4.3.1 Duties

The Secretary will be responsible for the efficient administration of the Committee including the convening of meetings, preparation and circulation of agendas and minutes, reporting, timely follow-up of agreed actions, updating relevant web pages, research or investigations etc; and shall ensure that members of the Committee comply with the LMA's Competition Compliance Guidelines, bringing any potential breaches to the attention of the Chairman and LMA Executive.



4.3.2 Appointment

The Secretary shall be a member of the LMA Executive.

5 MEMBERSHIP OF THE COMMITTEE

5.1 Current membership

The members of the Committee are listed in Appendix 2 hereto.

The LMA Executive, in conjunction with the Committee, Policy Committees and practitioners from the relevant sector, will review the Membership and composition of the Committee prior to the regular election process in January each year to ensure it meets with the requirements of Section 2 of these Terms of Reference.

5.2 Membership criteria

5.2.1 Members of the Committee may be drawn from the following groups:

- (a) employees of managing agency members of the LMA.
- (b) Committee members that cease to belong to such a group shall cease to be members.
- (c) Where a vacancy arises, Committee may decide to fill such place(s) by Co-option (see Sections 5.3.5, 5.3.6 and 5.3.7 below) or by waiting until the next election.

5.3 Admission Procedures

MEMBERSHIP BY ELECTION

5.3.1 Each year, at least three Members of the Committee shall retire in accordance with the election procedures outlined in Appendix 3 , but will be eligible for re-nomination.

5.3.2 The Secretary will inform all LMA Members operating in the relevant sector of the number of places available, who may then nominate an appropriate candidate for Membership. Only one nomination may be made by each Full or Ordinary Member.

5.3.3 Where the number of candidates eligible for Committee Membership exceeds the chosen number of vacancies, an election will be held in accordance with Appendix 3 hereto.

5.3.4 Where the number of candidates eligible for Committee Membership is fewer than, or equal to, the number of vacancies, each candidate will be automatically admitted to Panel Membership as if elected.

5.3.5 In the event that a vacancy arises on the Committee the following procedures will apply:

5.3.5.1 in the event that there are more than 6 months until the next Committee election, an election for the vacancy shall be held immediately following confirmation that the vacancy is available.



- 5.3.5.2 In the event that an election is due within 6 months of confirmation that the vacancy is available the Committee may either call an immediate election to fill the vacancy or hold the vacancy until the election becomes due.

CO-OPTION

- 5.3.5. The Committee may invite individuals to join the membership or specified meetings by majority vote. Candidates will be selected on the basis of:
- Employment by an Undertaking active in the sector;
 - Technical expertise;
 - Relevant practical experience;
- 5.3.6 Such co-opted members will not be able to exercise voting rights equivalent to those of other members.
- 5.3.7 Any member or co-opted expert wishing to withdraw from the Committee need only inform the Secretary in writing. Members and co-opted experts may also be requested to withdraw by the Chairman or the Secretary in writing in the case of concerns about non-compliance with these Terms of Reference.

5.3 Withdrawal of Membership and Resignation

- 5.3.6 The Committee may, at its discretion, withdraw the membership of any member who does not attend three successive regular meetings of the Committee.
- 5.3.7 In addition, any Member may have their membership withdrawn if they (i) cease to fulfil the requirements of membership of the Committee, (ii) become incapable of continuing as a member whether due to illness, infirmity or incompetence, (iii) if there are serious concerns as to how the Member is discharging their role under these Terms of Reference or (iv) is found by a properly constituted tribunal or supervisory authority to have breached any law or regulation applicable in the Lloyd's market or the relevant practice area.
- 5.3.8 Members wishing to resign from the Committee must do so formally in writing (for which purpose email will be acceptable) to the Secretary.

6 MEETINGS AND ADMINISTRATION

- 6.1 The Chairman, or in his absence the Deputy Chairman, shall preside at meetings. In the absence of the Chairman and the Deputy Chairmen, a Chairman elected by a simple majority of those members present at the meeting shall preside.
- 6.2 In the conduct of all its meetings the Committee shall comply with all applicable competition and other relevant laws.
- 6.3 The Secretary will ensure that an agenda is circulated ahead of each meeting.
- 6.4 A copy of the draft minutes of every meeting of the Committee shall be sent as soon as reasonably practicable to every member of the Committee. The minutes remain in draft until adopted at a quorate meeting of the Committee.



- 6.5 The quorum for a meeting of the Committee shall be 5 of its members. The Secretary may make and circulate notes of meetings of members of the Committee which are inquorate but such a meeting shall not constitute a formal meeting of the Committee, except for the purpose of asking the LMA Executive to terminate the existence of the Committee where it has been inquorate for three or more successive meetings called by the Secretary in a period of three months.
- 6.6 The Secretary shall publish a summary of the work of the Committee from time to time on the LMA website in accordance with section 3.4.3 above.
- 6.7 Where it is deemed necessary the Committee may set up a sub-group to deal with specific projects and invite a limited number of members and co-opted experts to participate (a "Sub-Group"). The Sub-Group shall report back to the Committee with any recommendations, which will be considered by the Committee.
- 6.8 Venue, material, equipment and secretarial facilities will be arranged and provided by the LMA.

7 APPEALS

- 7.1 A member who has been asked to withdraw from membership of the Committee may appeal in writing to the Chairman in accordance with these Terms of Reference.
- 7.2 In cases where membership of the Committee is refused or withdrawn the Chairman shall respond in writing within ten business days setting out the reasons for the decision.
- 7.3 If an applicant to, or member of, the Committee is still not satisfied with the outcome of the Chairman's decision he/she may appeal to the LMA Chairman, the LMA Deputy Chairman and the LMA CEO, who shall jointly decide on the matter and respond in writing within fifteen business days.
- 7.4 A Committee Officer who has been removed from office can appeal his/her removal to the LMA Chairman, the LMA Deputy Chairman and LMA Chief Executive, who shall jointly decide the matter and respond in writing within fifteen business days.

8. PROFESSIONAL FEES

- 8.1 Where the Committee wishes to seek professional advice in the course of its work, the nature and estimated cost of such work should be discussed with and agreed by the LMA Executive prior to instructing. The LMA will require the Committee minutes to record the approval of any expenditure.

9. REVIEW OF TERMS OF REFERENCE

- 9.1 Not less than two years after the date on which these Terms of Reference come into effect, the LMA in consultation with the Committee and practitioners in the

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sector shall undertake a review of the workability and practicability of these terms and, in the light of the outcome of such review, make proposals for changes to these terms as appropriate. The conclusions shall be published on the LMA website shortly after the review.

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APPENDIX 1 – LMA COMPETITION COMPLIANCE GUIDELINES

http://www.lmalloyds.com/Ima/Web/market_places/legal/Materials/LMA_Competition_law_guidance.aspx

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APPENDIX 2 – COMMITTEE MEMBERSHIP

(This will be completed with end dates in order of length of service to the Committee)

Full Name	Company	End Date
David Slevin	Hiscox Syndicates Limited	2015
Noel Holloway	Mitsui Sumitomo Insurance Underwriting at Lloyd's	
John Spence	Cathedral Underwriting Limited	2015
Dan Boulton	Brit Syndicates Limited	
Mark Walden	W.R.Berkley Syndicate Management Limited	
James Herbert	Starr Managing Agents Ltd	
Christopher Collins	Talbot Underwriting Ltd	
Andrew Hartley	Novae Syndicates Limited	
Debra Johnson	Faraday Underwriting Limited	
Paul Maguire	Faraday Underwriting Limited	
Richard Williams	Cathedral Underwriting Limited	2015
Peter Wakefield	Chaucer Syndicates Limited	
David Wade	Atrium Underwriters Ltd.	
Miles Taffs	Amlin Underwriting Limited	
Malcolm Brett	ACE Underwriting Agencies Limited	



APPENDIX 3 – ELECTION PROCEDURE

1. The number of Committee members shall be as determined (maximum of 12) from time to time by the existing Committee currently in office.
2. At least three members shall retire from the committee each year but will be eligible for re-nomination/re-election. Underwriting representatives will be elected for a period not exceeding 4 years. A rota of membership will be held by the Secretary. Members who have served two consecutive terms will not be eligible for re-nomination/re-election within twelve months of the termination of their second term.
3. The Chairman and Deputy Chairman of the committee will be excluded from the election procedures during their terms of office.
4. Each LMA member writing aviation or aerospace business will be asked to notify the LMA Executive the name of one representative with the seniority to speak for his or her Managing Agency on aviation matters. These representatives shall form the electorate for the Aviation Committee and shall constitute those eligible to serve as Committee members.
5. In the event that the number of nominations exceed the number of vacancies then an election will be held. The election procedure will cover the LMA constituencies, irrespective of the market(s) being represented by nominated individuals.
6. Where the number of candidates eligible and wishing to stand for Committee membership is fewer than, or equal to, the number of vacancies, each candidate will be automatically admitted to Committee membership as if elected.
7. The election of membership will normally to be held in January.
8. The election will be administered by the Committee Secretary who shall determine the election procedure and timetable at his or her discretion.
9. Each Member will be entitled to vote. All votes will be counted equally. In the event of a tie, the decision on Membership will be referred too to the tied Candidates and then to the Committee. In the event that a decision cannot be reached the matter shall be referred to the LMA Policy Committee
10. All votes will be confidential.