

E-endorsements set to rise

Targets will raise expectations across the market

Preparations for rolling out e-endorsements across the London market are now well advanced ahead of a March 5 deadline.

From that date all carriers are expected to be able to process all endorsements electronically.

Latest statistics collected by the IUA show a continued increase in the proportion of electronic endorsements being processed compared to paper.

Meanwhile Lloyd's has said its managing agents should commit to ensuring all new and renewal contracts led by their underwriters include a clause that requires any endorsements to be carried out electronically via the Exchange.

John Hobbs, the IUA's Director of Operations, said: "There will undoubtedly be increased impetus for e-endorsements as a result of these targets, particularly for subscription business led by Lloyd's.

"As a minimum it will raise broker expectations of a similar capability across the company market in order to avoid dual processing."

Brokers have also requested that, before the go live date for all business classes at the start of March, IUA members ensure their contact details on the Exchange are complete and up to date.

"Members that have not engaged to current market levels of participation are encouraged to accelerate their readiness for all classes on 5 March and the increasing activity from brokers likely to be prompted by Lloyd's requirements," added Mr Hobbs.

"Those members with plans that have not yet advanced as far as connection to the Exchange are strongly encouraged to review them in light of this development."

The IUA would like to improve its data on e-endorsements and is keen to receive reports on volumes processed by all member companies. The association will continue to publish a monthly update on company market performance. Meanwhile a series of endorsement project surgeries are being held to help carriers and brokers share best practice experiences and keep up to date with the latest implementation plans. The next meeting will be held on Wednesday 7 March.

For more information contact John Hobbs on 020 7617 4445, email john.hobbs@iua.co.uk.



*John Hobbs
IUA Director of
Operations*

Improved IUA member activity reports issued

A new set of bespoke activity reports detailing communications and committee services has been produced for IUA member companies.

The reports show information and documents received by individuals working for each of the association's 40 ordinary member firms. They also include a breakdown of employee engagement with IUA committees and a full list of market briefing events attended.

The latest documents cover activity during the fourth quarter of 2011 and are the second set of reports produced for member companies. Several improvements have been implemented for the new reports including a more precise executive summary sheet and the addition of explanatory notes outlining the roles and responsibilities of all IUA committees.

Member activity reports are generated from the IUA's advanced contacts database, installed last year enabling the association to track and record all of its communications with companies.

Via the IUA website members can also login directly to the database to update their contact details, sign up for various distribution lists and view a history of emails received.



The new IUA membership database generates bespoke company activity reports

Latest 'tax mat' publication reveals rising rates of European IPT



*Jax Wilson
IUA
Researcher for
Accounts,
Taxation and
Solvency*

The past year has seen an upsurge in insurance premium tax (IPT) rates across Europe, the IUA has reported. Publication of the association's annual 'Tax Mat' has revealed tax hikes in a variety of countries across the continent including the Netherlands, Bulgaria, Hungary, Greece and Ireland.

The UK raised its own rate of insurance premium tax from 5% to 6% and a proposal to raise the rate on French health insurance policies is being implemented in spite of a Senate vote against elements of the plan in December 2011.

"In these straitened times, governments evidently perceive insurance premium tax as a convenient revenue source," commented Jax Wilson, IUA Researcher for Accounts, Taxation and Solvency. The IUA 'Tax Mat 2011' shows the rate of insurance premium tax applicable to various business lines for each of the countries of the European Economic Area. It is published annually and updated if there are any material changes to the IPT regime in any country. For further information visit www.iua.co.uk/taxmat or contact Jax Wilson 020 7617 5446, email jax.wilson@iua.co.uk.

The IUA Tax Mat 2011

Legal comparison table issued

New publication highlights differences in insurance law

A comparison of insurance law in different countries has been published by the IUA.

Issues faced by brokers and carriers when placing and writing business are considered in a Legal Jurisdiction Table.

It includes, for example, details of the approach of various legal systems to policy wordings containing inconsistent language. Other questions addressed include special requirements regarding endorsements and the languages in which it is acceptable to publish a policy.

The association's Contingency Working Party compiled the document after hosting a series of seminars on the subject. Legal jurisdictions examined are England and Wales, Spain, Australia, France, Germany, California and New York.

Patrick Davison, Senior Market Services Executive at the IUA, said:

"Our programme of seminars threw up a wide range of questions and topics that may clearly be viewed in a quite different light depending on which jurisdiction a matter is being debated."

"A number of law firms contributed to these events and their thoughts have now been recorded in this new publication which should serve as a useful guide to the market."

Copies of the Legal Jurisdiction Table can be downloaded from the contingency section of the IUA website or contact Patrick Davison on 020 7617 4459, patrick.davison@iua.co.uk.



*Patrick Davison
IUA Senior
Market Services
Executive*



New US counsel appointed by IUA

The IUA's Americas Committee has appointed two new law firms to provide support in monitoring and responding to US regulatory developments.

Drinker Biddle and Reath and DLA Piper have been retained following a selection process following the departure of much of the team dealing with the association's account at its existing US counsel Dewey & LeBoeuf.

The IUA's main contacts will both continue to work with the IUA from their new firms. Tom Dawson will help with US surplus lines issues at Drinker Beadle and Reath while Bill Marcoux's services will be retained at DLA Piper for guidance on international regulatory developments.

The services of Dewey & LeBoeuf may still be used on specific issues such as US taxation and OFAC (Office of Foreign Assets Control) sanctions.



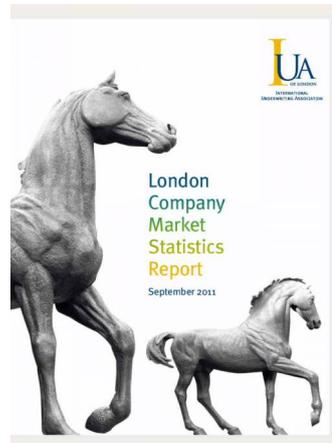
Statistics committee agrees improved survey

Improvements to the IUA's annual survey of London company market premiums have been agreed following the first meeting of the association's new statistics committee.

This year's statistics report is set to include business controlled by London offices but written overseas and will also include the totals for both net and gross written premiums.

There will be a more detailed breakdown of international territories from which business originates and greater analysis of data by class with the addition of motor as a separate business line.

In addition to surveying 2011 premiums the report will also restate 2010 income. Submission forms are expected to be sent out to companies towards the end of March with the final report published in September.



IUA supports Indian regulations protest

Further information on new regulatory requirements for reinsurers accepting risks originating in India has been made available by the IUA.

An information template must be completed by companies and the Indian regulator, the IRDA, has now made it clear that these will only be accepted through the Indian insurer and not directly from a cross border reinsurer or their broker - even in cases where the reinsurer has a representative liaison office in the country.

Meanwhile the CEA (Comité Européen des Assurances) is writing to the IRDA to highlight concerns regarding the new regulations. As a member of the CEA, the IUA is supporting this lobbying effort.

IUA joins regulatory conference speakers

Nick Lowe, the IUA's Director of Government Affairs is among the speakers at a forthcoming conference examining the new regulatory environment for insurers.

The event, entitled The New Approach to Regulation and the Implementation of Solvency II, takes place on April 19th in Central London and is available to IUA members at a 20% discount on the usual registration fee.

Nick will be joining Julian Adams, Director of Insurance, FSA and Luke Savage, Director of Finance, Risk Management and Operations, Lloyd's of London in presenting at the conference.

The programme is designed to explain and debate the new regulatory structure emerging through the creation of the Prudential Regulatory Authority and the Financial Conduct Authority. It will also consider continuing issues surrounding the implementation of Solvency II. For further information visit the conference website at www.cityandfinancial.com/rins3sp.



*IUA Director of
Government
Affairs
Nick Lowe*

Market Briefing Diary Dates visit www.iua.co.uk/events

March 9
Geospatial intelligence Systems

March 14
EU & UK Competition Law

April 26
The Cyber Savy CEO - Getting to grips with today's growing cyber threats