



4D Group

Introduction to Underwriting

Introduction

This programme will introduce and review some of the important principles and practices involved in underwriting business within the London market. The course format will be presentation with discussion and relevant case studies.

Who would benefit?

The course is for anyone who needs to understand the role of the underwriter. The course will adopt a generic approach considering elements of non-marine property and non-marine casualty business, the skills that are required together with an understanding of the principles of pricing and how business is placed in the London market. Underwriting controls, reinsurance and reserving strategies as well as managing exposure are outlined.

Contents

An introduction to the role, duty and authority of the underwriter

Underwriting - The Risk Business

- The nature of risk and risk selection
- Defining risk
- Classifying insurable and uninsurable risk
- Underwriting techniques to modify the risk (physical v moral hazard)

Pricing – Factors that impinge upon premium rates

- Determining the premium and rating levels
- The importance of claims ratios
- Modifying the premium (limits, excesses, deductibles, franchises)

Basic Insurance Principles (in overview)

- Insurable interest
- Utmost good faith
- Indemnity, subrogation and contribution
- Proximate cause

Underpinning legal issues and principles

- The contract of Insurance – the essentials
- The policy structure (overview)
- Conditions & warranties

Underwriting techniques

- How risks are placed in the London Market
- The market cycle

The Big Picture

- Underwriting controls
- Overall risk exposure (frequency v severity)
- Reinsurance and reserving strategies
- Managing exposures
- Relationship and portfolio management

Duration

One Day