



# Collateral Trust Services

As one of the largest providers of Collateral Trusts, Computershare understands the challenges and costs associated with posting collateral. That's why we offer a simple and comprehensive alternative to a letter of credit (LOC) that satisfies your insurance and surety-related collateral requirements.

## What is a collateral trust?

A tri-party arrangement established to hold collateral associated with a variety of insurance arrangements, a collateral trust serves as a financial guarantee ensuring that funds are available to limit exposure in connection with an insurance obligation.

As a National Association of Insurance Commissioners (NAIC) Qualified U.S. Financial Institution, we offer collateral trusts supporting:

- > Insurance-linked securities (ILS): Collateralized reinsurance, sidecars, industry loss warranties
- > New York Insurance Law Regulations: 114, 20, Section 1315, and NAIC surplus lines
- > Insurance companies: Captive, Deductibles, Surety Bonds
- > Insurance merger and acquisitions
- > NAIC credit for reinsurance model law (#785) and regulation (#786)

## Our client-centric team approach

From start to finish, your dedicated team provides a smooth experience throughout the life of your transaction. Experienced and knowledgeable, we invest time to understand your deal's requirements and address your transaction's specific needs.

You can count on us to:

- > Ensure the expedient setup of your account and meet funding deadlines as needed
- > Provide online account management, trust balances, and transaction tracking
- > Reduce risk when possible

### Let's Connect

Michael Alfano, Vice President  
 Business Development Officer  
 Cell - (904) 763-0559  
[michael.alfano@computershare.com](mailto:michael.alfano@computershare.com)

For more information, visit [computershare.com](https://computershare.com) or contact us.

<b>Program Advantages</b>	<b>Deductible Trust</b>	<b>Captive Trust</b>	<b>Surety Trust</b>	<b>Reinsurance/ILS</b>
Usually less expensive than an LOC	✓	✓	✓	✓
Widely recognized and accepted form of collateral	✓	✓	✓	✓
Trust's income generally belongs to the depositor	✓	✓	✓	✓
Eliminates potential encumbrances on the corporation's credit, generally created by an LOC	✓	✓	✓	
Does not need annual renewal (unlike an LOC)	✓	✓	✓	✓
Trust assets generally remain on the depositor's books	✓	✓	✓	✓
The draw-down characteristics are similar to an LOC	✓	✓	✓	✓
Easy to set up and dissolve	✓	✓	✓	✓
Can often replace an LOC posted to the same carrier	✓	✓	✓	
Can be funded with the same cash or cash-equivalent that would collateralize the LOC	✓	✓	✓	