
ProTucket

Portfolio restructuring combined with
full legal and financial finality

Pro.

We are Pro.

Pro is a trusted consultancy and service provider focused solely on the global (re)insurance industry. We deliver outsourcing solutions for live and run-off business, alongside audit and operational consultancy services. Based in financial centres around the world, every major office in London, Cologne, Zurich, New York and Buenos Aires are supported by regional delivery centres. Enabling us to provide you with a cost efficient, round-the clock-service.

With over 130 customers and 30 years experience, our people have the in-depth knowledge that consistently transform clients' businesses. We become an extension of your teams, bringing expertise to every project where and when you need us. We are Pro.

15 Global
Offices

30 Years'
Experience

130+ Clients



Legacy Solutions



Operational Consulting



Risk, Audit & Compliance



Technical Outsourcing

Our Services

For over 30 years we have helped major (re)insurers develop and implement robust exit strategies. Now recent changes to Rhode Island's Regulation 68 will enable us to bring true finality to non-core portfolios.

Challenges

Insurers have many concerns in today's market, forcing them to focus on their future rather than managing the past. Having to improve combined ratios, reduce volatility, optimise capital and manage margins are all challenges. But if an insurer has areas in the business that aren't performing, aligned to corporate strategy, or provide too much exposure in a certain line of business, they should consider discontinuing or divesting.

Prior to 2017, few options existed in the US market when trying to find a solution to these challenges. Isolating parts of your business was almost an impossibility. You either had to keep the portfolio in-house and run it through to expiry, come to a reinsurance arrangement, or sell the entire legal entity.

These mechanisms, although useful in certain circumstances, did not cover every eventuality. A reinsurance arrangement will improve solvency and reduce volatility, but cannot provide finality. Whereas total sale will provide finality, but is time-consuming and cannot allow for individual aspects of a portfolio to be separated.

Ideally non-core lines should be identified and transferred out to a separate company's balance sheet. This can be achieved through an Insurance Business Transfer (IBT). An IBT benefits both the carrier through finality, and

the policyholder through a new, highly solvent entity that has focused and concentrated management for specific lines.

In the UK, a similar mechanism has existed for some time. Called a Part VII transfer, this is a court sanctioned process that transfers policies from one carrier to another. Part VII's have become a common practice in the UK resulting in finality, with all obligations being given to the new carrier, allowing the incumbent to rationalise their portfolio and deploy capital more effectively. The aim of this arrangement is to deliver a fair solution that balances corporate needs with policyholder protection.

Now in 2017, achieving portfolio restructuring and legal finality is also possible in the United States. The Department of Business Regulation in the State of Rhode Island has amended Insurance Regulation 68 to allow for Insurance Business Transfers. Giving (re)insurers the ability to: "transfer liabilities and assets in accordance with the procedures delineated in this Regulation".

This is a formal court process that fully transfers run-off liabilities into a Rhode Island protected cell company, such as ours named ProTucket. The policies can transfer from any carrier where there is significant US interest. Delivering portfolio restructuring alongside full legal & financial finality.

Solution

ProTucket is the first dedicated run-off carrier to ever file and be granted license by the State of Rhode Island. Drawing on our 30 years of proven legacy delivery. It brings together both insurance carriers and capital providers to transact and isolate portfolios in a new and efficient mechanism.

ProTucket offers a complete solution. It can create and file the Insurance Business Transfer (IBT), provide a dedicated vehicle, service the protected cell, identify interested reinsurers, and deliver full claims management services.

From beginning to end we deliver your organisation true legal and financial finality from run-off business.

We work with organisations, pre and post transaction, to deliver feasibility studies, in-depth advisory and transaction planning. Alongside on-going management of claims, regulation and reporting requirements.

We believe policyholders will gain from the concentrated management of specific portfolios, specifically from our expertise in claims management. They will also benefit from the close monitoring that the Department of Insurance in Rhode Island will provide.



- Consulting & Advisory Services
- Insurance Business Transfers
- Establishment of Protected Cells
- Regulatory Compliance
- Transfer Plan Creation & Strategy
- Policy Holder Communications
- Claims Management Services



- Improved capital efficiency
- True legal & financial finality
- Removal of non-core portfolios
- Restructured operations
- Reduced management expense

Expertise

Pro is the market leader in run-off portfolio management. Drawing on 30 years' experience of proven legacy delivery, we have helped companies extract value from their non-core operations, maximising capital, improving reputation and reducing risk.

We have been at the forefront of the industry since the very beginning, supporting major organisations to develop and implement some of the most complex exit strategies in the legacy sector, maintaining reputations and enhancing performance.

With hands-on experience in every type of run-off transaction & legacy portfolio, whether UK or foreign-domiciled, we have the knowledge and skills you require.

Our experienced team has managed over 25 legacy portfolios with collective liabilities in excess of \$10bn for a wide spectrum of clients including London Market underwriting pools and global (re)insurers. These have included some of the most complex portfolios across CX Re (US\$2.2 billion of liabilities), English & American, Willis Faber Underwriting Management, Groupama Transport UK and Singapore Marine Legacy. Our most recent appointment was the one of the largest UK Employers Liability and Professional Liability books.



Pro helped us to manage the transition from live underwriting to run-off, including the relocation of the operations, of two Marine portfolios based in the UK and in Singapore. The transition was well organised, professionally managed and executed in a short of period time. Since assuming the run-off management of the portfolios, they have proven to be a trusted and capable partner with an in-depth understanding of the technical issues and strategic challenges facing our legacy books.

Groupama S.A.



To discover how Pro can help your business, get in touch at

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