

IUMI Amsterdam 2005 Offshore Energy Workshop

“Lessons to be learned post Ivan”
Claims coverage & Management

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Watkins Syndicate, Lloyd's

Watkins Syndicate

The magnitude of the problem.....



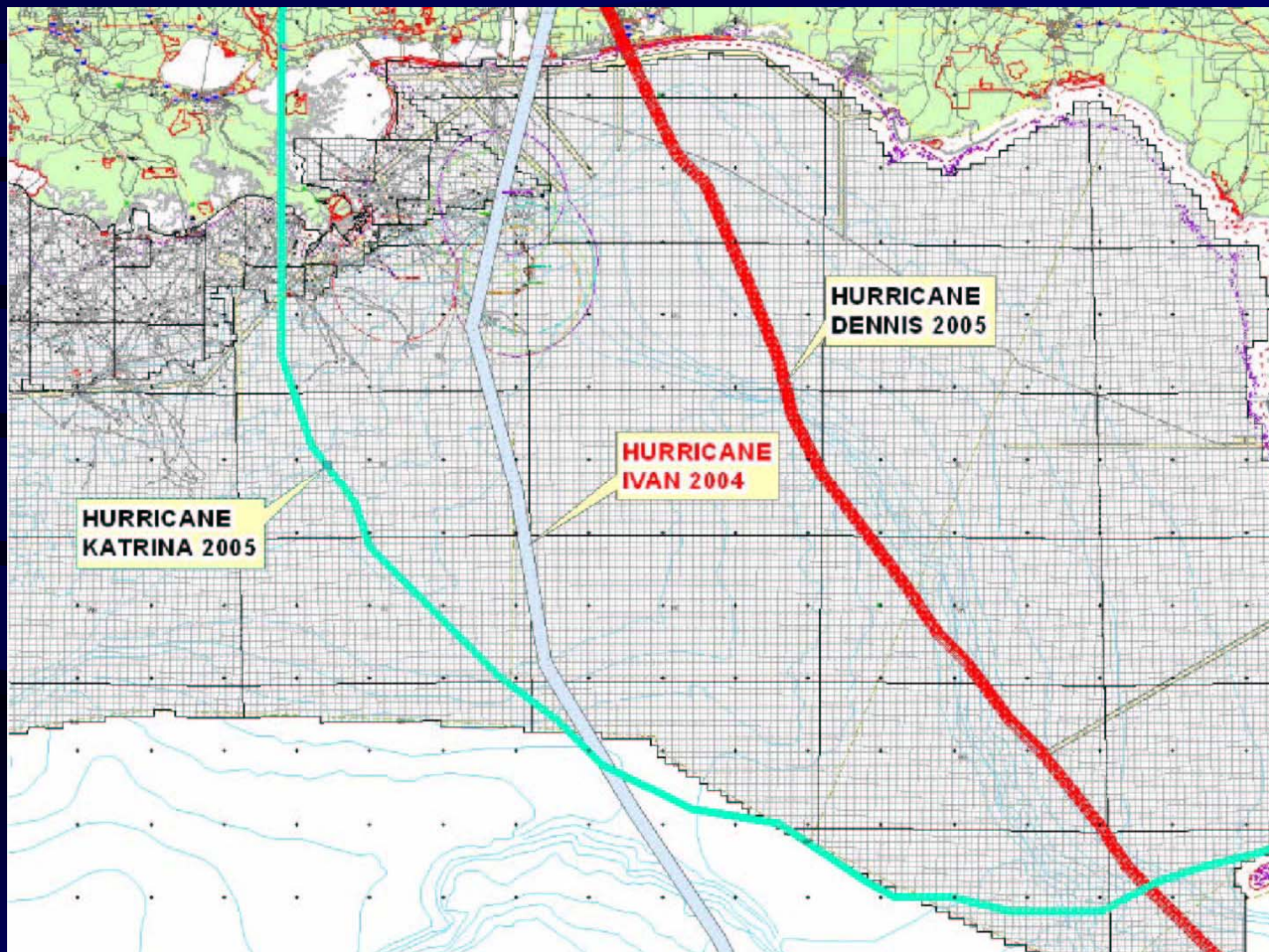
...Ivan
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Large and complex losses...

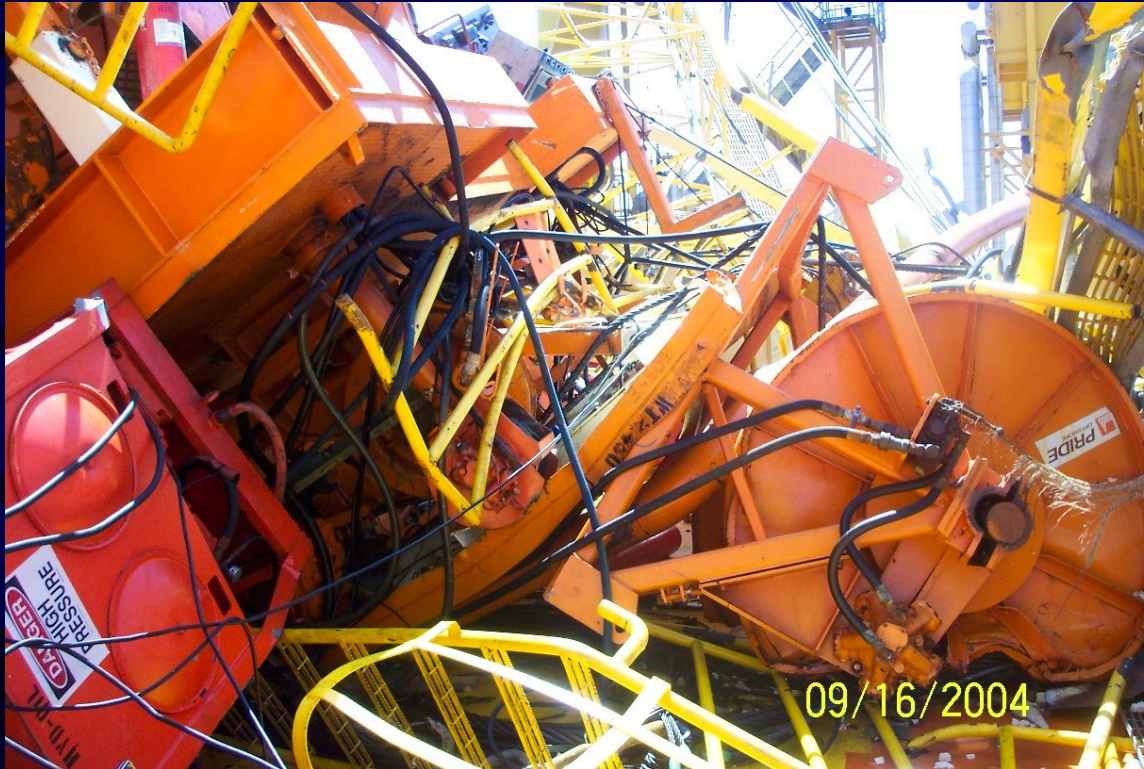


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Recent experience...



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Management Response Plan...

- Internal response team
- Identification of experts & their resources:
Adjusters, Forensic Accountants,
Engineers & Legal Counsel.
- Advising of reserves
- Clear communication channels

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Terms of Engagement...

- Adjusters per Lillehammer T.O.E.
- Service Level Agreements
- Timelines
- Reporting lines

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Key Objectives...

- Quantify loss early
- Accurate & speedy resolution
- Identification of coverage issues or areas of concern
- Assureds expectations
- Subrogation

Resolution Targets

- Hurricane Lilli – within Lloyd's 39 still being adjusted (from 2002)!

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How well were the claims managed?

What did we do well?

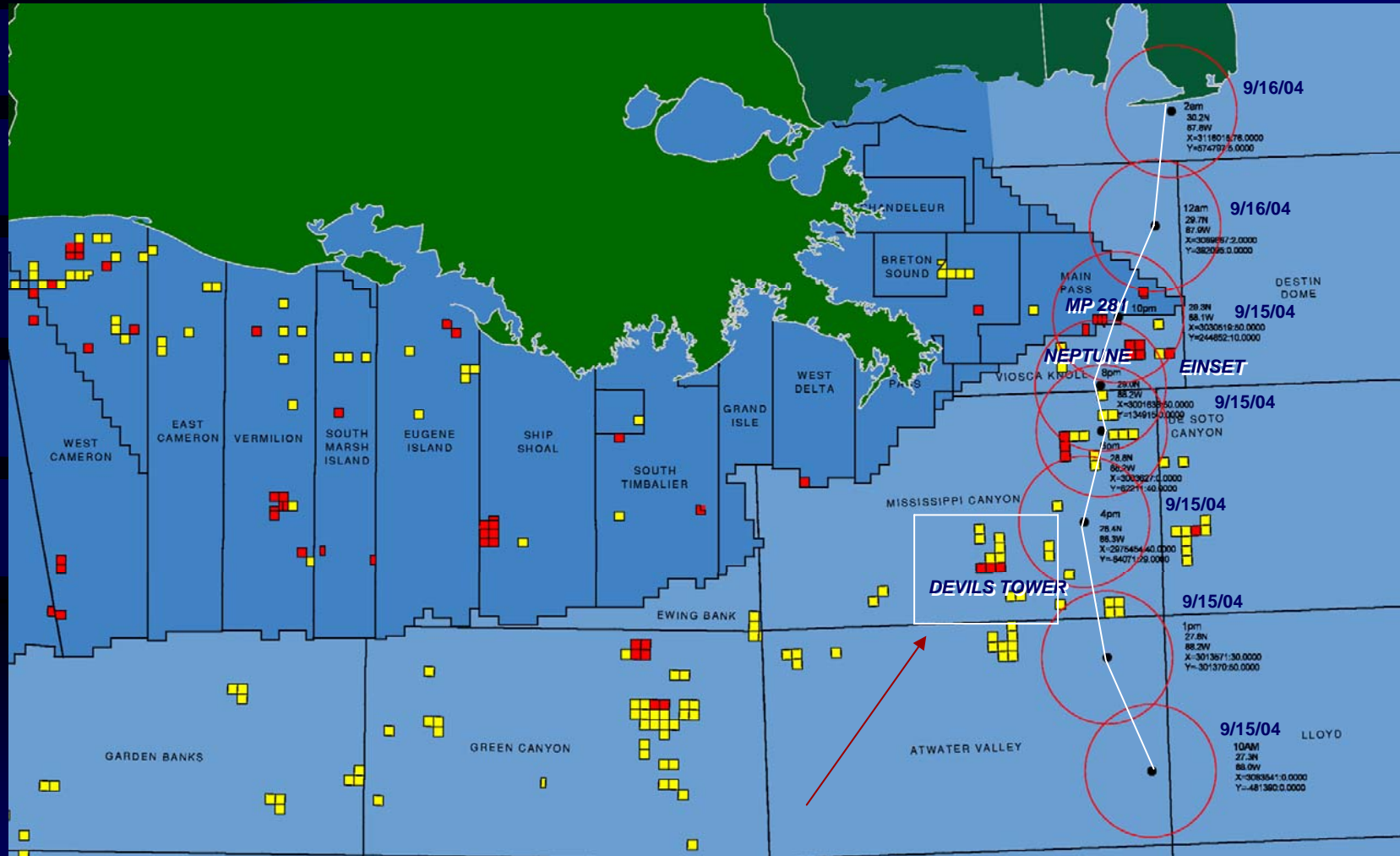
- Prompt settlement of many claims
- Direct negotiation with Assureds
- Litigation kept to a minimum

What could we have been done better?

- Increased communication between u/w's & adjusters.
- Fragmented placements – increased co-ordination between leaders.
- Greater understanding of interdependencies

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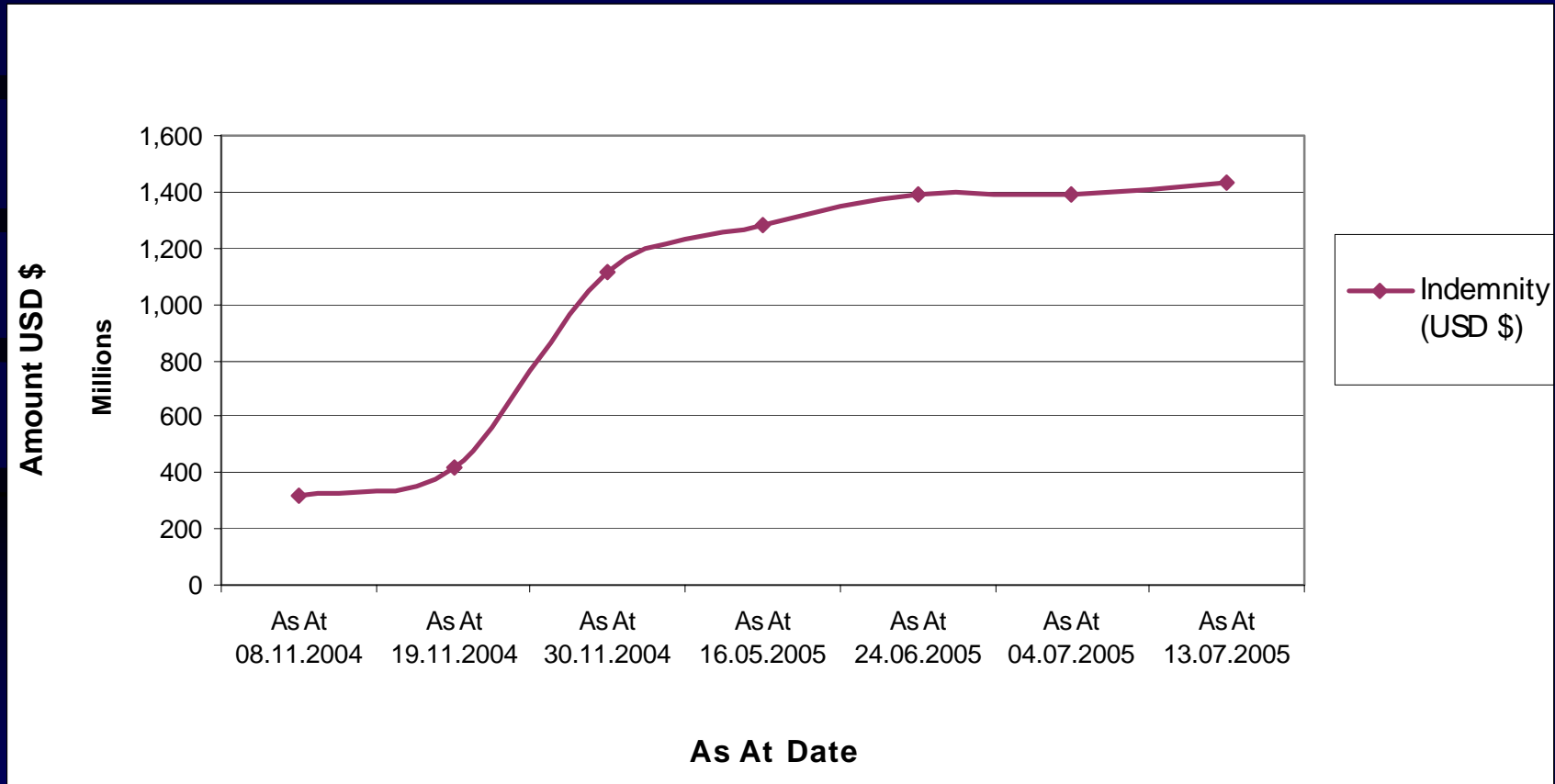
Interdependency of assets...



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Reserve development... Indemnity

Commercial Insured Indemnity reserves – Hurricane Ivan



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Coverage Issues...

L.O.P.I. / B.I.

- Period of indemnity
- Schedule of values
- Formulas
- Contract price
- Contingent B.I. / Interdependencies
- Onshore / Offshore deductibles

Response Post Ivan:

- New B.I. wordings

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Thank you for listening

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