



The Good

(What do you like?)

CHs know their local markets well & allow us to reach niche markets.

Efficient cost effective way to write small business

effective distribution of product lines

Ability to write a volume of business efficiently

effective way to write high volume business

building a niche product with a good experienced local partner

Accessing local markets and business that wouldn't come to London

Facility to help process small business in volume efficiently

Allow you to reach markets that you wouldn't otherwise be able to reach

Access via CHs to large volumes of new business in London, being CHs has local specialist knowledge

The ability to write volume business efficiently

Local expertise

Exchange of intelligence

effective way to write high volume business

Collaboration

High Level Process

| Access business   | Create product  | Lloyd's compliance  | Contract   | CH transacts business  | Ongoing oversight  | Claims  | Annual renewal  | Other |
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| Coverholder ability to access capacity being provided from one or multiple Syndicates.<br><br>Syndicate ability to access products and distribution channels offered by Coverholders. | The insurance product is:<br>- Created by a Coverholder or<br>- Created by a Syndicate, or<br>- Created mutually. | Initial and ongoing annual due diligence checks of market participants, including company checks and business plan reviews to agree capacity for the upcoming year. | Binder facilitated by a Broker to join Coverholders, Managing Agents and Syndicates together in context of the insurance product to be sold. Usually expires after 12 months and has to be reviewed and renewed. | Coverholder sells the insurance product, either direct to customer (D2C) or via intermediaries and marketplaces. | Monthly submission of Bordereaux data by Coverholders and DCAs, used by Managing Agents as part of ongoing Coverholder oversight. Regular auditing of Coverholders and DCAs. | Coverholder and DCA handling of insurance product policy claims that have been submitted by Customers or Brokers on their behalf. | Annual process of reviewing previous active binder contracts, considering audit findings and reviewing business plans for the upcoming year to re-authorise the binder and capacity levels. |       |

The Bad

(What don't you like?)

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| Inconsistent acceptance criteria | Limited appetite to introduce or create new products due to difficulty in getting product approval | Burdensome due diligence<br><br>Length of time for approval<br><br>Lack of market consistency<br><br>Can be time consuming and some processes left to interpretation<br><br>duplication of effort | Non standard size of slip sections<br><br>Contract used on the wrong way<br><br>Poor leaders<br><br>Duplication of work for followers | Annual contract even with little or no changes. Comparisons, usually have continuous<br><br>Contract holder will improve contract production but currently inefficient process<br><br>Inconsistent application of rules | Bordereaux preparation is tedious & difficult & doesn't make sense<br><br>Items being left to interruption<br><br>Bids are outdated, delayed, slow transfer of data<br><br>Value of the audits, is the framework correct?<br><br>data quality isn't always great<br><br>Consistent bordereaux standards | Actual risk to view a more continuous rather than annual basis based on risk factors<br><br>Claims process can be slow and cumbersome, particularly with multi lead slips | not enough focus on quality of Uwing / results<br><br>Multiple issues for data standards, all with a different angle, use of the data<br><br>Communication across the market needs to improve |
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The Ugly

(What do you want to see an end to?)

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| low bar of entry devalues good CHs<br><br>better managing actual deals across a range of cover that don't fit covering for business<br><br>The process of being an entry coverholder is a bit of a minefield, it's not clear what you need to do to get approved and it's not clear what you need to do to get approved | Reactive decision making<br>Questions asked which are already covered<br><br>Lots of red tape, our competitors make things much easier for the CH<br><br>Remove very long decision making process and speed up approval times | too much back and forth<br><br>We have to implement a far more efficient system of approval, and far more than our competitors<br><br>Lloyd's interpretation of compliance would benefit the market as a set of rules but would need to be applied properly | End to CH spending loads of time on Lloyd's admin rather than writing business<br><br>Lloyd's create and enforce changing minimum standards will be difficult for coverholders in excess as some a deterring | Uniformity of data<br>Focus is on regulatory info but underlying data<br><br>Overnight changes can often be issued and quickly changes | Focus on Lloyd's operations requirements as no longer want to be regulated by data<br><br>Guidance should be more detailed instead of this open to interpretation as this leads to multiple approaches to the same topic | Claims agreement TPA model is adding cost and causing reputational damage<br><br>Inconsistent data sets<br><br>Quality and speed of many TPAs' work | Annual full contract renewal<br><br>We need to have ability to write multi-year contracts<br><br>should be streamlined | Generic risk codes for classes of business<br><br>Links in the chain not adding value |
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