

Excess Commercial Auto Liability

Many mutual carriers look to differentiate and grow their “core” portfolio without exposing their underwriting results to excessive auto liability volatility. Aon Benfield offers mutual companies direct access to highly competitive commercial automobile liability policy coverage through FAConnect®, an operationally efficient online alternative to the traditional time consuming and price competitive facultative placement process.

Numerous companies traditionally place either auto buffer for primary policies or auto carve out for umbrella and excess policies with limited options, very little flexibility, and varying pricing competitiveness. Some facultative reinsurers even require minimum certificate premiums regardless of exposure, which often times is greater than the total policy premium. Through FAConnect, mutual companies are provided a variety of options, flexibility and competitive coverage, all while enjoying reduced risk execution, an improved service experience, and an overall advantage in the market.

Efficient access to buffer and auto carve out reinsurance capacity

FAConnect is a web portal that helps clients easily and efficiently submit risk placements and complete facultative transactions aligned with A+ reinsurer(s). Providing instant quotations that can be bound on the spot, this facility offers up to \$1,000,000 in capacity in either the primary or excess policy.

Layers available: \$500,000 xs \$500,000 or \$1,000,000 xs \$1,000,000

Fleet size: Reinsurer(s) can accommodate 1 to 350 power units which may include up to 75 tractor units, but long haul tractors (over 200 miles) cannot exceed 5 percent of the total fleet.

Minimum Premiums: \$500,000 xs \$500,000 or
PPT / LT / Med = \$500
All Other = \$750

\$1,000,000 xs \$1,000,000 = \$1,000 Net

Flexibility exists to either issue individual certificates for smaller numbers of placements or bordereau bill, which can be generated through FAConnect so there is no extra work. FAConnect offers competitive rates with low transaction costs to greatly improve response time. Aon Benfield’s team is dedicated to providing a high level of consistent client service from implementation and training to ongoing operations.

Case study

A mutual insurance company places auto carve out on fleets over 100 units. Quick turnaround, competitive quotes, and online access were crucial success factors given their underwriters often work remotely and infrequent hours. The company elected FAConnect since it met all those needs and currently, the hit ratio on reinsurance certificate business bound is less than 50 percent including reinsurance quotes on business the company did not bind.

We’re here to empower results

To learn more about excess commercial auto, contact:

Chris Delhey
+1.312.381.5566
christopher.delhey@aonbenfield.com

Michael Hiller
+1.215.665.5958
michael.hiller@aonbenfield.com

Phil Taylor
+1.678.297.2596
philip.taylor@aonbenfield.com

Visit aonbenfield.com to learn more about the world’s leading reinsurance intermediary and full-service capital advisor.