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Lloyd's Approves Syndicate-in-a-Box, Picnic Syndicate 2460, to Support Mutuals

Asta, the third-party managing agent at Lloyd's, announced the Council of Lloyd's granted in-principle approval for the launch of Picnic Syndicate PIC 2460, a syndicate-in-a-box (SIAB).

Picnic will commence underwriting on Jan. 1, 2021, subject to completion of the Lloyd's application process. Picnic initially will provide re/insurance support to the innovative mutuals that Picnic's parent, Picnic Labs, forms and develops in Australia and New Zealand. (Editor's note: Syndicates-in-a-box are a cornerstone of the [Future of Lloyd's project](#), which aims to make it easier for new sources of capital to enter the market without the need for a physical presence at Lloyd's).

Picnic will first focus on short-tail lines underwritten through pro-rata and excess of loss re/insurance, avoiding peak peril zones. Gross written premium of £19.2 million (US\$25 million) is forecast for the first year of operation from business which is new to Lloyd's.

Picnic is the brainchild of Australia's Picnic Labs, which has developed and successfully launched a new type of mutual. The syndicate will re/insure Picnic Lab's Our Ark Mutual, whose members include Australian churches, schools, aged care facilities, and other not-for-profit organizations.

Whilst these organizations have demonstrated better-than-average loss experience, they are not easily accommodated by the mainstream insurance market, said Asta in a statement. As a collective, the members present a favorable underwriting group with characteristics which inherently align with risk-reduction objectives.

Picnic Labs believes many different communities exist where a similar solution is valid and therefore, more mutuals are under development. Other open-market mutual risks will be assumed by Picnic at Lloyd's to add diversification.

Asta is Picnic's independent Lloyd's managing agent partner, providing full third-party management, including underwriting oversight, actuarial, risk management, regulatory compliance and governance services.

"We're excited to be working with Asta, who were instrumental in getting us over the line at Lloyd's. We believe the Picnic model for mutuals is the way of the future and that the strength and flexibility of the Lloyd's platform, through the SIAB model, is key to making it into a reality for our member insureds the world over," said Picnic Labs Chief Executive Charles Pollack.

"Picnic has a superb, innovative insurance model, and we're proud to be involved with our second SIAB following the launch of [Carbon Syndicate 4747](#)," commented Julian Tighe, chief executive officer of Asta. "We've helped Picnic Labs realize the essential central re/insurance part of their business vision by providing not only the platform, but by helping them source capital and talent for SIAB 2460."

Tighe described SIAB 2460 as "the sort of dynamic business which will benefit Lloyd's enormously as it reforms and looks to the future."

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