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## Ruxley on the hunt for APH run-off business

Ruxley, a privately owned UK run-off insurance company is actively targeting long tail business held by European insurers especially with high asbestos, pollution and health hazard (APH) content, its founding owner said.

“We would look to pick up any unsettled APH portfolios from companies to run off. We have a main focus on European policies,” said John Winter, founder and CEO of Ruxley.

Winter added that while it specializes in APH business, it would be willing to take on any run-off that included elements of APH. It would then be likely to sell off any of the business it did not consider core and concentrate on what it deals with best.

The London-based company formed in 2001 and has established itself as an accomplished handler of APH run-off business in the niche market. In the past Ruxley has managed to acquire such run-offs through a combination of approaching companies with policies that they may wish to sell, but have sometimes been approached by potential sellers. Some are put out to tender.

Winter explained that as Ruxley actively seeks any business that may be on the market, it is difficult to know just how much could be available. It is also difficult to know how to price such business or how to fund such acquisitions, Winter said.

Ruxley has established an arrangement with an AA-rated reinsurer to provide statutory capital to support the transfer of liabilities to a Ruxley-controlled insurance carrier. In the past XL Re provided statutory capital to support the transfer of liabilities from a Generali subsidiary.

“This is an innovative way of securing capital,” Winter said, adding there was no ceiling to the size of business it could look to acquire.

Past deals for Ruxley have included legacy business of City General, the leveraged acquisition of Aviation & General Insurance Company and the London branch of Swiss Union.

As Ruxley remains privately owned, Winter said he has no intention of floating the company but in time would look to exit the firm and sell it on, though he gave no timetable as to when this could happen.

Ruxley held USD 62.2m worth of liabilities at the end of 2008.

**Source mergermarket**