

Property and Casualty Risk Solutions for Financial Institutions



Even with the best planning, every organisation faces unexpected risks that could result in liability claims arising from their operations, premises, vehicles or claims by employees from injuries arising in the course of employment. Similarly, property losses and the resultant interruption to the business are often outside the control of organisations.

Marsh's Property and Casualty (P&C) team has expertise in servicing both global and national clients and specialises in offering a variety of tailor-made insurance and risk management product solutions. We harness our expertise across the organisation to provide our clients with global service delivery (combined with local expertise) that matches the global reach of our clients.

Value creation

For a financial institution, 'property' is defined broadly to include the financial institution's own property as well as its mortgage portfolios and real estate investments. It also includes business interruptions, increased costs of working risks and, where appropriate, motor fleet.

Insurance solutions for financial institutions have traditionally been thought to be simple and inexpensive, with financial lines covers accounting for the bulk of the corporate insurance spend. However, in recent years, financial institutions have significantly increased their stake in real estate investments via their lending activity and investments in private equity. Combined with their own real estate holdings, this has raised the overall property related risk exposures for many financial institutions and has introduced the question of how these should be insured.

Marsh can help financial institutions manage their risk exposures with a focus on business continuity management in addition to the normal 'trips and falls' and claims associated with the ownership and occupation of premises.

Casualty exposures are ever changing with finance structures becoming increasingly complex. One such example is banks' exposure to liabilities arising from financial transactional deals for marine, aviation and general assets. These can take many forms such as leasing, hire purchase, mortgage and debt, to name a few. Marsh is well placed to help our clients on the placement and advisory functions associated with such exposures.

A key differentiation for Marsh is our 'one firm' approach, where we draw upon the combined knowledge and expertise of our P&C and Financial Services teams. We also tap into our complement of skills in the areas of business continuity management, captive management, strategic risk assessment, forensic accounting and claims services, as and when required.

We specialise in helping clients manage their global P&C risks, leveraging our global network, local expertise, strong market relationships and industry knowledge. Our clients also have access to our comprehensive benchmarking information which helps their strategic and tactical decision making.

Our expertise

Reducing risks before they happen and responding to them when they occur can help clients mitigate their losses and protect their balance sheet. At Marsh, our professionals know that an insurance 'transaction' is only one event in a broader process designed to turn risk into a strategic advantage. We work closely with clients to identify the full spectrum of property and casualty exposures in conjunction with their financial lines exposures, providing solutions that help avoid, mitigate or transfer risk.

Our systematic approach to risk identification and powerful suite of analytical tools enable our clients to move beyond simply managing risk to optimising risk and turning it into a strategic advantage.

Marsh's property and casualty service offerings	
Property	Casualty
Property damage	Employer's liability / Workers' compensation
Business interruption	General liability
Terrorism	Asset transactional liability
Construction	Automotive liability
Engineering	Mortgage impairment / Repossession
Motor fleet	Personal accident / Travel

Marsh placed the P&C cover for a UK bank which embodied a combined technical and marketing review of the bank's existing cover. Through a thorough review of the policy wordings, our team was able to create a more robust and broader wording with enhanced cover limits. The revised wordings were then used in the insurer review.

The market knowledge of Marsh's Risk Management Practice and National Corporate Practice was shared to secure the best terms for the client. Our placement team made use of specific Marsh cover facilities suited to the bank's coverage needs. The new policies not only improved the cover and limits, but also resulted in cost savings of 25% for the client.

We help clients:

- Quantify and measure fixed and variable costs of risk.
- Analyse and model optimum risk requirements, retention and programme costs.
- Conduct risk reviews, including business continuity management, business interruption and employee absenteeism.
- Undertake risk mapping in conjunction with our industry specialists.
- Improve claims related data management and recovery.
- Design and implement effective risk transfer strategies, including Basel complaint policies.

Our robust set of proprietary strategy and risk diagnostic tools can provide clients with quantitative insights into risk finance issues and help our clients make more informed decisions. These tools include loss forecasting and retention modelling and benchmarking reports.

To find out more:

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