

BANK

Use of non-traditional technology services in banking lead to possible non-renewal.



BACKGROUND & CONTEXT

A new banking client had been engaging more and more in technology related services that are not considered traditional banking services. While the bank had a deep level of expertise in these services, the primary insurance carrier did not and delivered a message of a challenging renewal or even a possible non-renewal. With the general hardening of the D&O market in mind, combined with this initial trepidation from the incumbent carrier, we set an expectation of a rate increase in the 20% - 30% range.



SOLUTION & TACTICS

Our Financial Institutions team facilitated a D&O Underwriter meeting. With our dedicated experience and expertise in the bank D&O space, we were able to attract 13 different carriers to participate on the call, including the incumbent. On the call, the bank provided a detailed explanation of all the services, including the technology services, which really demonstrated their level of expertise in that space beyond what could possibly be reflected on a black and white application.



VALUES & LESSONS

The bank was able to separate themselves from the rest of the banks underwriters' typical review. They addressed any potential negative perceptions that may have arisen from just the applications and/or public filings.

The call allowed the underwriters to read between the lines of the application via quality verbal discussion with the client.

An A+ rated Bank D&O carrier, that would most likely had passed on the risk without the call, offered very strong renewal terms.

In lieu of a 20% - 30% increase, the Bank ended up with an 8.1% savings from the expiring.

The placement included 17 distinct coverage enhancements (on both the Management Liability and Bond) versus expiring.

Facilitating underwriter meetings leads to better understanding and renewal outcomes.

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