











Treaty Management Application Buyer's Guide

Treaty analytics tools empower underwriters to monitor risk positions, assess pricing performance, and build well-balanced portfolios. When comparing the tools available in the market, it's important to ask questions about the application's **treaty analytics capabilities**, **business integration tools**, and **risk fundamentals**.

TOP QUESTIONS TO CONSIDER	WHAT TO ASK	COMMON PITFALLS
TREATY ANALYTICS CAPABILITIES		
1	 <p>COMPLEX TREATY STRUCTURES Can you analyze complex treaty structures such as reinstatements, aggregate limits, and cascading layers?</p>	Some applications use financial models that do not capture complex treaty conditions, requiring complicated work-arounds to approximate the losses.
2	 <p>MARGINAL IMPACT Can your application quantify the impact of writing new business to your portfolio pre-bind?</p>	Most applications do not provide true marginal impact calculations against the live portfolio, increasing the risk of exceeding underwriting limits.
3	 <p>CUSTOMIZATION Does your application allow you to adjust, blend, and price losses based on your own view of risk?</p>	Some applications are not able to capture and apply customized loss adjustments for pricing, leading to complex manual calculations.
4	 <p>EVENT RESPONSE Can you quickly identify in real time which treaties are most exposed to a catastrophe event?</p>	Some applications do not seamlessly integrate with event response tools, making it difficult to provide actionable insights to stakeholders.
5	 <p>REAL-TIME ANALYTICS Can your application provide a real-time program view across thousands of treaties?</p>	Some applications cannot provide the speed and scale required to regularly run large portfolios, increasing uncertainty around current risk limits.
6	 <p>MODELING INTEGRATION Can you run catastrophe modeling jobs in your treaty management application?</p>	Most applications require you to model analyses independently and manually import your modeled losses.

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BUSINESS INTEGRATION TOOLS		
7	 <p>FINANCIAL CONSISTENCY Does your application use the same financial engine as your catastrophe modeling and exposure accumulations?</p>	Most applications do not share the same financial engine as the modeling and accumulation applications, reducing confidence in results
8	 <p>BUSINESS-WIDE VIEWS Can you view an aggregated risk position across the entire company?</p>	Most applications cannot capture and run reinsurance programs across all corporate entities for an aggregated risk position.
9	 <p>CONSISTENT VIEW OF RISK How does your application reconcile different modeling approaches during portfolio roll-ups?</p>	Some applications are limited to aggregating losses from one model vendor, leading to portfolio blind spots.
RISK FUNDAMENTALS		
10	 <p>FINANCIAL MODELING Does your application's financial engine cater to all of the complexities of reinsurance contracts?</p>	Some applications have limited financial engines that can only approximate exposed limits and cannot accommodate complex reinsurance terms.
11	 <p>CONSISTENT DATA How do you ensure that loss and exposure data is consistent between your modeling and treaty analytics applications?</p>	Vendors may require you to export the data and transfer it to another application, leading to complex workflows with lots of manual steps.
12	 <p>DATA ACCESS CONTROLS Does your platform allow you to define which users have access to which data, enabling management across multiple teams and entities?</p>	Applications may not support the ability to control access to exposure and policy data, limiting the application's use across teams.