

# News Release

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## GC Securities\* Completes Catastrophe Bond Queen Street V Re Limited on behalf of Munich Re

### New York, February 28, 2012

GC Securities, a division of MMC Securities Corp., a U.S. registered broker-dealer and member FINRA/SIPC, today announced the placement of USD75 million Principal At-Risk Variable Rate Notes ("Notes") through catastrophe bond issuer Queen Street V Re Limited.

The Notes will provide three-year per occurrence protection to Munich Re against hurricanes in the United States and windstorms in Europe, utilizing a PCS county and line of business-weighted index trigger structure for U.S. hurricanes and a PERILS CRESTA-weighted index trigger structure for European windstorms.

GC Securities acted as the sole bookrunner on the issuance. Munich Re is the ceding reinsurer and AIR Worldwide Corporation is the modeling firm for the transaction.

### RISK PROFILE

	Total	U.S. Hurricane	Europe Windstorm
<b>Expected Loss (Sensitivity Basis)</b>	1.95%	1.01%	0.94%
<b>Risk Interest Spread (to US Treasury Money Market Fund earnings)</b>	8.50%		
<b>S&amp;P's Rating</b>	B+ (sf)		

### QUOTES

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

"This transaction provides the market with a differentiated trigger structure (relative to prior Queen Street transactions) that further refines the protection structure to Munich Re's underlying exposures via a county-weighted PCS index for U.S. hurricanes. Investors and sponsors alike appreciate triggers based on the unbiased, post-event loss reports provided by entities like PERILS and PCS. The consistency of Munich Re's use of the catastrophe bond market over the last year should provide increased financial flexibility and is a positive with investors."

#### **Chi Hum, Global Head of ILS Distribution, GC Securities**

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“GC Securities is pleased to have been able to bring a global investor group in support of Queen Street V Re Limited. The breadth of investor interest in the book further underscores the depth of interest from the capital markets for property catastrophe risk. The success of Queen Street V and generally Munich Re's Queen Street Program provides further evidence of the increasing importance and utility of integrating capital markets capacity as a core component of an effective enterprise risk management strategy.”

**TAGS/KEYWORDS**

Guy Carpenter, GC Securities, Queen Street V Re Limited, Munich Re, PERILS, PCS, catastrophe bond, cat bond, insurance-linked securities, Hum, Anger

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