



## **RI3K Simplifies E-Trading Prices**

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London-based RI3K, the electronic trading service, which handles many of Lloyd's transactions, announced that it has simplified its pricing tariff. The move comes in response to "market criticisms over its pricing," said the bulletin. From now on carriers will be able to select one from a menu of three clear options for using the service.

"Uncertainty about the cost of electronic trading has become a major talking point in the London market with the commitment of Aon UK to trading electronically," said RI3K. "The Standard service costs £50 [\$102.87] per bound line, and this price includes the delivery of the ACORD quotation, bound line and signed line data to carriers messaging gateways. The tariff also includes options for more detailed data interchange."

RI3K Chief Executive Alex Letts noted: "If an average sized carrier binds 2000 lines of business a year in London, and if they receive half of this via RI3K, their cost of e-trading will be £50,000 [approx. \$103,000]. For this they get the speed and accuracy of management information, a contract certain and less risky process and, of course, the removal of re-keying - all for £50 a risk."

Letts stressed that what RI3K has achieved with electronic placement is "to start to move the effort of data entry away from the underwriter. Effectively the broker will do the data entry for carriers."

He added that "after so much money has been wasted in this area both in processing and solutions, if you had told the market leaders that the cost of electronic trading would eventually be so low, they would have bitten your arm off."