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TransRe/Gen Re Underwriting Relationship For North American Brokered Business

Basics

- TransRe will act as Gen Re's exclusive underwriting manager for US/Canadian broker market treaty reinsurance business
- Identical terms will be offered with separate lines authorized and bound on our respective balance sheets
- Agreement will run for initial term of five years.

Benefits

- ✓ Opens broker access to Gen Re's A++/AA+ security
- ✓ New single-access point to credible capacity offered by dedicated reinsurers
- ✓ Efficient alternative in instances where clients' solutions are limited to only two or three markets
- ✓ Significant synergies with minimal execution risk
- ✓ One stop shopping and claims handling

We are fully aware that this arrangement will succeed only if brokers and clients have complete confidence in EVERY aspect of how we operate. We ask for your continued trust, which we will work hard to maintain. There follows some additional detail to operational questions you may have, but rest assured: we are completely committed to maintaining the integrity of all of the relationships involved.

Further Information

1. **Business Scope**

What lines of business will this arrangement accept?

It covers all traditional property and casualty treaty business reinsurance/retro placed through a broker or other reinsurance intermediary. It is intended for US and Canadian clients with predominantly US/Canadian business. It does not include facultative business, whether on an individual risk or program basis.

2. **Risk Appetite**

Will this change your line size or appetite change?

Yes. With Gen Re's additional capacity, TransRe (with Gen Re) will be able to offer twice as much if not more of its expiring capacity should it choose to do so. We do not anticipate any material changes to TransRe's risk profile or disciplined underwriting philosophies.





3. Claims

Will anything change in regard to your claims handling philosophy or processes?

No. TransRe will manage claims on behalf of Gen Re. We have a strong reputation for handling and settling claims, and this same philosophy will apply to managing claims on behalf of Gen Re.

4. Broker Exclusivity

Should I contact an underwriter at Gen Re to access this arrangement?

No. Gen Re has appointed TransRe as its exclusive underwriting manager for all US and Canadian business from brokers and intermediaries.

5. The Security

Will I get Gen Re paper, TransRe paper or a mix of both? Is this only for new business or does it include renewing business?

This is not a retrocessional agreement. An overwhelming majority of the time, you should expect TransRe to authorize, agree signings and bind lines on new and renewal business for both Gen Re and ourselves.

6. Term of The Arrangement

What happens after the initial 5-year term?

We have agreed to a first 5 years to show our commitment to building a successful broker portfolio together. It is our joint intent and desire that our agreement lasts well beyond these first 5 years.

7. Relationship with Gen Re

We have already noted that the success of this arrangement depends entirely on maintaining your trust in our processes. In more detail:

a) Integrity of Your Data

Gen Re underwriters will never have access to any information sent to TransRe. Gen Re's senior management may receive reports and inspect records to comply with its own statutory and regulatory requirements and to establish its satisfaction that TransRe is operating under the terms of the agreement.

b) Basic Rules of the Road

Gen Re will continue to compete for business on a direct basis, as it always has. Similarly, TransRe is in no way restricted in any way from quoting and supporting the broker market on any account.

Understandably, however, TransRe will not authorize *on behalf of Gen Re* on placements for which Gen Re already writes 100% or substantially controls. On the other hand, Gen Re is precluded from moving any line written under this arrangement with TransRe to its direct operation, provided TransRe authorizes on the firm order renewal terms.





8. Why This Agreement is Good for:

a) Brokers

It gives brokers access to top flight Security and Capacity and allows for counterparty credit diversification through a single access point. It also allows for a serious, dedicated broker market alternative to large, diversified (re)insurers. This is especially true for large, private or customized placements. It also allows access to Gen Re security through a known and professional broker market reinsurer.

It is also important to note that this is traditional reinsurance capacity - the swiftest and most efficient form of capital for insurance companies. It doesn't require collateral or commutation to operate. It has nearly a 140-year combined track record of ability and willingness to pay claims.

b) Clients

This facility allows clients access to Gen Re security and capacity without explicitly having to make an absolute choice between the broker and a highly respected reinsurer. The combination of TransRe and Gen Re gives syndicated programs enhanced security and panel diversification. Furthermore, while no reinsurer is 100% pure, TransRe and Gen Re are about as close as one can get to being completely dedicated to reinsurance. While each of us is part of an Investment Company that has multiple holdings including other insurance holdings, we both write over 90% of our premium through reinsurance operations and are solely compensated on our respective results. We don't share capital or resources with other parts of our owners' operations. In short, at TransRe and Gen Re our absolute focus is on reinsurance and our reinsurance clients. As such, this arrangement will offer a purer reinsurance partner alternative for bespoke solutions, highly rated security and meaningful and diversified capacity.

c) Gen Re

This facility gives Gen Re a long-term, strategic platform to access a large part of the market in which they currently are not operating. It allows them to enter the broker market in a cost-effective manner without disrupting its highly respected direct client relationships, culture and brand, and no additional infrastructure is required. Finally, they are taking this initiative with a market leader that has a proven track record of professional underwriting and claims handling.

d) TransRe

The ability to enhance the capacity and security we offer is compelling. The trust Gen Re is putting in us is an endorsement of our culture and franchise, as well as their commitment to building a quality broker portfolio. This initiative improves our competitive position across the board, allowing brokers greater everyday choice as well as a credible marketplace alternative where choice is limited.

