RISK COVERAGE HUB | TREATY STRUCTURING MODEL (RESULTS SHEET)

Quota Share vs. Per-Risk Excess of Loss vs. Aggregate Stop-Loss

Baseline 3-Year Portfolio Comparison (12 Commercial P&C; Risks, $18,000,000 Total Sum Insured, $1,200,000 Annual Subject Premium). Terms: 30.0% QS (27.5% commission) | $1,500,000 xs $500,000 Per-Risk XL (8.0% rate) | 75.0% LR ($900,000) Aggregate Stop-Loss ($800,000 limit, 4.5% rate).

1. 3-Year Cumulative Comparison

Metric (3-Year Total)	Gross (No Treaty)	Quota Share (30%)	Per-Risk XL	Agg. Stop-Loss
Gross Subject Premium	$3,600,000	$3,600,000	$3,600,000	$3,600,000
Ceded Premium	$0	$1,080,000	$288,000	$162,000
Retained (Net) Premium	$3,600,000	$2,520,000	$3,312,000	$3,438,000
Ceding Commission Received	$0	$297,000	$0	$0
Gross Losses Incurred	$2,710,000	$2,710,000	$2,710,000	$2,710,000
Ceded (Recovered) Losses	$0	$813,000	$630,000	$570,000
Retained (Net) Losses	$2,710,000	$1,897,000	$2,080,000	$2,140,000
Cedent Net Underwriting Result	**$890,000**	**$920,000**	**$1,232,000**	**$1,298,000**
Net Loss Ratio	75.3%	75.3%	62.8%	62.2%

2. Annual Scenario Outcomes (XL Piercing & Aggregate Attachment)

Scenario Year	Gross Loss (LR)	QS Ceded	XL Ceded	Agg. Ceded	Best Net Result
Year 1: Normal (R-04 $680k XL)	$840,000 (70.0%)	$252,000	$180,000	$0	Per-Risk XL ($444,000)
Year 2: Severe (R-02 $950k + Agg)	$1,470,000 (122.5%)	$441,000	$450,000	$570,000	Aggregate ($246,000)
Year 3: Benign (No peak loss)	$400,000 (33.3%)	$120,000	$0	$0	Gross ($800,000)

Key Mechanics Verified: In Year 1, single-risk loss R-04 ($680,000) pierces the $500,000 Per-Risk XL attachment for a $180,000 recovery while total losses ($840,000) remain below the $900,000 Aggregate floor. In Year 2, R-02 ($950,000) triggers $450,000 under Per-Risk XL and cumulative losses ($1,470,000) breach the 75.0% Aggregate attachment for a $570,000 stop-loss recovery. Download the interactive .xlsx workbook on riskcoveragehub.com to adjust treaty terms, sums insured, and loss scenarios.