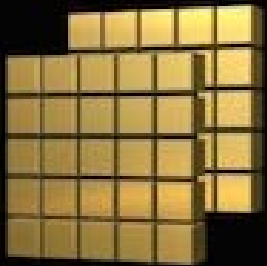




The IAC Cube™



Celebrating  
30+  
Years



## About Us

Expanding 30+ Years of Innovation



## IAC Insurers™

Risk Transfer & Capital Funding Facilities



## Our Policies

Four Policy Forms - Highest Ratings



## Our Capital

Linking Risk to Digital Assets



## IAC Participants

Success through Global Partnering

# An Introduction to IAC™ Insurers

Welcome to a brief summary of IAC Insurers™ and IAC<sup>3</sup> - The IAC Cube™.

Whether you are a party requiring specialised insurance coverages, an institutional investor wishing to diversify your portfolio strategies, an insurance professional, asset advisor, capital markets professional, industry services provider or regulator, The IAC Cube™ has been designed as a platform to facilitate solutions and objectives of interest to you.

IAC™ Insurers are unique insurance companies governed under the *Investors Guaranty Fund, Ltd. (Policyholder Reserves) Act, 1991 (the "IGF Act")*. They are designed to provide the highest level of safety, security and assurance of timely payment of Policy obligations.

Their standardised Policy forms provide third party participation in designing and developing bespoke coverages to address the world's most intractable risk mitigation and transfer issues.

For parties transferring risk exposures, The IGF System™ provides a means of creating long-term risk capacity, which may be applied to a changing set of risk exposures periodically.

The statutory reserve structure of the IGF Act and standardised capital instruments enable capital markets investors to participate in specific risk exposures and generate return from insurance - risk linked investment activities.

For Sponsors, risk, assets and capital markets professionals, IAC<sup>3</sup> Cube provides an elegant platform to create and operate risk mitigation portfolio valuation protection, financial guaranty and insurance capacity solutions, as well as generating funding for insurance underwriting capacity, projects, portfolio strategies, acquisitions, and special purposes.





*“providing Sponsors an advanced risk mitigation and funding platform -*

*IAC<sup>3</sup> - The IAC Cube™”*

# About Us

## 01 30+ Years of Innovation

From the founding of the first IAC Insurer™ in 1985 in Bermuda, commenced a legacy of innovation which is now standard international practice:

- 1985 - First “collateralised insurer” in Bermuda
- 1989 - First AAA policy rating on non-investment grade municipal bonds insured by IGF;
- 1991 - First segregated reserve legislation, the Investors Guaranty Fund, Ltd. (Policyholder Reserves) Act, 1991 (the “IGF Act”), the basis for segregated portfolio legislation worldwide;
- 1993 - AAA ratings for IAC Policies commenced;
- 1994 - Patent filings for invention of “insurance securitisation” with worldwide patents;
- 1994 - Patent filings for invention of “floating rate loss mitigation system” - patented globally;
- 1999 - Present - FlexGIA™ policies operational;
- 2000 - Present - Development of advanced risk solutions and global funding technologies; and
- 2014 - Launch of (IAC)<sup>3</sup> - The IAC Cube™, Sponsor platform for insurance securitisation | funding | digital assets.

## 02 IGF Act Companies (IAC)

In 1991, Investors Guaranty Fund, Ltd. (“IGF”) became first “Transformer” company. In essence, a platform for transforming and transferring risk from an insured to capital markets participants

Each IAC Insurer™ is a state-of-the-art infrastructure utility, governed under the IGF Act. Its statutory reserve assets are required to be held by government approved custodians and invested in a manner which assures its ability to 100% timely satisfy all Policy obligations issued by an IAC Insurer™.

Risk and capital markets professionals interface with IAC™ Insurers to transact matching of insureds’ risks transferred to applicable IAC™ Insurers, to funding from Policy collateral, proprietary FlexGIA™ and to Risk-Linked Obligation™s, which enable capital markets participants to diversify their investment portfolio strategies.

Since 1989, Policies issued by IAC™ Insurers have received the highest ratings assigned by leading international rating agencies.

Accredited Sponsors may establish a trio of IAC Insurers (life assurance, insurance, financial guaranty).

## 03 Sponsored IAC<sup>3</sup> Cube


“Why reinvent the wheel?” The IAC Cube™ provides a packaged solution for parties who desire to utilise risk mitigation and funding structures to achieve their specific objectives.

30+ years of technology and infrastructure development, and global operations have resulted in perhaps the most advanced technology available in risk transfer and securitisation, capital and project funding.

IAC<sup>3</sup>™ represents an opportunity for parties to license, form and operate this advanced platform and to use (r)IaaS™ to create bespoke solutions as a “Principal”.

To commence, an accredited Sponsor organisation applies and receives a license to create an IAC™ insurance and funding platform, which facilitates Sponsor objectives through the IAC<sup>3</sup>™ management team aided by IAC™ service providers and third party risk, assets and capital professionals.

(r)IaaS™ - (risk) Infrastructure as a Service™



*Sponsors may license an (IAC)<sup>3</sup>™, comprised of an IGI, IFG and IGA type IAC Insurer™ to facilitate their core risk mitigation and funding objectives.*

# IAC™ Insurer Types

INVESTORS GUARANTY™

 Insurance

## 01 Insurance|Reinsurance

Investors Guaranty Insurance type (“IGI”) is a category of IAC Insurer™ organised in Bermuda under the IGF Act, operating as an insurance|reinsurance company.

The [Re] Insurance Policy form provides a flexible approach to create a myriad of risk exposure coverages, both traditional and especially non-traditional. As all IAC™ Insurers, IGI type IAC Insurer™ must maintain in its statutory reserves governed under IGF Act, sufficient eligible government obligations to fully pay 100% of applicable Policy obligations. Premium, Policy Collateral, and capital|surplus sourced from Risk Linked Obligation™s, designated risk Syndicates, Policy Collateral and proceeds of FlexGIA™ provided from its affiliated IGA-IAC Insurer™, provide support for issuance of these Policies.

This IAC Insurer™ may create designated pools of insurance capacity for specific Insureds, and/or linked to specific Risk Linked Obligation™s.

INVESTORS FINANCIAL™

 Guaranty

## 02 Guaranty|Credit|Value

Investors Financial Guaranty type (“IFG”) is a category of IAC Insurer™ organised in Bermuda under the IGF Act, operating as a financial guaranty insurance company.

Using a special standardised Financial Guaranty Bondholder Insurance Policy form, this IAC Insurer™ type is able to provide coverage for a wide range of credit, performance, definitive and book-entry securities risks, sovereign, as well as coverage of residual values, and demand guarantees.

As required by the IGF Act, Policy obligations are supported by portfolios of eligible government obligations, which must be sufficient to timely pay all Policy obligations.

Funds necessary to support these exposures is derived from premium, Policy Collateral, and capital|surplus created through issuance of Risk Linked Obligation™s, designated risk Syndicates, and support from its affiliated IGA-IAC Insurer™ from proceeds of FlexGIA™.

INVESTORS GUARANTY™

 Assurance

## 03 Life|Assurance|Health

Investors Guaranty Assurance type (“IGA”) is a category of IAC Insurer™ organised in Bermuda under the IGF Act, operating as a life assurance company. IGA-IAC Insurer™ is designed to insure and reinsure specialised types of living person risk involving life, health, disability, medical, safety and security, including integrated life cycle risk exposures.

Another source of Policy activity is issuance of GIA™ and FlexGIA™, which fund IAC<sup>3</sup>™ activities. Another benefit of FlexGIA™ is its portfolio valuation coverage. FlexGIA™ provide a source of surplus for underwriting activities of the IGA-IAC Insurer™ and its affiliated IAC<sup>3</sup>. Premium, Policy Collateral, and capital|surplus invested in eligible government obligations is sufficient to timely pay 100% of Policy obligations. Its remaining assets (actively managed portfolios, projects, acquisitions, and investments) produce a positive spread. Risk Linked Obligation™s provide another source of capital.

“ integrated risk|funding through the IAC<sup>3</sup>™ - The IAC Cube™ “



“Designed to provide the highest degree of safety, security, and assurance of timely payment.”



# Our Policy Forms

[Re]Insurance Policy 

FINANCIAL **GUARANTY**   
BONDHOLDER INSURANCE

Guaranteed Investment **Agreement**™ 

FLEX **GIA**™ 

## 01 [Re] Insurance

This Policy form's design provides a standardised contract for insuring or reinsuring nearly any risk exposure one can conceive. It is issued by IGI and IGA type IAC™ Insurers for traditional and non-traditional insurance coverages of general insurers and life assurance companies. The Policies are fully backed by portfolios of eligible government obligations matched to timing and currency,

## 02 Financial|Guaranty

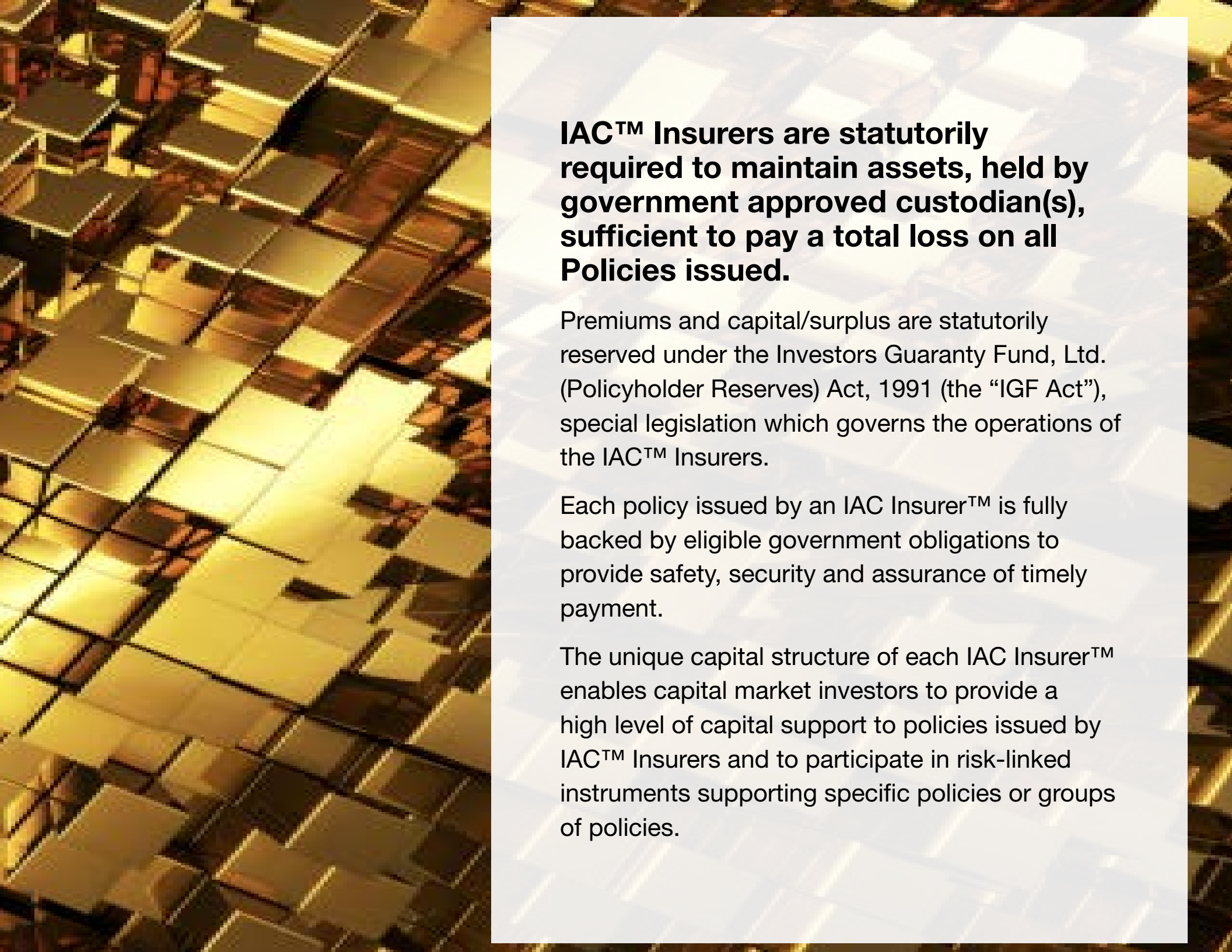
IFG type IAC Insurer™ is designed to issue financial guaranty insurance policies, bondholder insurance policies, performance bond insurance, residual value insurance and other forms of guaranty, surety, value and credit insurance. Demand guarantees and standby capital|surplus instruments may be issued. These Policies are fully backed by eligible government obligations and are of highest quality.

## 03 GIA™

Similar to a life insurance company guaranteed investment contract, the IGA type IAC Insurer™ issues Guaranteed Investment Agreements, each fully backed by eligible government obligations. Terms include designation in one or more currencies, terms from 3 months to 50 years, and fixed and/or floating interest rates. GIA™ are useful in structured payouts, or as a high quality collateral instrument with flexible payment options.

## 04 FlexGIA™

FlexGIA™ are floating rate guaranteed investment agreements, which for some purchasers are booked as senior debt obligations. FlexGIA™ are fully secured by eligible government obligations and have been rated in the highest rating categories by international rating agencies. Issued by IGA type IAC Insurers, FlexGIA™ are a primary source of capital|surplus for investments and risk retention by IAC Insurers<sup>3</sup>, and provide “stable value” portfolio valuation protection for FlexGIA™ holders.

An aerial photograph of a city grid, showing a dense pattern of streets and buildings. The image is viewed from a high angle, looking down at the city. A large white rectangular box is overlaid on the right side of the image, containing text. The text is in black, with the first sentence in bold. The background image is slightly blurred, emphasizing the text in the foreground.

**IAC™ Insurers are statutorily required to maintain assets, held by government approved custodian(s), sufficient to pay a total loss on all Policies issued.**

Premiums and capital/surplus are statutorily reserved under the Investors Guaranty Fund, Ltd. (Policyholder Reserves) Act, 1991 (the “IGF Act”), special legislation which governs the operations of the IAC™ Insurers.

Each policy issued by an IAC Insurer™ is fully backed by eligible government obligations to provide safety, security and assurance of timely payment.

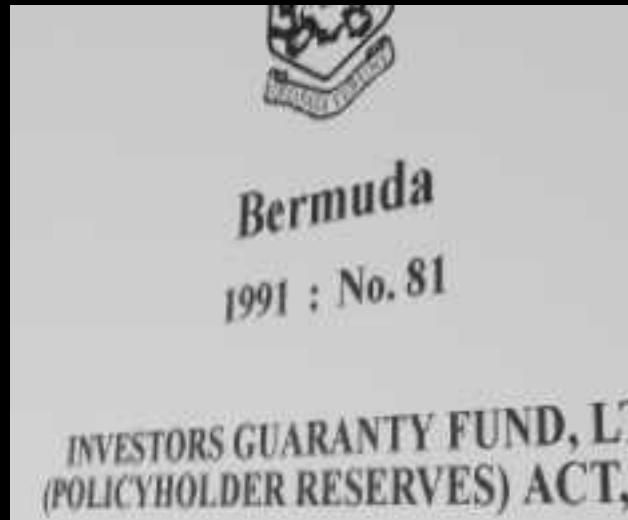
The unique capital structure of each IAC Insurer™ enables capital market investors to provide a high level of capital support to policies issued by IAC™ Insurers and to participate in risk-linked instruments supporting specific policies or groups of policies.

# Our Capital Forms



## 01 Policy Collateral

Standard form Policy Collateral Agreements provide the contractual framework when collateral is provided to support specific Policy(ies) subject to specific statutory requirements of the IGF Act. Each IAC Insurer™ must be capable of satisfying 100% of all Policy obligations. Policy Collateral is a form of collateral support which may be used in lieu of or in conjunction with surplus funding from FlexGIA™, capital from risk Syndicates and Risk-Linked Obligation™s.



## 02 Risk-Linked Obligations™

Each IAC Insurer™ is empowered under the IGF Act to issue standard form debt and equity obligations linked to specific policy(ies), groupings of policies, and/or specific risk exposures related to a policy or groupings of policies. These obligations may be issued to accredited investment funds or placed with special purpose issuers who may issue debt and/or instruments which participate in Risk-Linked Obligation™s.



## 03 Residual Interests Certificates

Certificates of Residual Interests are issued by each IAC Insurer™ with respect to specific Policy and/or capital transactions, subject to statutory requirements of the IGF Act. Accredited IAC™ Underwriting Advisors, IAC™ Syndicate Advisors, IAC™ Sponsors, other professional participants and IAC™ Insurers participate in transaction gains through these and other forms of special purpose digital assets.



*IAC<sup>3</sup>™ operations focus on a) policy activities, the form through which an IAC Insurer™ accepts risk, b) capital support, which involves matching capital/surplus from discrete investors in conjunction with premiums to assure an IAC Insurer™'s ability to meet statutory requirements and be capable of fully paying the maximum of all policy limits, c) transactional participant activities, involving insurance and capital markets, asset and advisory professionals coordinating transactional activities with IAC Insurer™, and d) administrative functions, undertaken through the IAC Insurer™'s management team, affiliated administrative services companies and third party support professionals.*

# Our Participants

*“providing insureds high quality risk mitigation solutions and capital providers portfolio diversification through investing in specific risks”*

## 01 Sponsors

The IAC Cube™ is designed to provide Sponsors an elegant packaged platform to meet and exceed their risk mitigation and funding requirements. These multi-insurer platforms are supported through an expanding number of global insurance, capital markets and administrative professionals, designed to provide an ever-increasing amount of insurance capacity, capital support and technical expertise.

(risk) Infrastructure as a Service™, or (r)IaaS™ includes involvement of IAC™ Transactional Professionals and Administrative Service Providers, selected by the Sponsor to assist in their IAC Cube™ daily operations.

Each Sponsor participates through its Directors on the Board of each IAC Insurer™, appointment of its members to each Executive Directorate, and service agreements between each IAC Insurer™ and the licensed Sponsor organisation. Various transactional and operational roles are appointed by the Sponsor.

## 02 Transactions|Operations

In transacting, prospective purchasers interface with insurance brokers and/or Insurance Marketplace Providers, who access an IAC Insurer™ through licensed Bermuda insurance intermediaries. For certain types of Policy transactions, recognised broker-dealers, investment banks, and specialised product participants may facilitate Offers to Purchase and/or arrange placement of Risk-Linked Obligation™s.

Issuance and operations of each Policy are facilitated by IAC™ Underwriting Advisors, IAC™ Underwriters appointed by an IAC Insurer™, and in some cases specialised consultants and advisors.

The capital matching component of acceptance of risk under each Policy is coordinated with capital allocation advisors, including IAC™ Syndicate Advisors who manage pools of insurance capital capacity.

Government obligations supporting all Policies and surplus assets are managed by IAC™ Asset Allocation Advisors and by third party asset managers.

## 03 Service Providers

IAC™ Insurers operate their administrative activities through their Directors, executive staff and various third party service and administrative providers.

These third-parties normally available in Bermuda provide for administrative functions, branding, marketing support, technology operations and licensing, risk underwriting, asset management, capital allocation and other ancillary services.

Third Party Administrative Service Providers include insurance company administrators, registered secretarial services, government approved custodian(s), investment funds and asset holding structures involving funds administrators, accountants and auditors, actuaries, legal advisors, specialised computational services, risk consultants, claims payment services, registered agents, trustees, bankers, regulators, data services, and other technical support.

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 **IAC**™  
THE IGF SYSTEM™



IGF Act Companies™