



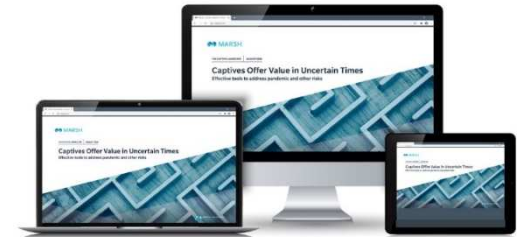
# Marsh Captive Upside: 20/20/20 Webcast Series Session 7

September 18, 2020



## Marsh Captive Upside: 20/20/20 Series Agenda and Speakers

Marsh Captive Solutions 2020 Captive Landscape Report:  
*“Captives Offer Value in Uncertain Times”*



**Ellen Charnley**  
President,  
Marsh Captive Solutions



**Michael Serricchio**  
Americas Sales Leader,  
Marsh Captive Solutions



**Lorraine Stack**  
International Advisory  
and Sales Leader,  
Marsh Captive Solutions

2020 Captive Landscape  
Unprecedented Number of Captives Formed This Year

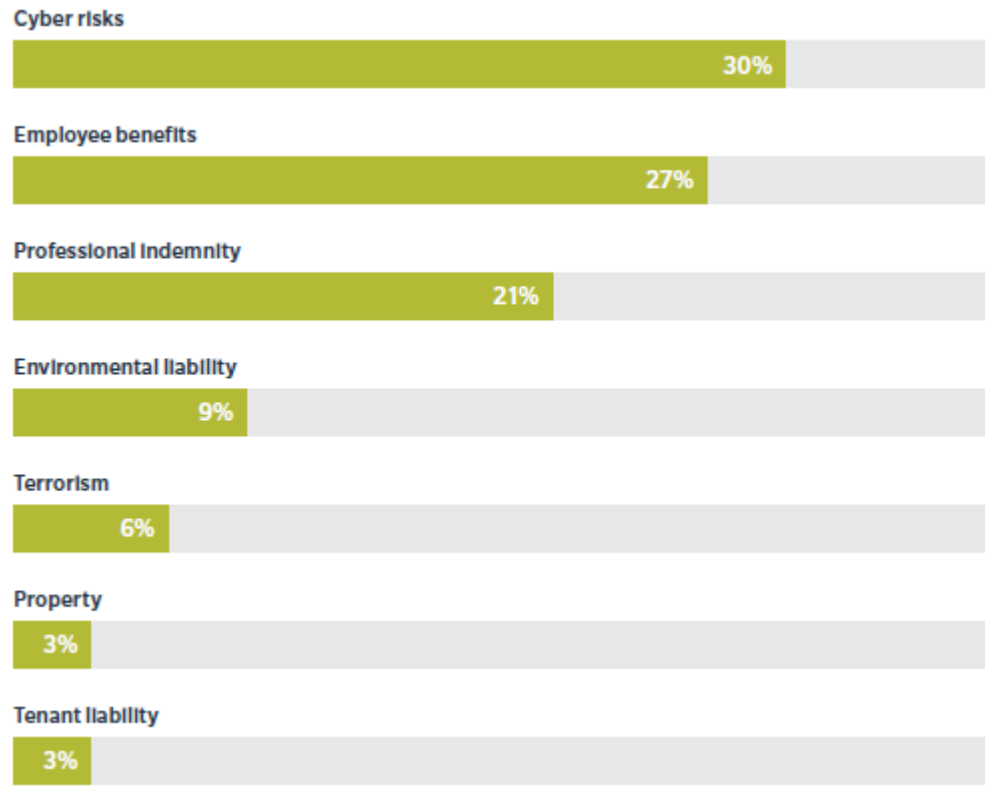
**76**  
new captives  
formed this year



Approximately  
**200%**  
year-on-year growth

## 2020 Captive Landscape Domiciles Note Captive Innovations

- A Marsh survey of captive regulators around the world found that domiciles are seeing several trends in risks and lines of business.
- Cyber risk tops the list of new areas that regulators see captives writing more frequently.



Source: 2020 Survey of Global Regulators

2020 Captive Landscape  
Pandemic Risk in Captives



**25**

Captives globally currently  
writing pandemic risk

## 2020 Captive Landscape Pandemic Response With Captive Liquidity

Since March 2020 Marsh has helped owners free



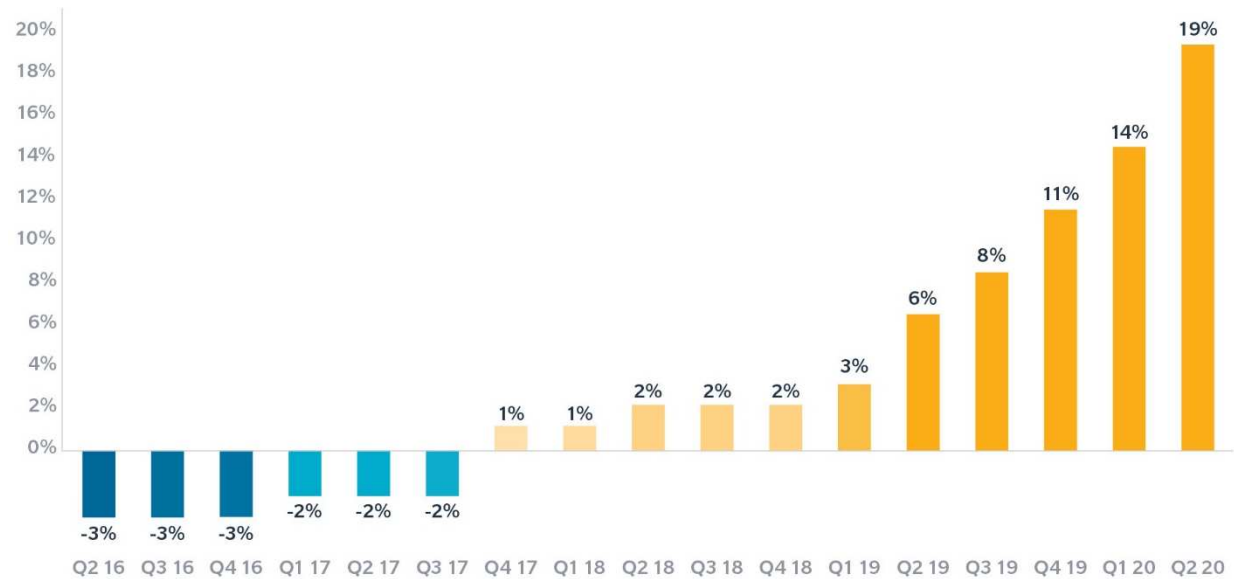
from their captives using short-term liquidity tactics to respond to cash-flow challenges.

# Captive Premium Growth

## 2020 Captive Landscape Challenging Commercial Market

“In the second quarter of 2020, commercial insurance rates globally rose by an average of 19%.”

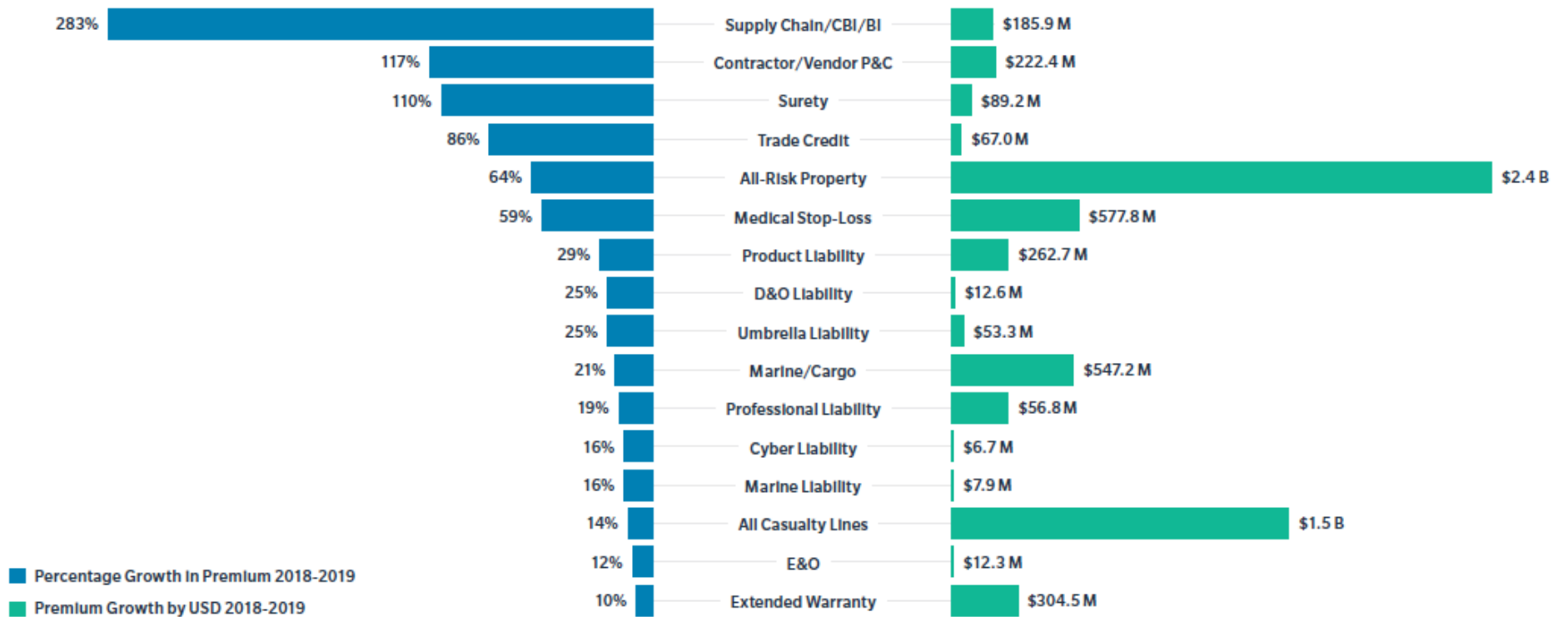
– Marsh Global Insurance Market Index



Source: Marsh Analytics Solutions

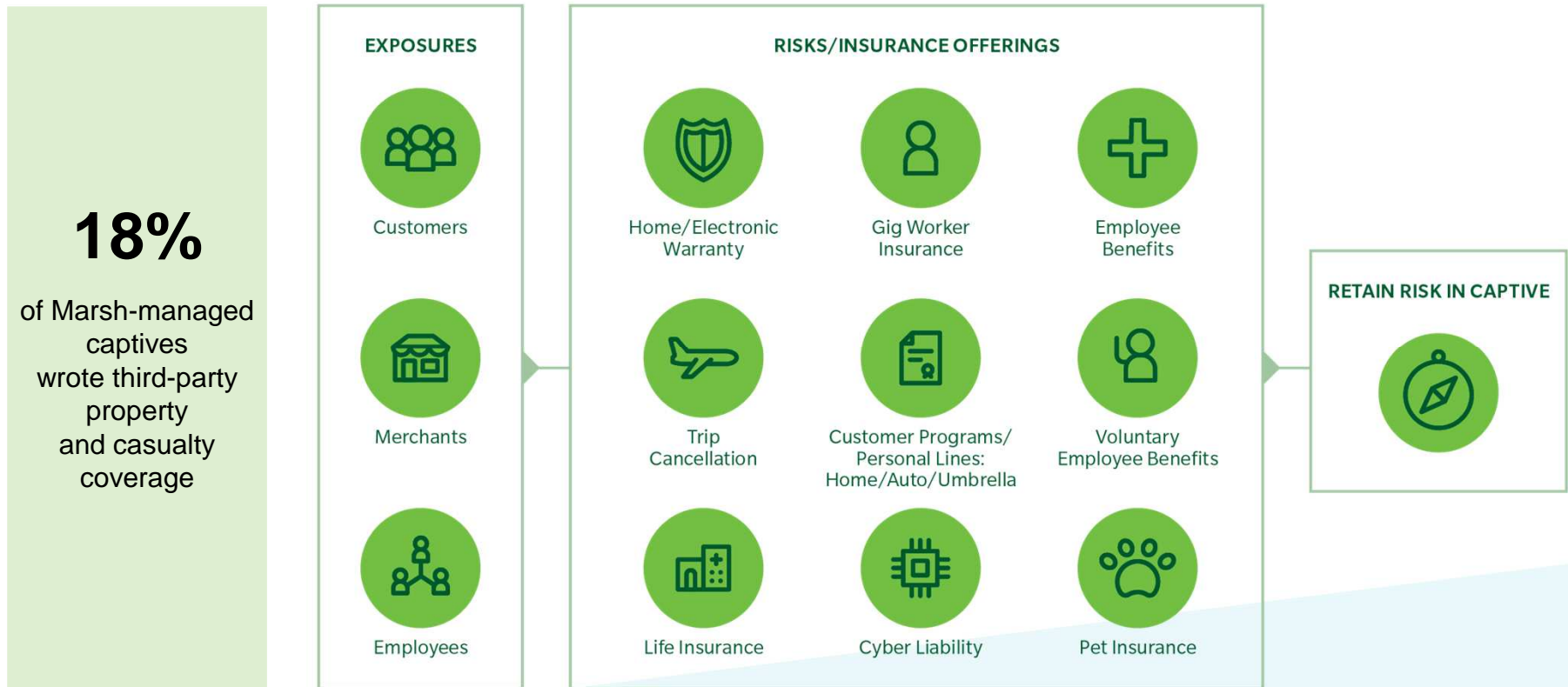


## 2020 Captive Landscape Coverages Growth



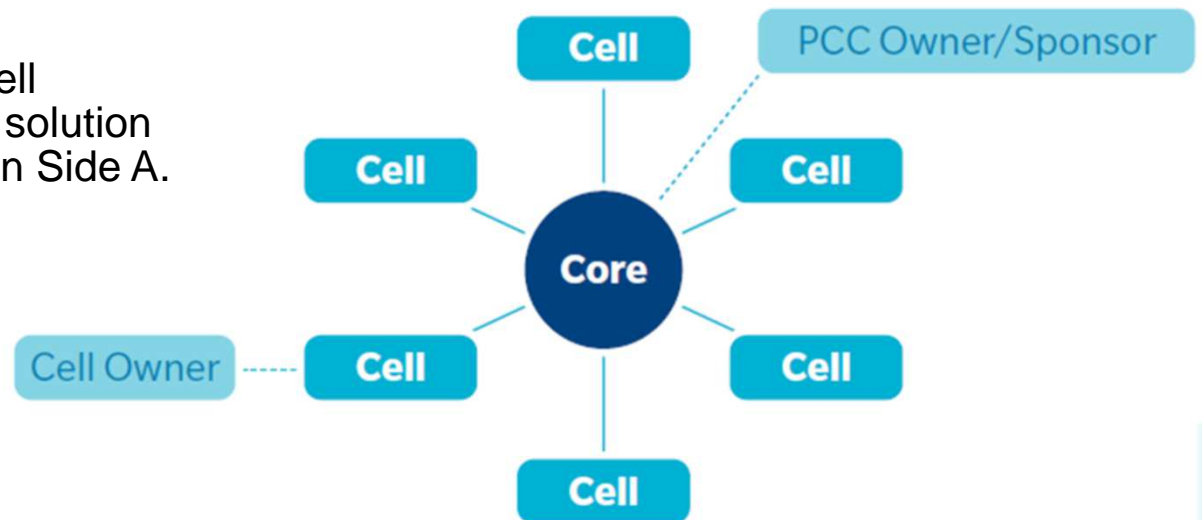
# 2020 Captive Landscape

## Third-Party Premium Grows by \$1.2 Billion



## 2020 Captive Landscape Cell Usage and D&O Coverage

- Historically, D&O coverage in captives has been relatively limited.
- Recently, we have seen growing global interest in utilizing captives to write D&O.
- Protected or segregated cell facilities (PCC) could be a solution for D&O Side B/C and even Side A.

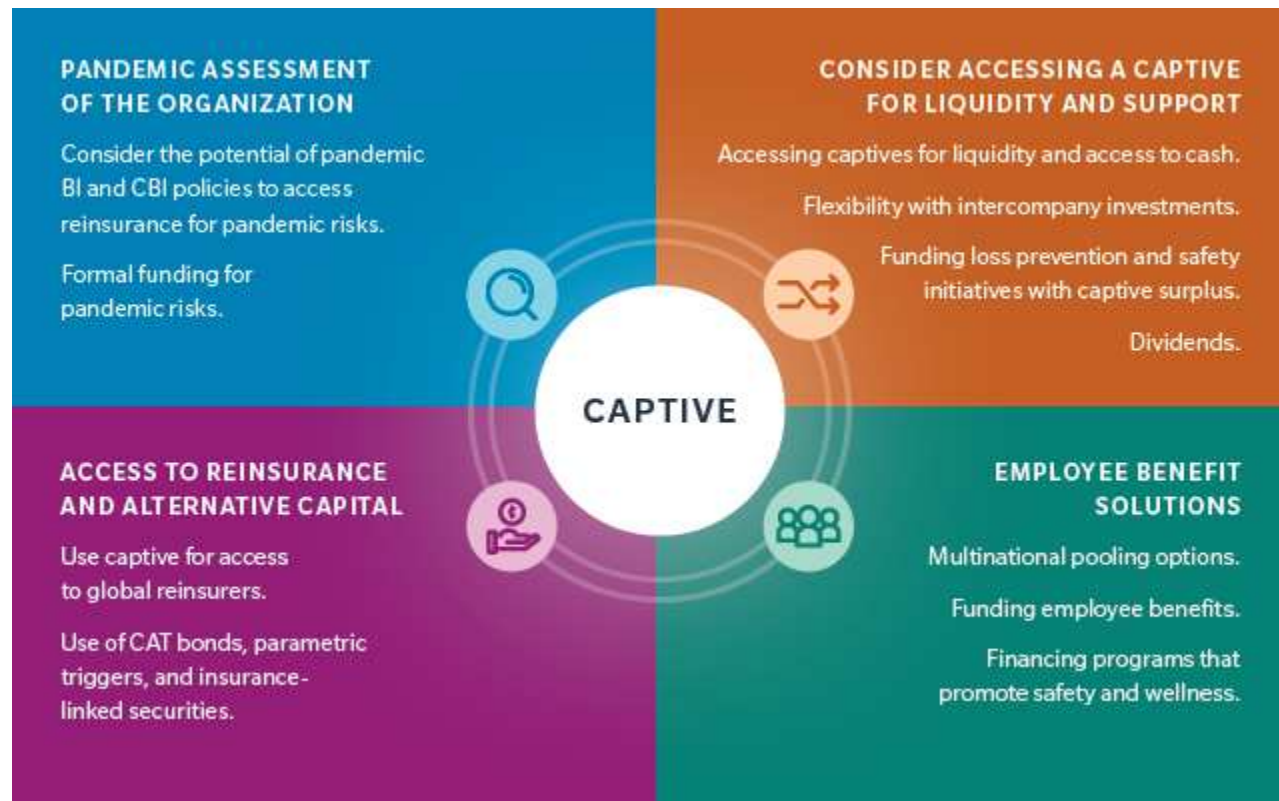


## Public-Private Pandemic Partnerships Globally

### What's on the Horizon?

- Various public-private partnerships exist around the world to finance volatile risks.
- There are several initiatives underway in the UK, including a UK private-public pandemic solution, known as Pandemic Re.
- In the US, there is support from major captive associations like VCIA, CCIA, SCCIA, and DCIA as well as SIIA for a public-private pandemic risk solution:
  - The proposed Pandemic Risk Insurance Act (PRIA) would create a public-private partnership to finance pandemic risk losses.
  - The insurance industry has put forth other proposals to address pandemic risk.

## 2020 Captive Landscape Recommendations



Coming Next

Webcast Session 8 – October 16, Medical Stop-loss

**Questions or feedback for our next webcast?**

Please reach out to Ellen Charnley, [ellen.chnarnley@marsh.com](mailto:ellen.chnarnley@marsh.com)

**Want to hear our earlier webcasts again?** All prior recordings and slide decks are available on our replay page:

<https://coronavirus.marsh.com/us/en/insights/research-and-briefings/captive-upside-webcast-series.html>

**Our Annual Captive Landscape Report Is Here!**

Please see <https://www.marsh.com/us/insights/research/captive-landscape-report-2020.html> to access the report today.



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