

# News Release

Contacts:

**Missy DeAngelis**

Guy Carpenter

1.917.937.3118

[missy.deangelis@guycarp.com](mailto:missy.deangelis@guycarp.com)

**Jennifer Ainslie**

Guy Carpenter

44.207.357.2058

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

## **Guy Carpenter Launches MetaRisk® Reserve™ 4.5**

*Newest Version of Guy Carpenter's Patented Modeling Tool  
Enables Users to Aggregate Reserve Risk in a Portfolio*

**New York, July 21, 2015** - Guy Carpenter & Company, LLC, a leading global risk and reinsurance specialist and a wholly owned subsidiary of Marsh & McLennan Companies (NYSE: MMC), today announced the launch of MetaRisk® Reserve™ 4.5. The latest version of this powerful reserve risk modeling solution delivers a faster and more flexible aggregation tool as well as an updated and unique predictive model for calculating Solvency II and ORSA issues.

MetaRisk Reserve 4.5's new aggregation interface with its updated capabilities offers an easy-to-use yet flexible means of combining multiple lines of business. Additionally, this modeling solution enables users to supplement Guy Carpenter's Annual Risk Benchmarks Report by estimating line of business correlation from company-specific data.

Furthermore, the ability of MetaRisk Reserve 4.5 to use a Generalized Linear Model to estimate a one-year view of reserve risk places it beyond the limitations of traditional industry models.

"MetaRisk Reserve 4.5 gives clients the capability to address company-wide capital requirements by modeling a firm's entire reserve risk portfolio," said Steve White, Chief Actuary and Head of Enterprise Analytics for Guy Carpenter. "This new release reinforces Guy Carpenter's commitment to helping our clients with Solvency II and ORSA reporting requirements. MetaRisk Reserve 4.5 also demonstrates Guy Carpenter's continued expertise in developing state-of-the-art economic capital modeling solutions, which enables insurers of all types and sizes to more effectively assess key risks, benchmark risk profiles, allocate capital, meet regulatory and rating agency requirements and strategize for the future."

Reserve risk is the largest risk on many insurers' balance sheets and affects both solvency and earnings volatility. Changes in calendar year trends, such as inflation increases, are the biggest drivers of reserve deficiencies. Most reserving models cannot capture inflationary trends and, as a result, ignore this risk. MetaRisk Reserve 4.5, however, measures the inflationary trends in insurers' loss triangles – making it the most current approach to achieving a true and transparent view of reserve positions.

Awarded a U.S. patent in 2013 (and another pending) for its unique system for determining loss reserves, MetaRisk Reserve enables clients to capture historical economic trends, such as inflation,

## Guy Carpenter Launches MetaRisk® Reserve™ 4.5

July 21, 2015

in order to get a better understanding of how those trends can affect the loss reserves of their companies. MetaRisk Reserve can also be incorporated into a spreadsheet so that analysis can be performed with any data.

MetaRisk Reserve is seamlessly integrated with the latest version of MetaRisk®, Guy Carpenter's premier risk and capital management decision-making tool, to produce reserve event files. MetaRisk Reserve 4.5 can be used with MetaRisk or on a standalone basis.

### TAGS/KEYWORDS

Guy Carpenter, MetaRisk Reserve 4.5, MetaRisk, patent, reserve, risk modeling, Solvency II, ORSA, inflation, White, actuary, Generalized Linear Model, aggregation

### About Guy Carpenter

Guy Carpenter & Company, LLC is a global leader in providing risk and reinsurance intermediary services. 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; cyber solutions; excess and umbrella; excess and surplus lines; healthcare & life; marine and energy; mutual insurance companies; political risk and trade credit; professional liability; property; public sector; retrocessional reinsurance; surety; terrorism and workers compensation. GC Fac® 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 modelling tools that optimize the reinsurance decision-making process and help make the firm's clients more successful. For more information, visit [www.guycarp.com](http://www.guycarp.com) and follow Guy Carpenter on Twitter [@GuyCarpenter](https://twitter.com/GuyCarpenter).

[Guy Carpenter](#) is a wholly owned subsidiary of [Marsh & McLennan Companies](#) (NYSE: MMC), a global professional services firm offering clients advice and solutions in the areas of risk, strategy, and people. With annual revenue of \$13 billion, Marsh & McLennan's 57,000 colleagues worldwide provide analysis, advice, and transactional capabilities to clients in more than 130 countries through: [Marsh](#), a leader in insurance broking and risk management; [Mercer](#), a leader in talent, health, retirement, and investment consulting; and [Oliver Wyman](#), a leader in management consulting. Marsh & McLennan is committed to being a responsible corporate citizen and making a positive impact in the communities in which it operates. Visit [www.mmc.com](http://www.mmc.com) for more information.

\*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/NFA/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. (MMCSEL), which is authorized and regulated by the Financial Conduct Authority, main office 25 The North Colonnade, Canary Wharf, London E14 5HS. 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. \*\*GC Analytics is a registered mark with the U.S. Patent and Trademark Office.

###