

Bermuda (Re)insurance 2013

Securing a foothold in shifting sands



Conference summary

A man with grey hair and glasses, wearing a dark suit, light blue shirt, and a blue patterned tie, is speaking at a podium. Behind him is a large screen displaying the text "Bermuda (Re)insurance Conference" in a red serif font.

Bermuda (Re)insurance Conference

(Re)insurers are fixing their sights on the short-term challenges of renewal rates and low investment returns, but they can't afford to ignore transformational changes ahead from capital market convergence to more exacting customer expectations. How are CEOs adapting their strategies to the new realities? What is the likely profile of the market leaders of the future? These and other key considerations for survival and success in a sector facing a range of disruptive new threats were the focus of the eighth annual Bermuda Reinsurance Conference, sponsored by PwC and Standard & Poor's Ratings Services, and titled, "Securing a foothold in shifting sands."

Guest Speaker:

Dr. The Hon. Grant Gibbons, JP, MP Minister of Economic Development
Ministry of Economic Development

The two-day annual conference November 12 & 13 is Bermuda's premier industry gathering and attracted over 200 delegates from Bermuda, the US, Europe and other countries, who gathered at the Fairmont Hamilton Princess for an agenda of panel discussions led by the industry's key players and brightest minds, including Arthur Wightman, Managing Director, Insurance Leader, PwC Bermuda

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The View from the Top: Convergence-Structural Shift or Transitory Phase?

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Has the reinsurance industry become a victim of its own success? Can reinsurers afford to sit on the sidelines or should they get on board with the influx of third-party capital? How is the increased capital affecting business models, pricing, and reinsurance buying strategies? Three chief executives will discuss these topics and the state of the reinsurance market including growth in developed economies, persistently low investment yields, potential market consolidation, and how they've adapted their strategies to the new realities.

The Future Landscape of (Re)insurance

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With limited growth in traditional markets and a range of disruptive new threats on the horizon, could this be time for a more radical rethink of how to build for the future? This panel looks beyond the immediate to a series of paradigm changing developments in areas ranging from the shifts in global investment and growth to greater retention, capital market convergence, more exacting customer expectations, growth in computing power and availability of data and greater government intervention.

The Chairman's Panel

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We bring together three industry heavyweights to discuss how they perceive the health of the industry today - the threats and opportunities - and how they see it in the context of other cycles they have witnessed in their distinguished careers. We will challenge the Chairmen to define a path of certainty in the shifting sands of today.

Growing Pains: Generating Sustainable Profits Amid Challenges

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Our panel of finance executives will offer their perspectives on the major risks to the reinsurance sector. The discussion will include the obstacles to generating strong and sustainable growth, including the ongoing low interest environment and limited investment returns. These industry veterans will examine how these factors may be affecting pricing, competition and profitability and opine on current approaches to capital structuring and management in the midst of this challenging market.

The Meaning of Life (Re)insurance

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This panel will discuss hot topics that the Life Reinsurance industry is facing and the opportunities for growth in the sector that these are creating. This will include discussion of the impact of the interest rate environment, broader investment opportunities, economic capital modeling, increased regulatory activity on both sides of the Atlantic and the increased demand for reinsurance.

ILS and Alternative Capital – Friend or Foe?

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Catastrophe bonds and other sources of alternative capital—such as sidecars and collateralized products—have grown as a way to cover catastrophic risk. This increased capital represents a source of competition for the traditional reinsurance sector. However, it also presents opportunities for revenue growth, risk management and mitigation, as well as innovative ways for reinsurers to access the market. A panel of industry experts will provide an update on market developments, future prospects, and their impact on competition in the reinsurance industry.

View From the Top: Convergence-Structural Shift or Transitory Phase?

How is the increased capital affecting business models, pricing, and reinsurance buying strategies?

In this panel moderated by Taoufik Gharib, Director, Standard & Poor's Ratings Services, chief executives commented on how the influx of alternative capital has affected the industry over the last few years.

Bryon G. Ehrhart, Chief Executive Officer, Aon Benfield Americas, said: "It has brought more choice to clients. There is no question that the cost of bearing the most intolerable catastrophe risk has gone down."

Kean Driscoll, Chief Executive Officer, Validus Reinsurance said: "From our perspective it allows us to bring additional solutions to our customer base."

However: he said, the traditional reinsurance product was ultimately more compelling to the vast majority of the company's clients.

On how Bermuda reinsurers are managing the new capital and whether there's any pushing back, Mr Ehrhart said: It is not in any way close to plateaux. Our forecast for the next five years is there's \$100 billion more of this that shows up in the industry." He said reinsurers like Validus have already started integrating into their value proposition for customers.

"You'll see more of that," Mr Ehrhart said,

adding: "The debate in boardrooms here is relatively over and is now about how do we progress this new capital flow that lowers the cost of underwriting capital in the tail and throughout the risk distribution in terms of sidecars and cat funds. And then managing ILS funds - reinsurers do have skills and opportunity to add quality to that field as well. We think all three of those aspects will be in play as the next \$100 billion enters."

Kevin H. Kelley, Chief Executive Officer, Ironshore, said: "What is interesting to me is that pension fund money is bypassing - not exclusively, but to a larger degree - the traditional pockets of how the industry or how the private equity industry would otherwise invest. What you are seeing is this attempt by pension money to bypass the traditional gateway, which would be private equity and hedge funds into more direct relationships. So that is an interesting dynamic that will continue to play itself out."

Turning to the potential for growth in China, Mr Kelley commented: "That region changes as we speak, therefore you have to be very committed in my opinion to building a business there and not many have done it

from the West. What we are seeing is that most of the Chinese insurance companies are clearly beginning to develop a clearer focus to the West."

He added: "Now you are seeing a very clear desire to participate in Western markets but that still is principally in London as opposed to Bermuda and the US."

Mr Kelley went on to say that Hong Kong was a market that suited the company better and Ironshore was likely to open an office in Hong Kong - probably in early 2014.

On the matter of industry consolidation, Mr Kelley said: "I really do believe the new dynamic today is execution, in that there is no right size - as long as you can effectively compete."

Mr Kelly said: "Consolidation I think, to be successful, has to create some sort of leap for the two companies involved in order to ultimately be a 'positive game changer', and I don't think we've seen that yet...But I do know that in order for a company like ours to succeed we have to be extraordinarily good at what do."

Kean Driscoll, Chief Executive Officer, Validus Reinsurance, said: "What we see is a dynamic where, particularly with short tail

Moderator:

Taoufik Gharib, Director, Standard & Poor's Ratings Services

Panelists:

Kean Driscoll, Chief Executive Officer, Validus Reinsurance Ltd.;

Bryon G. Ehrhart, Chief Executive Officer, Aon Benfield Americas;

Kevin H. Kelley, Chief Executive Officer, Ironshore Inc.



focused reinsurers, the market is evolving into a bit of an oligopoly where the bigger players are able to invest more in their business, are able to offer more meaningful capacity, and thus are able to drive better signings or overall returns.

"It is becoming more and more difficult to be a smaller player whether that's in Lloyds or in Bermuda, or whether that's as an independent managed ILS fund."

Discussing the potential business from terrorism risk, Mr Driscoll said: "We write political violence or terrorism through our Lloyds syndicate who is the largest writer of political violence by income within the Lloyds market and has been writing it for about 12 years now ... Also we write treaty reinsurance for terrorism through Validus

Re. It's difficult to measure but I would argue we are one of the largest writers of terror reinsurance globally.

"We are of the view that the industry needs to create demand. One of the obvious areas from our perspective relates to conventional terrorism, and specifically in the US. I think the industry has not served itself well in some of the recent testimony before (US) Congress in saying that conventional terrorism cannot be priced. We firmly disagree with that view. There is a \$20 billion global terrorism market that exists in the treaty side. Seven of \$8 billion that trades just in the US.

"We have as an industry committed a substantial amount of resources since 2001 to understanding how to price frequency

around conventional terrorism risk and understanding severity and the hazard components and the financial models associated with losses that arise from conventional terrorism."

"We are of the view that the market could bear more conventional terrorism risk. We have raised our hands and said we're willing to do so and we know a number of our peers in the industry are also willing to do so and that the role of government within (Risk Insurance Act of 2002) should truly be limited to a great extent to nuclear, chemical, biological and radiological events, and to some extent cyber-terrorism ... Beyond that we think there is a potential unmet demand from the private market side to increase the footprint on terrorism."

The Future Landscape of (Re)insurance

With limited growth in traditional markets and a range of disruptive new threats on the horizon, reinsurance leaders agree that a number of major trends will influence the industry over the next five to ten years.

Matthew Britten, PwC Bermuda's Managing Director, Insurance, began by asking the panel whether today's market conditions are already driving such significant change and innovation, that this point in time may be reflected upon in the future as a key period in the market's history.

"There seemed to be broad agreement that while this particular point in the reinsurance market's history may be remembered for the influx of alternative capital into the market, there are a number of other major forces that will influence the shape and future landscape, including, but not limited to: Customers' expectations and distribution; Government intervention and regulation; Access to emerging markets; advancement of technology and data analytics," Mr Britten commented after his panel.

He said: "The key to success is going to be keeping one step ahead of the market by sustaining an edge in analytics, innovation and the development of new markets and the coverage of new risk types."

Discussion on how reinsurers can best partner with governments and support the opportunities in emerging markets with low insurance penetration was particularly topical as underscored by Montpelier Reinsurance President, Christopher Schaper, as he touched on the Typhoon Haiyan disaster.

"Who's going to take care of the Philippines?" Mr Schaper said. "Having uninsured losses like that are very significant."

The panelists agreed that ILS was clearly driving change in the market.

"What's interesting is that previous game-changing points in the market have been the result of events," Jeff Sangster, Executive Vice President and Chief Financial Officer, Validus Holdings, said. Whereas this is more of an organic change in the market.

"In a lot of ways it is probably one of the most innovative - it is not reactionary," Mr Sangster said. "It is almost more proactive change in the market to more interesting products that suit the buyers' needs more so than the traditional market."

Addressing concerns about regulation, Andre Perez, Chief Executive Officer and Founder, Horseshoe Group, said: "The beauty of Bermuda is we've always fostered innovation and always made innovation possible and simpler, and that I think is going to continue being one of our main strengths here."



Moderator:

Matthew Britten, Managing Director, Insurance, PwC Bermuda

Panelists:

Andre Perez, Chief Executive Officer and Founder, Horseshoe Group;

Jeff Sangster, Executive Vice President and Chief Financial Officer, Validus Holdings, Ltd.;

Christopher T. Schaper, President, Montpelier Reinsurance Ltd.



Moderator:

Arthur Wightman, Managing Director, Insurance Leader, PwC Bermuda

Panelists:

John Berger, Chairman and Chief Executive Officer, Third Point Re Ltd.;

Don Kramer, Chairman and Chief Executive Officer, ILS Capital Management Ltd.;

Edward J. Noonan, Chairman and Chief Executive Officer, Validus Holdings, Ltd.

The Chairman's Panel

In a panel moderated by Arthur Wightman, Managing Director, Insurance Leader, PwC Bermuda, industry heavyweights discussed how they perceive the health of the industry today - the threats and opportunities - and how they see it in the context of other cycles they have witnessed.

In his opening remarks, Mr Wightman said the island was at the centre of how risk transfer will evolve over time.

"I am not saying ILS versus reinsurance – both markets are struggling with the same issue - that of finding new and meaningfully profitable sources of demand," Mr Wightman said. "What I am saying is that over the last 12 months you have seen this domicile engage and evolve in spite of the variety of disruptive forces out there. It has worked to better serve the needs of policyholders, investors and other stakeholders and to drive changes in an environment where the inevitability of inaction now will lead to irrelevance in the future."

John Berger, Chairman and Chief Executive Officer, Third Point Re, said "If you look at our industry it's never been in better shape. Surplus is at an all time high, reserve strength, the redundant reserves is unprecedented, the intellectual capital we have. Overall the industry has never been in better shape and there seems to be this big pool of capital – people with their nose pressed up the window trying to get in."

Mr Berger continued the: "The test will come when there's a series of losses, a financial crisis, you will find out there are some people who have more exposure than they should and then we'll see, that will be the test to see how good the industry is."

Discussing whether big structural changes are needed to navigate through the current situation, Edward J. Noonan, Chairman and Chief Executive

Officer, Validus Holdings said: "You can survive nicely in the industry without managing third party capital - it's just a different model. In our case we seek to be one of the bigger players in the global catastrophe market because we think that gives us more influence over price and terms and conditions. The ILS market helps us all in a great way. If you think of where they predominantly deploy their capital, it's in the high layers of risk, and those are the layers that are the most capital consumptive, and therefore, not the best use of our shareholders' capital. Over time we have all written those layers but mostly we wrote them because we wanted to get access to lower layers of the programme. So moving that business into a capital base that fits better actually helps us."

Mr Kramer said: "In 1993 following Hurricane Andrew we raised \$500 million, we wrote \$300 million premium. When I did Ariel we raised a billion, we only wrote \$300 million in premium. So there's been a tremendous reduction in the leverage of the industry. Supply has come in but it has been massive. The amount of supply capable of coming into this industry is in infinite amounts and the reasons clearly are the alternative asset investment opportunities are so limited right now."

Panellists said perils such as flood, and terrorism and pandemic coverage were all of potential interest to the industry.

Mr Kramer said an area of demand was Marine and Energy, noting the Concordia and other large marine

losses.

"Marine is now a hardened market compared to the other sectors. They are talking about 20 to 30 percent increases but that is hard to hold because a lot of ship owners now self insure."

He added: "I don't see massive growth areas at the moment."

Mr Noonan said the US federal government flood insurance programme had served and outlived its purpose and reinsurers could take it over.

"The private industry could take over the flood insurance business and particularly with capital coming in from third parties ... there's no reason for the flood programme to continue on."

He said that rather than wait for the government, the industry could step in "and take the heat for raising rates".

Mr Noonan also highlighted the potential for certain types of terrorism coverage, or conventional terror risk, to be brought into the private market.

"There is no way that we can understand nuclear, biological chemical or radiological events on a scale that would allow us to take that risk, or if we took that risk it would be very tiny and wouldn't address society's need. The other area in that category is cyber-terrorism, which is beyond our scope to understand."

However, he said the industry understands non-nuclear terrorism.

He said while "assumptions will have to be made about frequency", which will

The Chairman's Panel (continued)

inevitably encourage the industry to err on the conservative side.

It can't be done overnight, he said, but: "That would be our great hope that the (US) government over a three or five-year period transitions out of the terrorism programme for conventional terrorism risk and turns it over to the industry. I think the industry is well prepared and able to deal with that risk."

Turning to the emerging markets, Mr Noonan said Singapore could emerge as a major competitor.

Mr Noonan said: If you think of what's happening in China, and the demographic shift and the income shift, and the ownership of private property you do easily imagine the amount of demand for catastrophe risk from both earthquake and wind that will emerge...So being in the local market is valuable."

Mr Noonan added: "The thing that

is easy to overlook and maybe for Bermuda is an important element. If you go to Singapore what you see are very big buildings full of very bright, polished, well educated, dynamic locals from all over Southeast Asia – very high quality young people - and they're building their careers, and you can easily look forward ten years and see that Singapore is going to be a major financial center and a major competitor for the island. So this is the right time for Bermuda companies to be putting themselves on the ground in places like Singapore and becoming part of that - lest they become run over."

Turning to ILS, Don Kramer, Chairman and Chief Executive Officer, ILS Capital Management, talked about portfolio analytics as a vital tool in today's market.

"ILS investors are looking to try to use portfolio analytics to try to keep the volatility down," Mr Kramer said. "Because the investors in this sector tend to be pension funds and other types of institutions that are taking greater risk in order to get an alternative, but higher yield and they are not really pleased to see very large losses. They would hate to have a year where one year they have a 12 percent return and the next year they have a 12 percent decline."

Mr Berger said: "I am

not sure all the alternative capital that's come into our market really understand the risk they're taking. The test in all this is like anything is over time and in times of duress, times when it stressed, that's when we will see how durable the current model is."

Mr Noonan added: "There's a great predictability around the traditional reinsurance product. A disturbing number of the cat bonds that have actually been triggered are currently in litigation, so I think that's clearly a sign that it is very early days in the catastrophe bond market. You don't have well worn legal paths and rulings to rely on."

Asked how the reinsurance industry will look in five years, Mr Berger, said: "I don't think it looks that different than today."

Weighing in, Mr Noonan said: "We've been in this extraordinary period of time where there have been no major events in North America, and that won't last, and so I think you have to imagine that over next five years we should expect to see one or multiple events in North America and that will have a significant effect on the industry and the ILS space."

Don Kramer, Chairman and Chief Executive Officer, ILS Capital Management, said: "Over the next five years I don't see significant change other than I do think we are in a very, very slow economic recovery."





Moderator:

Dennis P. Sugrue, Director, Standard & Poor's Ratings Services

Panelists:

Jay S. Bullock, Executive Vice President and Chief Financial Officer, Argo Group International Holdings Ltd.;

Simon Rich, Senior Vice President, Global Treasurer, XL Group plc.;



Growing Pains: Generating Sustainable Profits Amid Challenges

Panellists offered their perspectives on the major risks to the reinsurance sector and obstacles to generating strong and sustainable growth, including the ongoing low interest environment and limited investment returns. The panel was moderated by Dennis P. Sugrue, Director, Standard & Poor's Ratings Services.

Asked about being able to maintain levels of return by focusing on underwriting, Simon Rich, Senior Vice President, Global Treasurer, XL Group, commented: "There hasn't been the big US event. There have been some big CAT events around world but it has been a relatively benign 3 or 4 years. I don't think it's unreasonable to think people have taken the opportunity to build their balance sheets and maintain some prudence in there."

Jay S. Bullock, Executive Vice President and Chief Financial Officer, Argo Group International Holdings, said: "What we are really spending a good part of 2014 working on, or planning for 2014 is how do we get more scale in our business. How do we put our capital to more effective use, how do we get ... how do we use our resources more effectively."

He continued: "The focus on underwriting, on which we think we've done a good job on for the last couple of years ... has to be consistent. You can't take your eye off the ball there, otherwise you will lose the 200 basis points on underwriting that you thought you were going to get on the expense side and you are right back where you started."

Mr Rich said: "Expense reduction like everybody else is high on the agenda of levers to pull. We've been focusing on that and also technology enablement to just make people make smarter decisions quicker, and bringing in predictive analytics as well to identify

where actually the data is there that enables you to really redefine how you underwrite those risks."

Mr Rich said technology is a huge enabler. He gave the example of video conferencing: "It's now a great technology. It doesn't cost too much and our travel and expenses has come down. Like so many we look at the location of where we do things and the arbitrage that you can get in terms of doing things in places like India where it's not just a straight salary arbitrage."

For example, in Singapore: "It's not just you can hire people cheaper down there, you can hire some phenomenal intellects down there cheaper as well. We look at where our offices are located. Manhattan around Lloyds, they are great places to be but they are seriously expensive. We focus on does everybody really need to be there or can some of the support functions be somewhere else."

Mr Bullock said his company was focused on the exact same areas: "We are investing a lot of time in our technology and how we deliver our product."

"For us technology is absolutely critical. That doesn't mean half the people in the room are gone. What it means is you can write twice the amount of business."

On the subject of Solvency II, Mr Bullock said: "The BMA is doing a great job there – and that's a stamp of

approval for the longevity of the market here on the island."

Mr Rich added: "I actually think the BMA has done a phenomenal job in terms of just laying out a roadmap and driving the industry forward. I think we are probably much farther along than certain other jurisdictions."

Discussing the market's prospects for profitability: Mr Rich said: "We feel pretty bullish about things. The fundamentals are flat to positive."

He added: "We've had huge success over the last couple years in terms of attracting real top talent underwriters into the organization. It takes time for them to build up their books but that is happening."

Mr Bullock said: I would characterize our outlook as positive but really challenging.

"I think the wildcard especially in small commercial business is there has been a fair amount dislocation in the market recently. There are four or five companies that have recently been acquired or really come on hard times. That does not mean necessarily there's a large wave of M&A ... but there were things those companies did, good and bad, that will take pressure off certain parts of the market that will create opportunities."



Moderator:

Colm Homan, Managing Director, Insurance, PwC Bermuda

Panelists:

John Coughlin, Chief Executive Officer, Safe Harbor Re Ltd.;

Craig Fowler, Senior Vice President, Offshore Reinsurance at AEGON and Director, Bermuda International Long-Term Insurers and Reinsurers (BILTIR);

Caspar Young, Managing Director, Aurigen Reinsurance Limited.

The Meaning of Life (Re)insurance

Discussing the opportunities for growth in the sector, Colm Homan, Managing Director, Insurance, PwC Bermuda, said: “People don’t often think of Bermuda as a life insurance or life reinsurance centre. And the sector itself probably doesn’t do a great job of articulating how much value and activity really goes on here and why it’s an important part of the world life reinsurance markets. It makes up approximately one third of the total Bermuda marketplace. I think that statistic often surprises people.”

Craig Fowler, Senior Vice President, Offshore Reinsurance at AEGON and Director, Bermuda International

Long-Term Insurers and Reinsurers (BILTIR), commented: “The regulatory environment here has done a good job moving and advancing to enhance the credibility of Bermuda as a regulatory environment. Just the innovation that is here that has been primarily driven by the property casualty side of the business is now being applied to the life side of the business.”

Caspar Young, Managing Director, Aurigen Reinsurance, said: “Bermuda is a great place for capital aggregation, and also great place for human capital. As more longterm companies come to Bermuda there is a greater group of people who have the skill sets and

consultants who can help and I think that’s a real attraction as to why Bermuda is going to continue on this path.”

John Coughlin, Chief Executive Officer, Safe Harbor Re, added: “There is some responsibility on the part of the new money coming in to provide more efficient products that will help get people to a better place for retirement ... The fact is most people are 30 percent, 40 percent funded, going from defined benefit to defined contribution plans in the US immediately underfunded everybody and I think you have 80 million Americans retiring in next ten years.”

ILS and Alternative Capital – Friend or Foe?

Catastrophe bonds and other sources of alternative capital—such as sidecars and collateralised products—have grown as a way to cover catastrophic risk. This increased capital represents a source of competition for the traditional reinsurance sector. However, it also presents opportunities for revenue growth, risk management and mitigation, as well as innovative ways for reinsurers to access the market.

Industry experts weighed in during a panel moderated by Rodney Clark, Managing Director, Standard & Poor's Ratings Services.

Aditya K. Dutt, Senior Vice President RenaissanceRe Holdings, President, Renaissance Underwriting Managers, said: “There are couple things that give us pause. We as an industry, CAT in particular, overestimate our importance to the pension plan business.

“If you are dealing with a \$100 billion pension plan, to them the reinsurance business is a niche and nothing more than that.”

He added: “We don’t compete against fixed income because we can never be that big.

“The question we as an industry should ask ourselves, is not whether the capital stays or goes. It’s here now and it’s probably going to stay. Are we building durable franchises to harness that capital and to store it in our industry in a productive manner?

“Let’s assume it stays, and in ten years, how can we create a franchise that benefits three of our most important constituents, which are our customers, our shareholders, our employees. We care about that more than ‘is the capital sticking around or not.’”

Beat Holliger, Managing Director, Munich Re Capital Markets, said: “If you look at business that is impacted by ART it’s about 10 percent of our

premium on the P&C side. Is it a foe? Not necessarily. It has a small impact at this point in time. Is it friend? Yes sure.”

Mr Holliger remarked: “Superstorm Sandy caused a loss of \$20 billion. The downturn of the price stopped for a little bit until the next renewal then they went down again. So for me the bigger question than the impact of pension funds is what kind of event will it take for the market to turn again? We saw that a \$20 billion loss has not helped the market to turn towards increasing prices again. Will it be the \$50 billion event, will it be the 100 billion event, the jury is out. The fact is \$20 billion has not changed the market.”

Asked where they see the market going from here, Mr Dutt said flood and terrorism were on the horizon and could be game changers for the industry.

“Our outlook is actually is pretty exciting,” Mr Dutt said. “As an industry I think we haven’t seen changes occurring in the property casualty CAT industry in a long time. I hear a lot about our market being commoditized and everyone looks the same. I really disagree with that. I think the opportunity now that the world - and

capital markets - is giving us is actually to distinguish our self and if you do and take advantage of some of the things that are happening you can be real winner five or ten years down the road.”

Mr Holliger added: “I am less optimistic on terrorism than I am on flood.”

On emerging markets, Mr Clark, said: “Statistics quoted (in an earlier panel) was 85 percent of the property and casualty premium is in Western Europe, North America and Japan - and there’s little to no growth in those markets. So where are insurers and reinsurers to find the growth looking to emerging markets and yet we haven’t seen the ILS make it to that space yet. You look at the recent events in terms of Philippines, Chile, etc, there’s definitely a need in those markets. Is that need in the emerging markets better served by the traditional reinsurance market. Is it not something that’s yet ready for ILS?”

Part of why perils outside the US have not been securitized into the capital markets, Mr Dutt said, is because, “It is still pretty cost effective to buy traditional reinsurance.”



Moderator:

Rodney Clark, Managing Director, Standard & Poor's Ratings Services

Panelists:

Aditya K. Dutt, Senior Vice President RenaissanceRe Holdings Ltd., President, Renaissance Underwriting Managers Ltd.; Beat Holliger, Managing Director, Munich Re Capital Markets;

Gary Martucci, Director, Standard & Poor's Ratings Services

PwC Speakers



Arthur Wightman

Insurance & Reinsurance Leader
+1 (441) 299 7127
arthur.wightman@bm.pwc.com



Colm Homan

Managing Director
+1 (441) 299 7116
colm.homan@bm.pwc.com



Matthew Britten

Managing Director
+1 (441) 299 7265
m.britten@bm.pwc.com