



Date: 11/01/2021

Attendees: 6 UK Coverholders

1. Meeting Notes:

1.1 Clarifying post-it content:

Actuary signs off the new product (Access business & Create product):

- For Innovation, new product development – quality data missing (CH1)

Actuarial terms, specialist knowledge of products (Access business & Create product):

- When CH deals with niche products that don't fit in the box but fit in the class of business, they might not always have the deep knowledge about the actuarial terms or access to the data needed to quantify the risk dimensions of the proposition and so it doesn't make it to market. (CH2)

Lack of technology at Lloyd's to coordinate better (Lloyd's compliance):

- The problem is Lloyd's itself. Efforts to get information and follow the correct processes result in restrictions on what we can do. (CH2)

Difference in DA process across UW and claims (Claims):

- It needs to be more consistent and joined up (CH2)

Annual renewal always seems last minute (Annual renewal):

- The renewal cycle needs to be longer than annual. Emphasis on renewal also needs to be made well ahead of the contract renewal date. (CH3)
- Renewal takes lots of collaboration and investment is needed in the right technology to make this easier and more efficient. (CH2)
- CH should be notified 4-6 weeks in advance before renewal date and should know if anybody doesn't want to renew the contract. Distribution and to get good underwriting skills takes time and commitment and for return the CH should be supported by the UW. 90 day cancellation is inadequate, such as FCA guidance and conduct. (CH1)



3 years policies not available (Other):

- 3 years is a standard long term agreement outside of DA, allowing Coverholders to spread cost and plan/budget more effectively. Within the Lloyd's DA market only 12 months is available. This is frustrating to Coverholders who put a significant amount of effort into joining the DA market and adhering to the many compliance requirements. As the intent is to create a long term relation between the Coverholder and Lloyd's, the duration really needs to be longer! (CH3)

1.2. Discussion on most voted post-it notes:

Actuary sign off for new products (Access business & Create Product):

- When UWs need to go and sign up to new products, they look to data as the basis on which conduct their evaluation of risk and performance but it can't happen without quality data. For any service or system to succeed, it needs to be capable of taking, using and maintaining quality data (CH1)

Lack of longer term agreements periods (Annual renewal):

- Challenge is the *psychology of the market*, nobody deals with the renewal until the due date. Usually they wait until 30-50 days out and then everything gets rushed at the last minute. People do not commit to it, the reason is the lack of understanding that CH needs certainty. Additionally, concerned that this current approach is not really in line with regulatory requirements. (CH1)

Repetitive (Lloyd's compliance):

- Duplication – Atlas is not an efficient or user friendly system or process. It feels like a very bureaucratic system and takes a long time to get anything through. (CH4)
- Everybody authorised by Lloyd's but individual syndicates do in-house authorisation anyway, it's pointless and creates duplication. If Lloyd's already have done the work then everybody should accept it or Lloyd's should encourage syndicates to follow their own authorisation (CH1)

Length of time for insurers to get paid in certain DA chains, especially SMEs (Claims):

- It can take an unnecessarily long time for a customer to be paid. Why does it take longer in the DA market than elsewhere? (CH2)

3 year policies not available (Other):

- Lloyd's is very restrictive by holding long term agreements back. Other local market companies do 3-5 year agreements so Lloyd's will miss out as they can't compete. If they had a 3 year agreement with yearly review when they can check performance that would become more strategic. (CH3)



- The Lloyd's DA market doesn't give certainty or security to Coverholders by using 12 month contracts. Other competitor markets have this. It isn't reflective of the long term relationship that is intended. (CH2)
- Simplify distribution chain and sign up process – CH have a good working relationship with MAs/Underwriters but they are not empowered to make decisions quickly. There are too many layers of approval for everybody to get through when signing off a contract or renewal and the timing of this activity needs to reflect that. It goes through many departments by the time it goes through to the final sign up. (CH1)