

'GREATEST ENDORSEMENT YET' FOR GUERNSEY'S INTERNATIONAL INSURANCE CENTRE

21 JUNE 2021

Aon Insurance Managers in Guernsey and White Rock Guernsey is at the heart of a ground-breaking risk and capital solution with Lloyds, a leading marketplace for the underwriting of commercial, corporate and speciality risk solutions.

The new and unique structure has been described by Paul Sykes, Managing Director at Aon Insurance Managers Guernsey, as the 'greatest endorsement yet of Guernsey'.

Lloyd's announced it has secured a landmark £650 million five-year cover for the Central Fund which supports sustainable, profitable long-term market growth.

The new multi-layered cover will reimburse aggregate payments from the Central Fund in excess of £600 million up to £1.25 billion, which will serve as a key component in Lloyd's chain of security.

The £650 million protection has been structured and placed by Aon. A layer is underwritten by the newly created cell company Constellation IC Limited, financed by investment bank J.P.Morgan. Eight of the industry's most highly rated reinsurers have underwritten the other layers.

"The selection of White Rock Guernsey to bring capital market support to Lloyd's of London is the greatest endorsement yet of Guernsey as an international insurance centre of excellence. I believe it's our finest hour," said Mr Sykes

"We are bringing risk and capital together in new and innovative ways that will drive the growth of the insurance industry, make insurance more relevant to the needs of customers and society at large whilst delivering the best prices to our customers and policyholders," he added.

The move follows recent achievements facilitated by Aon in the jurisdiction including the first humanitarian Cat Bond for the Danish Red Cross and several mega deals for the de-risking of global pension funds.

The structure will also provide increased protection for Lloyd's customers and the market against severe tail end events and further improve the quality and financial strength of Lloyd's balance sheet.

Burkhard Keese, CFO, Lloyd's said: "We are very proud to place this innovative cover with eight of the world's leading reinsurance companies and secure the support and commitment from one of the largest investment banks, J.P. Morgan. This unique structure will enable us to fully support the market's growth ambitions over the next few years, whilst also strengthening the resilience of our balance sheet. Our capital management and position are now more resilient than ever, providing enhanced protection for customers."

WE ARE GUERNSEY is the brand under which Guernsey Finance promotes the island's financial services sector internationally. Guernsey Finance - the promotional agency for the island's finance industry internationally - is a joint industry and Government initiative responsible for the promotion of Guernsey. Under the leadership of Chief Executive Rupert Pleasant, the agency ensures that the core values and competencies of the island's finance sector are accepted and respected by the global community and that financial business development flows are enhanced.

PO Box 655, St Peter Port,
Guernsey, GY1 3PN

+44 (0)1481 720071

INFO@WEAREGUERNSEY.COM



