



News from Helix

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Welcome to the 17th edition of the Helix Newsletter



Helix Announces New Contract

Helix announces “take-on” of AJG UK broker replacement service; an announcement that confirms Helix’s continued growth in the run-off sector and enhances their reputation as a market leader in broker replacement. Helix was chosen after a competitive tender process during 2008.

The AJG UK account has a substantial collectible asset attached to it and with Helix’s staff having an average of over twenty-five years insurance experience between them, this collective knowledge shows the great strength that Helix bring to such a long-term arrangement.

Helix’s accounts manager, Jon Comber is currently charged with the primary task of overseeing the transfer of over 27,000 accounting entries to their own computer system.

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Helix Strengthens Ties with AXA



Helix has also begun collaborating with new owners AXA Liabilities Managers, although the transfer of ownership within AXA Group is still awaiting FSA approval. There has already been some strategic movement of business between the two companies with a stronger tie-up expected in 2009.



Cédric de Linares, president & CEO of AXA LM

AXA LM CEO Cédric de Linares commented on the future collaboration, saying, “*Helix joining AXA LM is a great opportunity, for both companies. AXA LM is fully dedicated to legacy business management.*”

As Helix’s new shareholder, we bring consistency in activities and a sizeable international presence in the run-off industry.

Being familiar with the business, we can support Helix’s development. Helix is already a recognized and respected player in the industry; AXA LM is very much committed to making it an even more efficient business partner, for the benefit of its clients.

This acquisition also represents an opportunity for AXA LM to complement its expertise. Broker replacement is a key component in resolving legacy business issues. We intend to benefit from Helix’s vast experience in that field and have already initiated business transfers. We have also started to identify additional areas where Helix can support AXA LM and we hope to see our collaboration further reinforced in the near future. In that respect, the Helix team’s professionalism and enthusiasm are a guarantee of success”.

This will prove a good foundation for Helix to continue to offer its wide-ranging services to the run-off market in 2009 and beyond.

- Broker Replacement / Consolidation
- Reinsurance Recoveries
- Commutation & Solvent Schemes of Arrangement
- Training & Development
- Audit & Inspection
- Claims audit & inspections
- Pre-commutation reviews
- Litigation support
- General Accounting & Outsourcing
- Broker Audit
- Credit Control and Debt Collection Services
- File / review
- Staff outsourcing
- Other Specialist Services

To discuss any of the above services, please contact Paul Crayk 0207 816 2307 or James Jacob on 020 7816 2467.

Alternatively please visit the Helix website for further details:

www.helixuk.com

Client focused... Results driven

View from The US – John West



What's the Deal with AIG?

In September, AIG made a deal with the U.S. government for \$85 billion (plus government ownership in the organization amounting to almost 80%) which enabled them to survive the current market demolition. It also provided them with time to configure some of their subsidiaries (mostly life insurance) for sale. However, the size and terms of the deal have been altered. The loaned amount is now \$150 billion and the interest rates have been reduced from 8.5% on drawn amounts to 3% (not including the London interbank offered rate). The amount of time to repay the loan has increased from two years to five years.

Insurance Industry; Federal Regulation vs. Reality

In watching the unfolding events in the U.S. and world economies, it would seem that much more thought and action would be given to demanding federal government oversight of the insurance industry (both of U.S. and non-U.S. domiciled companies). However, it has become remarkably clear that the industry has performed very well and has proven even further that State supervision is more than adequate. In fact, at the onset of troubles with AIG, the NAIC

went to great lengths to assure the public that insurance companies were quite capable of paying their obligations and explaining how. Prior to the economic collapse, much was being done to encourage an international, somewhat borderless insurance community. Recently, Lloyd's has stated that Federal oversight of U.S. insurers could be a reality as soon as 2009. Federal regulation would work in tandem with the standing state regulatory bodies and not replace them.

New York Insurance Exchange; one more time

At the beginning of 2008, Eric Dinallo, the New York Insurance Commissioner, proposed to give rebirth to the New York Insurance Exchange, which began in 1980 and shut down in 1987. It was (and would be) configured to work like Lloyd's. In 1984, the NYIE was the 8th largest reinsurer in the U.S. Dinallo feels that in the last 20 years, lessons learned as well as technological innovations will ensure success. The recent economic events in the US have not only sidelined activity on moving ahead with these plans, but they have also highlighted the need for an organisation like the NYIE, some feel. The attraction of capital to this type of organisation will be challenging, especially now. Dinallo's office feels the proposed NYIE could be implemented in 2009.

Audit & Inspection – Chris Croft



Yes it's been a year since I joined Helix and set up the Audit and Inspection department, so what have we achieved?

A visit to North America in snowy January with Steve Brown to conduct our first major inspection, which has kept us busy all year.

We are included on the inspection panel of 12 major London solicitors (including various presentations) and 14 companies/syndicates.

We also have the prospect of undertaking a number of binder audits for Lloyd's syndicates.

All in all, we have many irons in the fire and as soon as we are able, we will release details.

So, this year we have made a number of major players aware of our capabilities and with the prospect of a tougher market in 2009 we are well placed to build this business.

Helix offer post underwriting audits in the following areas:

- Claims audit/inspection ■ Litigation support
- Pre-commutation reviews ■ Reinsurance asset reviews

For any enquiries, please contact Chris direct on 020 7816 2436 or alternatively email him: chris.croft@helixuk.com

For further information, please visit our website: www.helixuk.com

Staff Profile Jon Comber



Jon Comber

Q. What do you do at Helix?

A. I am the accounts manager. My role involves the daily running of the Helix accounts team and analysing future accounting projects.

Q. When did you join Helix?

A. 1st June 2006

Q. How did you start your insurance career?

A. I started my Career at Minets in the facultative accounts department dealing with the overseas accounts, mostly in Asia

Q. What do you most like about your job?

A. Solving problems

Q. If you could do a different job, what would it be?

A. A skipper on a grand yacht

Q. What, if anything, did you want a career in when you left school?

A. Either a photographer or an engineer.

Q. What are your interests outside of Helix?

A. My biggest interest is seeing the world so I try to travel as much as possible.

Q. What is your favourite way to relax?

A. Spending the day on a remote beach with my wife.

Q. What makes you laugh/smile?

A. Toques. It is a game played in Latin America that involves electric shocks.

Q. If you could have one seriously luxury item given to you, what would it be?

A. My own island in the sun, somewhere to spend the winter months.

Q. Who would you most like to be stuck in the lift with?

A. Bruce Willis

Helix at Monte Carlo

Helix was once again present at this year's Rendez-Vous de Septembre held in Monte Carlo. Helix's representatives this year were Richard King and Paolo Bianchini. Richard kindly contributed the following piece for us, which nicely reflects the flavour of the event.

Postcard from the Côte d'Azur

I have often thought that the best marketing idea of all time had to be the Scottish Actuary who decided to call death insurance "life insurance". A strong contender for second place has to be the Monegasque Director of Tourism who, over 50 years ago, decided to extend the season by inviting a load of reinsurers to the principality in (about) the second week of September when, more often than not, you will have one day of torrential downpour. The annual "Rendez-vous de Septembre" has to be one of the least distressing ways to spend a working week, whatever the weather. A merry-go-round of half hour meetings provided the spirit of the event whilst the longer and more detailed renewal meetings start in sparring sessions in the suites of the major hotels. Different people and companies expect different things from this event. There has been a growth in service industry representatives over the years but that probably just reflects the changing face of the reinsurance industry itself. Each year has its own special news story and this year was no exception as one of the big global brokers devoured a major specialist: an opportunity for a large number of delegates to exhibit their diplomatic skills as they relate to yesterday's competition becoming today's colleague and wondering whether (s)he will go full circle and become tomorrow's fierce rival. So what do we in Helix gain from Monte Carlo? The welcome opportunity to maintain contacts and provide mutual updates and occasionally obtain that elusive lead or sensitive intelligence. Every meeting is an opportunity. But that's enough for now! See you next year!

Richard and Paolo met with representatives from around twenty companies in the market. They reflected that the Rendez-Vous took place before the global financial market's crisis and that the emphasis has moved accordingly within the run-off market since then.

Helix Training

Helix ran an Accredited Leadership and Management Programme designed exclusively for insurance professionals this year and are pleased to announce that every delegate who completed the programme is now a fully qualified Associate Member of the Institute of Leadership and Management. This was a programme that incorporated six full day courses and each delegate was required to submit three assignments. Mike Kelly, Divisional Director of SBJBC said, "We decided to send 7 of our section leaders on the ILM accredited management programme. This programme was a good way of addressing our management training requirements. All of them enjoyed the course and each delegate found different parts of the course interesting and useful. They received a very good overview of management issues and styles and they all feel much more comfortable in their role and are now working with more confidence. They are also better placed to anticipate and head off many issues before they arise. This will give us more time to apply to our business to ensure we give a high quality service and grow our business. I would definitely recommend this programme".

For further details about this programme or other courses, please contact Paul Crayk on 0207 816 2307 or visit our website: www.learnit-helix.com

Conferences

HELIX ATTENDED THE FOLLOWING:

AIRROC annual RendezVous Commutations and Networking
20 – 22nd October, Meadowlands, New Jersey
john.west@helixuk.com

Entre 2008

1st to 3rd October, Madrid, Spain
paolo.bianchini@helixuk.com

HELIX WILL BE ATTENDING THE FOLLOWING:

10th ARC Discontinued Business Congress
24th to 25th February, Merchant Taylors' Hall, London
richard.king@helixuk.com

Cologne Rendez-Vous 2009

16th to 18th March, Cologne, France
richard.king@helixuk.com
Paolo.bianchini@helixuk.com

Helix Christmas Quiz

The following clues all relate to the festive song "The Twelve Days of Christmas".

1. These can be Alsatian, Pomeranian or Russian.
2. In "The Twelve Days of Christmas" song, what do the 10 Lords-a-Leaping represent?
3. This vessel can be found at Niagara Falls.
4. Lloyd's TSB Bank has used the same catchy aria in its television commercials for some time now. What is the name of the ballet it is taken from?
5. Beth Bartlett surely likes these.
6. Language eluding Girls Aloud.
7. Found in some cities.
8. This actress was once found in The TARDIS.
9. Once again referring to "The Twelve Days of Christmas" song, if your true love really sent you all the gifts in the song, how many in total would you receive?
10. Of which, how many would be feathered birds?

There will be a bottle of champagne for the winner complete with a Helix corkscrew to accompany it. Please e-mail your answers to mail@helixuk.com

Please put QUIZ in the subject box. The closing date for entries is Friday 16th January 2009 and the winner will be notified by e-mail. The correct answers will be published in our next newsletter in Spring 2009.



HELIX IN THE MEDIA

Double Standards

In July, Helix UK hosted its third annual panel discussion in association with AIRROC in New York, updating the US market on the latest developments in London. The panel identified an expanding gulf in service standards between live and run-off business and a huge fall in open syndicate liabilities at Lloyd's.

(Publication: Run off & restructuring Autumn 2008).

Bridging the Gap

Frustrated carriers have been using broker replacement services for years, but now brokers themselves are increasingly calling in specialist service providers. John Sanders examines the reasons for this and considers whether ultimately clients will pay separately for broker placing and servicing.

(Publication: Run off & restructuring Autumn 2008).

MARKET NEWS

■ Caitlin Premium up 5%

Caitlin has reported gross written premium for the 9 months to September 2008 of \$2.9bn (\$2.1 net) up from \$2.7bn last year.

■ Benfield offers specialist K&R policy for Gulf of Aden

Benfield has developed new kidnap and ransom wordings specifically designed to cover the Gulf of Aden following recent high profile acts of piracy including the hijacking of the Sirius Star. During the period of 10 to 16 November there were 11 attacks on shipping in this region.

■ Hardy Underwriting Bermuda announces £13m premium growth

In its interim management statement (9 months to September 2008) Hardy reports gross earned premium of £138.6m (up from £125.5m for same period last year). Primarily attributed to new business underwritten by syndicate 38Twenty.

■ Fortis International 3rd quarter loss

Fortis Insurance International reported a pro-forma net loss of €30m attributed to capital losses and write-downs on investments.

■ UK Asbestos ruling

High court ruling confirms employers' liability insurers remain liable from time of first exposure not manifestation as previously ruled in a different context by Court of Appeal. Mr Justice Burton's ruling means that employees can claim against employers historic insurers even without exact proof of when life threatening tumours develop.

■ Aegon seeking US bailout cash

Aegon considers buying a small U.S. bank in bid to qualify for TARPS (Troubled Asset Relief Program) from U.S. government. Joe Streppel, Aegon's chief financial officer was quoted at a financial conference as saying "If there is a high chance that we could use the TARP program in the future, then we are willing to buy a small thrift. If not, then we will not buy it"

Staff News

Many of you know James Jacob, executive director at Helix UK Limited. After recently celebrating his 40th birthday, he was presented with various England cricket memorabilia

following an office collection. He seems to still be in denial about his age.

A huge congratulations to Debbie Bassett who gave birth to Isabella Rose Vernon on 16th June 2008 at 18.26 hours weighing in at 7lbs 14.5oz.



Debbie Bassett

Charity

We have a tradition here at Helix regarding Christmas – and this year will be no exception. Instead of sending Christmas cards, we choose to make a voluntary donation to a different charity each year. We donated nearly £300 to the British Heart Foundation last year. We hope to increase that this year.

Our marathon woman is at it again! This time it's a 13-mile run aka half-marathon at Silverstone in March 2009 and it's in aid of Deaf children – sadly she will not be racing against the cars!! However if you would like to sponsor her, please see her just-giving web page –

<http://www.justgiving.com/vickycooper3>

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