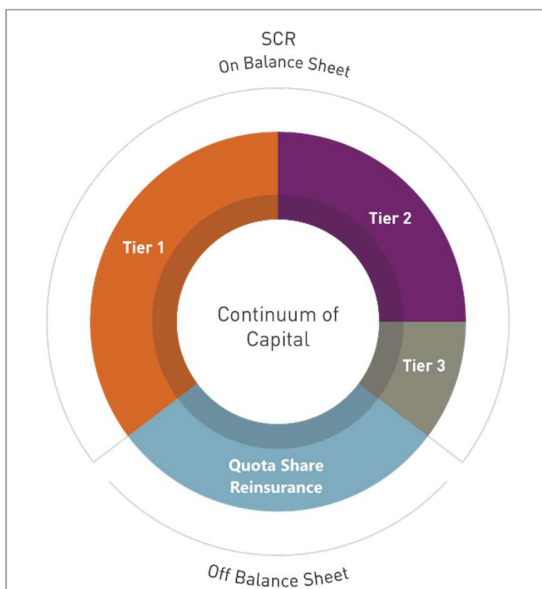




## Long term capital partnerships create value

Having a long term capital partner has always been a valuable relationship for any insurer. Insurance Regulators place a high degree of importance on access to long term capital. However until recently the only providers of long-term capital to insurers were equity providers, usually the owners controlling the business.

Owners of insurers are now seeing the emergence of capital partners willing to provide a mix of eligible sub debt and collateralised quota share reinsurance over the long term. This mixture of capital types allows insurers to achieve and maintain target SCRs at an appropriate level decided by owners and Regulators. Having greater certainty on the availability of capital when it is required facilitates the development of clearer dividend policies and even equity release.



### *'Lasting valuation benefit'*

Potentially even more important than the immediate cash flow potential of having a non-equity capital partner is the long term valuation benefit. An insurer that is not reliant solely on equity providers to finance growth has more scope and more options to build the business.

### *'Better protected in times of stress'*

An insurer with an additional long term non-equity capital partner is better protected in times of stress, exceptional losses and adverse capital market conditions. These protections ultimately make the insurer less susceptible to shocks and thereby drive valuation for owners.

***At Maiden we seek to work closely with selected clients by offering capital solutions that reduce risk and drive value for owners of insurers.***



Insurance Regulatory Capital (IRC) is authorized as an investment firm under MiFID. IRC provides eligible regulatory capital, principally in the form of T2 subordinate debt, to mid-sized insurers that are too small to access the capital markets.

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