

## ALTERNATIVE RISK TRANSFER

# Structured/Integrated solutions

Alternative Risk Transfer (ART) specialize in helping clients mitigate their most complex risks with bespoke multiyear and multi-line agreements covering a broad range of risks

Companies may be able to manage exposures more effectively across multiple lines on a multi-year basis than with the traditional approach of buying individual covers line-by-line each year, probably even more so in a hardening insurance market environment. ART works with a variety of tools and techniques to create bespoke solutions that fit the unique requirements of clients. Coupled with the global capabilities of the wider Allianz Group and its global network, ART can create truly innovative solutions even for the most complex risk landscape.

### Structured insurance solutions

Structured Insurance programs are tailored solutions, designed to respond to a client's particular risk management needs. The multi-year and/or multi-line nature of these solutions means the client is able to manage the volatility emanating from partially retained risks efficiently over longer periods. These programs often include profit sharing elements and can also include risks for which traditional insurance is unavailable and/or emerging risks. The essential proposition is that by pooling risk together and buying coverage on an aggregate multi-year/ multi-line basis the client can benefit from the diversification inherent in their risk landscape. ART helps build and model the optimal program designed to satisfy client risk tolerance metrics.

Solutions may range from vanilla single year fixed premium stop loss to more complicated multiyear, multi-line solutions and can include non-traditional risks alongside more

traditional risks, e.g. non-damage BI, highly exposed products liability, parametric cat, etc. Solutions can be designed to complement a client's captive, or for clients who don't have a captive.

### Integrated insurance programs

Customized solutions provided on a multi-line basis designed to replace, bundle or complement a client's existing mono-line program. A key feature is that we can offer a stable premium over a multi-year period in return for a stretched aggregate limit across all risks. Flexible integrated capacity can be utilized at different attachment points depending on client needs and locks in cover over the program term. These key features create budget certainty while also allowing clients to increase transaction efficiency by reducing the number of insurance partners and policies.

Standard & Poor's

AA

A.M. Best

A+

# ALLIANZ COMMERCIAL

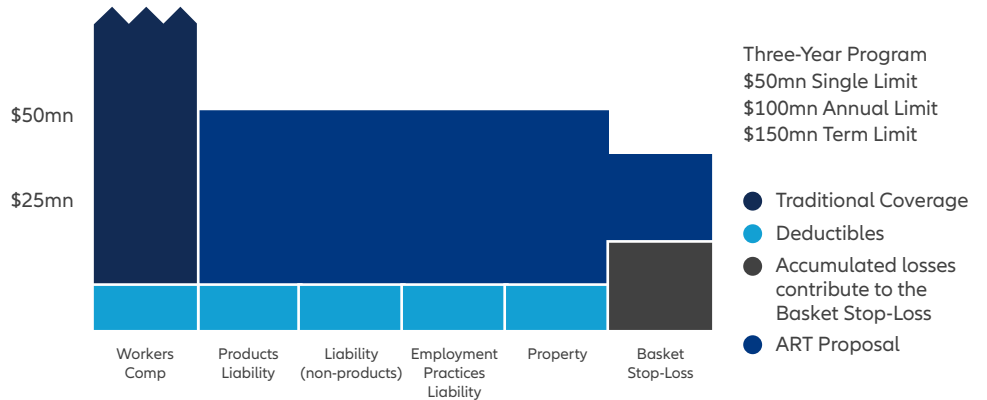
## Specialized fronting solutions

We provide fronting solutions with or without risk transfer involved even if a multi-country approach is not required. The main differentiator versus traditional insurance lines is the multi-line and/or multi-year nature of the solution. Often times this involves a captive or protected cell company to reinsure the risk as a whole or parts of it..

### Example 1

**Challenge:** A pharmaceutical company is interested in managing their product liability exposure in an efficient manner.

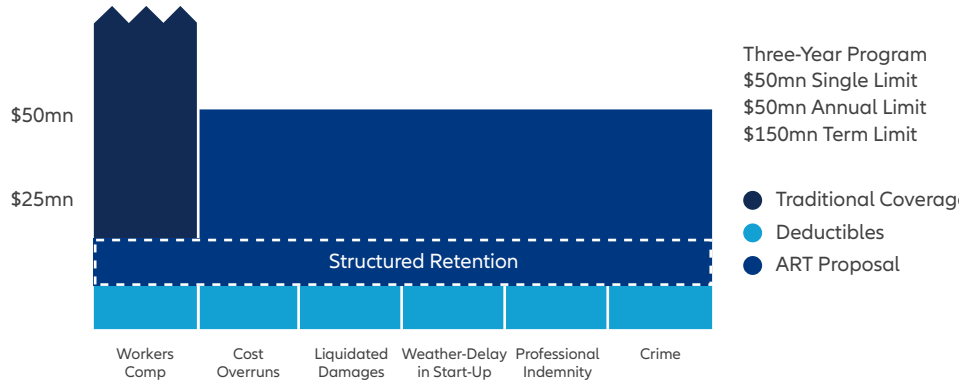
**ART's Solution:** A blend of risk financing and risk transfer over a multi-year period that affords vertical protection, while helping to manage retained volatility.



### Example 2

**Challenge:** A construction company is concerned with runaway premiums around key exposure areas including cost overruns, liquidated damages and weather delays.

**ART's Solution:** A multi-line, multi year risk financing solution that incorporates a mezzanine structured retention.



## About Allianz

Allianz Commercial is the Allianz center of expertise and global carrier for insuring mid-sized businesses, large enterprises and specialist risks. Powered by the people, financial strength, and network of the world's leading insurance brand, we help our customers prepare for what's ahead.

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