

Achieving Excellence Together | Advent Underwriting

BESPOKE PRODUCTS

CCR Seminar 'Simple Risks and Insurance'

8th November 2017

Dan Cowen



Contents



Advent and the Fairfax Network

Utilising Alternative Distribution Models

Adding Value

Product Areas and Examples

Case Study 1: Jordan Kuwait Bank

Case Study 2: Energibolaget

Case Study 3: RAK Bank

Case Study 4: Telefonica

Case Study 4: Ghabbour Auto

Case Study 4: TurkCell

Conclusions and Questions

Advent – Company Overview

Advent is a specialty insurance and reinsurance underwriting business and a wholly owned subsidiary of Fairfax Financial Holdings Limited

Advent underwrites via Syndicate 780 at Lloyd's and is one of the longest established businesses in Lloyd's



Syndicate 780 started trading in 1974 and has transformed itself from its Reinsurance origins into a thriving and diversified writer of Insurance classes Casualty Reinsurance

We are proud to offer brokers some of the **strongest service and response levels** across the market and market leading accessibility to decision makers

The Fairfax Network



FAIRFAX OUR PARENT COMPANY

Provides **long-term financial security**, ensuring peace of mind and stability to our business partners.

Allows us **access to worldwide distribution channels**, providing solutions to our client's product needs.

Alternative Distribution

Bespoke Products



We look at **Insurance** from a whole different perspective based on **Clients' need** and an efficient delivery of all aspects of the **service**

Client's Needs

We look at what a particular **client does**, or makes, products they design or services they provide

- We then look at the sales mechanism and **how we can enhance or assist the sale**
- We also listen to Clients' need and we aim **to deliver tailored solutions** as opposed to 'off the shelf'/ 'one size fits all' products
- We look at product innovation but we do have a solid base of more traditional products that are tried and tested and in line with our core risk appetite.

A 360° Approach

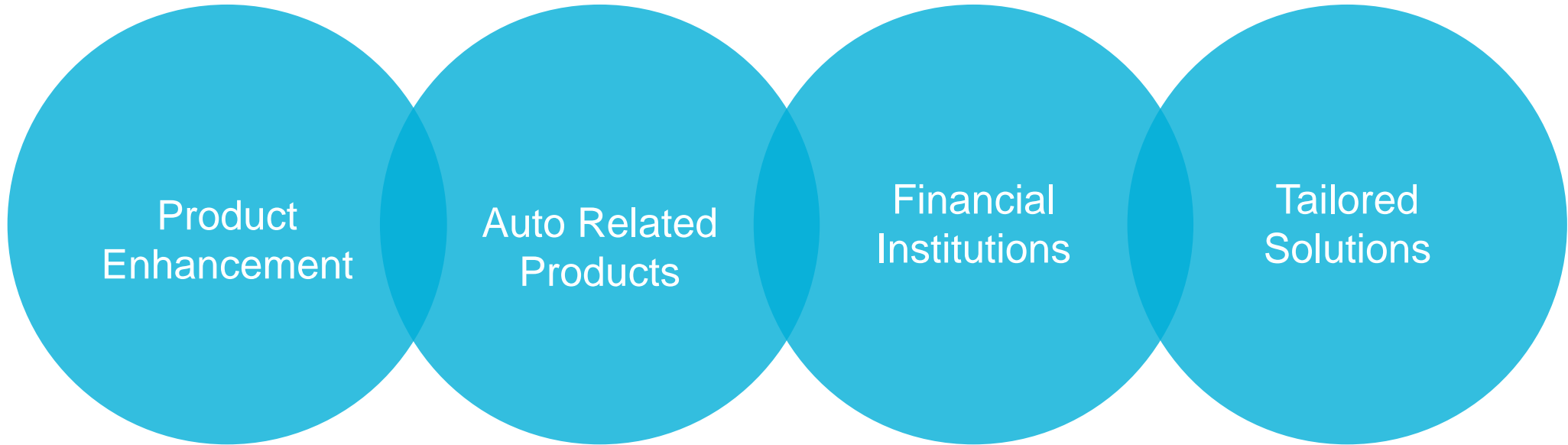
We ensure efficient delivery of all aspects of the service giving an all-encompassing solution

- **Legal review** and wording development
- **Pricing and actuarial** support
- Compliant and effective **placement structures**
- **Claims servicing** through experienced TPAs and claims adjustors

Adding Value Throughout the Chain



Product Areas



Product Examples

Financial Institutions

- Unemployment/Job loss protection
- Identity Theft
- Mortgage Impairment

Product Enhancement

- Purchase Protection
- Secure Wallet (Fraudulent Transactions, Secure Wallet, ATM Robbery)
- Ticket Guard
- Corporate Liability Waiver

Auto Related Products

- GAP and Total Loss Protection
- Auto Deductible Buy-Back
- Anti-theft protection
- Tyre Replacement

Tailored Solutions

- Electronic Devices & Gadgets
- Point of Sales programmes
- Membership/Employee Schemes



Personal Accident



Basic coverage excluding medical expense distributed as an embedded product via:

- Banks
- Travel Agents
- Telecom Providers
- Schools / Universities



Bank Example- Jordan Kuwait Bank

- 70,000 customers
- Opt-out mandate; Updated T&C's on Current accounts, with first three months free.
- Monthly premium (JD1) deducted directly from account.
- 95% of account holders continue coverage after the initial three months.
- Limit of JD12,000 with simple ADD cover.
- Loss ratio of sub 30% across three years.

Unemployment / Job Loss Protection



Can Offer Coverage for:

- Mortgage
- Auto/Home Loans
- Utility Bills
- Subscriptions contracts (Mobile Phone, TV, etc)



Utility Company Example - Energibolaget Sweden

- 110,000 customers
- Opt-out mandate; customer receives 2 invoices – A without insurance and B with the insurance cost included first month is free and if customer does not opt-out then they receive invoice B
- Monthly premium paid by customer for indemnity period of up to 6 months
- Dedicated Third Party Administrator in place with call centre to handle claims calls
- TPA checks coverage is 'live' with Energibolaget and if valid claim settles direct to customer's account through Energibolaget

Purchase Protection / Extended Warranty



Theft, Damage Loss and Mechanical Breakdown cover on new purchases, distributed via:

- Credit / Debit Cards
- Retail Outlets
- Manufacturers



Credit / Debit Card Example- RAK Bank UAE

- 1,000,000 customers – US\$650,000 Premium
- No Added Cost benefit on all cards with premium paid by RAK Bank
- Purchase protection up to US\$8,000 on all purchases with RAK Credit Card
- Premium becomes a marketing cost with the benefit a point of difference in attracting new customers.

Secure Wallet / Mobile App Protection

Protection following the loss or theft of Wallet, Handbag or Mobile covering:

- Unauthorised use of bank cards
- ATM Robbery
- Document and Key replacement
- Stolen Cash



Telefonica

Mobile App Protection – Telefonica Spain

- 500,000 handsets covered – US\$475,000
- Additional Rider on the existing Mobile Phone Cover sold through Telefonica.
- Up to US\$1,200 for unauthorised payments made via a mobile app following theft/loss of device.

GAP / Total Loss Protection



In the event of a total loss under a standard motor policy a fixed benefit for purchase of replacement vehicle becomes payable.

Distribution partners include:

- Auto-Loan division of bank
- Car Dealerships
- Rider on existing motor insurance policies



Auto-Dealer Example- Ghabbour Auto Egypt

- 58,000 customers – US\$2,500,000 Premium.
- Up to 3 years of cover per guarantee.
- Insurance cover bundled within the purchase price of a new or used car.
- Providing protection to the buyer and the collateral of the creditor on an Auto-Loan.
- Sold together with Deductible Buy-Back and Lost Key Protection.

Mobile and Gadget Protection



Accidental Damage & Theft of mobile handsets and electronic devices sold through:

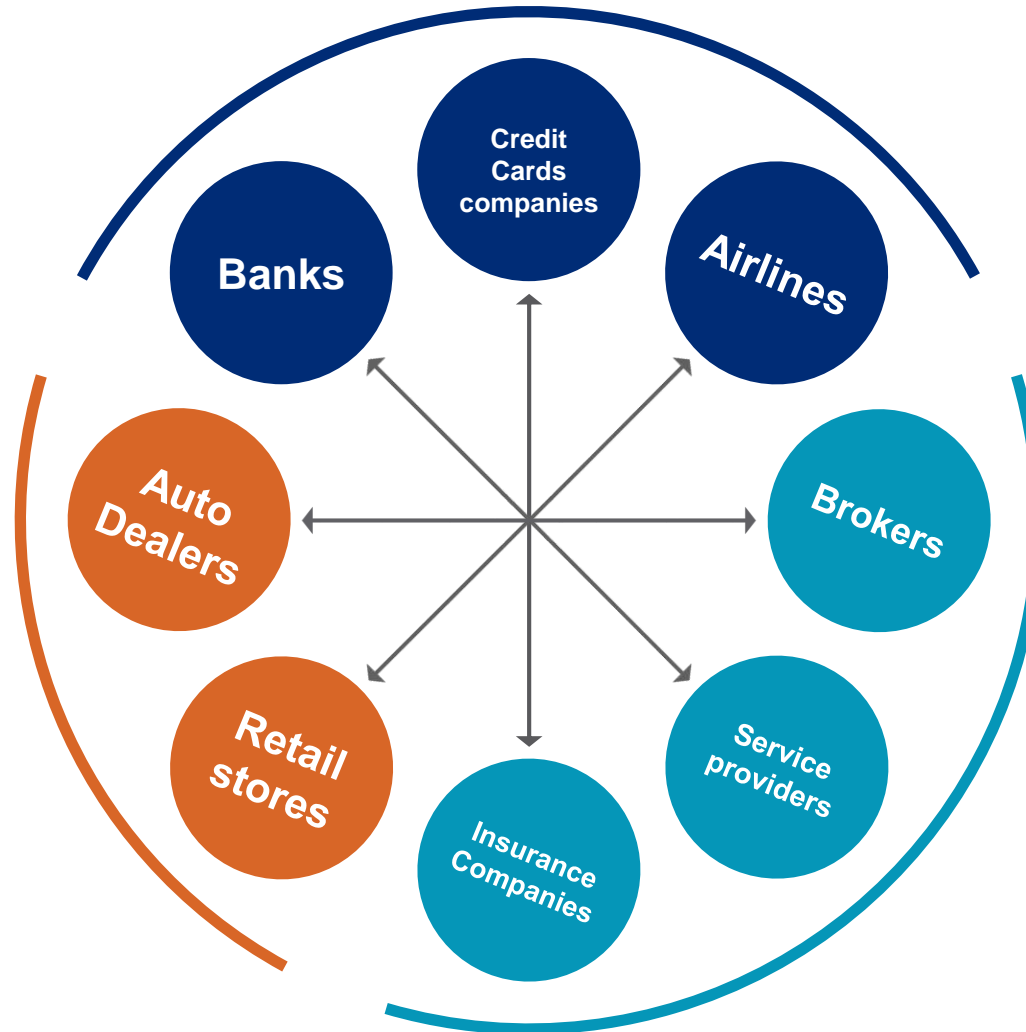
- Mobile Service Provider
- Electronic Retailers
- Manufacturers
- Government / Employee Schemes



Mobile Handset Example- Turk Cell Turkey

- 220,000 customers – US\$18,000,000 Premium.
- \$2,000 limit for accidental damage and theft.
- Insurance is upsold in retail stores at the time of new purchase.

Potential Distribution Partners



Contact Details



Dan Cowen

Portfolio Development Manager

T: +44 (0)20 7743 8309

E: dan.cowen@adventgroup.co.uk

2nd Floor 2 Minster Court, Mincing Lane – London, ECR3 7BB

adventgroup.co.uk



Advent Underwriting Limited is registered in England and Wales with registered number 01227004. Registered office: 2nd Floor, 2 Minster Court, Mincing Lane, London EC3R 7BB.

Advent Underwriting Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm reference number 204840)