

Best's

Performance Assessment for Delegated Underwriting Authority Enterprises (DUAEs)



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Best's Performance Assessment for DUAEs* provides a forward-looking, independent and objective non-credit opinion of a DUAE's ability to perform services on behalf of its business partners. It is a comprehensive analysis consisting of a quantitative and qualitative assessment of Underwriting Capabilities, Governance and Internal Controls, Financial Condition, Organizational Talent, and Depth and Breadth of Relationships.

Benefits for DUAEs and Program Administrators



Establishes credibility and trust within the (re)insurance industry and with regulators.



Differentiates capabilities from competitors to assist the DUAE in securing capacity from carriers and capital from investors.



Demonstrates expertise and effectiveness in key operational areas.



Assessed DUAEs can receive favorable audit and regulatory lite reviews.



Improves the attractiveness, transparency and appeal of the DUAE for purposes of mergers and acquisitions.



May secure preferred treatment on terms and conditions from capacity partners.



Enhances a DUAE's marketing and promotional efforts.

Performance Assessment Process



After collecting the information necessary to begin the assessment process, our analysts establish and manage an ongoing dialogue with the DUAE. The process involves gathering additional data from the DUAE, analyzing key assessment elements, presenting the assessment to the Assessment Committee for review and determining the final Best's PA for DUAE outcome.

Once a DUAE receives its Best's PA for DUAEs, its performance continues to be monitored, including market and company developments that could impact the PA. Items monitored include key industry trends, emerging issues, strategic goals, financial objectives and management practices.

Key Assessment Factors

Both quantitative and qualitative elements are used to evaluate the strengths and weaknesses of the DUAE.

The process includes an in-depth review of:

1. Underwriting capabilities
2. Governance and internal controls
3. Financial condition
4. Organisational talent
5. Depth and breadth of relationships



*"DUAE" is a blanket term for managing general agents (MGAs), managing general underwriters (MGUs), coverholders, program administrators, program underwriters, underwriting agencies, direct authorizations and appointed representatives.

Best's Performance Assessment Scale

Assessment Categories	Assessment Symbols	Assessment Ranges
Exceptional	PA-1 	34-40
Excellent	PA-2 	27-33
Strong	PA-3 	20-26
Fair	PA-4 	13-19
Weak	PA-5 	Up to 12

A better overall PA indicates that the DUAЕ is more likely to:

- Achieve greater long-term stability through effective business underwriting
- Maintain a strong financial profile
- Provide high-level service
- Maintain strong business relationships and governance

BestMark for DUAЕs

DUAЕs can showcase their Performance Assessment symbol by displaying a [BestMark for DUAЕs](#) in their marketing material, such as websites, print ads, brochures, web ads, social media, email signatures, business cards, and conference and events materials. It's available in black, blue and gold to complement the style of your marketing materials, with a white BestMark available for use on dark backgrounds.*



*For uses requiring a smaller image, such as business cards and email signatures, BestMarks are available at 1- and .75-inch sizes.

Additional Information



Scan for more information or visit the links below.

- [What Is a Best's PA for DUAЕs?](#)
- [The Value of a Best's PA for DUAЕs](#) ▶
- [Methodology](#)
- [Guide to Best's Performance Assessments for DUAЕs](#)
- [Get a Best's Performance Assessment for DUAЕs](#)
- [FAQs: Best's PA for DUAЕs](#)
- [FAQ Session: Best's PA for DUAЕs](#) ▶
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About AM Best

AM Best is the world's largest credit rating agency specializing in the (re)insurance industry and insurance-linked securities. Best's Credit Ratings are an essential tool for assessing an insurer's financial strength, creditworthiness and ability to honor obligations to policyholders worldwide.

Thank You

I appreciate your time and consideration. Please contact me for further discussion.



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