Transport Reinsurance (2)

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Educational Objective: The objective of the lecture is to deepen the maritime reinsurance knowledge and further understanding of the utility of the non proportional reinsurance. Primarily the reinsurance in excess of loss largely used in transport insurance (marine and aviation) because of the high accumulation but also because of the specific mutualisation of this market. This lecture complements the Transport Reinsurance lecture level 1.

Target skills: Understanding a reinsurance program and excess of loss and the principle of accumulation of risk.

Target audience: This lecture is intended for brokers, underwriters, claims handlers, account managers and accountants that have no experience of reinsurance but who wish to understand the techniques of transport reinsurance like the one used in marine liabilities (P & I) as well as the techniques used to compensate for the lack of mutualisation and the accumulation of risks (Hull and Cargo).

Prerequisite skills: Theoretical and practical knowledge of transport insurance, insurance contracts Hull and Cargo, and the main wordings used in the direct insurance market.

Technical teaching resources: The lecture will consist of PowerPoint presentations with live commentary and analyses of market figures, risk analysis based on concrete examples and analysis of standard policy wordings and market slips.

Final Evaluation: The trainees will be asked to write a short report following their completion of the evaluation document. A list of signatures of the trainees and a certificate of attendance will be issued together with a short report from the convenor summarising the day.

Evaluation Document : Multiple-choice questions (MCQ)

Duration : 1 day / 9 hours

Course content:

1 : The marine non-proportional reinsurance

- 1.1. The techniques of non-proportional reinsurance
- 1.2. Linking of claims
- 1.3. The principle of exercise
- 1.4. The specific reinsurance clauses

2 : The specificities of the marine portfolio

- 2.1. The Hull reinsurance portfolio
- 2.2. The Cargo reinsurance portfolio
- 2.3. The Energy reinsurance portfolio
- 2.4. The Marine Liabilities reinsurance portfolio
- 2.5. The reinsurance program of the International Group

2.6. The inadequacy of XS per risk and why XS in the Marine market is per risk and per event

2.7. The market losses

2.8. The reinsurance of the yacht portfolio

2.9. Stop Loss or Loss Excess

3 : The reinsurance treaty

4 : XS Marine Premium

5 : XS Marine Loss