



## **Reinsurance Contract Documentation: Rationale, Application and Interpretation**

### **Course Description**

The Course will provide delegates with an understanding of the purpose, meaning and interpretation of both Proportional and Non-Proportional Treaty wordings and clauses.

### **Target Audience**

Anyone involved in the preparation or checking of reinsurance contract documentation, including brokers, underwriters or reinsurance buyers, and anyone who wants a good understanding of the “mechanics” of reinsurance.

### **Course Objectives**

On completion of the course delegates will:

- Be able to prepare, draft and check treaty documentation for consistency, continuity, clarity and “certainty”
- Be very clear on the importance of an accurate and detailed offer contract (based on MRC)
- Have a questioning approach to wordings and clauses
- Understand that simple can be preferable

### **Course Format**

Presentations on the issues with delegate feedback. Reading and reviewing clauses in groups; drafting and checking a basic treaty document.

### **Course Content**

#### **Introduction**

- A good contract leads to a good wording – a brief review of some treaty contract issues as they relate to the full documentation
- The importance of consistency

#### **Treaty Wording (Non-Proportional)**

Purpose and implications of the various clauses including:

- Operative Clause
- Period of the Agreement Clause (LOD, LDD, RAD, Claims Made.....)  
Plus any specific issues – e.g. Interlocking clause
- Cover Limit and Deductible
- Hours Clause
- Premium Clause
- Ultimate Net Loss Clause
- Net Retained Line Clause

**Other Relevant Clauses Including:**

- Liquidation clause
- Follow the settlements
- Currency fluctuation
- “Event” definition
- Jurisdiction and “relevant law”

**Treaty Wording (Proportional)**

Purpose and implications of the various clauses including:

- Operative Clause
- Coverage / Limits
- Premium Clause – ONR / OGR
- Jurisdiction and “relevant law”
- Termination Clause
- Follow the settlements
- Currency conversion
- Period
- Commission
- Portfolios
- Profit Commission
- Premium Reserves
- Cash Loss – PLA

**In addition there will be a review of any specific “current” clauses**

**Trainer            Peter Cave    BA (Hons) FCII**

Peter Cave has worked in the reinsurance and reinsurance industry for over 40 years, and has extensive International experience at the highest levels. Before setting up his own training consultancy over 7 years ago he was Director of a highly respected reinsurance broker. He has been a Senior Tutor for the CII for many years, and a Lecturer at City University on their MSc Banking and Finance Programme. He is a co-author and editor of Informa’s Reinsurance Practice and the Law course, chaired an Advanced Study Group on Proportional Treaty Reinsurance and has presented a paper on the London Market for Tulane University.

**Duration**            1 day

**Date**                **19<sup>th</sup> June 2012**

**Time**                9.30 am – 5.00 pm

**Venue**                Novotel London Tower Bridge, 10 Pepys Street, London EC3N 2NR

**Fee**                    **£265.00 +VAT** (including refreshments and lunch)

**Bookings**            To reserve a place on this course please contact Tony Gregory  
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