



Global (Re)insurance Best Practices - ePlacing

A Consistent Community Approach to Implementing
the ACORD Global Reinsurance and Large Commercial
Message Standards

VERSION 1.0

SEPTEMBER 2022

Introduction

This guide contains several sections summarized in the content.

*add explanation about how this supplements FDO messages.

Background – Purpose of this Guide

Post placement messages are already in usage, in compliance with existing placing standards documentation. As Post placement is an extension, by no means a replacement of Placing message, this guide provides a specification of the Post placement message which defines:

- ✚ What are the benefits of Post placement messages (which business issues are being solved)
- ✚ Where does Post placement sit in the contract lifecycle?
- ✚ What elements define the Post placement message?
- ✚ What is the difference between Placing/ Technical account/ Claim transactions?

Intended Audience

This guide is expected to be used by all cedents, brokers, (re)insurers, solutions, solution service providers and other parties when implementing ACORD XML standard messages for Post Placement.

Guidelines and usage

Business Issue

Post placement is a global Placing message, carrying administration level information. In fact, it is another usage of the Placing message. Post placement bridges the gap between Placing and Administration process – all this by being ideally structured, first-class administration level information carrier. This message allows the receiver to compare and create the accounting structure and be entirely ready for accounting, as it carries over the sender's accounting structure detail; along with the conditions agreed during the Placement.

Benefit/ Usage

With all the above mentioned, before the first accounting message is received, (re)insurers are able to reconcile the signed line for administration purposes through:

- Describing accounting/administration setup completed after Placing
- Comparing sender's and receiver's accounting structure
- Creating additional accounting structure if required

- Comparing conditions agreed between the parties and validating against details captured within systems
- Highlighting potential discrepancies
- Moving the burden of query from the TA/CL message to a stage where there is no financial impact

To make the usage clear and avoid confusion, the points below highlight what Post placement does not do.

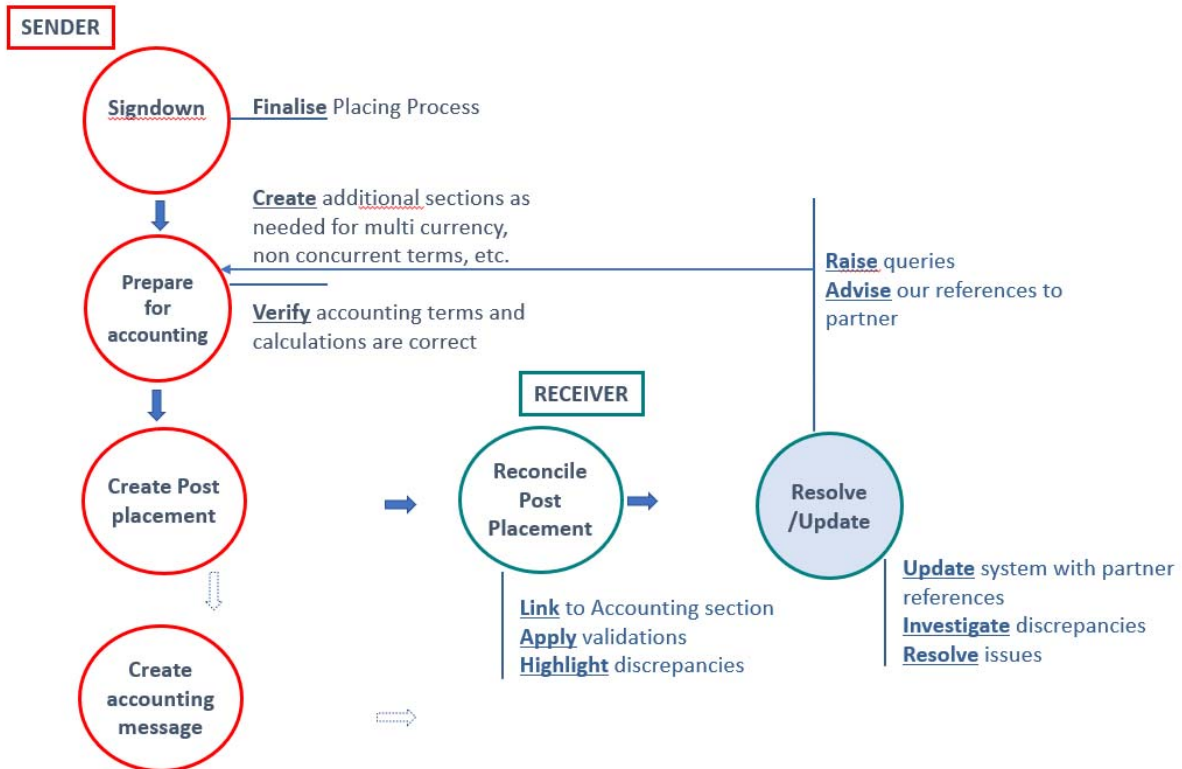
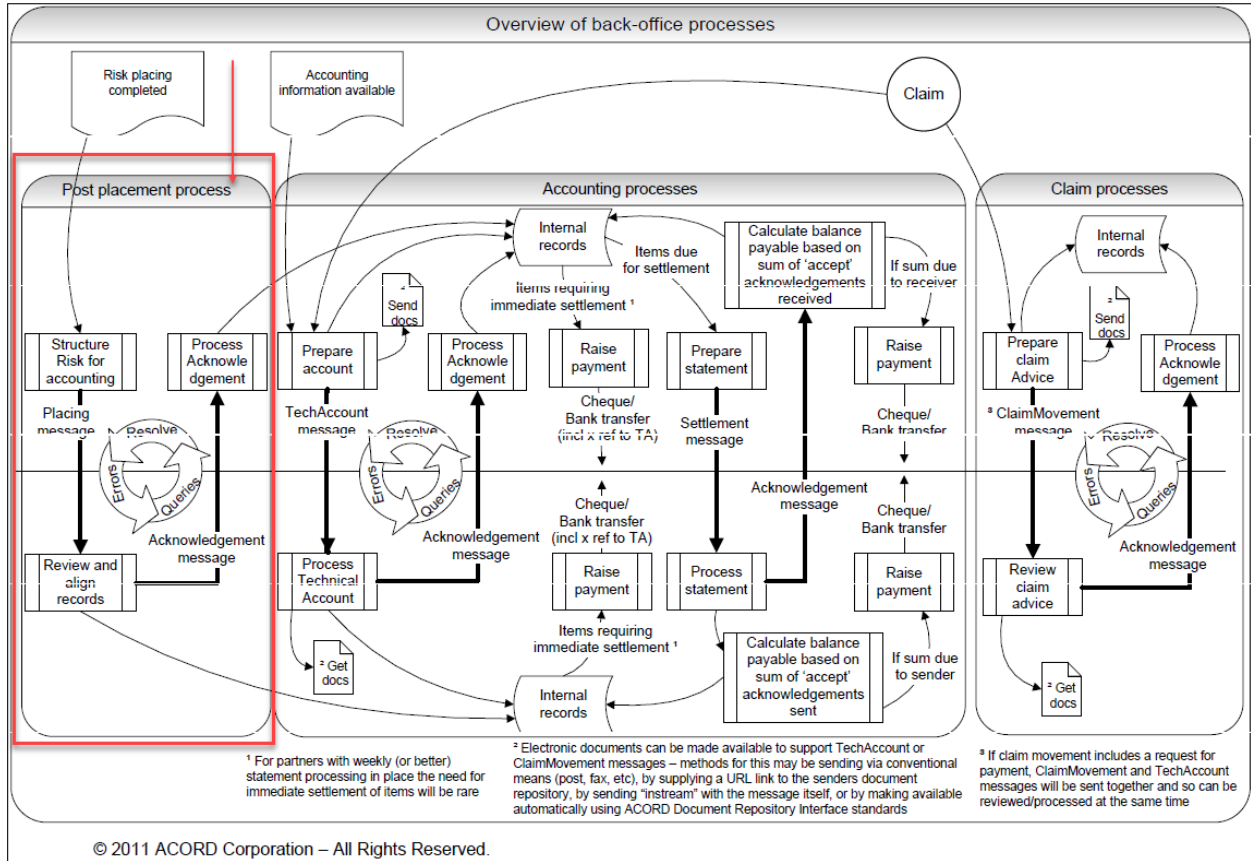
Post placement does not:

- Duplicate/replace the Placing process
- Source data from Placing
- Hold up the administration – processing Technical Accounts and Claim Movements would always take priority
- Create a worksheet on the ledger
- Impact technical ledger
- Impact financial ledger

Post Placement message

Contract life cycle fit

As the name suggests, the Post placement message is triggered after placement is complete, and is the next message received after the Signed Line Advice. It is the sender's administration system which triggers creation of the Post placement message, so until the sender has completed and finalized their accounting structure/accounting set-up, the Post placement message will not be transmitted.



Message Specification

Post placement is an enhanced Placing message which carries over the administration information together with the agreed conditions. Detail with conditions is taken from the senders` system rather than from previous placing messages. This way, we can be assured that the sender advises what they will later use as a base to submit Technical Account & Claim Movement messages.

Attributes of the Post Placement message include:

Message Type = Placing

Transaction Function = Closing Signing and Accounting

Placing Stage = Order

From the validation perspective, the message is structured to Contract Level and Section Level. This allows for specific validation rules to be applied at the appropriate level.

Message impact on Technical Accounts & Claim Movements

The receiver of the Post placement message is able to compare data received with that stored in their own systems in order to quickly reveal discrepancies which could then impact their eBot/eCot processing. How much the receiver reconciles/validates, impacts the level of automation. A higher volume of validations creates a higher probability for identifying discrepancies and triggering an error on the receiver side. This is however intended, as these errors will directly impact eBot/eCot straight through processing – thus, trigger a query.

Experience suggests that such validations should include:

Validations impacting technical result of subsequent eBot/eCot messages:

- Currency
- Insured period start/end date
- Underwriting year
- Insurer / Reinsurer share
- Deduction type (Brokerage, Commission, Fees, Charges, Sliding scale commission, Profit commission, ...)
- Deduction basis (is deduction applied on gross or net premium)
- Premium instalment (focus on the number of instalments, amounts, due dates)
- Adjustment premium rate
- Reinstatement premium (number of reinstatements, brokerage applied, type)
- Limits (AAD, AAL, TSI, Loss Limit...)

Validations impacting the structure:

- Receiver entity
- Sender entity
- Sender contract reference
- Sender contract section reference

- Sectioning
- Contract section class of business

As the reporting habits for the premium may vary based on the type of cover, benefits are also slightly different for proportional vs. non proportional treaties.

Non Proportional treaties

Non proportional treaty Post placement messages contain an exhaustive amount of contractual information.

Premium related:

- Minimum premium
- Deposit premium
- Instalment amounts
- Instalment count
- Instalment due dates

Note: As per the sender's reporting habits/market practice (and often also due date of 1st instalment), Post placement messages will usually arrive only a few hours before the first eBot message. This might appear to make the validations of the above mentioned attributes redundant.

However, Post placement messages carry other valuable information available for validating. It is also not 100% guaranteed that Post placement and Technical Account messages will be received at the same time. Validation of the items below at this stage will remove the burden from later stages of processing:

- Premium adjustment detail
- Reinstatement premium detail
- Structure of the deal (see Note below)
 - Sender contract reference
 - Sender contract section reference
 - Contract section class of business
 - Contract section description
- Receiver entity
- Sender entity
- Currency
- Insured period start/end date
- Underwriting year
- Share
- Deduction type (Brokerage, Commission, Fees, Charges, Sliding scale commission, Profit commission, ...)
- Deduction basis (is deduction applied on gross or net premium)
- Limits validation (AAD, AAL, Cover, Excess, ...)

Note: The structure of the deal may appear different between placing and accounting activities, as where there are multiple carriers writing the contract, they sometimes have differing referencing requirements. This can lead to the broker creating additional sections for accounting purposes so that they can meet all the requirements imposed on them. The Post Placement message provides the overview, and supports the translation between placing sections and those for accounting.

By receiving Post Placement message, the receiver can identify the difference between what was agreed during placing vs. what was set up in the sender's system. The sectioning detail provided by Post Placement is also crucial for the later stage of settlement as the detail provided in the sectioning part is also going to be followed in the settlement process.

Proportional treaties

Proportional treaty Post placement messages also follow the details agreed during the placing stage. For each section, separate Post placement messages will be delivered from sender to receiver. This not only allows easier validation, but creates a more accurate and transparent view of the sender's structure. With the message information detail, the receiver is able to validate:

- Currency
- Insured period start/end date
- Underwriting year
- Share
- Deduction type (Brokerage, Commission, Fees, Charges, Sliding scale commission, Profit commission, ...)
- Deduction basis (is deduction applied on gross or net premium)
- Limits validation (Loss Limit, Liability, Per Event Limit, Retention, ...)
- Receiver entity
- Sender entity
- Sender contract reference
- Sender contract section reference
- Sectioning
- Contract section class of business

All of these attributes in each separate message mirroring the sectioning in the sender's accounting system allows the receiver to transparently validate and cross reference to their own accounting sections. That way, once the eBot and eCot messages start to flow, they will be processed in a fast, accurate and detailed manner.

Conventions

Following conventions are valid for Post placement message:

Area	Statement
Message	Post placement message has always only one section. If there is a need for multiple sections, each section must be sent in a separate message.
Message	Post placement message has always only one sender and one recipient.
Code Lists	Code lists are used as indicated in the Placing reference guide.
Supporting Documents	Supporting documents can be sent via DRI or In-Stream. Supporting document is usually the signed contract wording. See more details in Supporting Documents section.
XML Schema	Validation of messages with XML schema – it is recommended to use ACORD XML Schema.

Message structure

Please refer to the Placing implementation guide for the structure and details of the specific data items used in Post Placement messages.

[Add screen print with column for post placement data highlighted]

Acknowledgement - Query

Post placement messaging is fully capable of handling queries. This is also one of the biggest benefits of the message – to resolve any potential discrepancies between sender's & receiver's system up front.

Acknowledgement – Acceptance

The post placement message process includes sending back an acknowledgement message to the sender following processing. The acceptance message includes receiver reference details – Receiver contract reference & Receiver contract section reference, which are later utilized during further eBot & eCot message exchanges.

Benefits of Post Placement messaging

The main benefit of Post placement messaging is a substantial reduction in queries. The query does not disappear from the messaging exchange entirely, however, when needed it gets moved to the point when the business is being set up and consequently does not impact the speed of processing premium and claim transactions.

One could argue that this impact on the non proportional treaties is omittable, however, we should not forget about the accounts that appear for the first time only after the expiration of the treaty –

adjustment premium, profit commission, sliding scale commission and other year end accounts; or are applicable only at the later stage of the messaging – e.g. reinstatement premium.

Another important messaging aspect is the reference exchange. Knowing the references that the sender will use does not only give the receiver an advantage for the first message mapping, it also shows the accounting structure (sectioning) used by the sender. This removes any doubts when it comes to the sender's reporting patterns and would clearly highlight if the receiver missed any account that should have been reported.

The receiver does not necessarily need to follow the structure coming from the sender. As the sender's structure is known, the receiver can use their own approach and convert the data as it is received and process it in their own way.

Appendix

Stylesheet examples

XoL L1

Post Placement - Closing signing and accounting - Acord Version 2016-10

Creation Date: 31T04:16:32-06:00/Jan/2022
Sent Date: 2022-01-31T04:16:32-06:00
Contract Version Date: 2022-01-31T10:15:00-06:00
Broker Reference: 210955555
UUID: 8ed48fe1-a77e-4619-bdbd-111111111111
Placing Stage: Order
Transaction Reason Description: Post Placement
Group Reference/Items in Group: 61ea8b4e-11a7-49b8-b492-12345asd11/1

Cedent
Name: Random Cedent
Id: (mutually_defined)
Reinsurer (Receiver)
Name: Random Reinsurer Europe SA
Id: 123456789 (DUNS_dun_and_bradstreet)
Description: Senior Market Underwriter
Person Name: Ms. Jane Doe
Telephone: +49 (11) 1234-0
Email: Jane.Doe@RandomReinsurer.com
Address: [City street 1234/a](#)
 12345 City
 DE

Broker (Sender)
Name: Random Broker Europe a.s.
Id: 987654321 (DUNS_dun_and_bradstreet)
Person Name: Joe Doe
Email: Joe.Doe@RandomBroker.com
Address: [City Street 4321/b](#)
 12300 City
 CZ

Contract Information
Name: MTPL XL
Group Name: MTPL XL
Contract Type: Reinsurance Contract
Accounting Basis: Calendar Year
Broker Reference: A202222ABCD1234
Cedent Reference: A202222ABCD1234
Contract Reporting Level: Contract level
Contract High Level Reference: 00
Risk Location: HU

Section / Layer
Contract Reporting Level: Section level
Section High Level Reference: 01 - L1: HUF 380M XS HUF 120M
Broker Contract Section Reference: ABCD-2022A1-2201B-123
Contract Period: 2022-01-01 - 2022-12-31
Underwriting Year: 2022
Contract Amounts Currency: HUF
Cover Type: Excess of loss
Contract Section Class: various unspecified
Premium Instalments

Number	Amount	Due Date
1	250827000 HUF	2022-02-01
2	250827000 HUF	2022-07-01

Contract Reinstatements:

Number	Reinsurer Premium Rule	Amount %	Brokerage %
1	reinstatement_premium_prorata_cover_exhausted		1.00

Limit
Contract Coverage Type(s): Aggregate Loss Limit - 1'900'000'000.0 HUF
 Loss Limit - 3'800'000'000.0 HUF
Contract Deductible(s): Retention - 1'200'000'000.0 HUF

PIL
Premium(s): Minimum and deposit premium - 501654000.0000 adjustable HUF
Premium Adjustment: 2.25 % - earned_premium_income

Share
Broker's order: 100.00%
Line Percentage Basis: Percentage of Whole
Reinsurer Share: 10.00 %

Deductions
Brokerage Percentage: 10.00 % - gross_premium

Contract Market
Name: Random Reinsurer Europe SA
Id: 123456789 (DUNS_dun_and_bradstreet)
Person Name: Ms. Jane Doe
Email: Jane.Doe@RandomReinsurer.com
Address: [City street 1234/a](#)
 12345 City
 DE

Participant Function: leader
Reinsurer Contract Section Reference: C29999

Additional Information

Post Placement - Closing signing and accounting - Acord Version 2016-10

Creation Date: 31T03:16:32-08:00/Jan/2022
 Sent Date: 2022-01-31T03:16:32-08:00
 Contract Version Date: 2022-01-31T09:15:00-08:00
 Broker Reference: 210955555
 UUID: adc478e7-b9b3-4795-b658-111111111111
 Placing Stage: Order
 Transaction Reason Description: Post Placement
 Group Reference/Items in Group: 81ea8b4e-11a7-49b8-b492-12345asdfg12/1

Cedent
 Name: Random Cedent
 Id: (mutually_defined)

Broker (Sender)
 Name: Random Broker Europe a.s.
 Id: 987654321 (DUNS_dun_and_bradstreet)
 Person Name: Joe Doe
 Email: Joe.Doe@RandomBroker.com
 Address: City Street 4321/b
 12300 City
 CZ

Reinsurer (Receiver)
 Name: Random Reinsurer Europa SA
 Id: 123456789 (DUNS_dun_and_bradstreet)
 Description: Senior Market Underwriter
 Person Name: Ms. Jane Doe
 Telephone: +49 (11) 1234-0
 Email: Jane.Doe@RandomReinsurer.com
 Address: City street 1234/a
 12345 City
 DE

Contract Information
 Name: MTP_L XL
 Group Name: MTP_L XL
 Contract Type: Reinsurance Contract
 Accounting Basis: Calendar Year
 Broker Reference: A202222ABCD1234
 Cedent Reference: A202222ABCD1234
 Contract Reporting Level: Contract level
 Contract High Level Reference: 00
 Risk Location: HU

Section / Layer
 Contract Reporting Level: Section level
 Section High Level Reference: 01 - L2: HUF 500M XS HUF 500M
 Broker Contract Section Reference: ABCD-2022A1-2201A-123
 Contract Period: 2022-01-01 - 2022-12-31
 Underwriting Year: 2022
 Contract Amounts Currency: HUF
 Cover Type: Excess of loss
 Contract Section Class: various unspecified

Premium Installments

Number	Amount	Due Date
1	88977500 HUF	2022-02-01
2	88977500 HUF	2022-07-01

Contract Reinstatements:

Number	Reinsurer Premium Rule	Amount %	Brokerage %
1	reinstatement_premium_prorata_cover_exhausted		1.00

Limit
 Contract Coverage Type(s): Aggregate Loss Limit - 1'500'000'000.0 HUF
 Loss Limit - 500'000'000.0 HUF
 Contract Deductible(s): Retention - 500'000'000.0 HUF

P/L
 Premium(s): Minimum and deposit premium - 137955000.0000 adjustable HUF
 Premium Adjustment: 0.70 % - earned_premium_income

Share
 Broker's order: 100.00%
 Line Percentage Basis: Percentage of Whole
 Reinsurer Share: 10.00 %

Deductions
 Brokerage Percentage: 10.00 % - gross_premium

Contract Market
 Name: Random Reinsurer Europa SA
 Id: 123456789 (DUNS_dun_and_bradstreet)
 Person Name: Ms. Jane Doe
 Email: Jane.Doe@Random_Reinsurer.com
 Address: City street 1234/a
 12345 City
 DE
 Participant Function: leader
 Reinsurer Contract Section Reference: C29999

Additional Information

Post Placement - Closing signing and accounting - Acord Version 2016-10

Creation Date: 31T04:16:32:08:00/Jan/2022
 Sent Date: 2022-01-31T04:16:32:08:00
 Contract Version Date: 2022-01-31T10:15:00:08:00
 Broker Reference: 210955556
 UUID: 551c9367-dbe6-4e7c-96a6-11111111cccccc
 Placing Stage: Order
 Transaction Reason Description: Post Placement
 Group Reference/Items in Group: 81ea8b4e-11a7-49b0-b492-12345asdftg1c/1

Cedent
 Name: Random Cedent
 Id: (mutually_defined)

Broker (Sender)
 Name: Random Broker Europe a.s.
 Id: 987654321 (DUNS_dun_and_bradstreet)
 Person Name: Joe Doe
 Email: Joe.Doe@RandomBroker.com
 Address: City Street 4321/b
 12300 City
 CZ

Reinsurer (Receiver)
 Name: Random Reinsurer Europe SA
 Id: 123456789 (DUNS_dun_and_bradstreet)
 Description: Senior Market Underwriter
 Person Name: Ms. Jane Doe
 Telephone: +49 (11) 1234-0
 Email: Jane.Doe@RandomReinsurer.com
 Address: City street 1234/a
 12345 City
 DE

Contract Information
 Name: MTPL XL
 Group Name: MTPL XL
 Contract Type: Reinsurance Contract
 Accounting Basis: Calendar Year
 Broker Reference: A202222ABCD1234
 Cedent Reference: A202222ABCD1234

Contract Reporting Level: Contract level
 Contract High Level Reference: 00
 Risk Location: HU

Section / Layer
 Contract Reporting Level: Section level
 Section High Level Reference: 01 - L3: HUF 1,603M XS HUF 1,000M
 Broker Contract Section Reference: ABCD-2022A1-2201F-123
 Contract Period: 2022-01-01 - 2022-12-31
 Underwriting Year: 2022
 Contract Amounts Currency: HUF
 Cover Type: Excess of loss
 Contract Section Class: various unspecified

Premium Installments

Number	Amount	Due Date
1	43894500 HUF	2022-02-01
2	43894500 HUF	2022-07-01

Limit
 Contract Coverage Type(s): Aggregate Loss Limit - 4'800'000'000.0 HUF
 Loss Limit - 1'803'000'000.0 HUF
 Contract Deductible(s): Retention - 1'000'000'000.0 HUF

Contract Reinstatements:

Number	Reinsurer Premium Rule	Amount %	Brokerage %
1	reinstatement_premium_prorata_cover_exhausted		0.00

P/L
 Premium(s): Minimum and deposit premium - 87789000.0000 adjustable HUF
 Premium Adjustment: 0.45 % - earned_premium_income

Share
 Broker's order: 100.00%
 Line Percentage Basis: Percentage of Whole
 Reinsurer Share: 10.00 %

Deductions
 Brokerage Percentage: 10.00 % - gross_premium

Contract Market
 Name: Random Reinsurer Europe SA
 Id: 123456789 (DUNS_dun_and_bradstreet)
 Person Name: Ms. Jane Doe
 Email: Jane.Doe@Random_Reinsurer.com
 Address: City street 1234/a
 12345 City
 DE
 Participant Function: leader
 Reinsurer Contract Section Reference: C29999

Additional Information

Quota Share

Post Placement - Closing signing and accounting - Acord Version 2016-10

Creation Date: 21T08:57:53-08:00/Feb/2021
Sent Date: 2021-02-21T08:57:53-08:00
Contract Version Date: 2021-02-21T12:57:00-08:00
Broker Reference: 123456789
UUID: 954845c2-be10-46f1-896a-bbbbbbbbbbbb
Placing Stage: Order
Transaction Reason Description: Post Placement

Group Reference/Items in Group: 123456789/1

Cedent

Name: Random Cedent Insurance Company (Europe), Limited
Id: 11111 (best)

Reinsurer (Receiver)

Name: Random Reinsurer Europe SA (Germany)
Id: 123456789 (DUNS_dun_and_bradstreet)
Person Name: Reinsurance Underwriting
Email: Sender_Underwriter@Reinsurer.com

Broker (Sender)

Name: Random Broker (UK Branch)
Id: 987654321 (DUNS_dun_and_bradstreet)
Person Name: John Doe
Email: John.Doe@RandomBroker.com
Address: The Office Building Centre
1234 4AN City
Great State

Contract Information

Name: Engineering QS and SPL treaty
Group Name: Engineering QS and SPL treaty
Contract Type: Reinsurance Contract
Accounting Basis: Underwriting Year
Broker Reference: E202217ABC1234
Contract Reporting Level: Contract level
Contract High Level Reference: 00
Risk Location: GB

Section / Layer

Contract Reporting Level: Section level
Section High Level Reference: 01 - Quota Share Treaty
Broker Contract Section Reference: ABC-12345X-2022Z-123
Contract Period: 2022-01-01 - 2022-12-31
Underwriting Year: 2022
Contract Amounts Currency: GBP
Cover Type: Proportional Treaty
Contract Section Class: engineering unspecified

Limit

Contract Coverage Type(s): Loss Limit - 20'000'000.0 GBP
Loss Occurrence Limit - 21'000'000.0 GBP
Cession - 100.0%
Contract Deductible(s): Retention - 750'000.0 GBP

Share

Broker's order: 100.00%
Line Percentage Basis: Percentage of Whole
Reinsurer Share: 25.00 %

Deductions

Brokerage Percentage: 15.00 % - gross_premium

Contract Market

Name: Random Reinsurer Europe SA (Germany)
Id: 123456789 (DUNS_dun_and_bradstreet)
Person Name: UNKNOWN
Email: Reinsurance_Underwriting
Participant Function: follower
Reinsurer Contract Section Reference: 1234567

Additional Information

Surplus

Post Placement - Closing signing and accounting - Acord Version 2016-10

Creation Date: 21T08:47:53-08:00/Feb/2021
Sent Date: 2021-02-21T08:47:53-08:00
Contract Version Date: 2021-02-21T12:47:00-08:00
Broker Reference: 123456789
UUID: cc443564-0f93-4eb3-8c8f-aaaaaaaaaaaa
Placing Stage: Order
Transaction Reason Description: Post Placement
Group Reference/Items in Group: 123456789/1

Cedent		Broker (Sender)	
Name:	Random Cadent Insurance Company (Europe), Limited	Name:	Random Broker (UK Branch)
Id:	11111 (best)	Id:	987654321 (DUNS_dun_and_bradstreet)

Reinsurer (Receiver)		Broker (Sender)	
Name:	Random Reinsurer Europe SA (Germany)	Person Name:	John Doe
Id:	123456789 (DUNS_dun_and_bradstreet)	Email:	John.Doe@RandomBroker.com
Person Name:	Reinsurance Underwriting	Address:	The Office Building Centre 1234 4AN City Great State
Email:	Sender_Underwriter@Reinsurer.com		

Contract Information			
Name:	Engineering QS and SPL treaty	Contract Reporting Level:	Contract level
Group Name:	Engineering QS and SPL treaty	Contract High Level Reference:	00
Contract Type:	Reinsurance Contract	Risk Location:	GB
Accounting Basis:	Underwriting Year		
Broker Reference:	B202217ABC1234		

Section / Layer

Contract Reporting Level: Section level
Section High Level Reference: 01 - Surplus Treaty
Broker Contract Section Reference: ABC-12345X-2022Y-123
Contract Period: 2022-01-01 - 2022-12-31
Underwriting Year: 2022
Contract Amounts Currency: GBP
Cover Type: Proportional Treaty
Contract Section Class: engineering unspecified

Limit
Contract Coverage Type(s): Loss Limit - 10'000'000.0 GBP
Loss Occurrence Limit - 20'000'000.0 GBP
Cession - 100.0%
Contract Deductible(s): Retention - 3'750'000.0 GBP

Share
Broker's order: 100.00%
Line Percentage Basis: Percentage of Whole
Reinsurer Share: 25.00 %

Deductions
Brokerage Percentage: 15.00 % - gross_premium

Contract Market
Name: Random Reinsurer Europe SA (Germany)
Id: 123456789 (DUNS_dun_and_bradstreet)
Person Name: UNKNOWN
Email: Reinsurance_Underwriting
Participant Function: follower
Reinsurer Contract Section Reference: 1234567

Additional Information
