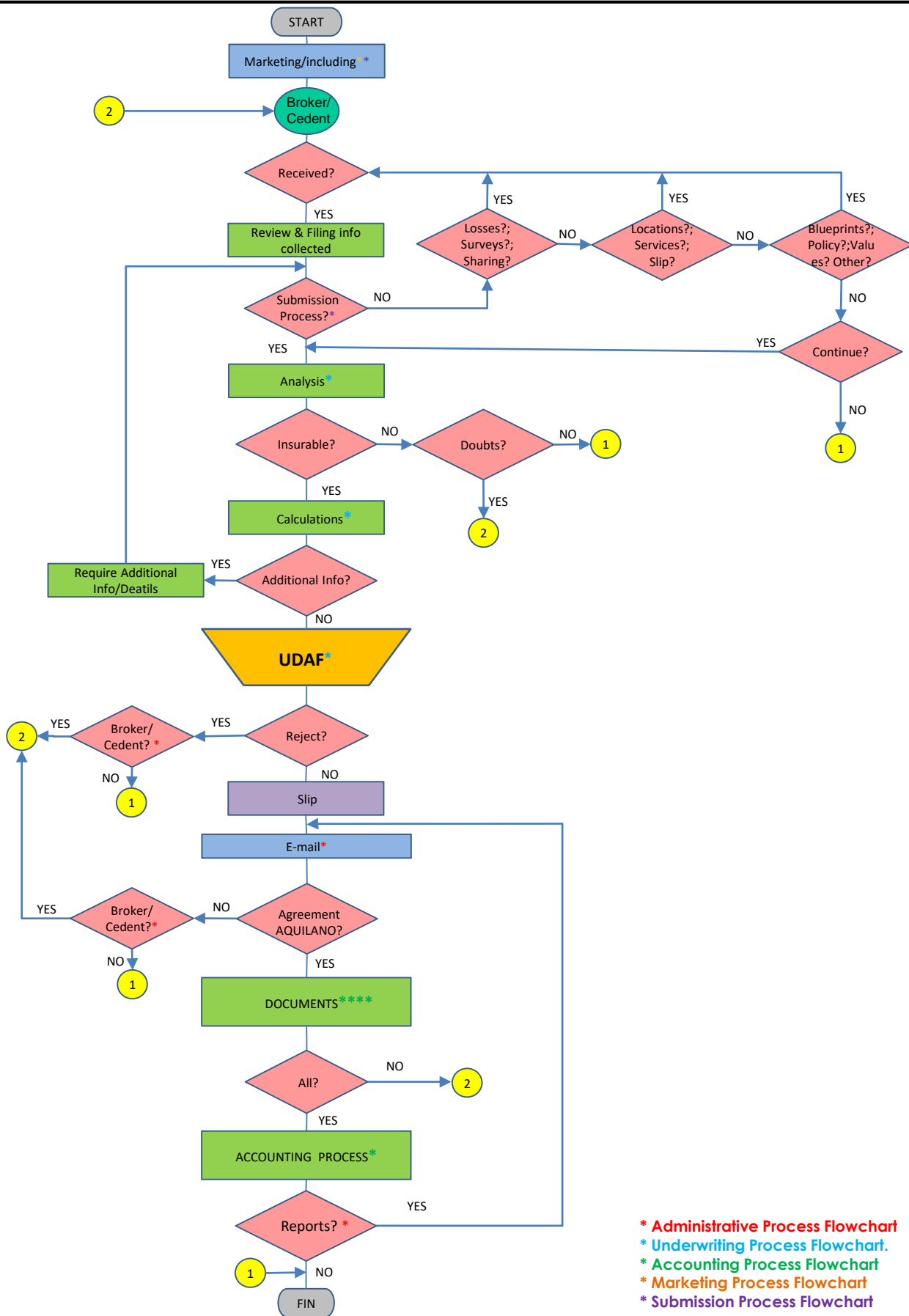


AQUILANO RE - SOUTH DOT OPERATIVE PROCESS



- * Administrative Process Flowchart
- * Underwriting Process Flowchart.
- * Accounting Process Flowchart
- * Marketing Process Flowchart
- * Submission Process Flowchart

AQUILANO RE - SOUTH DOT OPERATIVE PROCESS

1. The Process of Marketing & Including data is done
2. The Broker/Cedant send communication with information
 - a. The Uw's e-mail is copied to the file
 - b. Every piece of information must be under standard forms given previously
 - i. Information checklist format should be included
 - ii. General Information form
 - iii. Risk Information Details Form
 - iv. Locations information form
 - v. Loss History information form
 - vi. BoR (Brokers)
 - vii. Survey reports
 - viii. Blueprints by location
 - ix. Production flow
 - x. Values (Buildings, contents, stock, machineries, BI, percentage by production area)
3. Underwriting Process (Standard process description included)
 - a. Decision (insurable, reject or more information)
4. Gathering information and analysis into UDAF (Standard process included)
 - a. Slip elaboration/review/correction (Under standard format)
 - b. To send out e-mail (proposal) (To Specialty Re)
 - i. Accept capacity/Fronting, reject or more information
 - ii. To send out an e-mail (proposal) (To Decus Brokers)
 - c. To review business to Broker/Cedant
 - d. To continue with Binding documents
5. Accounting Process (under standard process included)
 - a. Reports for consolidations and review
6. Finish

AQUILANO RE - SOUTH DOT OPERATIVE PROCESS

DEFINITION

The operative process is a complete flowchart that simulates every step, task, and assignment that should be done within the activities to process business (risks) that could be included in the AQUILANO portfolio or fronting as business binding under South Dot MGA

OBJECTIVE

To standardize activities related to the business analyzed, processed, and Fronting/binding for the South Dot MGA

DESCRIPTION

The AQUILANO Operative Process is based on the tasks and activities to bind business under the AQUILANO guidelines taking into account the different entities involve and their liabilities for risk transfer.

Every business (property and related) is grabbed by a broker/Cedant, who is the linkage between the insurance chain and the insured.

These brokers/Cedant as "open market" for South Dot are contacted and brought to the "clients associated network (CAN)" that will be linked to the marketing process applied to the standard process of Contacting (Included separately). The broker feeds the Operative Process as the first entity.

Information is obtained using standard formats which are previously given to the brokers to establish a formal procedure of "business feeding stream".

Then, an extended and deep analysis of every aspect included in the information set. This task is driven by the unique and standard underwriting process. The outcome of this step will realize by a binding proposal, rejection, or request for more information.

Also, calculations (premium, rates, MPL, Nat Cat capacity, minimum deductible, and optimum share among others) and final thoughts are gathered into the UDAF (Underwriter Data Analysis Form).

An agreement to brokers/Cedant and South Dot must be sealed before issuing a proper slip to share by communication (e-mail or any means of contact).

A transaction between South Dot and AQUILANO is placed following a signed agreement for place capacity or fronting

Immediately the following phase takes care of the accounting documents which are essential to the control of P&L numbers based on the Accounting Process Flow Chart (Included separately).

Some reports should be issued by the Administrative Process (Included separately)

CONCLUSION

The whole Operative Process for AQUILANO portfolio/Fronting is standardized for every piece of business to be bonded or rejected following a detailed flow of tasks that warrant continuity, homogenize, high quality, and traceability of the business is handled under South Dot liability.