

Using Reinsurance Expertise for Retakaful

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- Sharia'h-compliant insurance and reinsurance is at the crossroads
- Will it become
 - mainstream ?
 - or will it remain
 - marginal ?
- Reinsurers can help !

Retakaful market

- Growing availability of "mainstream" dedicated retakaful operators
- Well rated, experienced in the management of risk and product development
- Munich Re, Hannover Re, Tokio, Allianz, Lloyd's
- Regional specialists: Takaful Re, Al Fajer Re, BEST Re
- Jurisdictional spread of capacity and flexible models
- Ever-improving investment opportunities

So where is the hold-up?

"If you want to confuse someone, give him a choice"

- Reinsurance responds to the insurance market
- Insurers cannot function without adequate reinsurance
- A marriage that should therefore succeed

Qualities of a happy partnership

- Reinsurance looks in its partner for:
 - a track record
 - of management and corporate reliability
 - of underwriting performance
 - over many years

Qualities of a happy partnership (2)

- Reinsurance looks in its partner for:
 - a balanced portfolio
 - of well-priced risks
 - of good geographical spread
 - without too great a potential for "aggregation"

Qualities of a happy partnership (3)

- Reinsurance looks in its partner for:
 - a long-term relationship
 - the ability to retrocede unacceptably high risk more widely

Reinsurance and retakaful 101

"Misfortune is easier to bear if shared with others"

- The "bottleneck" of necessity versus capacity

The need for greater understanding

- Education in the techniques of takaful - and retakaful
- Familiarity breeds contempt...
- No: familiarity breeds comfort
- ...and contentment
- ...and fosters growth

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