

Half year 2022 review

# Non-life insurance run-off deals

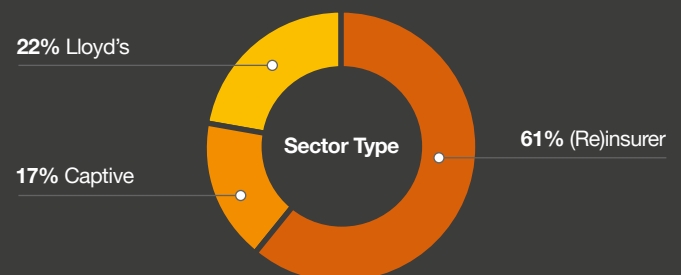
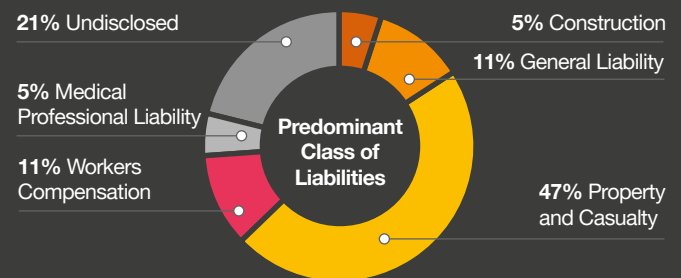
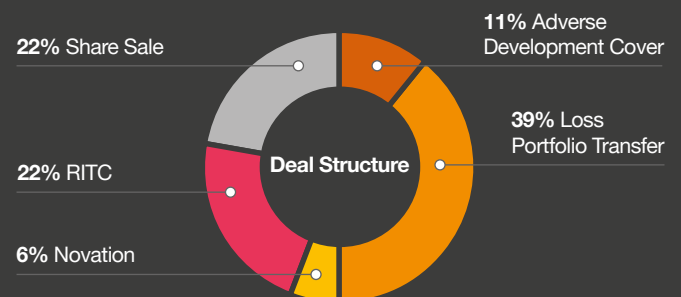
July 2022

Throughout the first half of 2022, the North American market continued to be the most active in terms of transaction activity and magnitude with 11 publicly disclosed deals completing. The period, including two LPTs and the first property and casualty transactions announced by Fortitude Re. The UK & Ireland saw 5 deals disclosed including a further 4 Lloyd's transactions. This means that some 28 disclosed Lloyd's legacy deals have been concluded since 2019.

The sector has continued to see a variety of deal sizes with deals ranging in H1 from \$10m to \$3.1bn and 10 acquirers having closed transactions. Property and Casualty remained the predominant class transacted with General Liability and Worker's Compensation also featuring prominently.

Inflation has been a significant talking point in the first half of 2022 and will continue to be an important factor in deal pricing in the second half of the year. We continue to see unexpired risk presented in deals as being another issue that acquirers are seeking solutions for and as previously predicted the number of corporate asbestos deals in play is increasing which is attracting new entrants and causing insurance legacy acquirers to contemplate new structures too.

## Transactions by volume:



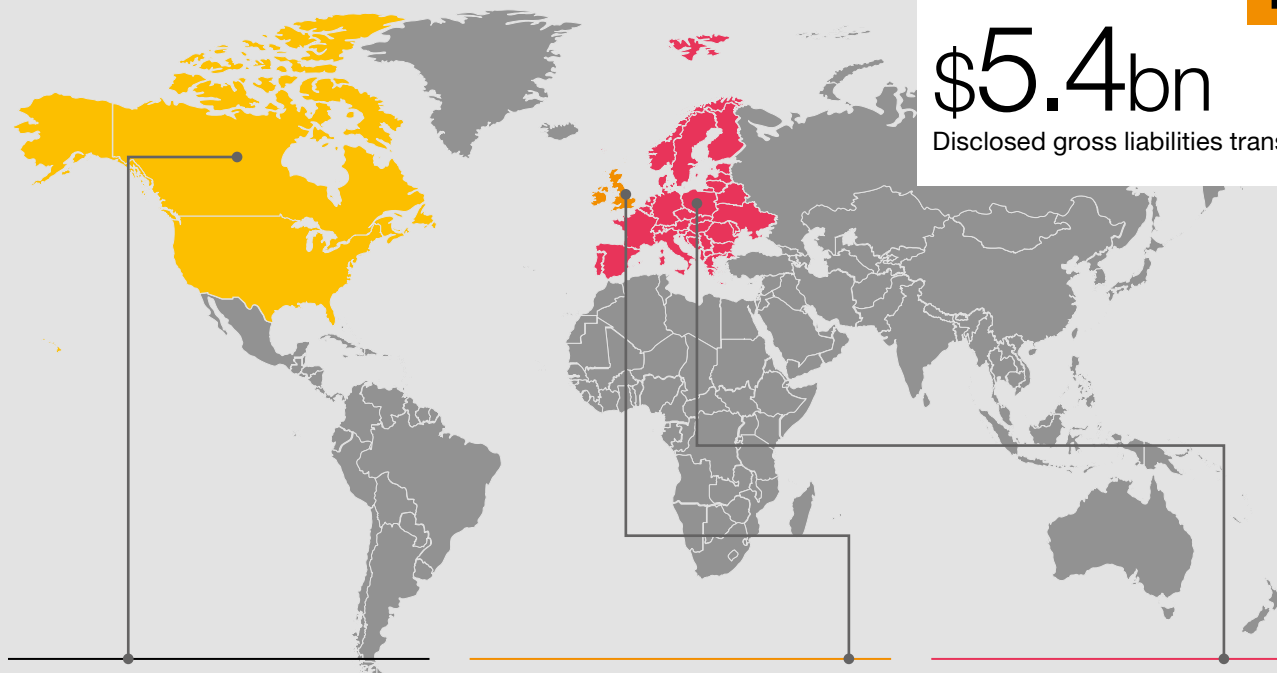
## H1 2022 Deal Activity by Region

### Grand Total

H1 2022 deals announced **18**

**\$5.4bn**

Disclosed gross liabilities transacted



### North America

H1 2022 number of disclosed deals **11**

**\$4.7bn**

Disclosed gross liabilities transacted

### UK and Ireland

H1 2022 number of disclosed deals **5**

**\$0.7bn**

Disclosed gross liabilities transacted

### Continental Europe

H1 2022 number of disclosed deals **2**

**\$0bn**

Disclosed gross liabilities transacted

## Deals in H1 2022

Acquirer Group	Target	Country of Target	Territory	Type of Deal	(Re)insurer/ Lloyds/ Captive/ Corporate	Predominant class of liabilities
Catalina Holdings (Bermuda) Ltd	Subsidiaries of QBE Insurance Group Ltd.	Bermuda	North America	Loss Portfolio Transfer	(Re)insurer	General liability
Cowen	Kelvin Re	USA	North America	Share Sale	(Re)insurer	Undisclosed
DARAG	Unnamed Guernsey based reinsurance captive	Guernsey	Continental Europe	Share Sale	Captive	Property and Casualty
DARAG	Undisclosed	USA	North America	Novation	Captive	Property and Casualty
Enstar	Aspen Insurance Holdings Limited	Bermuda	North America	Loss Portfolio Transfer	(Re)insurer	Diversified Property, Liability, and Specialty lines
Fortitude Re	JRG Reinsurance Company Ltd	Bermuda	North America	Loss Portfolio Transfer	(Re)insurer	Property and Casualty
Fortitude Re	Undisclosed	Bermuda	North America	Loss Portfolio Transfer	(Re)insurer	Property and Casualty
Fortitude Re	Plans' Liability Insurance Company	USA	North America	Share Sale	(Re)insurer	Property and Casualty
Maiden Holdings	Applied Medico-Legal Solutions Risk Retention Group	USA	North America	Adverse Development Cover	(Re)insurer	Medical Professional Liability
Maiden Holdings	Mary Free Bed Rehabilitation Hospital	USA	North America	Adverse Development Cover	(Re)insurer	Workers Compensation
Marco	Verto Syndicate	UK	UK & Ireland	RITC	Lloyd's	Property and Casualty
R&Q	Firstgroup Plc	UK	UK & Ireland	Loss Portfolio Transfer	(Re)insurer	Undisclosed
R&Q	Hiscox	Bermuda	North America	Loss Portfolio Transfer	(Re)insurer	Property and Casualty
RiverStone	Crum & Forster	USA	North America	Loss Portfolio Transfer	(Re)insurer	Construction
RiverStone	MS Amlin	UK	UK & Ireland	RITC	Lloyd's	Property and Casualty
RiverStone	Acappella Syndicate 2014	UK	UK & Ireland	RITC	Lloyd's	Property and Casualty
RiverStone	Pioneer Syndicate 1980	UK	UK & Ireland	RITC	Lloyd's	Undisclosed
Swiss Re	Champlain Reinsurance Company	Switzerland	Continental Europe	Share Sale	Captive	General Liability and Workers Compensation

# How we can support our clients

The non-life insurance run-off deals team has access to more than 200 specialists who can provide expert support throughout the deal lifecycle, including:



Commercial, financial, regulatory and operational due diligence



Deal feasibility studies and strategic options analysis



Transaction structuring advice



Preparation of marketing materials and running of disposal process



Bidder identification and deal negotiation support



Actuarial support including deal pricing, reserving and capital optimisation



Post-transaction separation and migration advice

## Further information on the non-life run-off insurance market on pwc.com



[Non-life insurance run-off deals Q1 22](#)



[Non-life insurance run-off deals 2021](#)



[Non-life insurance run-off deals H1 2021](#)



[Global Insurance Run-off Survey 2021](#)

## Contact the team

### Andrew Ward

M: +44 (0) 7902 792216  
E: ward.andrew@pwc.com

### Hannah Vaughan

M: +44 (0) 7850 513301  
E: hannah.m.vaughan@pwc.com

### Nick Watford

M: +44 (0) 7595 610487  
E: nick.r.watford@pwc.com

### Alan Augustin

M: +44 (0) 7720 425892  
E: alan.augustin@pwc.com

### Laura Pearson

M: +44 (0) 7483 422839  
E: laura.p.pearson@pwc.com

### Louis Isaacson

M: +44 (0) 7805 235949  
E: louis.isaacson@pwc.com

### About the data

The data used in this publication has been sourced from company announcements and other publicly available information from date of publication rather than from completion date.

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2022 PricewaterhouseCoopers LLP. All rights reserved. 'PwC' refers to the UK member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/structure](http://www.pwc.com/structure) for further details.

SPS Design RITM8278805 (05/22).