

Lillehammer Terms of Engagement Update

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Overview

- Who cares?!
- What are they anyway?
- Where has this come from?
- What are the key changes?
- When will this happen?
- Questions

INTERACTIVE QUESTION

- Do you know what the Lillehammer Terms of Engagement are?
 - Yes
 - No
 - I could hazard a guess

INTERACTIVE QUESTION

- Do you believe the current LTOE need updating?
 - Yes
 - No
 - I'd need to review them again
 - I do not know what they are

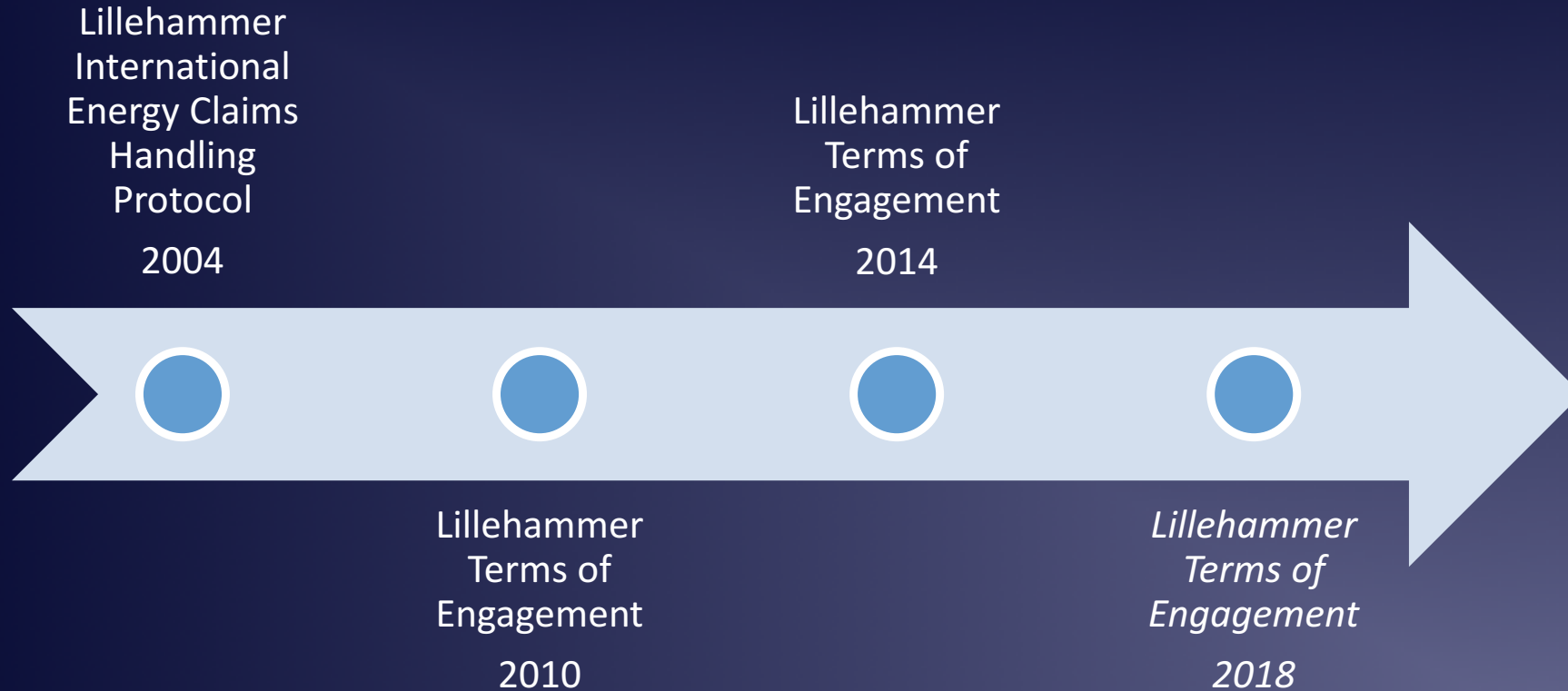
Joint Energy Claims Working Group

- Formed of 11 members from across the Energy Claims market, encompassing both LMA and IUA companies with an LMA secretariat and an LMA representative
 - Current Members: P. Stratton, N. Drury, A. Butcher, P. Castro, A. Dean, E. Hassan, S. Hill, M. Paul, T. Upton, G. Williams, D. Wilson, S. Yeo, J. Straker-Nesbit
- Address key market issues and work with various stakeholders to form solutions
- Recent 'wins'
 - Non-Disclosure Agreement Endorsement
 - Duty of Confidentiality market guidance
- Work closely with JRC on some of their projects, including implementation of new wordings
 - New LOPI wording

The LTOE

- An agreement between *Instructing Insurers* and the *Adjuster* in respect of the *Services* to be provided by the *Adjuster*.
- Designed to provide guidance as to the scope of work of the Adjuster.
- Provide a level of consistency with reporting between different adjusting firms.
- Removes the need for individual TOE between Adjusters and Insurance Companies.
- Apply to all instructions where the Lillehammer Terms have been specifically referenced.

History of the Terms





Key Changes

Appointed Adjuster

"Appointed Adjuster" shall mean the individual at the Adjuster specifically appointed by Instructing Insurers.

Key Changes

Number of fee earners on File

4.9 *“The Appointed Adjuster is permitted to utilise a second fee earner on a file, within reason, to assist in carrying out the Services.”*

4.11 *“Should more than two fee earners (including the Appointed Adjuster) be required on a file then each additional fee earner is to be agreed in writing by the Lead Agreement Party before they may bill the file. This applies on a global basis.”*

Key Changes

Requirements at Acknowledgement

- 4.10 *“Further to 4.9 above the Adjuster should, when acknowledging the instruction, set out:*
- a. the hourly rate of the Appointed Adjuster;*
 - b. the hourly rate of any additional fee earner(s); and*
 - c. any additional fee earners' names and job titles.”*

Key Changes

- **Updates to the Billing section**
 - 10 hours
 - Travel – 24hr period
 - Services – per calendar day
 - Apportionment
 - Fee erosion

Key Changes

Inclusion of a Best Practice Guidelines

LILLEHAMMER TERMS OF ENGAGEMENT 2018 BEST PRACTICE GUIDELINES

1 GENERAL

- 1.1 These Best Practice Guidelines are to be used in conjunction with the terms laid out in the Lillehammer Terms of Engagement 2018 ("LTOE 2018"). Nothing contained herein intends to supersede or override anything contained within LTOE 2018, but instead to provide guidance as how to best implement the terms for both the Adjuster and the Claims Agreement Parties (as defined within LTOE 2018).
- 1.2 The Best Practice Guidelines will only refer to those parts of the LTOE 2018 which require guidance, as such, certain sections will not be referred to, however the numbering will remain consistent with the relevant sections in LTOE 2018 for ease of reference.

Key Changes

Adjuster progression

4.12 *“Should the Appointed Adjuster wish a fee earner to accompany them in a training role (i.e. that fee earner is not required to perform the Services) on visits to site/ the Insured then, subject to agreement in writing by the Lead Agreement Party, Instructing Insurers will pay for an Economy air fare, meals and accommodation (if required). The additional fee earner may not bill for time during this arrangement.”*

Timeline Going Forward

March 2018	Further meetings between the Adjuster Working Group and the Joint Energy Claims Working Group
April 2018	Finalise terms which both working groups are happy with. Submit 'final' version to the various committees e.g. JRC and JECG
May 2018	Run it by the various lawyers to ensure it doesn't create any legal issues
June 2018	Submit it to the Lillehammer Organising Committee for review
July 2018	LTOE 2018 goes live!

Conclusion

- Consistency
- Transparency
- Communication

INTERACTIVE QUESTION

- Based on what you have heard, do you believe the draft changes bring further clarity to the LTOE?
 - Yes
 - No
 - Depends on the claim

Questions?