

## **Marsh establishes Protected Cell Captive in the Isle of Man**

Douglas, 12 May 2009

Marsh, the world's leading insurance broker and risk adviser, has established its own Protected Cell Captive (PCC) insurance facility on the Isle of Man. The PCC, called Mangrove Insurance Solutions PCC Limited, is governed by the Isle of Man's Protected Cell Companies Act 2004, and is licensed to write both insurance and reinsurance business.

Among the fastest growing alternatives to conventional commercial insurance, protected cell captive (PCC) facilities offer benefits similar to those available through group and single-parent captives at significantly reduced start-up and ongoing costs, as well as a shorter licensing timeframe. Individual businesses and other entities participating in the PCC are insulated from the loss experience, liabilities, and credit risks of other participants. Consequently, they avoid potential costs, such as additional premium requirements or capital outlays, that could arise in group captive arrangements when other participating firms have poor loss experience or more volatile risk profiles.

Derek Patience, Head of Marsh's captive management office in the Isle of Man and Chairman of the Manx Insurance Managers Association, said: "In creating our own PCC, Marsh is able to offer an even more comprehensive service to our extensive client base, especially to our middle-market clients and those who have a specific need to segregate their insurance risks.

"There is a clear gap in the market in the Isle of Man for a broker-owned PCC facility and Mangrove will fill that gap. Participants in Mangrove will enjoy all the advantages of a traditional captive in a highly cost-effective manner, with a minimal time commitment. Although Mangrove was only licensed a couple of weeks ago, we are already seeing significant interest both from clients and from our broking colleagues."

John Spellman, Director of Isle of Man Finance, the government body responsible for the marketing of the Island finance sector, commented: "We are fortunate to have plenty of innovators on the island, such as Marsh. During the current economic cycle, this offers a tremendous opportunity to fulfil client needs in a cost effective manner using pragmatic regulatory solutions. We congratulate Marsh on their development and wish them every success."

The Isle of Man will be enacting Incorporated Cell Company legislation later in 2009. David Vick, Supervisor of the Insurance and Pensions Authority, the regulatory body responsible for captive and insurance business, added: "The establishment of Mangrove Insurance Solutions PCC Ltd by Marsh is a significant addition to the Island's PCC sector and we look forward to discussing its further development as a protected cell facility for Marsh clients in due course."

Marsh has also incorporated a second PCC in Washington DC, primarily to serve the needs of its clients based in the USA.

### **About Marsh**

Marsh, the world's leading insurance broker and risk advisor, has over 23,000 employees and provides advice and transactional capabilities to clients in over 100 countries. Marsh is a unit of Marsh & McLennan Companies (MMC), a global professional services firm with approximately 54,000 employees and annual revenue exceeding \$11 billion. MMC also is the parent company of Guy Carpenter, the risk and reinsurance specialist; Kroll, the risk consulting firm; Mercer, the provider of HR and related financial advice and services; and Oliver Wyman, the management consultancy. MMC's stock (ticker symbol: MMC) is listed on the New York, Chicago and London stock exchanges. MMC's Web Site is [www.mmc.com](http://www.mmc.com). Marsh's Web site is [www.marsh.com](http://www.marsh.com).

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