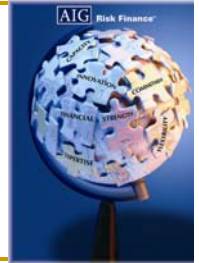


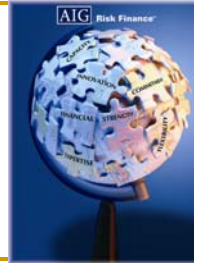
Collateral Reduction



<i>Industry</i>	<i>Insurance</i>
Motivation	The parent company of a captive wanted to reduce the amount of collateral letters of credit provided by its captive to insurance companies that front for it.
Coverage	Employer's Liability
Term	Until the expiration of all the liabilities transferred under the policy.
Limit	A novation of the underlying insurance policies of the captive with an aggregate term limit of £15 million
Retention	£500,000
Potential Benefits	✓ Eliminates the need for the company to post collateral to cover this risk

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Facilitating the Dissolution of a Captive



<i>Industry</i>	<i>Insurance</i>
Motivation	Through an M&A transaction, a company inherited a redundant reinsurance captive. The management team of the company wished to close down the captive in a manner it considered effective. The resulting transaction was: (1) the captive was sold to an unrelated 3 rd party; (2) the acquiring 3 rd party arranged a buyout (loss portfolio transfer) of the insurable risks; and (3) the acquiring 3 rd party closed down the captive.
Coverage	Workers Compensation, General Liability, Automotive Liability and Products Liability
Buyout Period	Incidents occurring during a 10-year period
Potential Benefits	<ul style="list-style-type: none"> ✓ Captive sold to an unrelated 3rd party which closed it down ✓ All potential future liabilities of the captive transferred from the captive through the 3rd party to the insurer

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