



To: Brokers (via LIIBA)
Broker Claims & IT Contacts
Company Claims, IT & LPC Contacts
Non-Lloyd's Brokers
Software Providers

market communication

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Enquiries to: Xchanging Service Desk

Tel: 0870 380 0830 or +44 (0)1303 854854 Email: servicedesk@xchanging.com

RE: CLASS: FACILITY TO ALLOW ACCESS TO OUTWARDS REINSURANCE RECORDS FOR BUSINESS HANDLED ON CLASS

The Claims and Accounting User Group (CAUG) and Xchanging would like to remind companies of the facility that allows cedants to access their outwards reinsurance records for business handled on CLASS. This is in CLASS under the 'Third Party Search Facility', and was first launched in April 2007 (refer to market communications 2007/040 dated 1 March 2007, and 2008/043 dated 14 March 2008). It can be found on the 'Electronic Claims Menu' under 'Third Party Search Facility'. This facility allows companies to monitor progress of their reinsurance recoveries, as they are being collected on their behalf by brokers from other company market underwriters on CLASS. The facility was developed to allow the reinsured to gain a greater understanding of what was happening with their outward reinsurance recoveries where those are being made on CLASS. The outwards reinsurance managers of organisations currently using this facility have found this to be a very beneficial feature. Please find attached a statement from a company already using this facility explaining the benefits they have gained from its use.

Companies are able to review claims where their reinsurers have/have not responded to their claim, and see which funds have been paid and queries that have been raised. This will allow companies to provide the broker and/or reinsurers with further information to resolve the query and speed up the claim process. It is also particularly useful where the broker has ceased trading or become insolvent, and has ceased to do anything with the CLASS record.

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Xchanging Limited
Registered Office

34 Leadenhall Street
London • EC3A 1AX • UK
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For a cedant to use the facility it needs to be facilitated by the original broker, and it is the broker's responsibility to add the details to CLASS, whilst they have access to CLASS. In instances where the business has transferred to another broker, or where the original broker has become insolvent, then Xchanging will need to grant the access on their behalf.

For those who are not familiar with the detailed operation of this facility, please see the full explanation of this function below. **Recipients of this market communication who are not involved in outwards reinsurance are asked to pass this information on to colleagues who have responsibility for their company's reinsurance recoveries, including the Accounts and Credit Control departments who also deal with outward recoveries.**

Allow the Reinsured to Have Access to CLASS

Companies whose outwards reinsurance contracts are processed via Xchanging are able to monitor the progress of claims on these contracts via a 'Third Party Search Facility' which is available within CLASS. Access to the CLASS records has to be granted by the broker involved on the contract.

The 'Third Party Search Facility' allows a reinsured company to view a list of original premium signing references, along with associated claims, for which access has been granted. To request access to UCRs (claims records) as the reinsured, companies must contact the broker who will be able to grant access via the original premium signing reference. Initially, only reinsureds who are in central accounting are eligible to use this facility, as they will have a valid LPC network account.

Broker On-Line Functions

There are two functions available to brokers and these will need to be added to users' profiles by the broker Security Administrator.

Third Party Maintenance Facility

This function displays a 'Third-Party Access to CLASS' screen (LA2330M) that requires the following fields to be completed:

- **Act Code**
Valid codes are A – Add, C – Change or D – Delete
- **Orig Ref**
The original premium signing reference must be entered in the standard ILU or LIRMA format
- **3Pty Type**
This is pre-set to R – Reinsured and, initially, is the only valid value. Other codes may be added in later enhancements

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- **3Pty Code**
This must be a valid ILU/LIRMA company stamp code, currently in central accounting, belonging to the company requesting third party access
- **3P Code Type**
This is pre-set to C – Company, and initially is the only valid value. Other codes may be added in later enhancements
- **Broker Code**
This must be the broker code that was used on the original premium signing and must be on the user's profile

Once these details have been completed, press enter and a confirmation message will be displayed. To view details users will need to access the 'Third Party Access Enquiry'.

Third Party Access Enquiry Facility

The 'Third Party Access Enquiry' screen (LA2340M) allows broker users to enquire by broker code, original reference or third party (currently company) code.

If this screen is left blank, pressing enter will present the 'Third Party Access Enquiry' screen (LA2341M) on which all original references and associated UCRs for all broker codes on the user's profile, together with the company code to which permission to access CLASS has been given, will be displayed.

Entry of a broker code and/or original reference and/or third party code will restrict the display on the 'Third Party Access Enquiry' screen (LA2341M) to details relating to the search criteria entered.

Company On-line Function

To enable company users to access the UCRs to which they have been granted access, the function 'Third Party Search Facility' will need to be added to their profile by their on-line network account administrator.

Third Party Search Facility

The 'Third Party Access to CLASS' screen (LA2310M) allows company users to enquire on claims to which brokers have provided them with access (by use of a valid company code). This code must be on the company user's profile and must also be the code to which specific access has been granted.

If a valid code has been entered, the 'Third Party Access Enquiry' screen (LA2311M) will be displayed. This screen will list all relevant original premium references together with associated UCRs.

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Users will be able to select specific UCRs from this list and view the normal CLASS enquiry screens.

Note:

The following indicators and details will be suppressed from view:

- 'LIRMA Lead Action' screen (LG0226M) – the EDR indicator and Lead O/S Reserve details
- 'LIRMA Follower Response' screen (LG0234M) – private footnote details
- 'ILU Narrative Enquiry' screen (LG0224M) – private comments
- 'Broker Supplied Policy Details' screen (LG0227M) – PF20 option
- 'Policy Core Details' screen (LA0240M) – PF20 option.

If you have any questions over how this facility might help you, or how it can best be used, please contact Audrey Seward, email audrey.seward@xchanging.com.

LAURIE DAVISON
HEAD OF SERVICE
INSURANCE SECTOR

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Xchanging - Third Party Search Facility

As an Insurance company with our main Reinsurance protection based on an XOL programme, the security for which are mainly IUA bureau members we have found the third party search facility an extremely useful addition to the online service.

Prior to its introduction we had to rely on our brokers to monitor and manage UCR sequences entered on our behalf. Of concern was not only the time taken to enter sequences but how the brokers managed responses from individual Reinsurers. We can now manage these aspects ourselves. This allows us to respond to INF requests as we see them, also FIL requests can be chased up so the brokers are pushed to present files when we prompt them, of course the MAN status requiring YES and CES responses can be checked on collection sequences, allowing us to be far more efficient with our credit control.

Selecting the online option under Third Party Search facility – option no: -12, produces an “all time” listing per Reinsurance contract number of all UCRs.

Whilst this provides us access to all our reinsurance UCRs, there is no selection criteria, it is not as useful on a day to day basis as using the **claim query option – no: - 4**, This allows us to enter specific individual UCRs to see what responses each sequence has. This allows us access to contact details entered on the sequences, we can thus identify who exactly at each reinsurer is dealing with the UCR and what their contact details are.

We have had no problems with our brokers after using this facility since its introduction, indeed I suspect the brokers have seen it as an improvement, as any results we have on chasing or answering responses has allowed our brokers to demonstrate service levels have improved.

Fergus Gage

Reinsurance Director, The Underwriter Management Services

5 March 2008