



ELECTRONIC POLICIES USER GUIDE

Version 1.1
March 2010

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1 INTRODUCTION

The Insurers Market Repository (IMR) implemented in September 2006 allows electronic premium and policy documentation to be submitted to, and processed by the bureau. The initial implementation consisted of a mixture of digitally signed policies and policies physically printed for signing and binding by Xchanging prior to dispatching back to brokers. In a world of contract certainty, this need to print and move paper adds to the time it takes to provide evidence of cover to the end client and adds cost to both the broker and bureau operations that could be avoided in a fully electronic process. The MRG agreed that all policies must be submitted electronically to Xchanging from the 1st March 2009, or must be accompanied by an E-Policy Exception Form to explain why this was not possible. The MRG has further agreed that by the end of 2009, 90% of all policies should also be signed electronically and returned to the broker in electronic format. The purpose of this document is to explain how the e-policies service operates and to provide guidance on the business rules and practical aspects of using the solution.

2 ARRANGEMENTS SINCE 1ST MARCH 2009

The MRG, with the support of the market associations, have agreed that from 1st March:

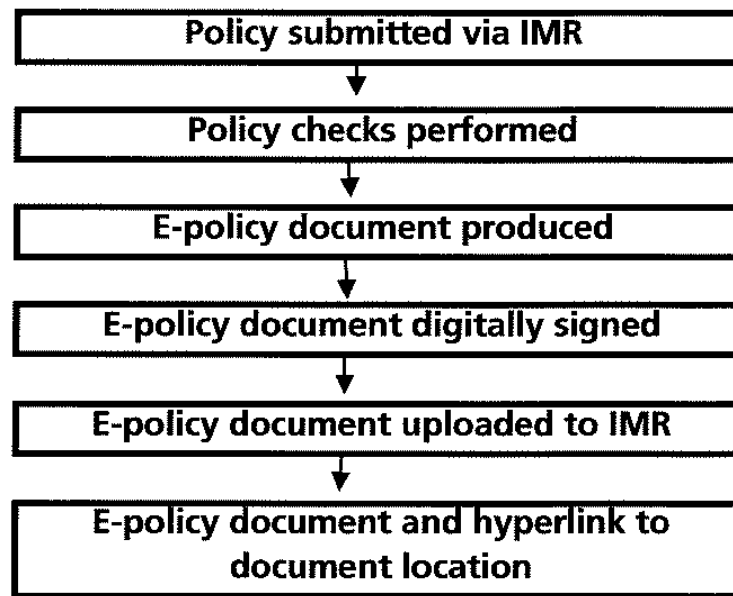
- All policies must either be e-policy submissions or true e-policies
- If any special or extenuating circumstances exist which prevent a policy being submitted electronically the broker should detail these on the E-Policy Exemption Form found in Appendix A to prevent the e-policy being rejected as a paper submission
- Any paper policies submitted to the bureau without a E-Policy Exemption Form will be returned to the broker unsigned with a flyer explaining the MRG decision and requesting them to resubmit the policy electronically, or include a completed E-Policy Exemption Form identifying why this was not possible.

3 OVERVIEW OF SOLUTION

An e-policy may take two forms:

E-policy submissions - An e-policy submission is one where the policy/wording and other documentation is submitted via the IMR and the broker requests 1 or more copies of the policy to be printed by Xchanging. Once a policy has successfully passed the policy signing checks as defined by Lloyd's/ IUA, the brokers documentation is printed, a policy jacket is added along with the schedule pages showing the market for the risk and the entire package is physically embossed, sealed and returned to the broker.

True e-policies – The broker submits the policy documentation via the IMR plus the policy is returned to them as an electronic document. Xchanging has implemented the following process for the production of e-policy documentation:



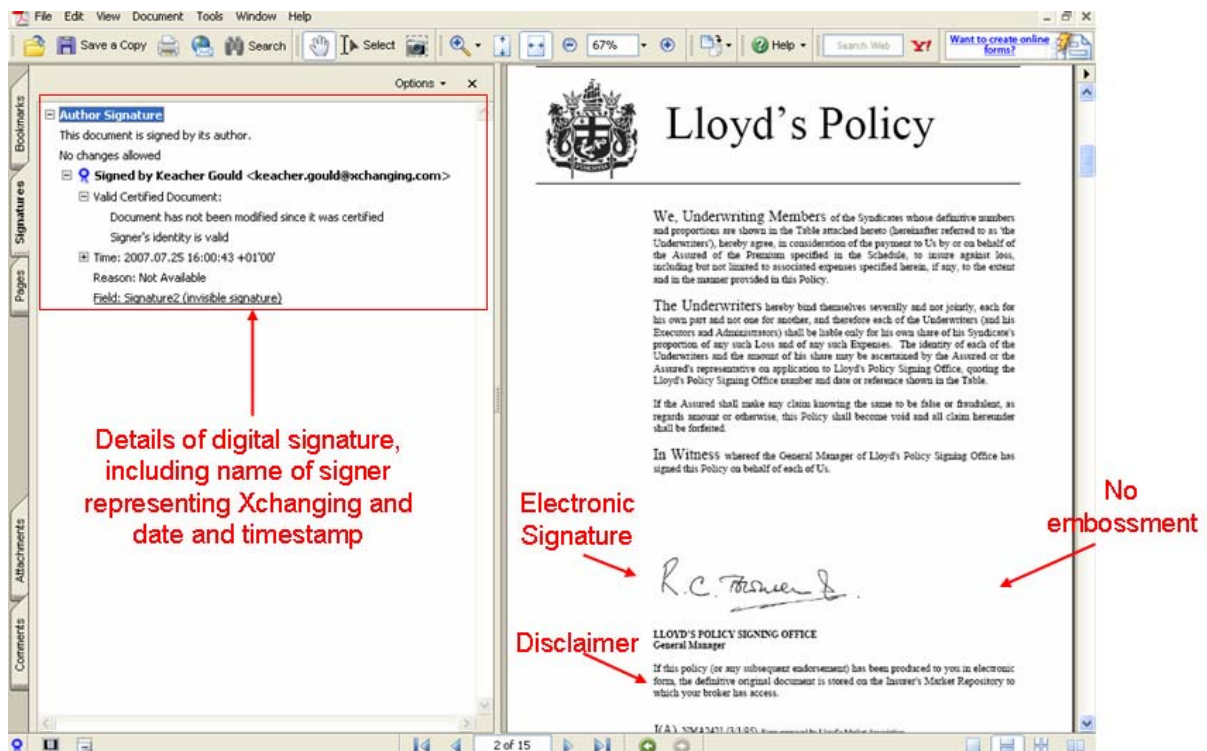
- Brokers submit policy documents to XIS in either MS Word or Adobe PDF format as per the methods defined in the A&S Repository User Guide.
- Xchanging performs the Lloyd's Policy Signing Service checks or IUA stage 2 policy checks.
- On successful completion, a PDF document is created with the same structure, content and format as the current paper policy package this is achieved by adding information relating to the market, the electronic equivalent of the policy jacket, and the XIS signing number and date to the files submitted by the broker.
- A digital signature is applied to the PDF e-policy document to verify its integrity and that it has been through the Xchanging policy signing/checking process. The digital signature will effectively 'lock-down' the policy document and any tampering with the document will invalidate the digital signature.
- The read only PDF e-policy is then returned to the submitting broker using their generic email address, referenced by UMR and work package reference of the submission.
- An undeletable, read-only electronic copy is also placed in the policy folder of the IMR as the authoritative version of the policy (brokers may also wish to add their own broker insurance documents to the IMR for completeness).
- Brokers can then either forward the signed and sealed policy to the end client as an electronic PDF document, or as a paper policy document after printing it themselves. In the case of a Lloyd's paper policy printed from the IMR it will not bear the physical embossing that the current Xchanging produced paper policy does.
- Policy endorsements are handled in a similar manner – i.e. PDF versions of the current endorsements created, returned to brokers via email and added to the IMR.
- Once a broker has registered for e-policies all policy requests submitted via the IMR will be returned to them electronically unless they have specifically requested a paper policy by completing the Special Instructions box of the Policy Control Form (PCF) accompanying the electronic submission. The broker should only request a paper policy where the policy-holder/cedant specifically requires a signed and embossed paper policy to be issued by Xchanging. On those occasions where the broker requests a paper signed policy, Xchanging will not load an electronic version to the IMR.

4 E-POLICY MEASUREMENT

LIIBA are producing monthly league tables for brokers which show the percentage of policy requests which were true e-policies. The league tables were initially anonymised for non-Binding Authority Wordings and became fully disclosed by broker name in July 2009. The reports for Binding Authority Wordings began circulation in June 2009. These will be distributed in an anonymous format for a period of three months and become fully disclosed by broker name in September 2009.

5 EXAMPLE E-POLICIES

Lloyd's signed e-policy



The screenshot shows a Microsoft Word document titled "Lloyd's Policy". On the left, the "Author Signature" pane is open, displaying the following information:

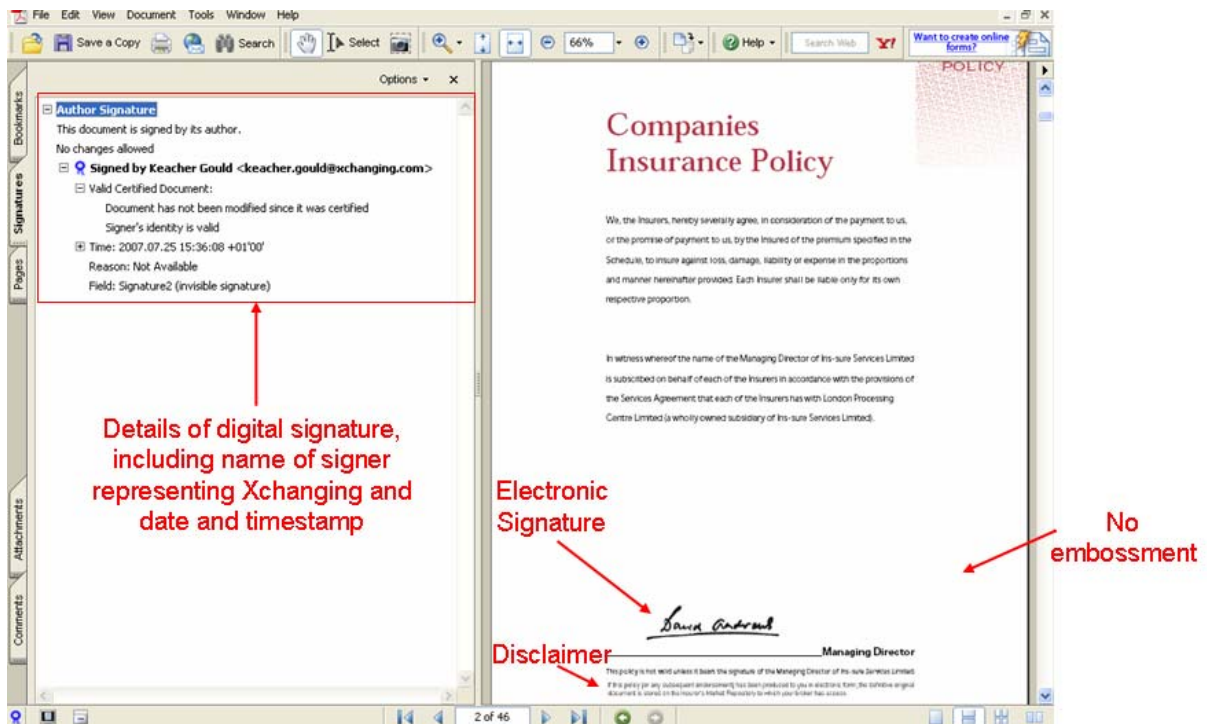
- This document is signed by its author.
- No changes allowed
- Signed by Keacher Gould <keacher.gould@xchanging.com>
- Valid Certified Document:
 - Document has not been modified since it was certified
 - Signer's identity is valid
 - Time: 2007.07.25 16:00:43 +01'00'
 - Reason: Not Available
 - Field: Signature2 (invisible signature)

Red arrows point from the text in the Author Signature pane to the corresponding elements in the document body:

- An arrow points from "Signed by Keacher Gould" to the handwritten signature "R.C. Thomas J." in the document, labeled "Electronic Signature".
- An arrow points from "Time: 2007.07.25 16:00:43 +01'00'" to the text "LLOYD'S POLICY SIGNING OFFICE General Manager" in the document, labeled "Disclaimer".
- An arrow points from "Field: Signature2 (invisible signature)" to the text "No embossment" in the document, labeled "No embossment".

The main document text includes the title "Lloyd's Policy", a crest, and several paragraphs of text, including a disclaimer at the bottom: "If this policy (or any subsequent endorsement) has been produced to you in electronic form, the definitive original document is stored on the Issuer's Market Repository to which your broker has access."

Companies signed e-policy



6 DISCLAIMER

The following disclaimer has been added to the bottom of the front of all e-policy jackets, to ensure that all parties are clear on where the original document is kept and maintained. Current paper jackets will not contain this disclaimer:

"If this policy (or any subsequent endorsement) has been produced to you in electronic form, the original document is stored on the Insurer's Market Repository to which your broker has access."

A similar disclaimer will be added to any policy endorsement signed electronically:

"This endorsement has been digitally signed by Lloyd's Policy Signing Office, the original document is stored on the Insurer's Market Repository to which your broker has access."

Or

"This endorsement has been digitally signed by Ins-sure Services Limited, the original document is stored on the Insurer's Market Repository to which your broker has access."

7 BENEFITS

The implementation of e-policies has a number of advantages:

- Elimination of the time taken to return the paper policy to the broker saving up to 2 days as compared with the paper process
- Provision of simultaneous access to the final policy document via the IMR to market and broker
- Provision of a PDF protected e-policy document to the broker for immediate onward transmission to the client with no additional scanning, and minimal handling required
- Delivers a significant step towards end to end e-policy handling in the London market.

8 COVERAGE AND SCOPE

- Applies to IMR e-submissions only – Direct Load or DRI, not paper or email.
- A submission could have started life as a paper “stage 1” premium but may still be eligible for an e-policy.
- Company “stage 2”, Lloyd’s Policy Signing Service (PSS) & Lloyd’s Policy Production Service (PPS).
- Policy wordings and related endorsements.
- Slip policy.
- Binding authority wordings and related endorsements.

9 EXCLUSIONS

Currently due to their very limited usage renewal receipts attached to an expiring policy are not catered for. Should a broker have a need for this type of document they should contact Mike Langston at Xchanging to discuss options.

10 EXCEPTIONS

Policies which have been produced and signed on paper are not eligible for e-policy processing as well, unless the original paper copy has been destroyed or lost and the appropriate letter of indemnity is submitted.

11 MULTI-LAYER SINGLE WORDINGS

Xchanging can only sign a multi layer wording as a single document if it is submitted as a single work package. Consequently, the complete wording should be loaded to the lowest layer slip record, this is submitted via the IMR in the usual manner. In addition, it is preferable, that all additional layer slips should be loaded under the Misc/Historical Documents section of the lowest layer slip (along with any required slip endorsements).

The title for these additional slips should begin with the prefix “Associated UMR” to clearly identify they do not form part of the UMR to which they are being attached (ie if two layers of a contract were B1234ABCDEF (1st layer) and B1234GHIJK (2nd layer), then the 2nd layer slip would be put in the first layer Misc/Historical Documents section and named “Associated UMR B1234GHIJK - 2nd layer”

Xchanging should be advised that this is a multi layer wording submission, along with details of the other layers, this should be shown in the Special Instructions box of the PCF. If any of the associated slips are not included in the level submitted for signing a query will be raised by Xchanging to correct the submission.



Once an E-wording has been signed Xchanging will load the signed wording to the layer it is submitted on, the broker has the option of loading a copy of the signed wording into the Policy Documents section of the UMR for all of the overlying layer(s), this will enable carriers, who may only be on the higher layer(s), to view the wording.

12 WORDINGS AS EXPIRING

Where the contract refers to terms and conditions being as per the expiring policy, In order to carryout the required checks Xchanging will require details of the UMR of the expiring policy, this should be shown in the special instructions box in the PCF to enable Xchanging to locate it.

13 ADDITIONAL INFORMATION

- All policy documents submitted via IMR will be processed as an e-policy unless specifically requested by exception. This information should be clearly noted within the special instructions section of the initial Policy Control Form.
- Copies of signed e-policies will be returned to a single generic email address (please see below for prerequisites).
- Original signed e-policies will be uploaded to the Insurer's Market Repository.
- All submissions to IMR should have clear instructions contained therein on which documents to process and whether there are any exceptions which need to be taken into consideration. These details should be captured on the original Policy Control Form.
- All signed and sealed e-policies will be uploaded to the IMR in the policy folder and will be the 'original' version of the document.
- All signed and sealed e-policies will be returned via an email, which will carry an attached PDF copy of the e-policy and also a hyperlink to the location of the policy on the IMR.
- Brokers should not submit blank signing schedule pages as the signing schedules will be provided by Xchanging.
- Brokers should not submit a policy wording containing a policy jacket, in the situations where jackets have been amended and agreed by insurers these should be loaded to the IMR as a separate document and Xchanging will produce an e-version of the amended jacket.
- Any amendments to signed e-policies should be submitted as endorsements and will be processed as such.
- Any policy endorsements required should be submitted through the IMR. Any policy endorsement submitted by a broker registered for e-policies will be digitally signed and returned to the Broker unless there is a request for a paper version.
- Illinois e-policies will be digitally signed by Xchanging and then submitted to Lloyd's Illinois Inc for subsequent digital countersignature by Lloyd's Illinois upon successful completion of the compliance review. Brokers will receive an email informing them that the document has been sent to Illinois. Once returned to Xchanging, the countersigned document will be loaded to the IMR by Xchanging and returned to the Lloyd's broker's generic email address. Xchanging expects the intervention of the Lloyd's Illinois office to add no more than five days to the overall cycle time of an e-policy for return to the broker. This represents a significant improvement to the equivalent cycle time for paper policy documentation.
- Lloyd's Illinois will contact the brokers directly in the event of any compliance issue with the policy document. Xchanging will not intervene in the resolution of queries raised by Lloyd's Illinois.
- Xchanging are unable to complete the signing of documents which are password protected consequently brokers are asked to ensure that documents loaded to the repository do not contain password restrictions.

14 PRE-REQUISITIES

- In order to receive e-policies, Brokers must use Direct Load or DRI to submit work onto the IMR, however, a full access licence for the IMR is not required.
- Acrobat Reader, (at least version 5) is required on a broker user desktop to be able to view e-policies.
- The broker is required to complete a registration form as contained in Appendix B which will identify a single email address for all signed and sealed e-policies to be returned to. Each e-policy email will be clearly labelled in the subject field of the email stating the UMR and work package reference of the submission.
- All Brokers will need to undertake the steps outlined in the 'Customer Set up' section, in order to view the e-policy and then subsequently accept or 'trust' the Xchanging digital signature.
- Although there are few technical requirements, it is advised that the ideal settings for viewing and printing e-policies are as follows:
 - Default printer setting – Paper size A4
 - Screen size - at least 15 inches set at resolution of 1024 * 768 pixels or greater
 - Operating System (O/S) – Window XP Sp1 or later

15 SERVICE & SUPPORT

Technical Support for the e-policies process is provided by the Xchanging Service Desk as it is for all A&S technical related matters, (Contact 0870 380 0830 or servicedesk@xchanging.com).

Business Support for any issues the business may have need to be directed to Enquire, (Contact 01634 887899 or enquire@xchanging.com).

16 FREQUENTLY ASKED QUESTIONS

What if I cannot view an e-policy document easily and cannot see it sufficiently to be able to accept the digital signature as my screen size is too small?

- Ensure that the screen resolution is as large as it can be, i.e. 1024 * 768 at least.
- Follow step 15.1.5 onwards within the Customer User Guide "Accepting digital signatures"

What if I have to print out the document and the printed output is incorrect / enlarged?

- Ensure that the printer settings are set to be paper size A4 and in portrait view.
- Follow the 4 steps within the Customer Set Up Section 15.2 "Dealing with printing issues"

What if the document is wrong – broker error?

- In most instances errors will require agreement from the market and subsequent resubmission via the IMR to Xchanging of policy endorsements for checking and signing.

What if the document is wrong – Xchanging error?

- Any errors which are attributable to Xchanging the broker needs to contact the Enquire team at Xchanging enquire@xchanging.com giving clear details of the error, the UMR and work package reference to identify the document in question.

17 CUSTOMER SET UP

17.1 Viewing the e-policy / Accepting digital signatures

The first time an e-policy or endorsement is issued by an Xchanging technician and returned to the broker / customer their digital signature will not be 'trusted' on the broker's/ customer's computer. Once this process is complete, all future documents sent by that technician will be trusted by default. This following screenshots outline how a recipient of an e-policy may access and view the document using the IMR hyperlink and then how to accept the digital signature, (whether the document is retrieved from the IMR or the email attachment is used).

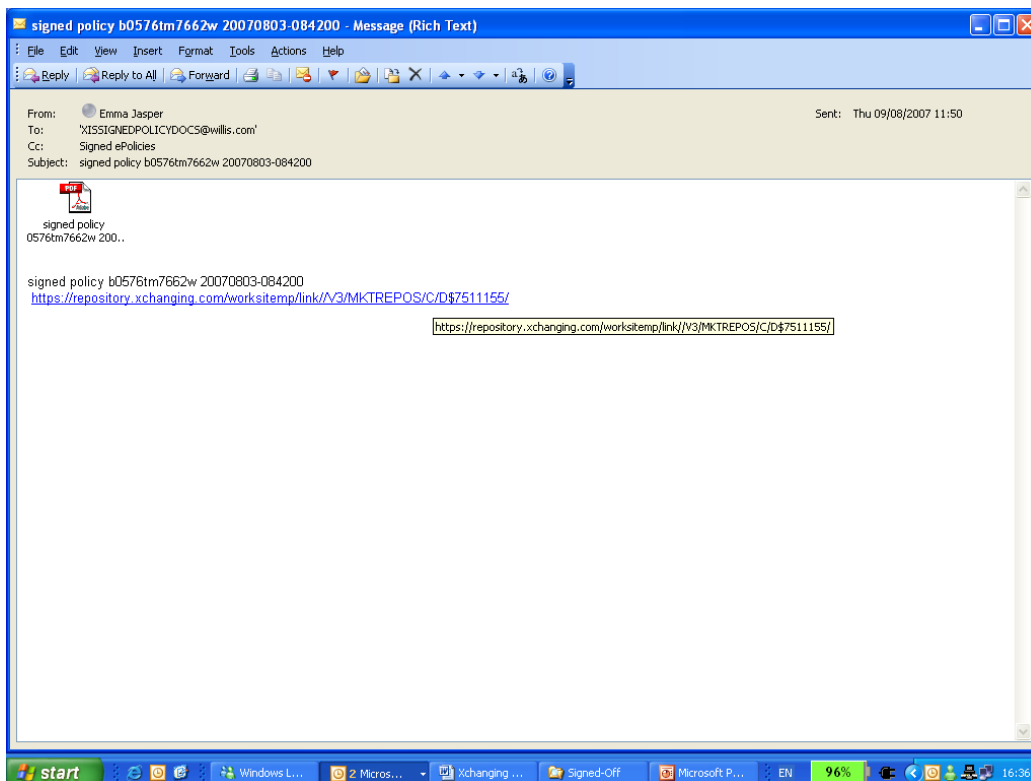
In order to accept or 'trust' the digital signature that Xchanging will be signing and sealing every policy with, each broker must undertake a series of steps. These 15 steps are laid out below. If you experience any problems with any of these steps, please contact the Xchanging Service Desk, (Contact 0870 380 0830 or servicedesk@xchanging.com).

17.1.1 – Move cursor over blue hyperlink in the email & click to access document in repository

Please note:

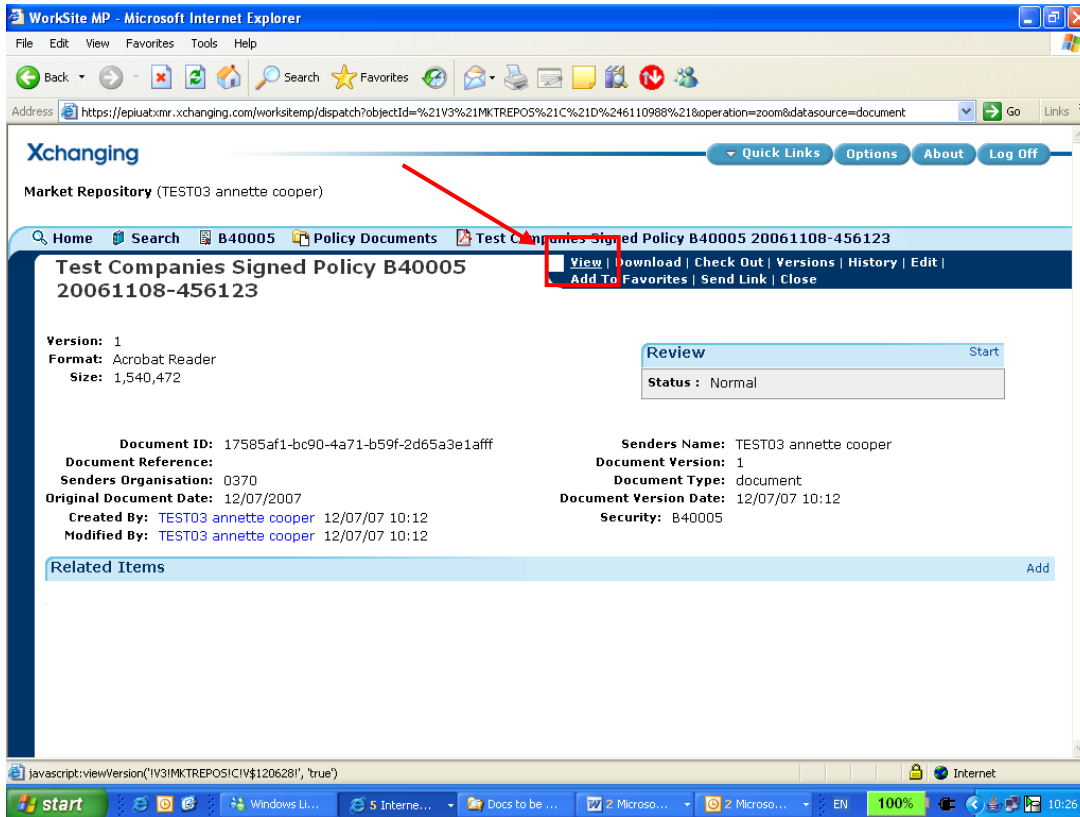
In the subject line of the email it shows the Unique Market Reference from the IMR and also the Work Package Reference so each returned e-policy may easily be identified.

Each email sent out to brokers will be cc'ed to Xchanging's "Signed e-policies" internal mailbox for audit purposes.

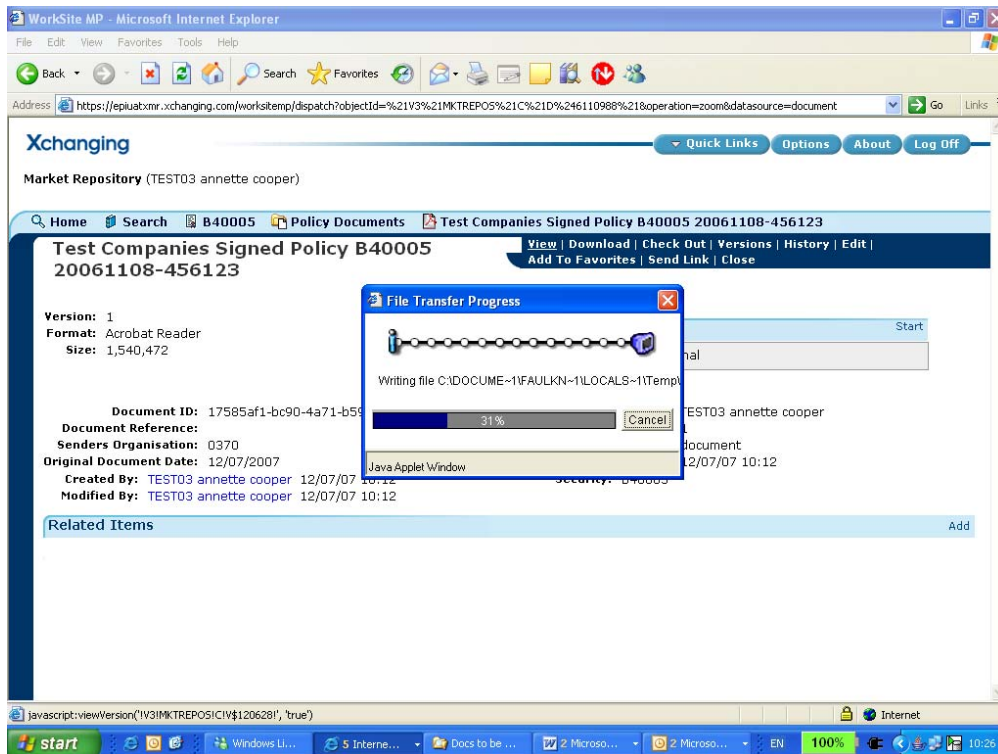


17.1.2 – Log into repository

17.1.3 – Click to view document



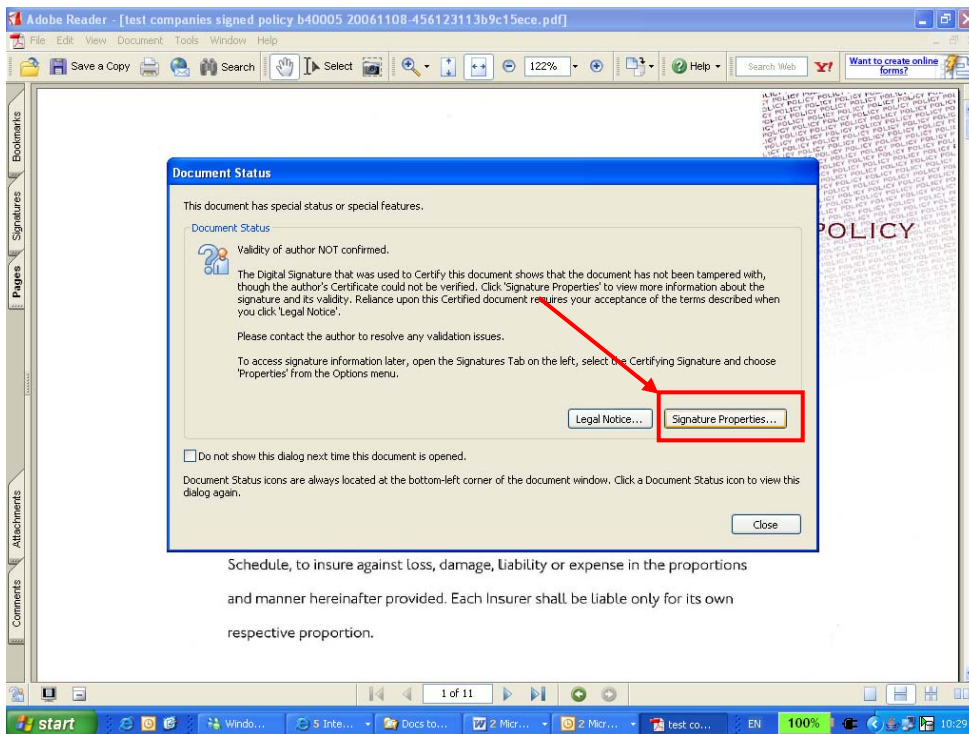
17.1.4 – Document loads



17.1.5 – Document opens in Adobe - Click on "Signature Properties" button

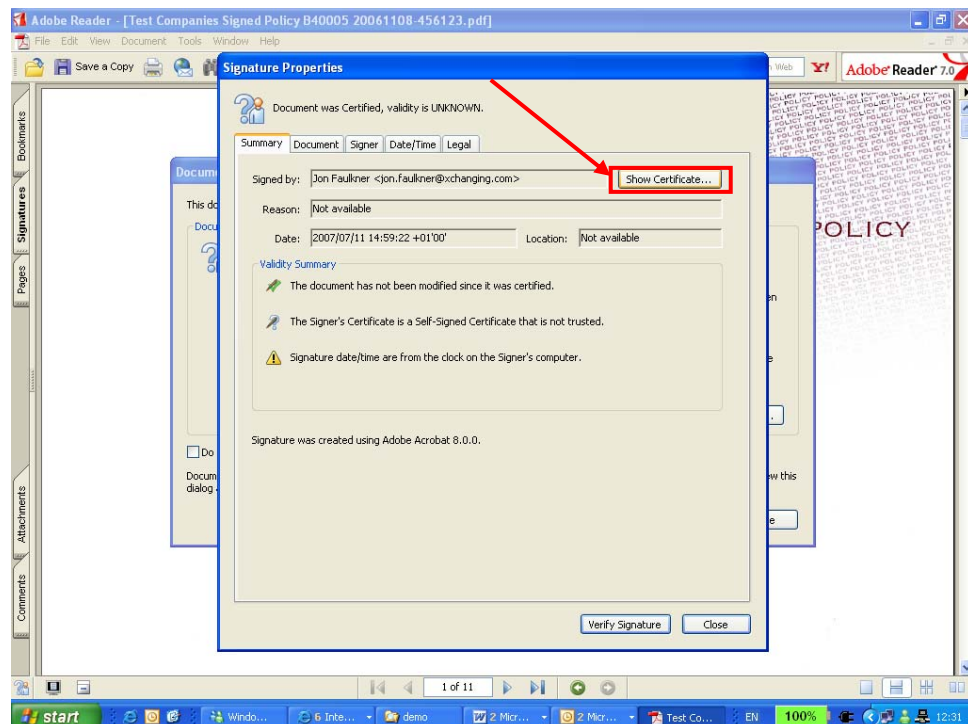
(Alternatively, press "Tab" once to get to the "Signature Properties" button, then press return)

Note: Different Adobe versions may look a little different, but the process should be the same.



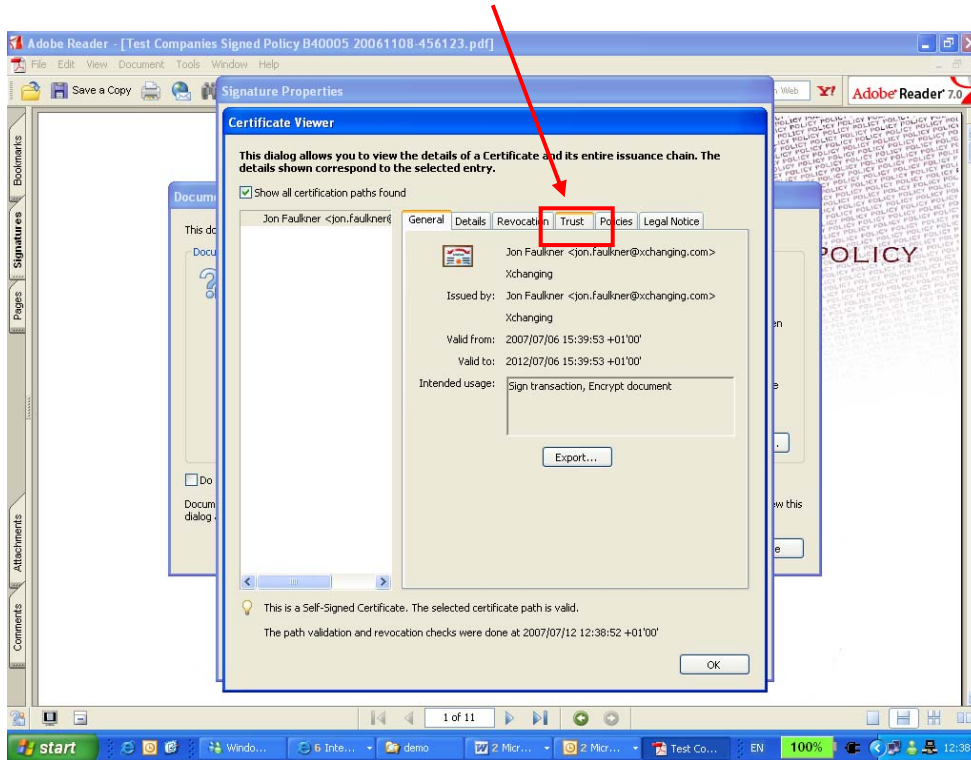
17.1.6 – Signature Properties opens - Click on “Show Certificate ...” button

(Alternatively, press “Tab” twice to get to the “Show Certificate ...” button, then press return)



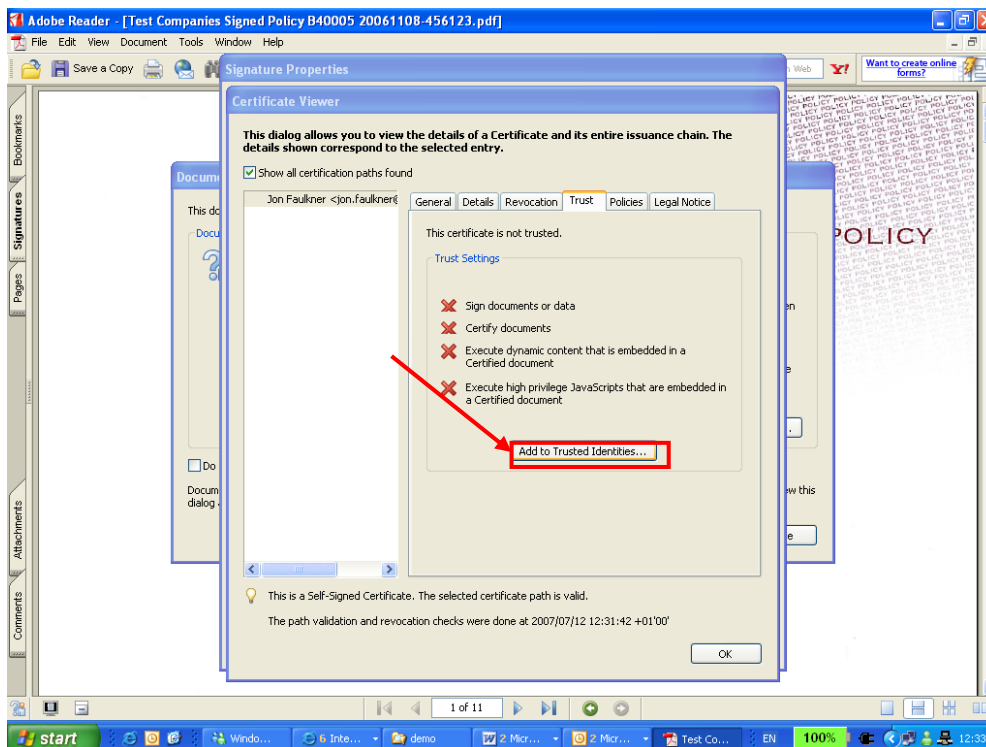
17.1.7 – Certificate Viewer opens - Click on “Trust” tab

(Alternatively, press "Tab" twice to get to the "General" tab, then press the right cursor 3 times to get to the "Trust" tab)



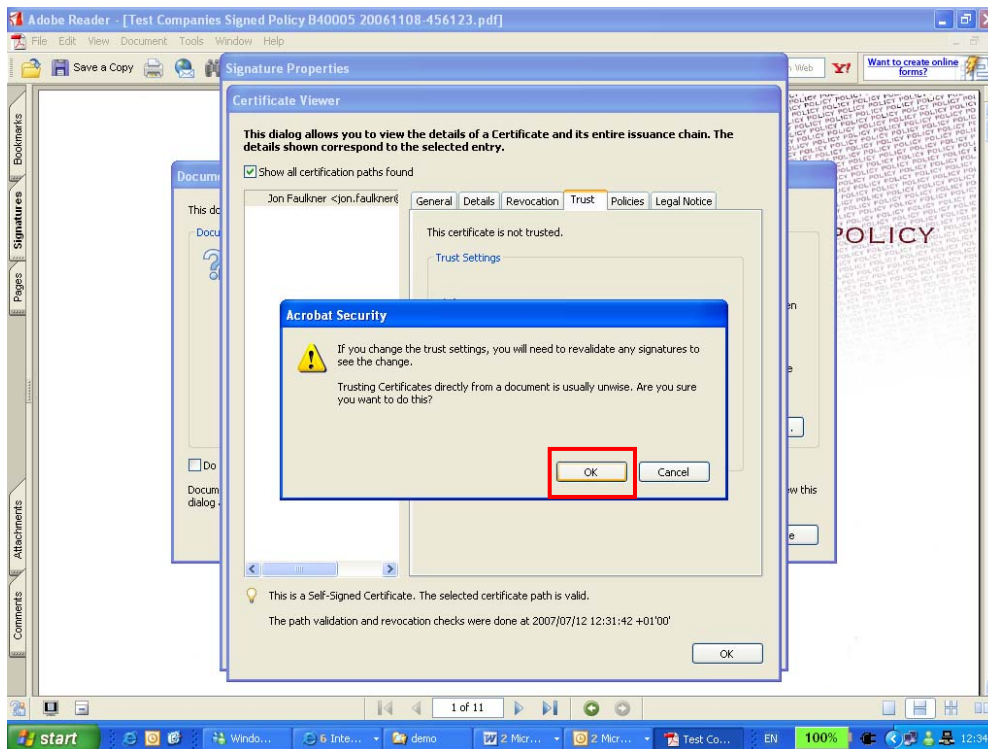
17.1.8 – View Trust tab - Click on "Add to Trusted Identities ..." button

(Alternatively, press "Tab" once to get to the "Add to Trusted Identities ..." button, then press return)



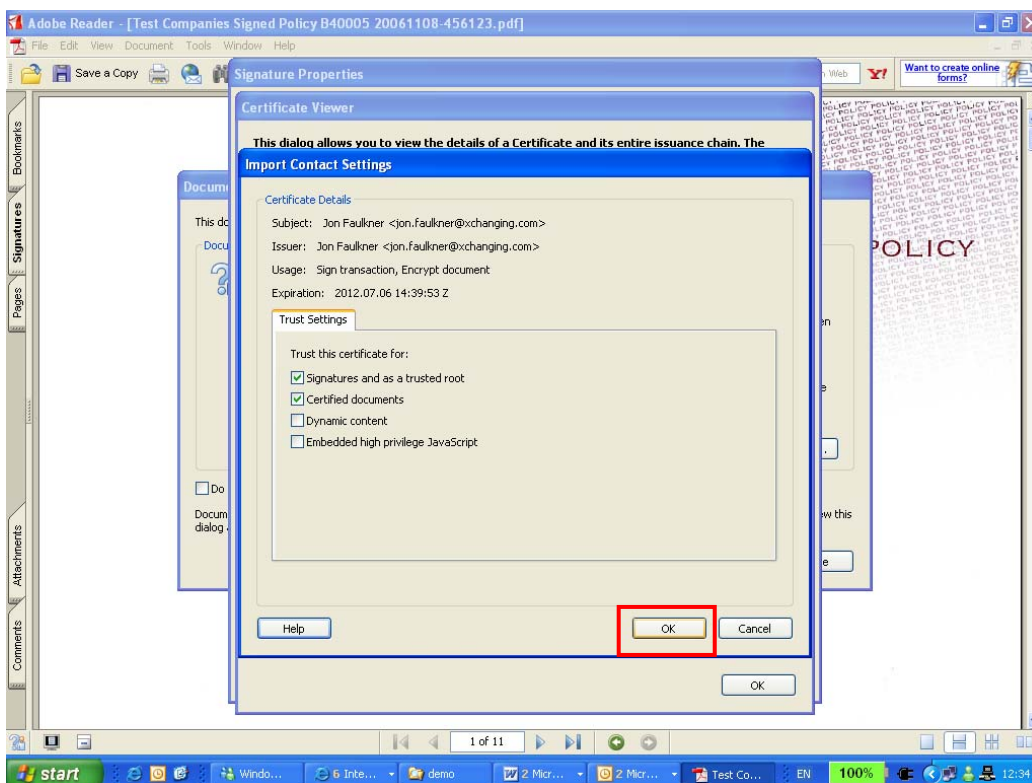
17.1.9 – View Acrobat Security pop up - Click on "OK" button

(Alternatively, just press return)



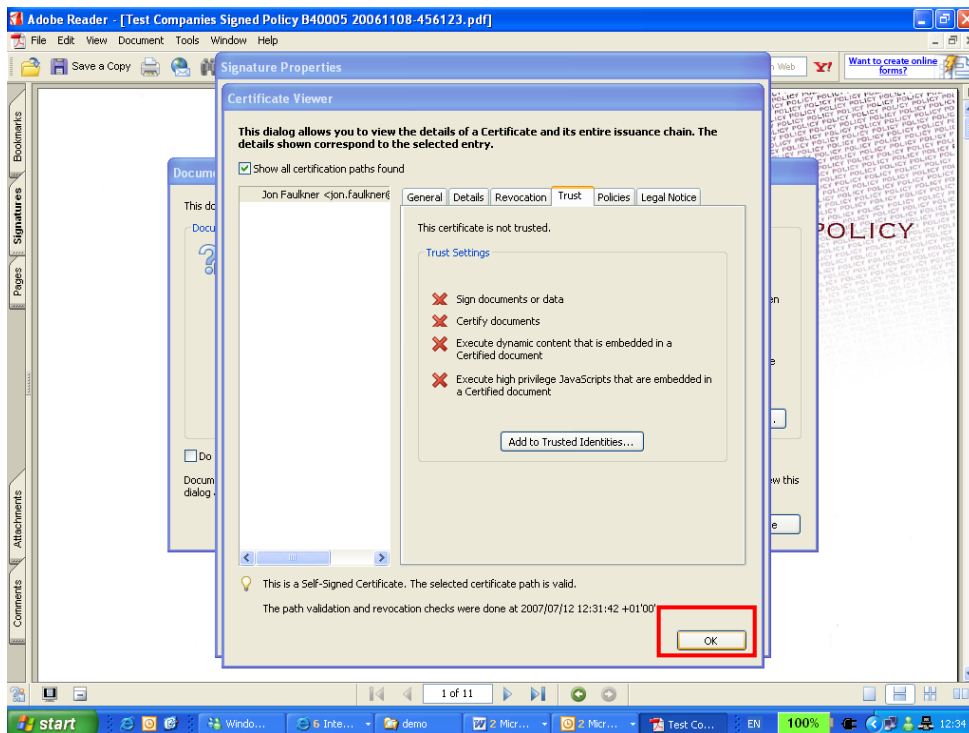
17.1.10 – Import Contact Settings opens - Click on “OK” button

(Alternatively, just press return)



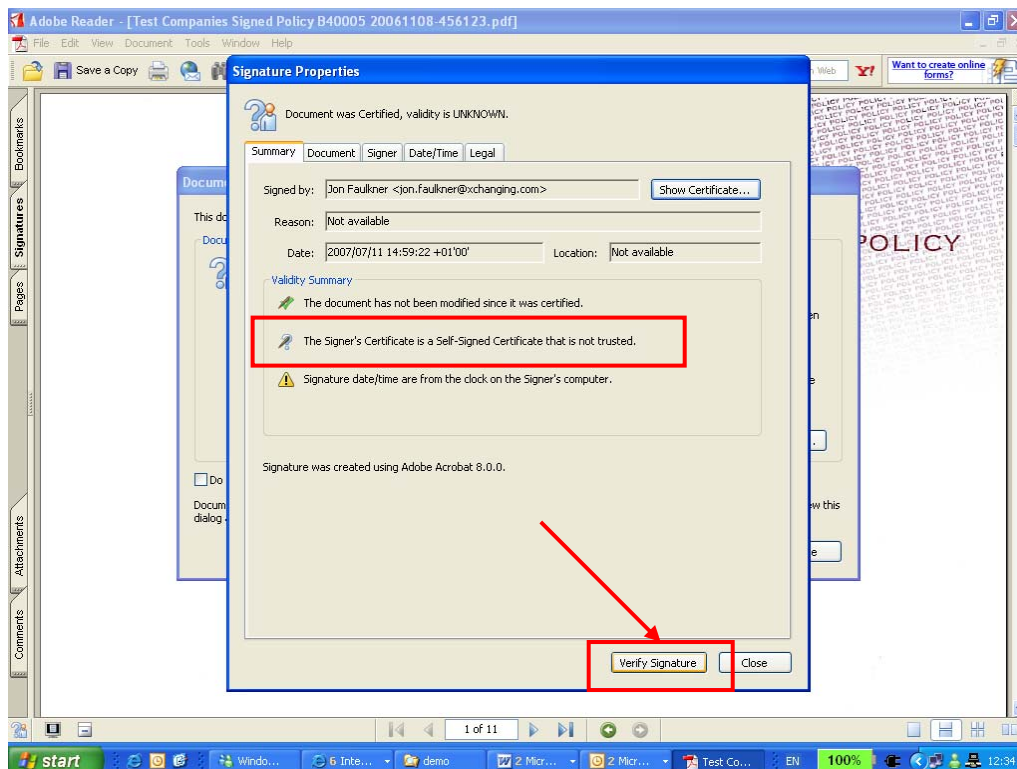
17.1.11 – Import Contact Settings closes – On Certificate Viewer, click on “OK” button

(Alternatively, press “Tab” once to get to the “OK” button, then press return)



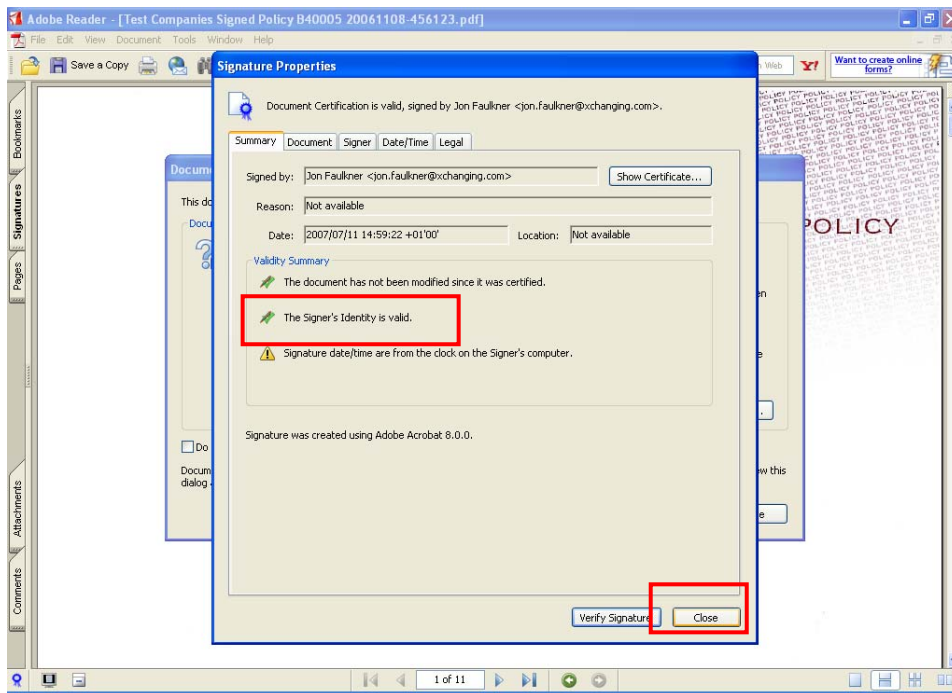
17.1.12 – Certificate Viewer closes – On Signature Properties, click on “Verify Signature” button

(Alternatively, press “Tab” once to get to the “Verify Signature” button, then press return)



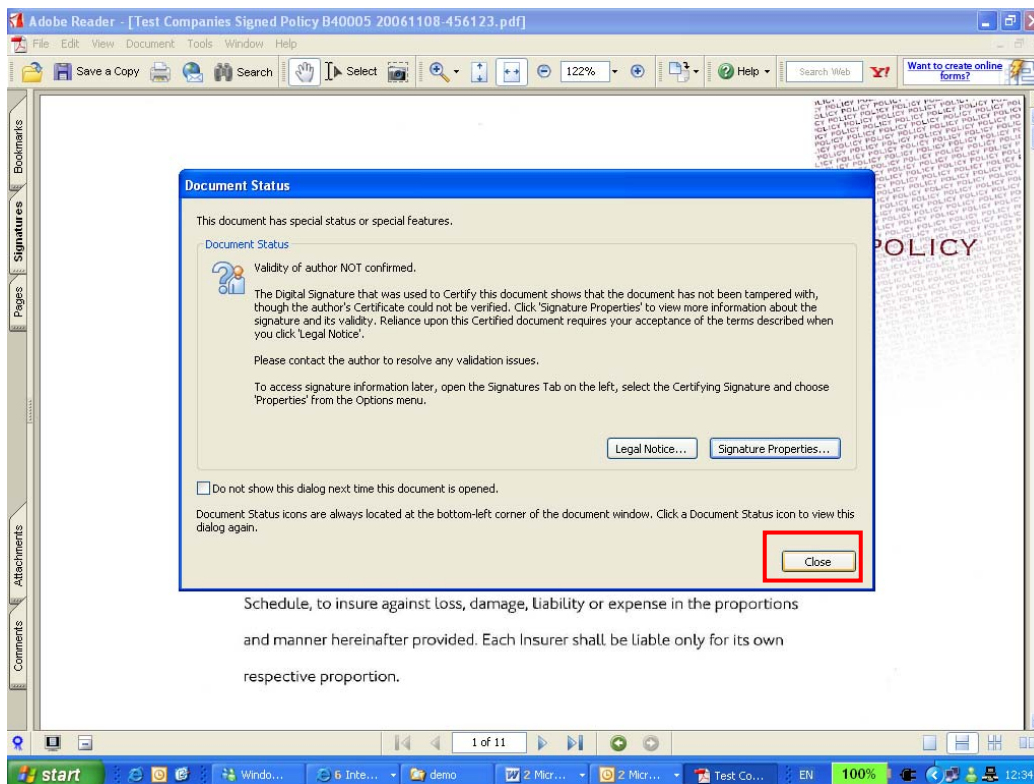
17.1.13 – View Valid Signer's Identity – Click on “Close” button

(Alternatively, press “Tab” once to get to the “Verify Signature” button, then press return OR if uncertain where you are, click on the “Summary” tab and press the “Tab” button 7 times, then press return)

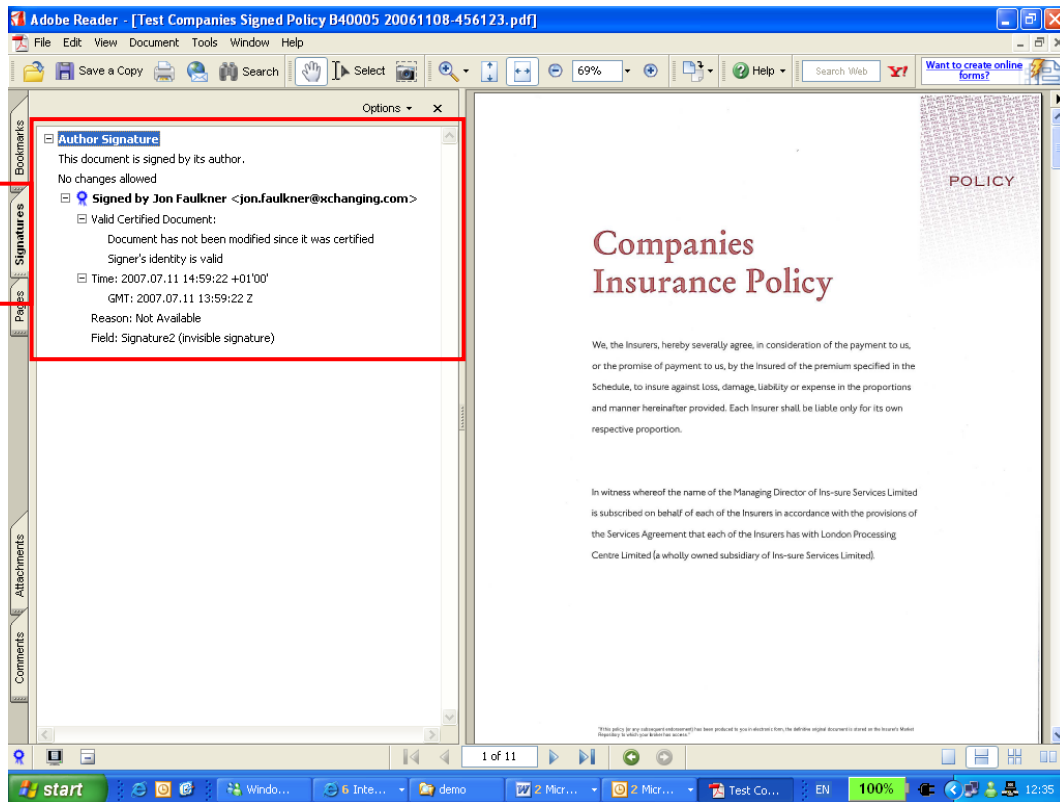


17.1.14 – Document Status – Click on “Close” button

(Alternatively, press “Tab” once to get to the “Close” button, then press return)



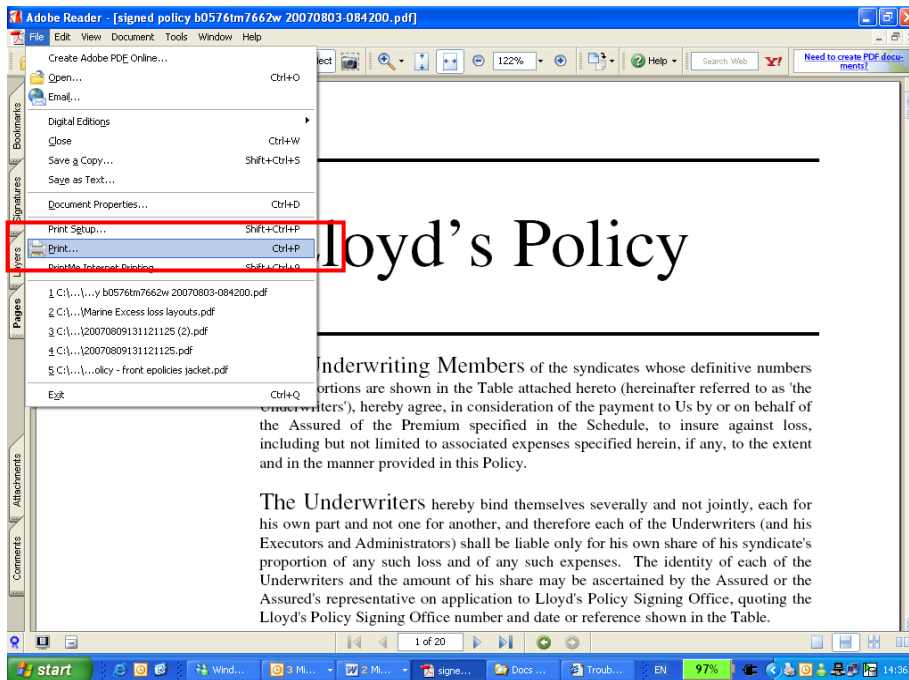
17.1.15 – Check Signature Details - Click on “Signatures” tab and expand sections



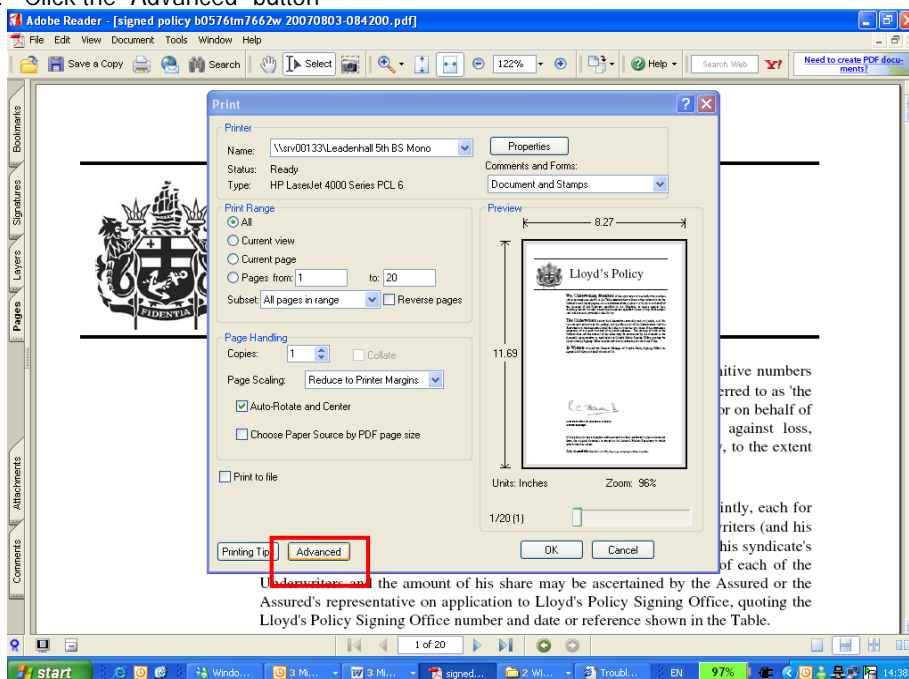
17.2 Dealing with printing issues

We strongly recommend not printing the e-policy and encourage forwarding it electronically. However, if it is necessary to print off the documents as part of business process, then on occasion, due to local printer settings, it may be noted that some of the e-policy PDF documents have had printing issues. In order to resolve these issues, the work around is as follows:

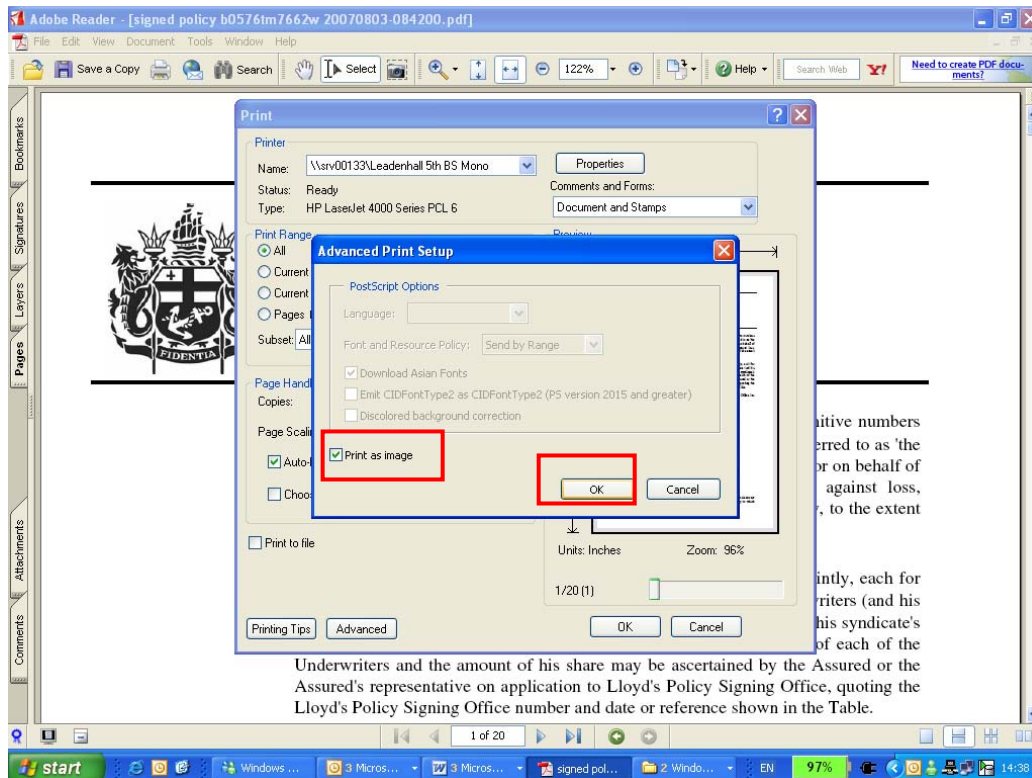
17.2.1 - Select the "File" menu, then click on the "Print" option



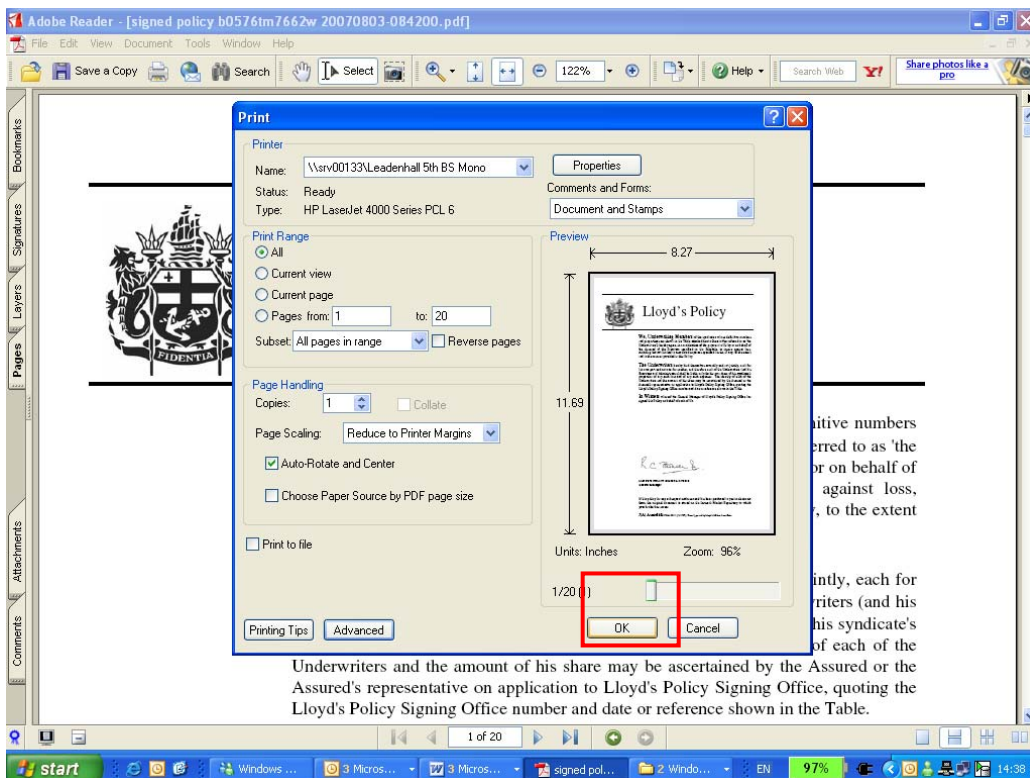
17.2.2 - Click the "Advanced" button



17.2.3 - Check the "Print as Image" box, then click the "OK" button



17.2.4 - Click the "OK" button





APPENDIX A

E-POLICY EXEMPTION FORM

Broker Contact: _____ **Broker No:** _____ **Broker Pseud:** _____
Broker E mail: _____ **Broker Tele No:** _____

UMR **B**

OSNDs:

Please indicate reason for paper request

Client request Complex wording Legacy wording

Other (please specify) _____

Failure to complete this section will result in the policy being returned unchecked to the broker by Xchanging

| | |
|--------------------------|--|
| Class of Business | _____ (M = Marine, N = Non-Marine, A = Aviation) |
| Sub Class | _____ (e.g. D&O, Pub Liab, Hull, Cargo etc) |
| Type of Contract | _____ (B = Binding Auth, D = Direct, F = Fac RI, X = Excess of Loss, L = Lineslip, P = Prop Tty) |
| Type of Policy | _____ (B = Broker Produced, E = Policy Endorsement, P = LPSO Produced, S = Slip Policy, L = PPS Endorsement, T = Time on Risk) |
| Wording Type | _____ Risk Code _____ |

Full Policy **To follow Policy** **Sign as seen**

No of Policies

Originals: **Copies:**

PPS Only:
 If renewal show last years XIS signing No and date: _____

Xpresscheck:
 If policy has been checked by Xpresscheck show XIS bar code: _____

Special Instructions:



APPENDIX B

Electronic Policies Service Registration

NAME OF BROKER: _____ (THE “ORGANISATION”)

By completing this form, the organisation agrees to receive the service subject to the terms and conditions printed overleaf. Please complete all questions.

Please provide the broker number(s) for which the service is required _____

CONTACT DETAILS:

| | Business Contact | IT Contact |
|---------------|-------------------------|-------------------|
| Name | | |
| Title | | |
| Telephone No | | |
| Email Address | | |

E-MAILBOX DETAILS:

Production @

Signed electronic policies and endorsements will be notified by Xchanging to the above email account (one per broker).

Please email the completed registration form to e-policy-service-registration@xchanging.com

TERMS AND CONDITIONS (the “Terms”)

These Terms form the basis on which either Ins-sure Services Limited or LPSO Limited or LPC Limited (as appropriate) (for the purposes of these Terms, together “Xchanging”) will provide the Electronic Policies Service to the Organisation.

1. Xchanging will provide the Service to the Organisation from the date hereof until either (a) the Organisation or Xchanging gives to the other one month’s notice of its desire to end the Electronic Policies Service; or (b) the Organisation or Xchanging breaches the terms hereof.
2. The Electronic Policy Services shall comprise:
 - a. A digital signature by Xchanging to the electronic policy document submitted by the Organisation to verify its integrity and that it has been through the Xchanging policy signing/checking process. The digital signature will effectively “lock down” the policy document and any tampering with the document will invalidate the digital signature.
 - b. A read only PDF policy is then returned to the submitting Organisation using the identified generic email account, referenced by UMR and work package reference of the submission.
 - c. An undeletable, read-only electronic copy is also placed in the policy folder of the IMR as the authoritative version of the policy.
 - d. The Organisation can then either forward the sealed policy to its end client as an electronic PDF document or as a paper policy document after printing it itself. A Lloyd’s paper policy printed from the IMR it will not bear the physical embossing that the current Xchanging produced paper policy does. Policy endorsements are handled in a similar manner as above.
3. The Organisation agrees that the Electronic Policy Services are provided ‘as is’. Xchanging makes no representations or warranties of any kind, express or implied, including, but not limited to, warranties of accuracy of any information or data contained in the Electronic Policy Services, satisfactory quality, or fitness of use for a particular purpose and all such representations, warranties or promises are hereby excluded to the fullest extent permissible by law.
4. Except as otherwise stated, under no circumstances shall Xchanging be liable to the Organisation for any loss of profit (whether direct or indirect) or for any other direct, indirect, special, exemplary, incidental or consequential damages (including, without limitation, any loss of data, goodwill, business or revenue, or any damage to any information technology) arising out of or in connection with the Electronic Policies Service or the data within the Electronic Policies or otherwise.
5. Save for death or injury caused by Xchanging’s negligence where there shall be no limit on liability, Xchanging’s aggregate liability for any claims, losses, or damages arising out of any breach in contract or tort (including negligence) statute or otherwise herein shall in no circumstances exceed the service charge paid for the Service by the Organisation to Xchanging hereunder.
6. The Organisation agrees that the exclusions and limitations of liability in these Terms are reasonable having regard to the circumstances which are or ought reasonably to be known to or in the contemplation of the Organisation at the date hereof.
7. No party may enforce the Terms herein save for the Organisation or Xchanging.
8. These Terms contain the full agreement between the parties in relation to the Electronic Policies Service and shall supersede any previous agreement or terms.
9. These Terms shall be governed by and construed in accordance with the laws of England and the parties hereby submit to the exclusive jurisdiction of the English courts.