

## **WORLDWIDE PROPERTY BUSINESS PANEL**

### **TERMS OF REFERENCE**

All Panel Members should familiarise themselves with the LMA's Competition Compliance Guidelines (these are at Appendix 1 hereto and 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](http://www.lmalloyds.com/lma/Web/market_places/legal/Materials/LMA_Competition_Law_guidance.aspx)

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

### **1 DEFINITIONS**

- 1.1 "LMA" means the Lloyd's Market Association.
- 1.2 "LMA Full Member" means any Managing Agency or Members' Agency operating at Lloyd's.
- 1.3 "LMA Executive" means the employees of the LMA, individually and collectively.
- 1.4 "Policy Committee" means the Aviation Committee, Marine Committee, Motor Committee and Non-Marine Committee(as applicable to the relevant class(es) of business).
- 1.5 "Panel" means the Worldwide Property Business Panel.

### **2 ROLE AND SCOPE OF THE PANEL**

- 2.1 The Worldwide Property Business Panel reports to the Non-Marine Committee.
- 2.2 The Worldwide Property Business Panel is established in order to represent and promote the interests of the writers of open-market Property business (worldwide other than the UK) within the Lloyd's market, including but not necessarily limited to business under Risk Codes 6T, DC, HA, P2, P3, P4, P5, P6 and P7.
- 2.3 The Panel has the following roles:
  - 2.3.1 to promote efficient operation and the highest technical standards in the open-market Property sector;
  - 2.3.2 to represent the interests of practitioners in this sector to Lloyd's and other organisations relevant to the sector in the UK and overseas;
  - 2.3.3 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;
  - 2.3.4 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 Lloyd's 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.

2.4 The Panel will fulfil this role by:

- 2.4.1 being constituted so as to be representative of the interest of the open-market Property sector;
- 2.4.2 meeting on a regular basis with planned agendas and minutes of proceedings; and
- 2.4.3 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.

### 3 OFFICERS

3.1 Chairman

3.1.1 Duties

- (a) The Chairman will oversee the efficient and effective operation of the Panel 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.
- (c) In particular, the Chairman (with the assistance of the Secretary) shall ensure that the Panel conducts its business in accordance with the requirements of UK and EU competition law.

3.1.2 Appointment

- (a) The Chairman will be elected by a simple majority of the elected members of the Panel.
- (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
- (c) Any person applying for Membership of the Panel must be prepared to serve as Chairman if elected.

- (d) A secret ballot will be held if requested by any Member of the Committee/Panel.

### 3.1.3 Termination/Retirement

- (a) The Chairman will retire every year, but will be eligible for re-nomination.
- (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 Panel, (ii) becomes incapable of performing the functions of the office as outlined in these Terms of Reference whether by illness, infirmity or 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 Panel 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 6.6.

## 3.2 Deputy Chairman

### 3.2.1 Duties

- (a) The Deputy Chairman 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.

### 3.2.2 Appointment

- (a) The Deputy Chairman will be elected by a simple majority of the elected members of the Panel.
- (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
- (c) Any person applying for Membership of the Panel must be prepared to serve as Deputy Chairman if elected.

- (d) A secret ballot will be held if requested by any Member of the Committee/Panel.

### 3.2.3 Termination

- (a) The Deputy Chairman will retire every year but will be eligible for re-nomination.
- (b) By notice served by the LMA Chief Executive the Deputy Chairman may be removed from office if he/she (i) ceases to fulfil the requirements of Membership of the Panel, (ii) becomes incapable of performing the functions of the office as outlined in these Terms of Reference whether by illness, infirmity or 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 Panel 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 6.6.

## 3.3 Secretary

### 3.3.1 Duties

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

### 3.3.2 Appointment

- (a) The Secretary shall be a Member of the LMA Executive.

## 4 MEMBERSHIP OF THE PANEL

- 4.1 The Panel shall consist of eighteen elected Members and three Co-opted Members This Membership to be reviewed in accordance with 4.2 below.
- 4.2 At least four elected Committee Members shall be underwriters who predominantly write international open-market property business (i.e. risk codes P3, P5 and P7).
- 4.3 At least four elected Committee Members shall be who predominantly write US open-market property business (i.e. risk codes P2, P4 and P8).

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

**4.5 Current Membership**

4.5.1 The Members of the Panel are listed in Appendix 2 hereto.

**4.6 Membership criteria**

4.6.1 Members of the Panel may be drawn from the following groups:

4.6.2 Elected members shall be employees of managing agency Members of the LMA.

4.6.3 Co-opted members shall be selected in accordance with the criteria set out in 4.5.6 below.

4.6.4 Panel Members who cease to belong to such a group shall cease to be Members.

4.6.5 The place of elected members ceasing to fulfil the requirements for membership shall be filled in accordance with 4.5.5 below.

4.6.6 A replacement for any co-opted member ceasing to fulfil the requirements for membership may be appointed by a vote of a majority of the elected members of the Panel.

**4.7 Admission Procedures**

**MEMBERSHIP BY ELECTION**

4.7.1 Each year, one third of the elected Members of the Panel shall retire but will be eligible for re-nomination.

4.7.2 The Secretary will inform all LMA Full 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 Member. Each Full Member is required to self-certify whether they meet the eligibility criteria set out in 4.2 and/or 4.3.

4.7.3 Where the number of candidates eligible for Panel Membership exceeds the chosen number of vacancies, an election will be held. Members elected will serve for a three-year term.

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

4.7.5 In the event that a vacancy arises on the Panel the following procedures will apply:

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

- (b) in the event that an election is due within 6 months of confirmation that the vacancy is available, the Committee/Panel, may either call an immediate election to fill the vacancy or hold the vacancy until the election becomes due.

#### **CO-OPTION**

- 4.7.6 The Panel may invite individuals to join the Membership or specified meetings by majority vote. Candidates will be selected on the basis of:
  - (a) Employment by an Undertaking active in sector;
  - (b) Technical expertise;
  - (c) Relevant practical experience;
- 4.7.7 Such co-opted Members will not be able to exercise voting rights equivalent to those of other Members.
- 4.7.8 Co-opted Members will be reviewed by the elected Members at the first meeting following a scheduled election. (see 4.2).

#### **ALTERNATES**

- 4.7.9 Where agreed by the Panel, Members (whether elected or co-opted) may nominate an alternate to attend a meeting in the event that the Member cannot attend. The nominated individual must meet the relevant criteria for Membership and shall have authority to vote accordingly, as applicable, in the absence of the Panel Member.
- 4.7.10 A Member sending an alternate will be regarded as being absent from a meeting for the purpose of item 4.5.12 of these Terms of Reference. The Member sending an alternate will also be responsible for ensuring that relevant papers are forwarded to that nominated alternate.

#### **WITHDRAWAL OF MEMBERSHIP AND RESIGNATION**

- 4.7.11 The Panel may, at its discretion, withdraw the Membership of any Member who does not attend three successive regular meetings of the Panel.
- 4.7.12 In addition, any Member may have their Membership withdrawn if (i) they cease to fulfil the requirements of Membership of the Panel, (ii) they become incapable of continuing as a Member whether due to illness, infirmity or incompetence, (iii) there are serious concerns as to how the Member is discharging their role under these Terms of Reference or (iv) they are 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.
- 4.7.13 Members wishing to resign from the Panel must do so formally in writing (for which purpose email will be acceptable) to the Secretary.

- 5.1 The Chairman, or in his absence the Deputy Chairman, shall preside at meetings. In the absence of the Chairman and the Deputy Chairman, a Chairman elected by a simple majority of those Members present at the meeting shall preside.
- 5.2 In the conduct of all its meetings the Panel shall comply with all applicable competition and other relevant laws.
- 5.3 The Secretary will ensure that an agenda is circulated ahead of each meeting.
- 5.4 A copy of the draft minutes of every meeting of the Panel shall be sent as soon as reasonably practicable to every Member of the Panel. The minutes remain in draft until adopted at a quorate meeting of the Panel.
- 5.5 The quorum for a meeting of the Panel shall be six of its Members. The Secretary may make and circulate notes of meetings of Members of the Panel which are inquorate but such a meeting shall not constitute a formal meeting of the Panel, except for the purpose of asking the LMA Executive to terminate the existence of the Panel where it has been inquorate for three or more successive meetings called by the Secretary.
- 5.6 The Secretary shall publish a summary of the work of the Panel from time to time on the LMA website in accordance with section 2.4.3 above.
- 5.7 Where it is deemed necessary the Panel 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 Panel with any recommendations, which will be considered by the Panel.
- 5.8 Venue, material, equipment and secretarial facilities will be arranged and provided by the LMA.

## **6 APPEALS**

- 6.1 Where an applicant to the Panel has been refused Membership of it, he/she can appeal against such decision in accordance with the procedures set out in this section.
- 6.2 The first step will be for the applicant who has been refused Membership under clause 6.1, or the Member whose Membership has been withdrawn under 4.5.11 or 4.5.12 to approach the Chairman of the Panel setting out the arguments for Membership; the Chairman will then reconsider the matter having due regard to the Chairman's Responsibilities set out in the Terms of Reference.
- 6.3 A Member who has been asked to withdraw from Membership of the Panel may appeal in writing to the Chairman in accordance with these Terms of Reference.
- 6.4 In cases where Membership of the Panel is refused or withdrawn the Chairman shall respond in writing within ten business days setting out the reasons for the decision.
- 6.5 If an applicant to, or Member of, the Panel 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.

- 6.6 A Panel 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.

## **7 PROFESSIONAL FEES**

- 7.1 Where the Panel 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 Panel minutes to record the approval of any expenditure.

## **8 REVIEW OF TERMS OF REFERENCE**

- 8.1 Two years after the date on which these Terms of Reference come into effect, the LMA in consultation with the Panel and practitioners in the 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.



**APPENDIX 1 - LMA COMPETITION COMPLIANCE GUIDELINES**

[http://www.lmalloyds.com/lma/Web/market\\_places/legal/Materials/LMA\\_Competition\\_Law\\_guidance.aspx](http://www.lmalloyds.com/lma/Web/market_places/legal/Materials/LMA_Competition_Law_guidance.aspx)

**APPENDIX 2 - PANEL MEMBERSHIP**

<b>Name</b>	<b>Position</b>	<b>Organization</b>
Derek Hansen	Chair	Canopus Managing Agents Limited
Toby Sawyer	Elected Member	AEGIS Managing Agency Limited
Mark Abrahams	Elected Member	AmTrust at Lloyd's Limited
Nick Jones	Elected Member	Apollo Syndicate Management Limited
Justin Catling	Co-opted Member	Ascot Underwriting Limited
Simon Clegg	Elected Member	Atrium Underwriters Limited
Jonathan Marshall	Elected Member	Axis Managing Agency
Mark Bodkin	Elected Member	Beazley Furlonge Limited
Trevor Self	Co-opted Member	Beazley Furlonge Limited
Amanda Janes	Co-opted Member	Beazley Furlonge Limited
Richard Wood	Elected Member	Cathedral Underwriting Limited
Andrew Richardson	Elected Member	Faraday Underwriting Limited
Andrew Middleton	Elected Member	HCC Underwriting Agency Ltd
Neil Robertson	Elected Member	Tokio Marine Kiln Syndicates Limited
Rhys Thomas	Elected Member	XL Catlin Underwriting Agencies Limited
Chris Peacock	Co-opted Member	XL Catlin Underwriting Agencies Limited