

# Risk Finance

Our Risk Finance consulting practice is focused on achieving an optimal structure for the financing of risk based on a client's profile and objectives, which can include reduced cost of risk, more manageable volatility, enhanced capital returns or increased operational efficiency. This involves multiple disciplines and brings together all relevant areas including the insurance market analysis, financial and regulatory environments as well as a client's own internal operating requirements.

## Our solutions

In providing solutions, we aim to ensure that clients reduce their risk exposure through optimal solutions that are not only cost effective, but also incorporate creative use of capital or other resources, such as access to reinsurance markets and specialised insurance vehicles.

We can provide the following services:

- A review of risk tolerance and appetite of the company.
- Structuring of customised insurance arrangements.
- Establishing an internal financing or reserving mechanism.
- Implementation of formalised retention structures such as:
  - a captive insurance vehicle
  - cell company (Protected Cell Captive or Incorporated Cell Company).
- Strategic captive reviews, captive relocations, deregistration and liquidations, as well as feasibilities studies.
- Employee benefits solutions.
- Loss portfolio transfers.
- Advice on regulatory, solvency and governance issues and procedures for both corporate and (re)insurance clients.

Our specialist team can help you

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## Benefits of Risk Finance Consulting

Our advice has allowed clients to achieve the following benefits:

- An optimised balance between risk retention and risk transfer to achieve lowest total cost of risk.
- A better understanding of the ability to retain risk and the financial consequences associated with the volatility of losses.
- The removal of legacy exposures and structures to increase financial certainty and operational efficiency.
- A reduction of unnecessary capitalisation or administration commitments around retained risk.
- Compliance with corporate governance and regulatory requirements.

Our process is not prescriptive; rather it is tailored to each individual client situation. Our consultants work with both the account managers and clients to identify the client's precise objectives, requirements and constraints.