



Willis Re in partnership with LTCG

An Integrated Service Model with Proven Success

Delivering targeted reinsurance broking and actuarial consulting solutions to the long term care insurer

Willis Re's unique service model is specifically designed for life insurance companies looking to execute a closed block reinsurance transaction. Our marketplace expertise and proven process target capital management by accessing embedded value, minimizing earnings volatility and improving ROE.

Today's market has both uncertainties and challenges – while premium rate increases and reserve adjustments are becoming more frequent, the traditional reinsurers of LTCI are not yet looking to re-enter the market. However, with a large amount of new capital flowing into the sector, life reinsurers are hungry for opportunities, and many are open to challenging products. The increase in market activity, including two large transactions in the second half of 2018 is further evidence of a developing LTCI reinsurance market. These market complexities require an experienced team; Willis Re in partnership with LTCG brings a proven process to drive success.

The Willis Re Life Solutions Group is one of the most experienced broking teams in the market, strong in actuarial skills, financial expertise, and product knowledge. LTCG is singularly focused on serving the long term care industry, and provides advanced valuation and modeling services, built upon a unique and proprietary underwriting and claims database. Together, we have a deep understanding of the concerns and challenges faced by the long term care insurer.

Our unparalleled knowledge of and access to reinsurance markets and solutions, combined with LTCG's extensive reserving and modeling expertise, provides transparency and credibility.

We believe that a LTCI reinsurance transaction can only be successful with a robust review, and strong models and assumptions that have been independently developed. We develop multi-state models, based on first principles and our data-driven experience studies, which include extensive analysis on most major blocks of business and in-depth analysis of morbidity trends using an array of approaches. Longevity is a critical risk, as LTCI liabilities are heavily driven by persistency rates. Understanding the rate at which policies are terminating is one of the top concerns among buyers. Validating key assumptions and providing insight to rate drivers gives comfort to potential buyers.

LTCI is difficult to reinsure and the market takes a critical view of insurers' inforce blocks – but, our team has a history of success with these transactions and we are not afraid of a challenge. Engaging Willis Re and LTCG together provides unmatched value, and our proven process delivers results to clients - shorter due diligence periods, higher sales prices and more certainty of execution. For select clients, the current market environment is an opportune time to consider reinsurance.

We understand the requirements of a successful transaction; a partnership with our team could help eliminate problem business, optimize capital utilization and support the future growth you need.

<p>Select team of credentialed experts</p> 	<p>FSA MAAA MBA CFA</p>	<p>We facilitate an effective negotiation, from strategy through execution, by resolving key issues and transactional risks</p>
<p>We understand the concerns and challenges facing life insurers</p>	<p>An independent actuarial review, analysis, projection or a complete appraisal</p>	
<p>A process proven to succeed</p> <p>Deep experience to support and guide our clients</p>	<p>Global access to all markets</p> 	<p>Focused on asset-intensive liabilities</p> <p>Targeted to access value embedded in closed blocks, improve ROE, and optimize capital levels</p>
<p>Current knowledge of the reinsurer's strategy, approach and requirements, to optimize the results</p> 		

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About Willis Re and Willis Towers Watson

Willis Re, one of the world's leading reinsurance advisors with a 180-year history, is the reinsurance broking arm of global, diverse Willis Towers Watson – an advisory, broking, and technology solutions company that helps clients around the world turn risk into a path for growth. Willis Towers Watson has the expertise and flexibility required to analyze and deliver value at all levels of our client's operation. We are broad-based risk advisors, employing a one team approach to help our clients manage the full spectrum of risk. Our unique depth and breadth of knowledge, expertise and solutions combined with our industry-leading technology, analytical and modeling capabilities positions us to provide our clients with a truly holistic approach. Working together, we offer complementary products and services that deliver significant value for our clients, including: product design and pricing, reserving and financial reporting, portfolio and capital management, modelling and reporting, distribution, underwriting and claims effectiveness, risk transfer, operational strategy, inforce management.

Together, we unlock potential.

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