

October 2020

Non-life insurance run-off deals

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- Executed deals have seen a uptick in Q3 2020, with 15 deals publicly announced. The overall total estimated liabilities transacting increased from \$1.3bn in Q2 to \$1.7bn in Q3 2020 as a number of larger deals were announced.
- The UK & Ireland has been the most active in terms of volume and value of deals, exceeding that of North America. This was primarily driven by a number of large Lloyd's deals.
- Whilst currently behind the figures for 2019 in terms of value (\$6.7bn in 2019 versus \$5.1bn in 2020), 2020 continues to be a strong transaction year and the volume of deals has outpaced the same period last year (35 deals in 2019 versus 40 deals in 2020).
- Given the current (re)insurance market environment and opportunities in the sector, we expect to see an increase in deals towards the end of the year.

Q3 2020 highlights

15 deals announced

\$1.7bn

Estimated gross liabilities transacted

\$113m

Average deal value

Q2 2020 key figures

12 deals announced

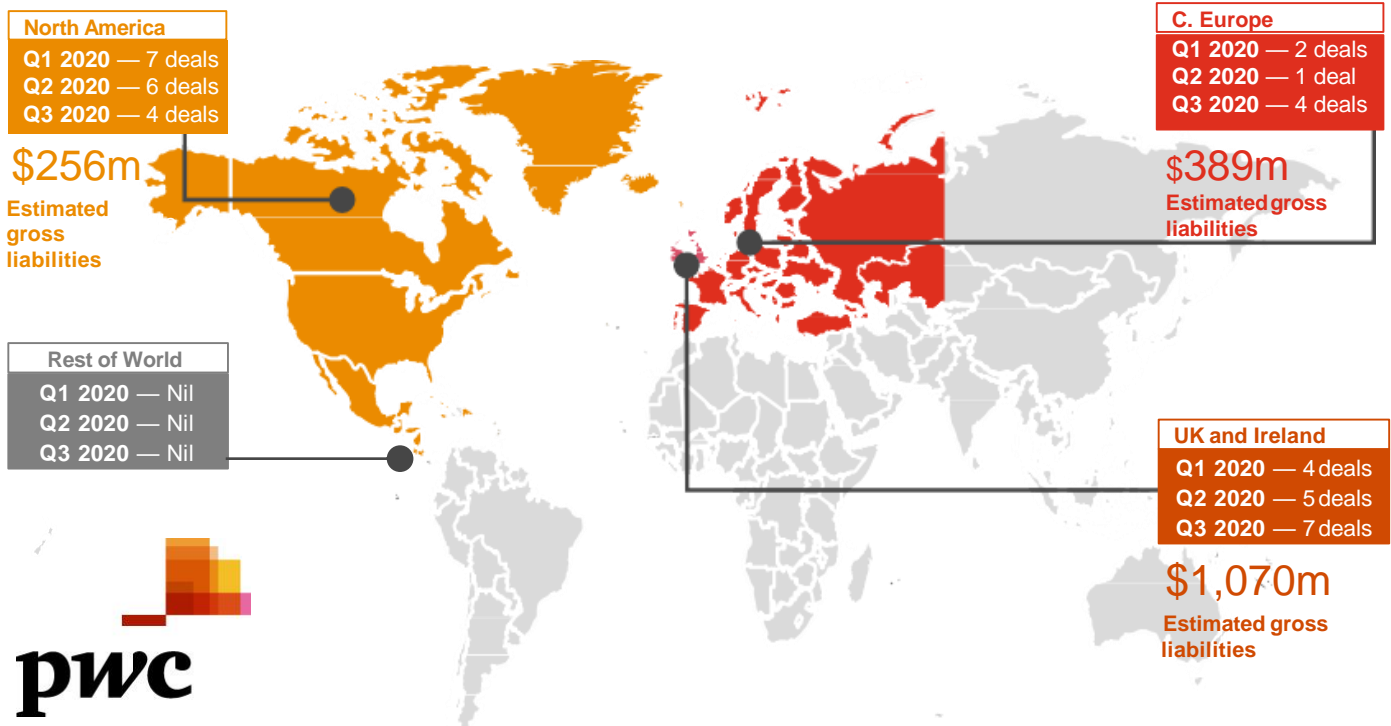
\$1.3bn

Estimated gross liabilities transacted

\$104m

Average deal value

Q3 2020 deal activity by region



Deals this quarter

Acquirer group	Target	Country of target	Territory	Type of deal	(Re)insurer/ Lloyds/ Captive/Corporate
Compre	QBE	UK	UK & Ireland	Loss Portfolio Transfer	(Re)insurer
Quest	Pioneer Underwriting Guernsey ICC Ltd	Guernsey	UK & Ireland	Share Sale	(Re)insurer
Undisclosed	Barrett Business Services, Inc.	Canada	North America	Loss Portfolio Transfer	Corporate
Darag	Hallmark Group	USA	North America	Loss Portfolio Transfer	(Re)insurer
Darag	ARISA Assurances SA	Luxembourg	Continental Europe	Share Sale	(Re)insurer
Enstar	Hannover Re legacy business	Germany	Continental Europe	Novation	(Re)insurer
Darag	Undisclosed Class 3A reinsurer	Bermuda	North America	Share Sale	(Re)insurer
R&Q	Inceptum Insurance Company Limited	UK	UK & Ireland	Share Sale	(Re)insurer
R&Q	The World Marine & General Insurance Company	UK	UK & Ireland	Share Sale	Captive
Marco	British Reserve Insurance Company Limited	UK	UK & Ireland	Share Sale	(Re)insurer
R&Q	RenaissanceRe Syndicate 1458	UK	UK & Ireland	Loss Portfolio Transfer	Lloyd's
Darag	Undisclosed Cayman Reinsurer	Cayman Islands	North America	Novation	(Re)insurer
Darag	Axeria Re	Malta	Continental Europe	Insurance Business Transfer	(Re)insurer
R&Q	Allianz SE	Germany	Continental Europe	Loss Portfolio Transfer followed by Insurance Business Transfer	(Re)insurer
Riverstone	GAI Holding Bermuda including Lloyds syndicate; Neon	UK	UK & Ireland	Share Sale	Lloyd's

Further information on the non-life run-off insurance market on pwc.com

[Global Insurance Run-off Survey 2019](#)

[Non-life insurance run-off deals Q1 2020](#)

[Non-life insurance run-off deals Q2 2020](#)

[2019: A review of non-life insurance run-off deals](#)

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About the run-off deals team

The non-life insurance run-off deals team has access to more than 200 specialists who can provide expert support throughout the deal lifecycle, including:

- Commercial, financial, regulatory and operational due diligence
- Deal feasibility studies and strategic options analyses
- Transaction structuring advice
- Preparation of marketing materials and running of disposal process
- Bidder identification and deal negotiation support
- Actuarial support including Deal pricing, reserving and capital optimisation
- Post-transaction separation and migration advice

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