



Wilton Re—Risk and Capital Management Solutions for the Life Insurance Industry

ABOUT THE COMPANY

Wilton Re structures life reinsurance solutions for companies that are looking for a fresh source of capital and risk diversification. Clients work with us because we work with them as a strategic partner, not a vendor, jointly developing reinsurance programs and assumptions and providing access to the expertise of our entire senior management team.

OVERVIEW

- Started *de novo* in 2004 with a clean balance sheet and no legacy or parent company issues hindering our efforts
- A.M. Best A- (Excellent) with a positive outlook
- Over \$932 million in capital raised to date
- Traditional Solutions including both automatic and limited facultative support
 - *Coinsurance and YRT Solutions*
 - *Financial/medical underwriting expertise*
 - *Additional capacity*
 - *Preferred criteria/requirements design and guidance*
- A variety of Run Off Solutions
 - *Purchase of life entities via reinsurance or stock transaction*
 - *Acquisition of non-core blocks*
 - *Partnership in acquisitions*

WHY WILTON RE?

- Experienced management team
- An interest in understanding and solving your capital and risk management challenges
- A proven track record of implementing complex solutions quickly in order to meet client needs
- An independent reinsurer dedicated solely to the life insurance industry
- Flexibility and creativity in deal structuring

SOLUTION GROUPS

Traditional Reinsurance—We support mortality risk as well as immediate and deferred annuity products in the U.S. life insurance market. Even in today’s challenging market we continue to offer both coinsurance and YRT support to our clients. More importantly, our Traditional Reinsurance quotes are unique because they include:

- Wilton Re Transparency Documentation detailing the assumptions we used to price your business
- A competitive underwriting analysis which details how you compare to your peers as well as how you compare with the industry as a whole

Run Off Solutions—Over our many years of industry experience, the Wilton Re management team has demonstrated tremendous success in structuring and implementing Run Off Solutions in order to provide a variety of benefits to clients. By acquiring closed blocks, we enable clients to:

- Turn embedded value into realized value
- Use newly freed “trapped capital” for balance sheet management, funding growth initiatives and consolidating administrative platforms
- Eliminate the cost of supporting legacy systems
- Streamline operations through the sale of non-core business
- Either retain or transfer to us the administration of the business being acquired by Wilton Re
- Structure transactions through either purchase of a legal entity or reinsurance

For more information on how Wilton Re can help address your life reinsurance needs, please contact Wilton Re at (203) 762-4400 or visit our website www.wiltonre.com.



CASE STUDIES

RUN OFF SOLUTIONS

Client: Protective Life

Challenge: Protective needed to raise a substantial portion of the capital required to purchase the Chase Life companies

Potential Solutions: Reinsurance, Debt or Equity

Solution Chosen: In 2006, Protective opted to partner with Wilton Re to assist in the \$1.2 billion purchase of the Chase Life companies. Wilton Re reinsured over 40% of the Chase Life in force business. Protective selected Wilton Re as a partner for our expertise in conducting due diligence on large transactions as well as in negotiating definitive documentation. As compared to other forms of raising capital, reinsurance was the winning solution in this transaction because of its cost effectiveness and ease of implementation. Typically, reinsurance is also less dilutive than other methods of raising capital.

Key Takeaway: Through its Run Off Solutions, Wilton Re provides the ability for clients to consider the acquisition of blocks or entities that exceed their available capital.

Client: HealthMarkets

Challenge: HealthMarkets wanted to exit the life insurance business to focus on its core health insurance business while continuing to offer life products to its captive agency sales force.

Solution Chosen: In 2008, HealthMarkets exited the life insurance business through the 100% coinsurance of all its life insurance business to Wilton Re. Wilton Re also acquired HealthMarkets' interest in two offshore agent captives. Wilton Re assumed responsibility for administering the life business, providing HealthMarkets with a complete exit from the business.

Key Takeaway: Wilton Re can structure a reinsurance solution to provide an effective means of exiting a subscale or nonstrategic line of business.

TRADITIONAL

Client: An East Coast Life Insurer

Challenge: Finding capital on short notice to manage their Balance Sheet as well as to provide funding for continued new business growth

Potential Solutions: Reinsurance, Debt or Equity

Solution Chosen: Wilton Re proposed an innovative solution to address the client's needs. After reviewing the client's financial position and portfolio of business, we developed a structure for addressing these needs through a coinsurance agreement. In this structure Wilton Re assumed rights of payment owed to the client as ceding allowances against ceded reinsurance premiums inuring to the client.

Key Takeaway: Though the business was already reinsured, we were able to find a way to monetize the value of that existing reinsurance. Further, the entire transaction took only a few short weeks and met the client's yearend deadline.

IN SUMMARY

At Wilton Re we pride ourselves in our ability to quickly change your capital and risk management challenges into creative solutions. We have a track record of succeeding with both simple and complex transactions, and we have a proven ability to unsummate transactions quickly to address your needs. For more information ***please contact Wilton Re at (203) 762-4400, or visit our website at www.wiltonre.com.***