

## News Release

Contacts:

**Jennifer Ainslie**

Guy Carpenter  
44.207.357.2058

[jennifer.ainslie@guycarp.com](mailto:jennifer.ainslie@guycarp.com)

**Alexis Levenson**

Guy Carpenter  
1.917.937.3264

[alexis.levenson@guycarp.com](mailto:alexis.levenson@guycarp.com)

**Karen DeMartine**

DeMartine Group  
1.203.221.2790

[kdemartine@demartinegroup.com](mailto:kdemartine@demartinegroup.com)

### Baden-Baden Reinsurance Symposium Evaluates the Importance of Domicile Choice for Re/insurers

**New York, October 25, 2010**

Guy Carpenter & Company, LLC hosted “Does Domicile Matter?,” the Reinsurance Symposium held in Baden-Baden on October 24. The event focused on the relative merits of re/insurance hubs in Bermuda, London and Europe, highlighted the drivers behind new centres such as Zurich, and explored the advantages of a global multi-line strategy.

The Symposium was moderated by Chris Klein, Director of Reinsurance Market Management at Guy Carpenter. Henry Keeling, President and CEO of International Operations at Guy Carpenter, provided the opening remarks and was followed by presentations from: Tom Bolt, Director of Performance Management at Lloyd’s; Victor Peignet, CEO of SCOR Global P&C; John Berger, Vice Chairman of the Board and CEO of Reinsurance at Alterra Capital; and Martin Albers, Member of the Group Management Board and Head of Europe Division at Swiss Re. Werner Hirth, First Mayor of the City of Baden-Baden, welcomed attendees to the city.

In his opening remarks, Mr. Keeling provided attendees with a reinsurance market overview, adding that in such an environment innovation and investment are essential in order to take advantage of future opportunities for growth. He said, “Future market leaders will be defined by their ability to generate new opportunities and achieve growth through innovation and investment in new markets despite the economic volatility we face.”

Highlighting the advantages offered by operating within the London market, Mr. Bolt commented on the importance of access to market. He explained, “It’s not domicile that matters, it’s market access. London remains the only place in the world where all 20 of the world’s largest insurers and reinsurers have offices, and the concentration of talent and expertise on one underwriting floor at Lloyd’s, let alone within a square mile of the building, should not be underestimated.”

Mr. Peignet said that for global groups there is not just one but a range of domiciles, and that while the parent company’s domicile may be the most visible, it may not be the most critical. He added, “Every group must have its own vision of the optimum domicile structure based on its history and legacy. However, this structure is not fixed but is a moving target, and the successful groups will be those that make the right choices at the right times. They will have geared their company structure to their optimum domiciles, with sufficient flexibility to adapt their vision, and to change and manage their structure closest to the optimum at all times.”

# Baden-Baden Reinsurance Symposium Evaluates the Importance of Domicile Choice for Re/insurers

October 25, 2010

While acknowledging that every domicile has its advantages and disadvantages, Mr. Berger stated that there were other factors that were of greater value to the success of the company. He said, "To a degree, the choice of domicile can be largely irrelevant as what will effectively determine the level of success for any organisation is the quality of its leadership, its underwriting talent, and the overall financial strength of the company."

Highlighting the importance of domicile to a global firm like Swiss Re, Mr. Albers said, "The economic substance, quality of regulation and business values of the headquarters' domicile become part of your global brand." He added, "Switzerland is a world-renowned financial centre with great benefits and strengths, including a highly developed and reliable infrastructure, excellent talent, an open market and a close relationship with the EU." He also stressed the value of a strong network of regional hubs to be close to clients.

In his concluding remarks, Mr. Klein stated that while domicile remains an important factor, it is not necessarily for the obvious reason of minimising tax as is so often assumed. He added, "It is also important to understand that reinsurance buyers increasingly view their reinsurers as global entities able to move their capital easily between business units rather than as geographically discrete counterparties. This has been a significant change in reinsurance counterparty risk management in recent years and is a truer reflection of the global control and mobility of capital."

## **TAGS/KEYWORDS**

Guy Carpenter, Baden, Klein, Keeling, Bolt, Peignet, Berger, Albers, reinsurance, symposium

## **About Guy Carpenter**

Guy Carpenter & Company, LLC is the world's leading risk and reinsurance specialist and a part of the Marsh & McLennan Companies. With over 50 offices worldwide, Guy Carpenter creates and executes reinsurance solutions and delivers capital market solutions\* for clients across the globe. The firm's full breadth of services includes line of business expertise in Agriculture; Aviation; Casualty Clash; Construction and Engineering; Excess and Umbrella; Life, Accident and Health; Marine and Energy; Medical Professional Liability; Political Risk and Trade Credit; Professional Liability; Property; Retrocessional Reinsurance; Surety; Terrorism and Workers Compensation. GCFac® is Guy Carpenter's dedicated global facultative reinsurance unit that provides placement strategies, timely market access and centralized management of facultative reinsurance solutions. In addition, GC Analytics utilizes industry-leading quantitative skills and modeling tools that optimize the reinsurance decision-making process and help make the firm's clients more successful. Guy Carpenter's website address is [www.guycarp.com](http://www.guycarp.com).

Guy Carpenter's intellectual capital website, [www.GCCapitalIdeas.com](http://www.GCCapitalIdeas.com), leverages blog technology, including Real Simple Syndication (RSS) feeds and searchable category tags, to deliver Guy Carpenter's latest research as soon as it is posted. In addition, articles can be delivered directly to BlackBerrys and other handheld devices.

Baden-Baden Reinsurance Symposium Evaluates the Importance of Domicile  
Choice for Re/insurers  
October 25, 2010

\* Securities or investments, as applicable, are offered in the United States through GC Securities, a division of MMC Securities Corp., a US registered broker-dealer and member FINRA/SIPC. Main Office: 1166 Avenue of the Americas, New York, NY 10036. Phone: (212) 345-5000. Securities or investments, as applicable, are offered in the European Union by GC Securities, a division of MMC Securities (Europe) Ltd., which is authorized and regulated by the Financial Services Authority. Reinsurance products are placed through qualified affiliates of Guy Carpenter & Company, LLC. MMC Securities Corp., MMC Securities (Europe) Ltd. and Guy Carpenter & Company, LLC are affiliates owned by Marsh & McLennan Companies. This communication is not intended as an offer to sell or a solicitation of any offer to buy any security, financial instrument, reinsurance or insurance product.

###