

FIS quick guide to

# Program Design

This quick insurance technique guide explains one of the most relevant items in respect of structuring insurance policies. Please contact your insurance broker if you have specific questions or check the policy conditions which are attached to your policy.

# What topics are covered in these slides?



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- Basic options for insurance program design
- **Decentralized Insurance Management**
- Communication decentralized insurance management
- Pros & Cons of decentralized insurance management
- **Centralized non-admitted program**
- Communication centralized non-admitted program
- Pros & Cons of centralized non-admitted programs
- **Centralized global insurance program**
- Communication Centralized global insurance program
- Pros & Cons of centralized global insurance program

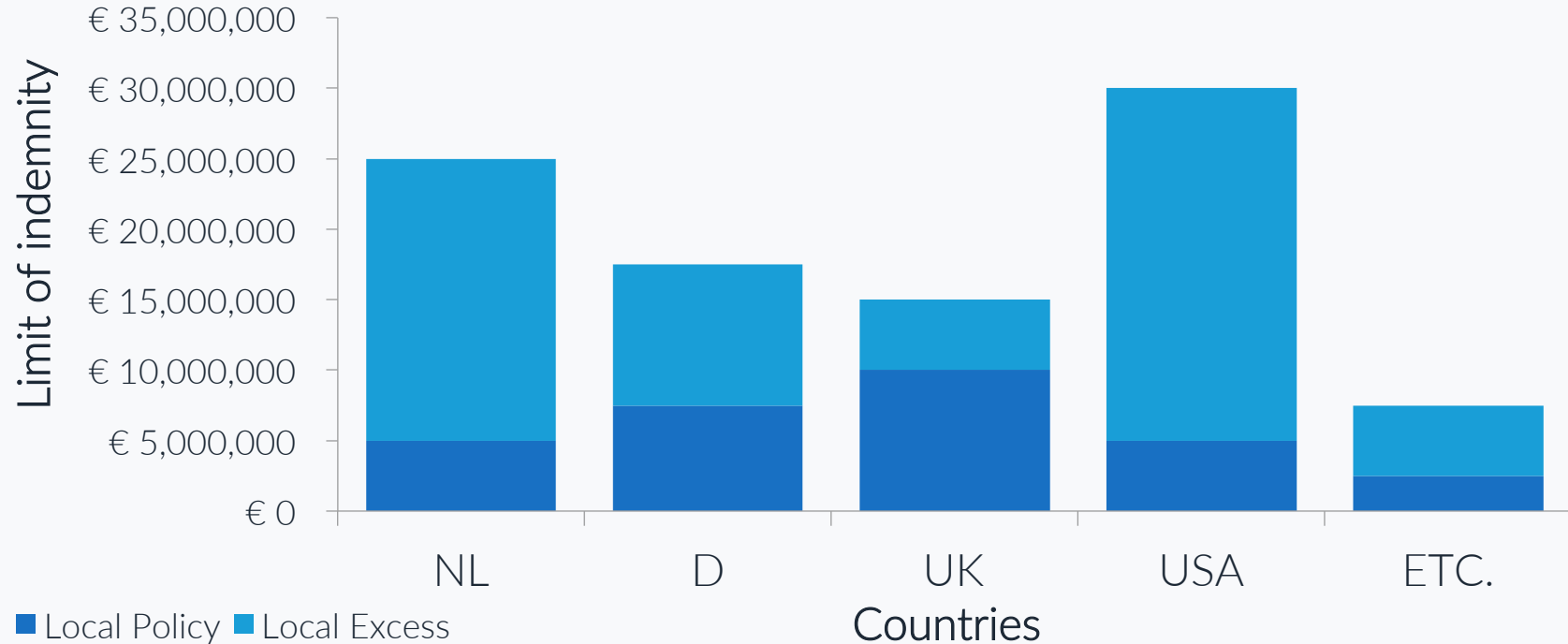
# Basic options for insurance program design



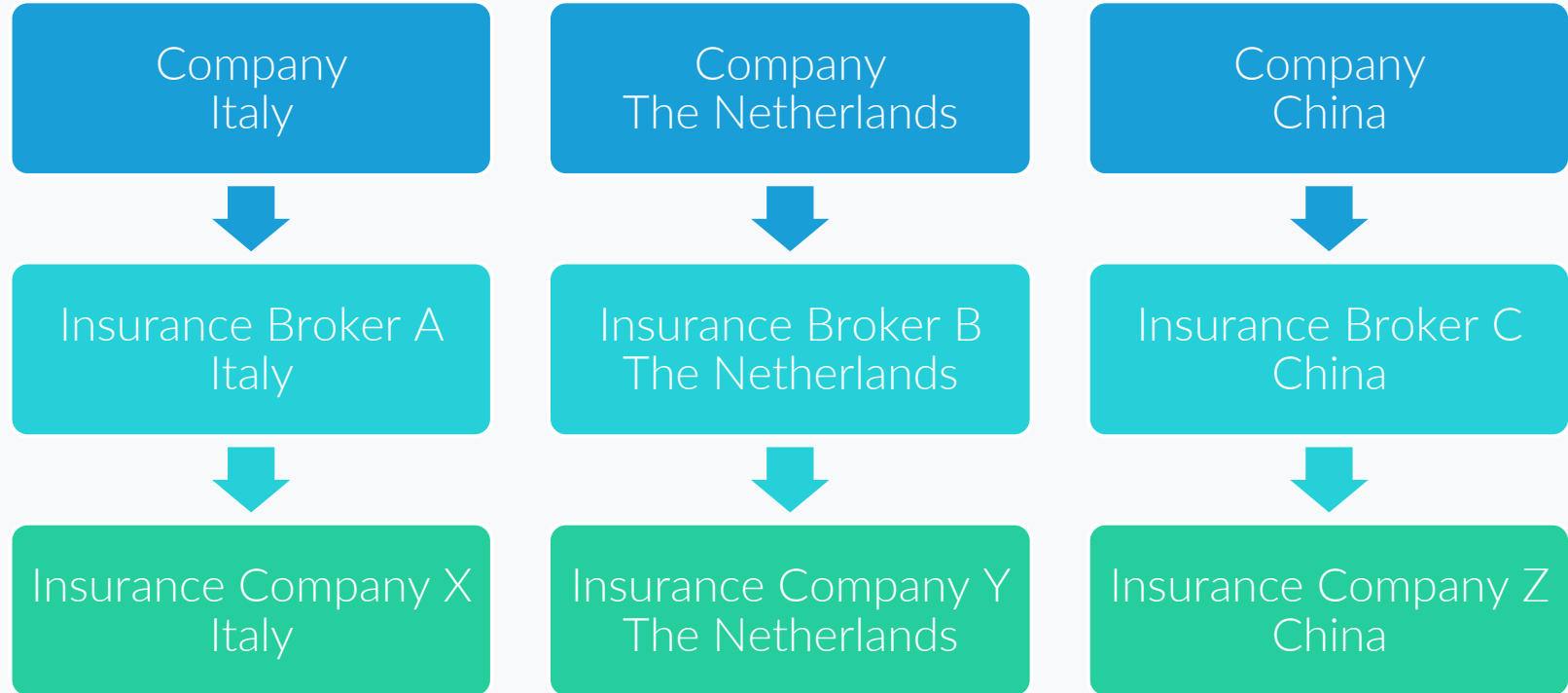
The basic program design options are:

- Decentralized insurance management;
- Centralized non-admitted program;
- Centralized global insurance program.

# Decentralized Insurance Management



# Communication decentralized insurance management



# Pros & Cons of decentralized insurance management



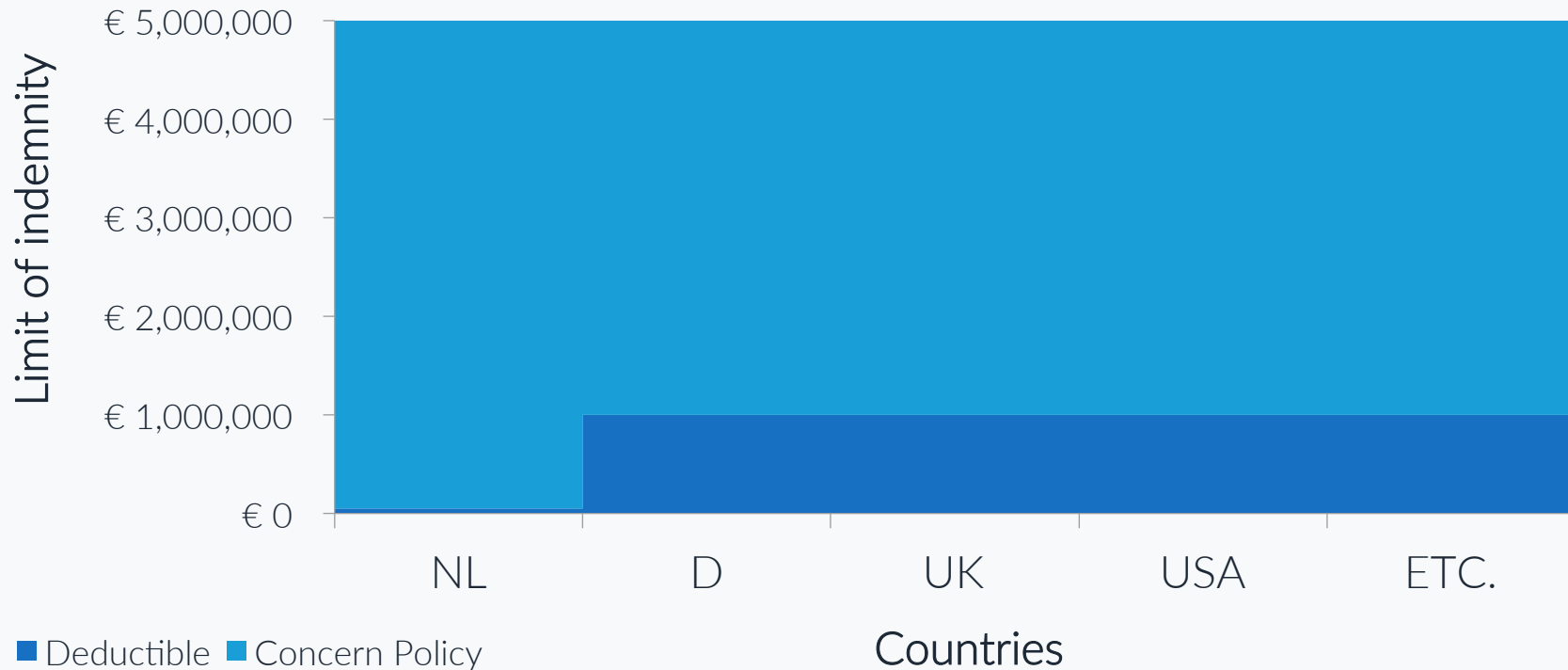
The advantages of decentralize insurance management are:

- The management of local entities experience autonomy from the parent organisation.
- The coverage can be tailored to the local situations and insurance customs.

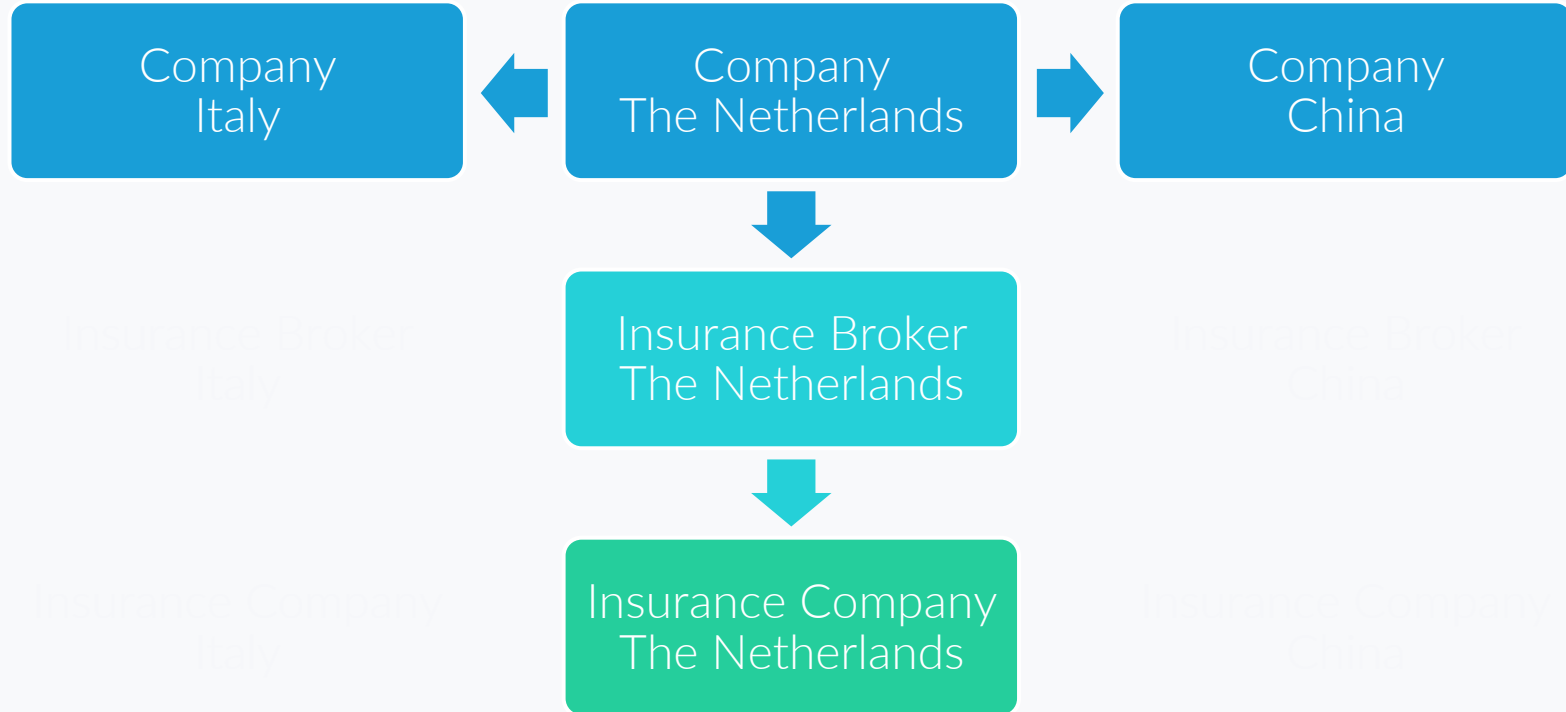
The disadvantages of decentralize insurance management are:

- There is no certainty about the protection of the group assets.

# Centralized non-admitted program



# Communication centralized non-admitted program





# Pros & Cons of centralized non-admitted programs



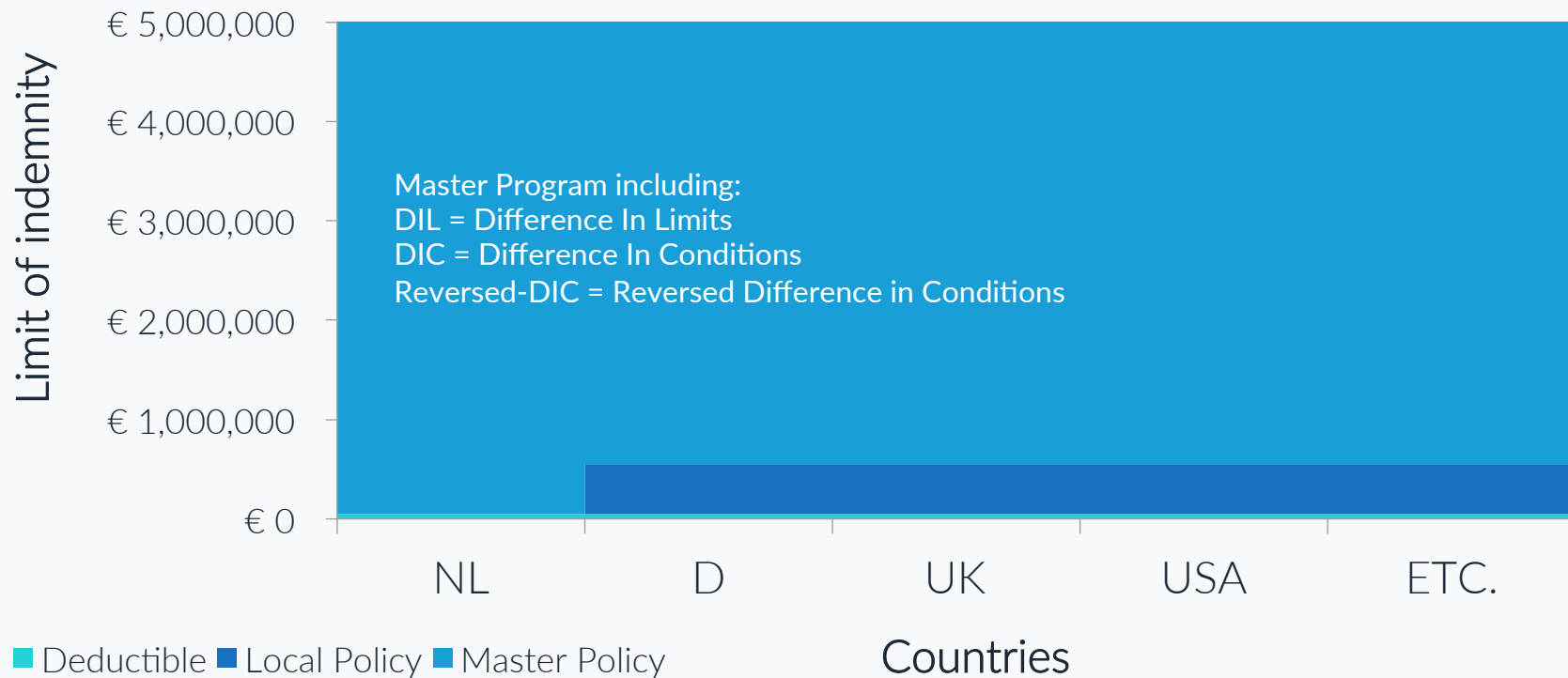
The advantages of centralized non-admitted programs are:

- The management of local entities experience autonomy from the parent organisation.
- The coverage can be tailored to the local situations and insurance customs.
- There is certainty about the level of protection of the group assets.

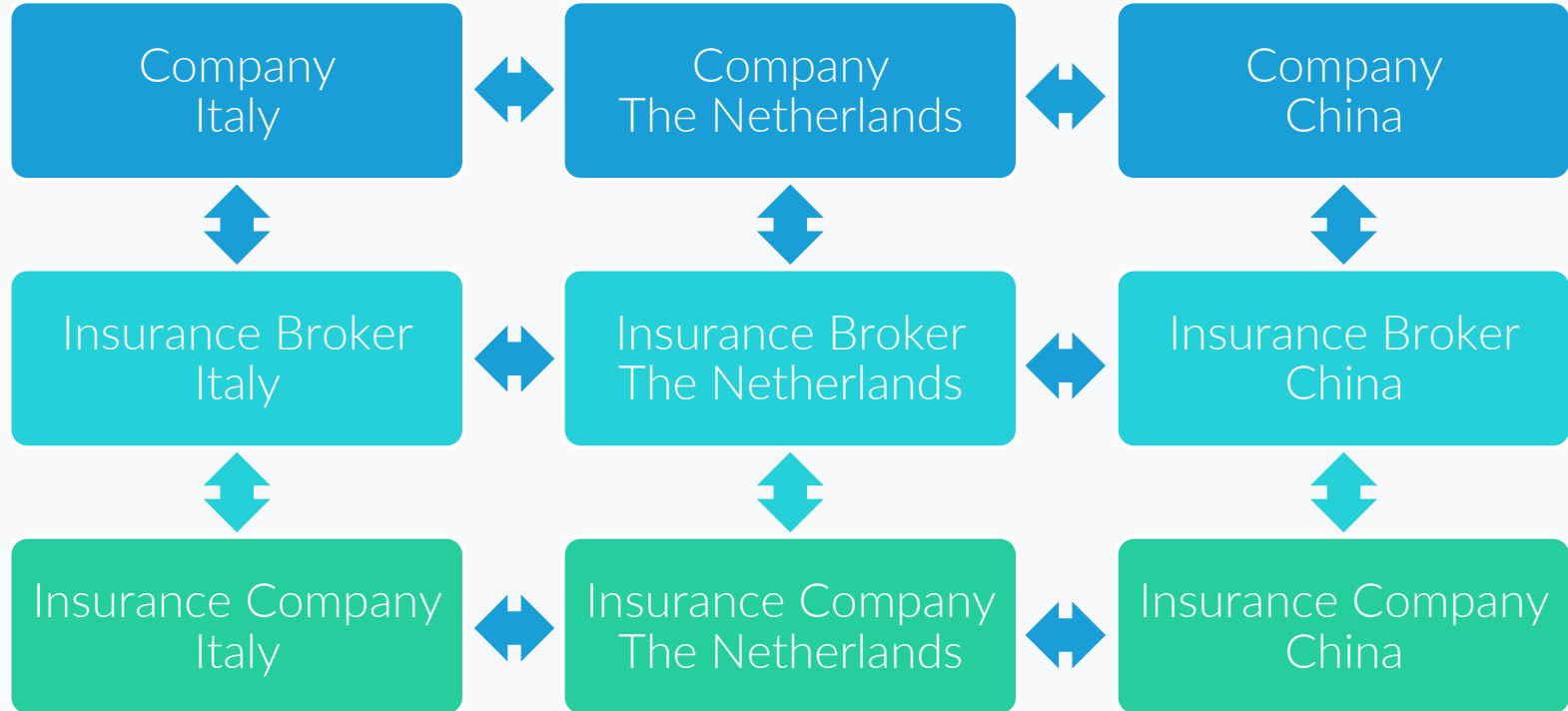
The disadvantages of centralized non-admitted programs are:

- There might be gaps and overlaps between the local coverage and the group coverage.
- Premium level of the umbrella coverage higher due to uncertainty of coverage of underlying policies (situation might be different from year to year)

# Centralized global insurance program



# Communication Centralized global insurance program



# Pros & Cons of centralized global insurance program



The advantages of centralized global insurance programs are:

- There is certainty about the level of protection of the group assets.
- There is a uniformity in the way risks are covered throughout the group.
- There are no gaps and overlaps in the local coverage and the group coverage.
- Optimisation of TCOR (by means utilizing of bulk-buying power).

The disadvantages of centralized global insurance programs are:

- The management of local entities does not experience autonomy from the parent organisation.
- The communication level from the parent company to the local companies is more labour-intensive.



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**THANKS**  
FOR  
**VISITING FIIS.EU!**

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