

## Ceded commutations

### Client description

- UK subsidiary of leading global insurer
- Various lines of business in run-off including significant 1992 and prior account

### The client's requirements

- Targeting rating improvement through removal of credit risk associated with reinsurance assets from 1992 and prior business
- Supplemental resource to small in-house team to achieve meaningful results over 12 month project
- Subsequent project expansion for 9 months covering wider business scope (later years and syndicate business) following phase 1 success

### Our solution

- Team of 3, at peak, working primarily on insourced basis within client's London offices
- Utilisation of the team's established contacts with reinsurers of the client, including many counterparties known to often be reluctant to enter commutation negotiations
- Data management and reinsurance security review to the client's relationship with reinsurers at group and individual legal entity thereby providing reliable numbers which could be used throughout negotiations

### Value delivered

- 60 individual commutations completed with reinsurers during first 12 months, collecting multi million dollars of reinsurance assets
- Counterparties included reinsurers from Middle and Far East, Americas, Russia and Eastern Europe
- Removal of significant reinsurance debt credit risk
- Complimentary project management service provided to implement STRIPE, enabling client to process reinsurance transactions directly through to reinsurers