

CASE STUDY

Speed and Safety, All in One Place

BRIT INSURANCE CHOSE RIVERSTONE TO HELP ENSURE ITS REPUTATION

BRIT

GLOBAL SPECIALTY

“As with many of our run-off clients, we had a prior relationship with Brit, so they knew we would honour our price, expedite to meet their time table, and help maintain their market reputation.”

LUKE TANZER

Managing Director UK, RiverStone

“RiverStone’s approach gave us confidence and comfort. They listened to us, and we concluded that they would actually deliver better than others... and they did.”

MARK ALLAN

CFO, Brit Limited

CHALLENGE

Brit was undergoing a change in private-equity ownership and sought to drive greater capital efficiency in its business to enhance the company’s position and value. There was also a deep desire to protect the insurer’s relationships and reputation with customers, especially since it had the same policyholders across both of Brit’s legal entities, only one of which was being put into run-off. From the outset, the deal was complex, with over \$2 billion in reserves for multiple lines of insurance and a significant staffing component.

APPROACH

Brit chose RiverStone, not only for speed of execution and price, but also for the equally vital requirement to protect its reputation. The deal closed in 90 days, from NDA to execution, including full due diligence and structuring of the transaction. RiverStone relied on its staff to complete a deep dive into the legacy books in scope, and Brit retained roughly 1/3 of the liabilities - about \$700 million - through reinsurance. RiverStone’s approach was to have its experienced team collaborate with the existing Brit team as well as with multiple third parties to manage the intricacies of this complex transaction, confidentially and quickly. RiverStone put an agreement in place that not only protected Brit but also a third party who had acquired some of Brit’s rights prior to purchase.

RESULT

Brit picked RiverStone because it could “digest the book” and offered the scale and security to ensure the people, systems, and reputation of Brit would all be managed with great care. Over 30 Brit employees were transferred to RiverStone, and they now hold full-time positions as run-off professionals within RiverStone. Brit was assured of getting the right legal agreements and the right protocols, so it could realise and maintain its strategic financial goals. RiverStone’s consistent treatment of the staff and handling of claims minimised the regulatory risk of the transaction and ensured that Brit were satisfied customers.

Risksmart Run-OffSM Solutions

*Risk intelligence
for the right price
and the right risk
for long-term success*

Our RiskSmart Run-Off solutions help sellers improve their balance sheets and maintain their reputations. Our approach to deal sourcing and due diligence builds deep trust and relationships with our many repeat clients and serves as the ultimate testimony to our success as a market leader in the run-off industry. We are known for and sought after as the industry professionals with integrity.

WHEN SELLERS AND RIVERSTONE MAKE A GOOD FIT

- We like sophisticated sellers. Often, we seek sellers undergoing a change in leadership or with a Board-mandated shift in focus.
- We do not shy away from the complex and difficult – from managing staff... to reinsurance...to diverse lines...to shepherding sellers through shifting regulations (Part VII).
- We value prior relationships a great deal, but we are always seeking to develop new ones. Many sellers choose us repeatedly because we can execute, at scale and speed.
- We strive for transparency and collaborative deals with sellers and brokers. The more counter-parties know about us and our parent, the greater our collective success.
- We bring speed where it matters. We execute quickly and with care, in less than 90 days in some cases.
- Sellers come back to us, repeatedly. We are not just proven, we are reliably accountable and scrupulous in how we conduct business.
- Our price is based on risks identified through our due diligence. Our RiskSmart philosophy demonstrates that there is a real difference between being risk averse and controlling risk.
- We are known for our expertise in certain areas, but we are capable in many. If we do not work in a specific line of insurance, we will say so.