

Co-Lead Binders – CLCA Guidance Summary

>>> Lloyd's only co-lead binder arrangements:

LMA9186B (and associated guidance) should only be used for Lloyd's only co-lead binder arrangements.

LMA9186B can be amended by the market to reflect specific market agreements, users should be mindful that the LMA 9186B has been designed to meet the Lloyd's provisions for a CLCA (see guidance for more detail).

>>> Cross market co-lead binder arrangements:

LMA9187 (and associated guidance) should only be used for cross market co-lead binder arrangements.

The CLCA should be **agreed pre-bind where possible**, or as soon as possible post bind.

Only one DCA should be appointed by Binder Leaders and **DCA authorities should be clearly agreed** at the outset by all Binder Leaders.

Once agreed, **the CLCA should be uploaded to the IMR** by the Broker and **shared with the appointed DCA**.

Where it is agreed that the default position shall be maintained, a CLCA should still be agreed and uploaded to the IMR.

ECF is a viable option for **standard claims**. For **complex claims**, claims should revert to **email** unless otherwise agreed by the Broker and Lead.

Watchlist Codes are not operable for co-lead binder arrangements; therefore provisions have been set out to support appropriate **communication from Claims Agreement Parties to followers**; including: DCA's recording litigation on bordereau, Leads issuing material development updates and Claims Agreement Parties making information available to followers in response to all reasonable requests.

On **receipt of notice of proceedings against Underwriters**, the Broker will email Lead and Second Lead **and copy in Binder Leaders** for information purposes.

A **provision** has been added **to ensure that all Binder Leaders have a contract in place with the agreed DCA** and that nothing in those contracts prevent the DCA from acting on behalf of the Claims Agreement parties in accordance with the authority set out in the CLCA.

The CLCA sets out a responsibility for **the Lead to report complaints to Lloyd's** in line with the Lloyd's Code for Complaint Handling

Specific broker responsibilities have been set out in respect of ensuring files are seen promptly, uploading of the CLCA onto the IMR, **evidencing Lead agreement to cash calls/loss fund top ups** and ensuring first notice of proceedings against underwriters are communicated to Binder Leaders.