

Terrorism

CCR's Unlimited Reinsurance with State Guarantee



CCR reinsurance company of the French State

Agreement for the next 5 years from 2013,
scope of the Law only, NBCR included

Large risks (sum insured exceeding 20 M€)

- CCR reinsure the compulsory market pool “GAREAT large risks”
Before 2013: Unlimited XS 2 Bn € (3 years period agreement with the State)
Now: Unlimited XS 2,3 Bn € for 2013, plus 60M€ increase priority

Small & medium risks (sum insured below 20 M€)

- Before 2013: CCR used to propose to the market a specific and optional cover for small & medium size risks to individual companies only (no pool such as the non compulsory pool “GAREAT small & medium risks”)
 - ❖ Cover: unlimited stop-loss treaty, on an occurrence year basis, attaching at individually determined deductibles (no less than 20% of premium income).
 - ❖ treaties used to be individual, underwritten by each company.
 - ❖ Pricing and level of deductibles are calculated with same rules for all companies.
 - ❖ They both result from a rate applied to the total estimated premium income for property damage.
- Changes for 2013

Changes at 1st January, 2013 for small & medium risks

- Agreement for 5 years
- At January 1st 2013, the treaties will have an absolute and minimum deductible of 20 M€.
- The increase of the deductible concerns about 70% of CCR's treaties.
- Possibility given to CCR, to reinsure groups of companies, amongst them «Gareat small & medium risks» or other groups like GEMA mutuels, consolidated groups with several entities...