



4D Group

Proportional Treaty Reinsurance Introduction for Frontline Roles

Who would benefit?

This is a course designed principally but not exclusively for staff who are working in a reinsurance environment and whose current job calls for a more detailed knowledge of the subject. This is for technicians and or brokers, this would normally be individuals that have been working in insurance or reinsurance for between one and three years.

Objective

This is a reasonably detailed introduction to proportional treaty reinsurance designed to give attendees a working understanding of why treaties exist, how they operate and the basic servicing issues involved.

Content

- Understand the principle of proportional reinsurance
- Understand the concepts of Quota Share and Surplus treaties and the effect they may have on an Insurers capacity to write business.
- Understand the advantages and disadvantages of this business to both the Reinsured and the Reinsurers.
- Understand how risks, liability, premium & claims are allocated to treaties.
- Be able to explain the different types of commission that can apply to treaties, their effect on possible profitability and to calculate standard profit and sliding scale commissions.
- Understand the principles and purpose of premium and loss reserves and how they are calculated.
- Understand the component parts of technical treaty accounts and be able to complete standard treaty statements for Reinsurers.
- Be aware of the main problems and errors associated with treaty technical accounting and how to avoid them.

Duration

One day