Swiss Re
Corporate Solutions

Alternative Risk Transfer Solutions

Step-up Retention Programme

Swiss Re Corporate Solutions provides tailor-made solutions to large corporations and captives for their (re)insurance, fronting and alternative risk transfer needs.

Our Step-up Retention Solution

If you as a Captive decided to increase your risk retention, this comes with the question of funding sources for this increased exposure. One way is to add capital or buy an aggregate excess of loss reinsurance protection (Stop Loss). Another way, particularly for Captives with low frequency of claims to their programme, is to fund the increased retention via the premium available to the captive's retention. This way, the retention can be increased year by year, corresponding to the additional funds available in the captive through the retained annual premium. However, things may not develop as expected and loss experience can be too averse to stick to a plan of an increased retention year over year.

Swiss Re Corporate Solutions provides a Step-up Retention programme which insures and protects budgets for such a Step-up Retention plan, over multiple years. The way we do this is by entering a multiyear agreement with the Captive which covers the gap between the current year's retention and a planned ultimate attachment point for the traditional excess of loss reinsurance programme. The current year's retention can thereby be a function of prior year loss experience, i.e. the retention can for example remain at previous year's level if loss experience was high and funds have been used to pay for this loss experience.

Contact us today to learn more

To learn more about this product and the wide array of additional alternative risk transfer solutions we can provide, please contact your local Swiss Re Corporate Solutions representative.

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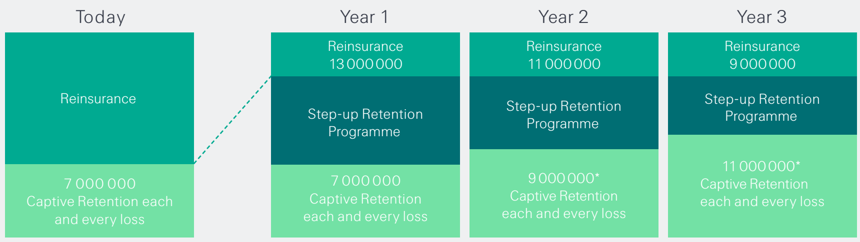
Key features

- Multiyear agreement of 3 to 5 years between Corporate Solutions and the Captive
- Insures and protects budgets for a Step-up Retention plan

Key benefits

- Budget certainty for several years while implementing the Step-up Retention strategy
- Covers the gap between the current year's retention and a planned ultimate attachment point for the traditional excess of loss reinsurance programme

Step-up Retention Programme



* whereas the retention follows a planned increase year on year but also a function of past loss experience to ensure budget certainty