

Energy - CTP Lead / 2nd Lead Responsibility - Checklist

Out of Scope for CTP

- A single syndicate policy

Out of Scope for ECF

- A co-lead binder or multi OSND policy

In Scope Risk Codes and Financial Threshold

Class of	Risk Codes
Energy	EA, EB, EC, EF, EG, EH, EM, EN, EY, EZ

- Energy and Property Treaty risk codes have a threshold of £500k (Lloyd's share per risk code)
- From 01/01/14 all Marine risk codes and claims (whether paper or ECF) are considered in scope for CTP legacy conversion unless they relate to the following:
 - Political Risks (only new claims with risk codes CF, CR, PR incepting on or after 01/07/12 remain in scope)
- The lead and 2nd lead to liaise (complex only) on any 'paper' legacy conversion where applicable, to take into account known claim complexities and agree on conversion to ECF & CTP.

Claim Categories & Agreement Parties:

- Upon claim notification and subsequent presentation the Lead (and 2nd lead where applicable) triages every CTP claim to the appropriate category taking into account the financial threshold and any non-financial factors.
- Standard category claim - only lead agreement is required.
- Complex category claim - lead and 2nd lead agreement is required (when financial threshold, Lloyd's share per slip or non financial factors have been considered)
- Non financial factors:
 - Claims seeking extra contractual damages or damages in excess of policy limits
 - Criminal proceedings
 - Fraud
 - Potential or actual denial of coverage
 - Notice or complaint from a regulatory body
 - Bad Faith
 - Quantum Issues
 - Class Action or high value lawsuits
 - PPO or advanced / projected settlements
 - Considerations and issues around quantum, UNL, clash cover

NB: When considering the triage of a non-GBP value claim, the prevailing rate of exchange should be used (except where there are provisions within the slip)

Any disagreement between lead and 2nd to be discussed and resolved by liaising (via central MA CTP email addresses OR direct with MA's adjuster). Market meetings with 2nd and

followers will need to be called on complex matters, evidence of communication should be available on the relating claim.

What do I need to do?

Ensure standard checks have taken place on UMR and UCR fields against supporting documentation and that data is accurate to enable full review, response and processing of the claim.

UMR

- ✓ Slip is attached, accurate and has relating endorsements, where applicable
- ✓ Certificate / Insured / interest / declaration attaches to policy / sum insured
- ✓ DOL / DCM falls within policy / certificate period
- ✓ Claim falls within available policy / certificate limits
- ✓ Coverage type / Express warranties

*******REMEMBER TO CHECK & SELECT TRIAGE CATEGORY & CLAIMS SCHEME*******

UCR

- ✓ Deductible / excess / franchise correctly applied
- ✓ Identity of Insured / Coverholder / Cedant / Reinsured / Loss Payee
- ✓ Confirm broker has attached correct claim documents
- ✓ Risk Code (ensuring the claim is 'In Scope' and not a singleton or co-lead binder)
- ✓ YOA
- ✓ CAT Code (to be entered by adjuster if not present)
- ✓ Cause Code (please add within private comments for technical processing)
- ✓ TBA Qualifier code (please add within private comments for technical processing)
- ✓ OSND (do not agree claim without a present OSND)
- ✓ Slip Order
- ✓ Claimant, Insured, Loss Name, Loss Details, DOL
- ✓ Domicile check re Sanctions
- ✓ Payment authority (requested from or provided by the broker)
- ✓ Vessel / Aircraft / Conveyance
- ✓ O/S Exp, O/S Fee, O/S Loss (Lead to split out and enter fee and indemnity reserve where required)
- ✓ O/S Qualifier (see table below and enter your required TBA code within 'private comments' if applicable)
- ✓ PTT Exp, PTT Fee, PTT Loss
- ✓ Settlement CCY, Settlement ROE, VAT

What to think about before responding?

- ✓ The reserve advised has been considered; any difference requires the Lead to enter a reserve for Indemnity and / or Fee's and split appropriately if applicable.
- ✓ Where the Lead has decided to assign a claim to Complex the Lead, prior to agreeing the transaction selects the managing agent who is named in the (relevant section of the slip) as 2nd lead.
- ✓ Triage category accurate and supported by narrative and communication with 2nd lead and followers (where required).
- ✓ Communication with 2nd lead & followers (where required), via email, ECF/2, KEP, SCM narrative and evidence of this communication is attached to the IMR.

- ✓ Narrative within 'Public Comments' shows understanding, review of claim and any requirements give a clear picture and direction to the broker. (lead to include triage category)
- ✓ Narrative within 'Private Comments' provides required processing information, instructions and SCM summary narrative (where applicable). It is important to provide a processing précis to XCS when extensive 'public comments' are made.
- ✓ Expert reports / instructions / management
- ✓ Subrogation identified or pursued
- ✓ Appropriately 'diarised' claim for next steps

Non-Financial Considerations

The lead may consider a range of non-financial factors in assigning a triage category. Notwithstanding the non-financial and financial considerations and thresholds, the Leader and 2nd jointly decides to re-assign the triage category of a claim at any time.

Outstanding / "TBA" Qualifier Codes

Code	Description	Code	Description
A	Await Advice from Cedant	X	Erroneous Entry to be closed
C	Closed	P	Prec Advice on High Layers
L	Long Tail Advice	S	Subrogation
M	First Advice, Await Report	T	Uber Precautionary

Energy KEP (Key Event Protocol) Template:



Energy KEP
Template.xls

NB: Highlighted checklist points assist with CTP compliance and relate to the additions brought in by the new claims scheme.