

Effectively Managing Globally Retained Exposures

Industry	Manufacturing and Services
Motivation	<p>A large multinational company had historic retained liabilities (SIRs and corridor deductibles) in every division around the world as part of its underlying policies. In addition, as a result of M&A activity, the company had a redundant captive.</p> <p>Management's goal was to:</p> <ul style="list-style-type: none"> > Consolidate retained liabilities and the redundant captive's exposures into a single captive, and > Retain local policies
Solution	<ul style="list-style-type: none"> > Chartis UK provided coverage for General Liability and Product Liability for historic SIRs and corridor deductible exposures in subsidiaries located in the EU as well as certain non-EU countries > Local Chartis companies provided General Liability and Product Liability policies based on local requirements in selected countries for historic SIRs and corridor deductibles > Executed a court process to close down the redundant captive and transfer the risk to a Chartis company which reinsured the risk to the company's remaining captive
Limit	<ul style="list-style-type: none"> > On SIRs, up to \$500,000 per occurrence > On corridor deductibles, up to \$15 million per occurrence and \$30 million in the aggregate
Potential	<ul style="list-style-type: none"> > Facilitates closing the redundant direct-writing captive
Benefits	<ul style="list-style-type: none"> > Provides local insurance coverage > Enables the company to reserve centrally for all corporate retained risks

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