

# News Release

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## GC Securities\* Announces Completion of 144A Catastrophe Bond – Foundation Re III Ltd. 2011-1 Cat Bond Transaction Provides Protection for United States Hurricanes

### New York, February 24, 2011

GC Securities, a provider of investment banking services to the (re)insurance industry and affiliate of Guy Carpenter & Company, LLC, today announced the placement of USD135 million of protection through an existing catastrophe bond shelf program, Foundation Re III Ltd., to benefit Hartford Fire Insurance Company. The Series 2011-1 Notes, which represent The Hartford's fifth utilization of its "Foundation Re" program, provide fully collateralized, multi-year protection for United States hurricanes.

GC Securities acted as co-structuring agent and co-manager for the offering. This marks GC Securities' first transaction of 2011, after securing over USD1.25 billion of capital markets protection for its clients in 2010.

### CAT BOND DETAILS

Series 2011-1 Notes	Size	Covered Perils	Risk Profile (Expected Loss)	Coupon
Class A	USD135 million	U.S. Hurricane	0.61%	Treasury Money Market Fund Yield + 5.00%

### QUOTES

#### Bill Kennedy, CEO of Global Analytics and Advisory, Guy Carpenter & Company

"We are pleased to support Hartford Fire Insurance Company's risk management objectives for the second consecutive year with this transaction. The execution of Foundation Re 2011-1 within stated guidance and with upsized issuance amount is a testament to the Hartford brand and evidence of the catastrophe bond market's continued ability to function as a valuable source of risk transfer capacity for cedents."

#### Cory Anger, Global Head of ILS Structuring, GC Securities

"Clearly, investors are keen to support a strong sponsor that is committed to accessing the cat bond market with a transparent structure and trigger mechanics. Polygons utilizing separate factors for intra-state sub-regions in both New York and Florida areas allow The Hartford to further minimize its basis risk while avoiding a negative impact on deal execution."

### TAGS/KEYWORDS

Guy Carpenter, GC Securities, Foundation Re III Ltd., Hartford Fire Insurance Company, catastrophe bond, cat bond, ILS, hurricane, Kennedy, Anger

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**About Guy Carpenter**

Guy Carpenter & Company, LLC is the world's leading risk and reinsurance specialist and a member 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<sup>SM</sup> 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).

GC Securities\* provides investment banking services to the (re)insurance industry, extending the traditional reinsurance services of Guy Carpenter & Company, LLC, the world's leading risk and reinsurance specialist and a part of the Marsh & McLennan Companies. With its team of seasoned professionals, GC Securities offers a full range of corporate finance and capital markets-based risk transfer solutions that complement Guy Carpenter's strong industry relationships, analytical capabilities and reinsurance expertise. GC Securities' Capital Markets group is a recognized leader in insurance-linked securities (ILS) solutions and helps clients plan, structure and issue catastrophe bonds, sidecars and other forms of ILS, thereby enabling clients to access capital markets capacity to transfer risk and maximize return on capital. GC Securities' Corporate Finance group advises clients on mergers, acquisitions and divestitures, private debt and equity raising, as well as the development of rigorous capital plans that encompass the full array of available capital options.

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.

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