

Live Webinar - Delegated Underwriting

Duration: 1 day

About the course

Delegated underwriting is an important feature of the Lloyd's market whereby a Managing Agent of a syndicate delegates its underwriting authority to a third party. It is achieved by setting up a contract between insurers and managing general agents (MGA's) or brokers, known as a binding authority agreement.

This course helps delegates understand why insurers delegate underwriting authority and looks at the advantages and disadvantages of delegated underwriting, the key elements of a binding authority agreement, the legal aspects and the claims handling process. The course is highly participative and involves delegates in numerous exercises to cement their learning.

Who should attend?

This workshop would be suitable for those who are involved in setting up and/or administering binding authorities as well as those who are new to working for a Managing General Agent.

Workshop Objectives

- To fully understand the purpose of delegated underwriting and why insurers delegate as well as its advantages and disadvantages
- To develop an understanding of the purpose of delegated underwriting and the binding authority agreement.
- To develop an understanding of how a binding authority is created and administered.
- To develop an understanding of the role of the coverholder, their attributes and their relationship with underwriters including legal aspects
- To be familiar with what a binding authority agreement requires of a coverholder.
- Ensuring the underwriter/coverholder relationship is beneficial to both parties
- Successful management of conflicts of interest that can arise when binding authority agreements are used
- Understanding the key aspects of the claim handling process when this is delegated to a coverholder.

Course Content

- Why delegate? Advantages and disadvantages of doing so.
- Why do underwriters delegate authority and how do they do it?
- Consideration of different types of binding authority agreements.
- What influences the choice of coverholder?
- Management Information: Keeping underwriters informed
- Oversight exercised by underwriters in their dealings with coverholders
- Determining suitable levels of authority that coverholders can utilise
- How coverholders earn money and the management of any inherent conflicts of interest
- How and why claims authority can be delegated
- Conduct Risk considerations encountered when delegating underwriting authority.