



Aman Union – Istanbul

Structured Finance Workshop

Thursday, 2nd November 2017

Structured Finance

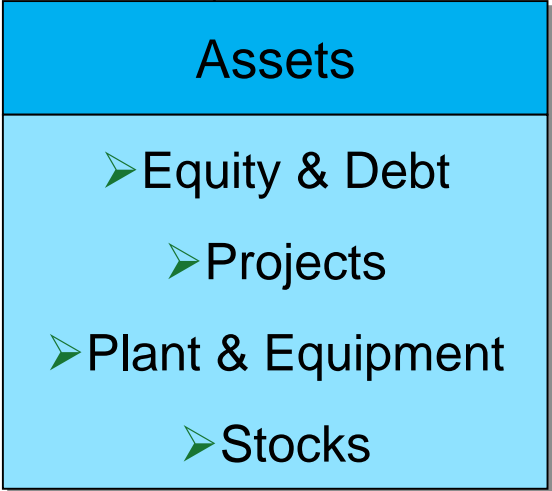
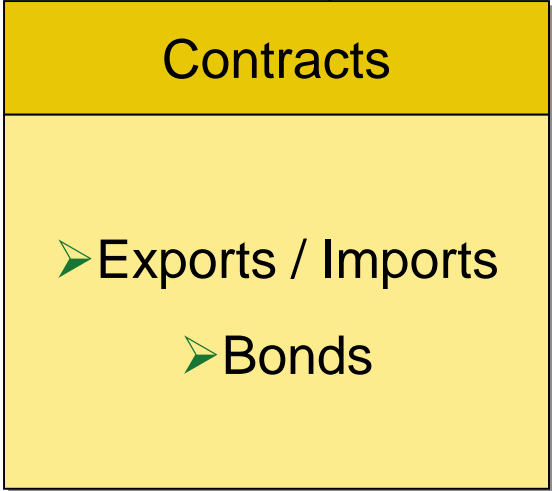
- Who are RFIB?
- The evolution of the political risk & credit insurance market
- Clients
- Current capabilities (size, players, tenors, products)
- Role of the Broker

Summary of covers

➤ **Contracts:** counter-party action that frustrates a contract (i.e. prevents or restricts performance of a contract or the ability to pay/deliver).



➤ **Assets:** Government action that deprives a company of all or part of its assets (i.e. interferes with a company's ability to own & manage its investments).



Clients

1. Financial Institutions (60% - 70%)
2. Traders
3. Infrastructure
4. Utilities - Telecoms, power
5. Extractive - energy & mining
6. Contractors / Construction
7. Reinsurance - Multilaterals / ECAs / Private Market



Capacity & Tenors

1. Private Market (Lloyd's & Companies)

- US\$ 3 billion (at a pinch)
- 55 +/- UWs
- capacity reduces as tenor lengthens (can do 20 years!)
- direct &/or facultative R/I

2. Export Credit Agencies & Multilaterals

- national interest or developmental
- environment/employment

3. Capacity Constraints

- country & obligor & industry sector aggregation

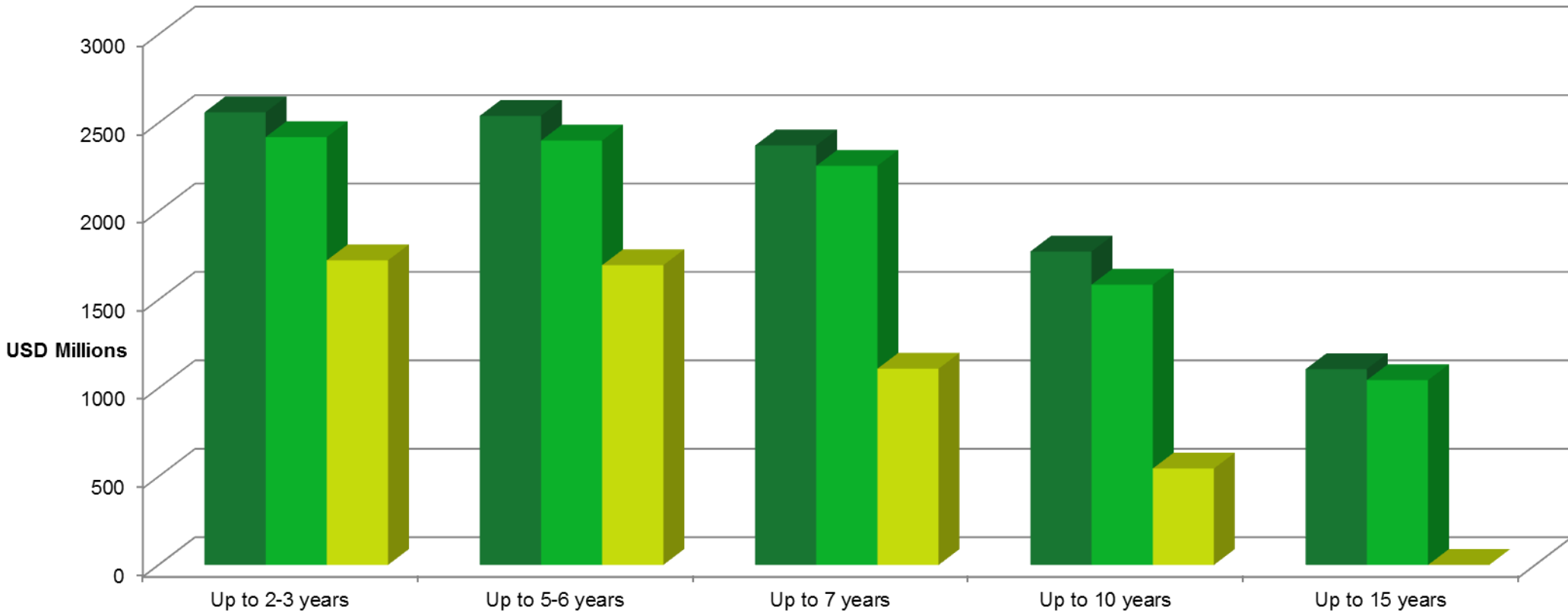


Private Market Capacity by Tenor

Investment Insurance
(for Equity Investors and
Project Financiers)

Payment/Performance Risks
(Sovereign Obligors)

Payment/Performance Risks
(Private Sector Obligors)



Role of the Broker

- We bring it all together
- We can do simple risks, but big & complex deals = big & complex insurance
- Brokers instrumental in designing new generation of Basel-compliant wordings
- Tailored Arrangement, Placement, Premium, Administration & Claims
- Reinsurance & Coinsurance structures (facultative & treaty)
- Knowledge of insurer capabilities (but also market regulation)
- Knowledge of products & solutions (but will innovate)