

News Release

Contacts:

Missy DeAngelis

Guy Carpenter

1.917.937.3118

missy.deangelis@guycarp.com

Jennifer Ainslie

Guy Carpenter

44.207.357.2058

jennifer.ainslie@guycarp.com

GC Securities* Completes Catastrophe Bond Galileo Re Ltd. Series 2016-1 Notes on behalf of XL Insurance (Bermuda) Ltd.

New York, March 3, 2016 – GC Securities, a division of MMC Securities LLC, a U.S. registered broker-dealer and member FINRA/NFA/SIPC, today announced the placement of three classes of Series 2016-1 Notes, with an aggregate principal amount of \$300,000,000 through the existing catastrophe bond shelf program, Galileo Re Ltd., to benefit XL Insurance (Bermuda) Ltd. and certain of its insurance and reinsurance affiliates and related entities (“XL Catlin”). This is the first time that XL Catlin has utilized the 144A cat bond market since XL Group plc’s (“XL”) acquisition of Catlin Group Limited (“Catlin”).

The Series 2016-1 Notes provide annual aggregate protection from Named Storms affecting the U.S., earthquakes affecting Canada and the U.S., and Europe windstorms affecting select European countries using a weighted industry loss index using industry losses as reported by Property Claim Services and PERILS AG.

The Series 2016-1 Class A Notes have the third highest annual expected loss (9.52%) and the third highest annual attachment probability (13.98%), each based on the AIR’s sensitivity catalog for Named Storms, relative to all outstanding 144A P&C catastrophe bonds. The Class B and Class C Notes have one year expected losses (based on sensitivity catalog for Named Storms) of 4.96% and 3.09% respectively.

GC Securities served as sole structuring agent and sole bookrunner.

RISK PROFILE

Series 2016-1 Notes	Size	Expected Maturity	Coupon
Class A Notes	\$100,000,000	January 8, 2019	TMM earnings + 13.50%
Class B Notes	\$100,000,000	January 8, 2019	TMM earnings + 9.00%
Class C Notes	\$100,000,000	January 8, 2019	TMM earnings + 7.00%

QUOTES

Nick Frankland, CEO of Guy Carpenter’s EMEA Operations

“Galileo Re Series 2016-1 Notes demonstrates Guy Carpenter's and GC Securities' commitment to providing alternative capital retrocession solutions to the reinsurer community. Alternative capital solutions can be beneficial as the industry goes through organizational changes and

Galileo Re Series 2016-1 Catastrophe Bond

March 3, 2016

consolidation in reaction to the current market environment and impact of competing new capital sources for assuming (re)insurance risk to maintain overall cost effective capitalization.”

Cory Anger, Global Head of ILS Structuring, GC Securities

“We are honored to have facilitated XL Catlin’s first 144A catastrophe bond transaction through the existing Galileo Re cat bond facility that was originally established by a Catlin affiliated entity in order to provide additional risk transfer capacity at attractive pricing, streamlined transaction costs and expedited execution timeframe. The transparent weighted industry loss trigger structure and thoughtful tranching of the overall risk layer best facilitated investors’ appetite for all classes within the Series 2016-1 Notes to maximize overall investor interest that could participate depending upon their fund’s requirements. XL Catlin also incorporated new flexibility into the transaction structure with respect to annual resets allowing XL Catlin to react to future market conditions while maintaining the cohesiveness and applicability of the Galileo Re protection.”

Chi Hum, Global Head of ILS Distribution, GC Securities

“The strong market support for each Class within the Galileo Re Ltd. Series 2016-1 Notes provides yet another example of the expanding relevance and competitiveness of capital markets capacity including for higher risk profile placements. Execution was also aided by XL Catlin’s reputation and track-record as an intelligent utilizer of non-rated capital sources throughout its risk transfer program.”

TAGS/KEYWORDS

Guy Carpenter, GC Securities, Galileo Re, catastrophe bond, cat bond, XL Insurance (Bermuda) Ltd, XL Catlin, Frankland, Anger, Hum

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 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 and 60,000 colleagues worldwide, Marsh & McLennan Companies provides 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

Galileo Re Series 2016-1 Catastrophe Bond

March 3, 2016

a responsible corporate citizen and making a positive impact in the communities in which it operates. Visit 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 LLC, 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 LLC, 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.

###