



**HSCM BERMUDA**  
MANAGEMENT COMPANY

June 6, 2017

### **Hudson Structured and MultiStrat Complete a Workers Compensation Loss Portfolio Transfer**

Investment manager Hudson Structured Capital Management Ltd. (“Hudson Structured or HSCM”) has invested \$20.1 million in preferred shares in a reinsurance vehicle that will assume \$35.3 million of seasoned workers’ compensation liabilities. MultiStrat Advisors Ltd. (“MultiStrat”) and its affiliate the Annapolis Consulting Group (“ACG”) arranged and diligenced the transaction and will also act as its servicer.

Hudson Structured, doing business as HSCM Bermuda, worked directly with MultiStrat and the ultimate cedant to structure the transaction designed to provide effective run-off management of the cedant’s liabilities and collateral. The loss fund will be actively managed by Payden & Rygel in an asset-liability strategy to minimize asset risk and generate investment returns.

HSCM Bermuda invests across the risk and return spectrum in all instruments and sectors of insurance and reinsurance market and has been active in the legacy casualty segment of the reinsurance business. HSCM Bermuda collaborates with established platforms throughout the sector, and was pleased to work with MultiStrat on this deal.

MultiStrat delivers attractive reinsurance opportunities and launches reinsurance companies for asset managers and institutional investors. As part of MultiStrat, ACG provides run-off finality solutions including acquisitions for captives, Qualified Self-Insured’s, RRGs and other risk assuming entities.

Rachel Bardon, Managing Director of HSCM Bermuda, commented; “We are delighted to complete this transaction in this legacy block of business.” Tim Tetlow, Partner of HSCM Bermuda added “This transaction allows the cedant to move forward and focus on its future.”

Michael Millette, Managing Partner of Hudson Structured commented “We are pleased to collaborate with MultiStrat in this transaction. We have studied a series of opportunities together and expect that this will be the first of many that we complete.”

Sean Logan, CEO of ACG stated, "By consulting with the client on their requirements for collateral management and adverse development protection, we structured a solution that met the client's requirements and HSCM's return expectations." Jim Robinson, CEO of MultiStrat Advisors, stated: "This investment represents the continued expansion of alternative capital through "Casualty Linked Accounts," allowing segregation of liabilities and direct investment of assets for investors like HSCM.

Bob Forness, CEO of MultiStrat, commented: "The combination of the HSCM Bermuda team's expertise and our efforts over many months produced an attractive transaction and a template for the future. We look forward to working more with HSCM going forward."

Partners in this transaction included StormHarbour Securities LP as the placement agent, Preferred Reinsurance Intermediaries Inc. (South Carolina), RFIB (Bermuda) Ltd. and Uberrimae Fidei Insurance Company Ltd.

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