



To: All Broker Contacts  
Lloyd's Managing Agents

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**market communication**

**RE: CHANGES TO ECF RISK ROUTING FOR SINGLETON BINDING AUTHORITY CLAIMS**

### **Introduction**

Currently, all ECF binding authority claims are routed to XCS unless brokers and/or underwriters complete and submit a paper 'Risk routing request' form to XCS indicating a change to the risk routing for a particular claim transaction. This process is documented in the SP&P procedures.

This existing singleton binding authority ECF risk routing rule was introduced in 2007 and has always been optional, with the rule only being applied if the underwriter or the broker requested it.

### **Change to Existing Process**

XCS will be introducing ECF system changes, over the weekend of 30 - 31 July 2011, which will allow underwriters and/or brokers to electronically indicate that a specific non-financial transaction does not need to be presented to XCS, and therefore no CLASS movement is required, eg individual loss, below block threshold.

This change will apply to all ECF singleton binding authority contracts incepting January 2007 onwards.

The changes will be applied to all singleton binder transactions released after 30 - 31 July 2011.

The rule can still be deleted for a particular binding authority contract by submitting the 'Risk routing request' form to the Xchanging Service Centre (Email: [servicecentre@xchanging.com](mailto:servicecentre@xchanging.com) Tel: +44 (0)870 380 0830).

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## **Process**

It is imperative that when reviewing the claim, the underwriter considers carefully whether or not to exclude XCS.

For all singleton binding authority business where the rule has been applied, a question will appear:

- a) For ECF1, on the Market Response screen. The message will read 'XCS Agreement Required?' The default setting is 'YES' (normal XCS agreement role to be carried out), but the lead can change this to 'NO' to prevent the transaction arriving on XCS Awaiting Action List and thus eliminating the need for XCS to respond.
- b) For ECF2, on the response screen of the CAS screen, under Agreement Parties, the 'XCS to agree' prompt is displayed.

Once the rule has been applied and a transaction has been routed according to the underwriter decision, any subsequent transaction on the UCR will assume that the same exclusion rule is to be applied. However, for every transaction, the underwriter will have the option of assuming the same routing value or of reversing the routing rule.

### **Important notes:**

The lead must not exclude XCS from:

- Any transaction containing financial information as these must continue to be routed to XCS for technical processing
- Those items where the loss exceeds the block limit

Brokers will be able to see where XCS has been excluded as an agreement party as the 'Resp' column, on the Response Summary screen (LG0328M), will be blank.

If you have any queries regarding this communication, please contact Paul Bastien, contact details as above.

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HEAD OF SERVICE  
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