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# FAR FROM STANDARD

Issue 01 Summer 2011



**Welcome to the first issue of *Far from Standard*, which has been put together to provide you with information about what we here at Plum have been doing, the results we have been achieving for our broker partners and what we are planning to help you to help your clients in the months ahead.**

As you will see from the articles in this issue, the past twelve months have been a very busy and successful period for us here at Plum:

We've seen significant increases in both sales and the size of our agency base as more and more of you have made Plum

Underwriting your 'insurer of choice' for your clients' non-standard household insurance needs.

In November, the publication of the Insurance Times Broker Survey saw us enter the top-ten for the first time, reflecting our commitment to delivering a traditional underwriting approach backed up by high levels of service and support.

We've strengthened our underwriting team with the addition of three new members of staff – Loren Mason, Stuart Bromley and Paul Evans – and we've also been looking carefully at our rating structures to help to ensure that when you choose Plum, we can help you to retain existing clients and win new ones in the key area of non-standard home insurance business.

I hope you find **Far from Standard** both an interesting and informative read. We want it to be very much a two-way-street so, as with everything we do, we welcome your feedback, not only on the information it provides but also in the form of suggestions for future articles, items and topics you would like to see us covering.

**David Whitaker**  
Managing Director



Keep up-to-date  
by following  
Plum on  
**LinkedIn**



LinkedIn has been described by some commentators as the business equivalent of Facebook – without the quirky video clips and general mayhem. However, to judge by the reaction of the markets when the company was floated on the New York Stock Exchange on 19th May – shares doubled in the day to value the company at in excess of \$10 billion at the close – it's now recognised as the leading business-to-business networking site in the world. At Plum we're committed to keeping you informed about what we are doing and our plans for the future so we have joined the 'LinkedIn revolution' and you can now link-up with us to receive regular, up-to-the-minute news and information about our company and its people. Simply search for Plum Underwriting and register as a Plum 'follower'.

**Plum**  
Underwriting

FAR FROM STANDARD

# The non-standard spectrum

by Tobias Daley Underwriting Manager



**Non-standard is often perceived to be a solution for the “lower-end” of the sum insured spectrum. This is simply not true.**

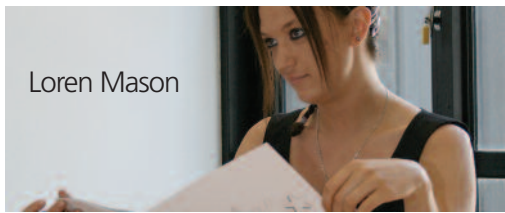
We are increasingly helping clients with large sums insured (often well in excess of £250,000 contents with large jewellery and fine art exposures). If the client has fallen outside of the standard underwriting criteria of an insurer (poor claim history, or subsidence risk for example) then they are deemed to be non-standard, whatever the value of their home and possessions!

Our Flex product can provide a solution where high net worth providers are declining to offer terms at new business or renewal, for risks all the way up to £10m total exposure.



## Loren, Stuart and Paul join the team

**We have seen three new additions to the Plum underwriting team with the arrival of Loren Mason and Stuart Bromley as Underwriters and Paul Evans as Senior Underwriter.**



Loren Mason



Stuart Bromley



Paul Evans

**Loren**, who joined us from Prestige Underwriting, brings ten years experience of writing non-standard household insurance via the broker channel to her new role with us. Prior to her time with Prestige she was with wholesaler Abacus.

**Stuart**, who is also an experienced household underwriter joined us from NIG, and in addition to writing new and existing business, his role includes working to improve both our back office and existing business functions.

**Paul** joined PUL in 2011 from Brit Insurance Ltd where he has worked for over 4 years specialising in MNW/HNW household insurance. At Brit, he was promoted to UK Household Underwriter in April 2010 and has experience in both binding authority arrangements and e-trading. Paul has senior underwriting responsibility at PUL across both binder and open market channels.

Welcoming them to Plum, **David Whitaker** said; *“Loren, Stuart and Paul have joined us in the midst of an exciting period for Plum with new business enquiries and wins both growing rapidly. Their addition to the team will ensure that we can continue to serve this growing demand, whilst maintaining our commitment to delivering the highest underwriting and service standards to our broker partners.”*

## Top tip!



We find that many of our brokers request new business quotations based on the sums insured set out in the expiring policy. However where these are set by the holding insurer as ‘automatic’ figures for buildings and/or contents, rather than the figures which the client actually needs, this can place the broker at a competitive disadvantage. Basing your quote request on the actual figures will produce far greater premium sensitivity and enhance your chances of obtaining a realistic, competitive quote.

# Bringing it 'back to the broker'



Steven Bishop, (Business Development Manager) reports

**Seventeen guests from brokers in the London area, seven members of the Plum team, a brick and a bowl of sugar were just some of the ingredients in the first of our 'Back to the Broker' events which took place at Bedales Wine Bar in London's historic Leadenhall Market on 22nd June**

'Back to the Broker' is a key part of our commitment to working closely with intermediaries, listening to what they say and using their feedback to create an ever improving service. It's designed to provide a relaxed setting where members of our team can provide information on technical and business developments and where brokers can have their say not just on what Plum is doing now but, as importantly, what they would like to see us doing next.

For this first event the technical focus was on our Flex contract. David Hole (Claims Manager) and Mahben Qudus (Operations Manager) used the subject of subsidence – with the brick and the bowl of sugar providing a surprisingly effective demonstration of the problem – to describe how we write non-standard business and just what makes Plum's approach 'far from standard'.

A short quiz (just for fun although a bottle of wine was up for grabs) followed and then, for the next

hour, attendees were invited to express their views on everything from our premiums, through to the sustainability of our terms.

Proceedings concluded with a drinks reception and buffet at which we were joined by Andrew Cross (Chairman), David Whitaker (Managing Director) and other members of our underwriting team.

'Back to the Broker' will now be taking to the road and further events will be taking place around the country over the next twelve months.

We are, of course, always interested to receive your feedback, not just at events such as this one. My contact details are below please don't hesitate to get in touch.



A great year and more to come



The past year has been an exciting one for Plum. Sales are up by at least 50%, our agency base has more than doubled and your feedback is telling us that we're consolidating our position as the insurer of choice for your clients' non-standard household insurance risks.

From your comments and the results of both our own in-house and external surveys, we know that our commitment to working with our broker partners and to backing that up by delivering high quality, accessible and responsive service, including the individual underwriting of risks, is providing a refreshing alternative to the 'one-size fits all' approach adopted by mainstream insurers.

What's very clear is that as their appetite for anything that doesn't fit their computer driven underwriting models continues to shrink, there is a growing sales opportunity in what is rapidly becoming an insurance underclass made up of people who fall outside their definition of acceptable risks. The good news is that Plum is ready and able to help you to grow profitable business in the non-standard household sector.

## Launch of the Plum Fantasy Football League



**To celebrate the start of the new Premier League season in August, we have launched our very first fantasy football league competition.**

Competing against staff at Plum as well as other industry professionals, we have invited all of our partner brokers to join the league in a bid to be crowned the **Plum Premier League Manager of the Year** at the end of the season.

Not only will the successful manager have the chance to claim bragging rights over colleagues, fellow brokers and the Plum Underwriting team amongst others, we will also be awarding prizes for the top performing supremos.

As if being our first **Plum Premier League Manager of the Year** was not enough, the manager of the team with the highest points total at the end of the season will also receive a prize.

Not only that, we will also be giving prizes for the 2nd and 3rd placed managers as well as for the Manager of the Month.

Our Business Development Manager - Steven Bishop – is running the competition and he will be sending out monthly updates so you can keep track of your teams standing in the league.

Should you need any further information, please contact **Steven** on **01787 464408** or [steven.bishop@plum-underwriting.com](mailto:steven.bishop@plum-underwriting.com).

**Let battle commence and we look forward to you and your colleagues joining us in competition.**

**Insurance Age Expo 2011**  
– Make a date to meet the team



We are pleased to announce that we will be exhibiting at the Insurance Age Expo which will take place at the Ricoh Stadium in Coventry on 3rd November 2011. Please take the opportunity to come and meet members of our team at our stand. We look forward to seeing you there.

# Plum is going green

**By its very nature, insurance is a process which has the potential to generate huge quantities of paperwork which, in turn, uses vast amounts of natural resources, from the trees that go into making the paper, through to the greenhouse gases and pollution generated by the transportation used to distribute the resulting documentation.**



Because of this we have taken the decision to move to a much greater use of PDF's so that we can create and distribute a far greater proportion of our documentation electronically. Adopting this widely used, secure file format will not only reduce the amount of paper used but will also save time as it will enable us to email policy and other documentation rather than posting it in the traditional manner.

PDF documents have a wide acceptance amongst the insurance buying public who are comfortable receiving information in this form, and we anticipate that you should also be able to make savings in time and resources too when you forward documentation on to your clients as PDF's.

Obviously, by reducing the amount of paper we generate and post, we will be reducing our costs too. And, in recognition of that fact, we are pleased to announce that, going forward, we will be supporting UK charity Rainforest Concern. You can find out more about the work which Rainforest Concern is involved in by visiting [www.rainforestconcern.org](http://www.rainforestconcern.org)

Of course, if you wish to continue receiving printed documentation, we will be happy to oblige, simply let us know and we will make the necessary arrangements.

## Case Study

### What do you do with your non-standard risks?

by Stuart Bromley, Underwriter

After some arm-twisting, some insurers may decide to accept a one-off, low level, non-standard risk but what happens when you need to place a risk with multiple 'non-standard' aspects?

The following case study gives an insight into the complexity and variety of our underwriting appetite.

I received a risk with a number of non-standard reasons, the main being a proposer with a criminal conviction, as well as a chequered claims history and high sums insured. On the surface it appeared to be a complicated risk to underwrite through. Which is probably why some of the more mainstream insurers would not be interested.

Where a criminal conviction is involved, it is necessary to do some research in order to understand if there is an insurance risk; who is the client, what is their age, their occupation, how long ago the incident was - does any of this have a bearing on a home insurance risk?

In order to underwrite the previous claims (4 in the last 3 years of varying values), I looked at the types, frequency and severity of the losses. As the claim types were all of a different nature ranging from tree root damage to escape of water I was able to minimise our potential claims exposure by applying an overall increased policy excess.

Finally I addressed the high sums insured; given the other aspects of the risk it was important to get this right as future losses could prove to be far more substantial than on a standard mid-high net worth policy. I applied a suitable rate to the sums insured which reflected the total risk, I then applied the necessary policy clauses to ensure that the security was kept and maintained to a good standard and the specified items of jewellery were protected from potential losses.

My overarching message here is that we underwrite each case individually. By having a pair of eyes (rather than a computer) to look at the risk, we were able to offer fair terms to a client who was otherwise left stranded - and we converted the quote to a policy.

## Competition

**Take part in our easy to enter competition for your chance to win an iPod Touch.**

In each issue we will be running a short multiple choice quiz, to enter simply email [info@plum-underwriting.com](mailto:info@plum-underwriting.com) with your answers to the following questions together with your name and contact details to reach us before 30th September 2011. We'll be picking the winner at random from the highest scoring entries received and announcing the winner in our next issue\*.

The quiz this time is on the subject of subsidence, landslip and heave.

1. What percentage of claims made by homeowners for subsidence result in sub-structure repairs?  
(a) 25%, (b) 10%, (c) 5%, (d) 1%

2. What pattern do subsidence related cracks tend to adopt on the walls of a property?

- (a) vertical,
- (b) diagonal,
- (c) they can be completely random,
- (d) horizontal

3. What signs are typically the first noticed by a homeowner that their property may be subsiding?

- (a) cracks to the exterior walls,
- (b) doors and opening windows tending to 'stick',
- (c) cracking of internal ceramic tiling,
- (d) sloping floors

4. What is the usually recommended 'safe distance' to have a large, mature willow tree from a dwelling?

- (a) 40m, (b) 30m (c) 20m, (d) 10m

5. What category of soil does clay belong to?

- (a) granular, (b) earthy, (c) organic, (d) cohesive



\*Of course, our winner won't have to wait that long, we'll be in touch to make arrangements to send you your prize as soon as the draw has taken place.

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