

# Customised consulting

## CASE STUDY

*Securitisation programme, reduced financing costs and investment balance sheet capacity*

JLT were retained by a corporate to reduce their high cost of financing. This was caused by a skewed emerging market account receivables portfolio and limited balance sheet capacity, which lowered the company's rating by several notches. JLT worked with the client to structure an account receivables portfolio, which was viable for risk transfer into insurance or capital markets. An insurer was able to wrap the portfolio of receivables, enabling the company to borrow against the insurer's rating rather than its own for a very large part of their external financing needs. This considerably reduced financing costs and increased balance sheet capacity.

**JLT focuses on political risk analysis, credit analysis and financial modelling. Drawing on our vast experience in developing innovative risk modelling solutions JLT create client specific insurance products on a single situation or portfolio basis.**

JLT's boutique of customised consulting solutions include:

### Country reports

Country briefings provide detailed analysis and understanding of the political, cultural, operational, security and economic risks in the region and their potential impact on the business environment in the context of Political Risk Insurance for lenders or borrowers. Forecasts and statistics give clear insights into country risk, political instability and terrorist organisations that present a risk of violence and trade disruption.

Country briefings are tailored to specific transactions, industry sectors or territory, addressing risks such as force majeure, arbitration disputes, and bilateral investment treaties.

Reports include Political Risk Insurance (PRI) market price and tenor for transactions and future access to our country risk ratings guide.

### Country portfolio review

JLT provides a tailored review of your company's assets that enables you to understand where high concentrations in high-risk countries affect the overall balance of your portfolio. The model analyses risk correlations between specific countries or regions and identifies exposure to specific risks including terrorism, expropriation, sovereign risk and currency inconvertibility. This type of review analyses the level of risk across the portfolio and provides company specific maximum probable loss calculations. It delivers a sophisticated and credible basis upon which to define the necessary type and extent of cover required. This exercise, combined with knowledge of lender requirements and other interests, provides accurate information on which to make informed risk management and risk mitigation decisions.