

## **ABC FLEX.**

### **Overview**

- **Minimum order: 75%** to the ABC coinsurance lineslip.

This ensures that the only non-ABC security on risk is the Warranty Company, thereby limiting accumulation exposure. It also prevents risks from being bound below the minimum premium thresholds required by several following markets.

While the Brokers Committee would ideally have preferred a lower minimum order to attract more business, the prevailing view was that establishing the facility successfully should come first; we can then refine parameters over time to maximise future opportunities.

- **In-scope business:** Mirrors that of the main ABC master program.
- **Wordings:** Will follow the Warranty Company's forms.
- **Claims handling:** To be undertaken by the Warranty Company under a NACHA.
- **ABC leaders:** Will quote for the ABC participation. Their 40% share will be written at their quoted terms, with the remaining 60% placed at a 5% differential.

### **Following Market Participations**

- TMK – 10%
- Apollo – 5%
- Faraday – 5%
- Axis – 8%
- Sompo – 6%
- Convex – 12.5%
- Everest – 10%
- elseco – 3.5%

Please note that, due to their underlying capacity requirements, neither Everest nor elseco can delegate authority to the ABC leaders to bind on their behalf. We are working to establish a protocol to ensure the process runs as smoothly as possible. Despite this, the feedback from the Brokers Committee was supportive of including both markets on the program.

Full details will be circulated in the usual way by Ian Macfarlane from the ABC Office, and the information will also be available on the ABC website [www.aircraftbuilders.com](http://www.aircraftbuilders.com) .

Yours faithfully

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