

Winner of **Initiative** of the year

Ontario Teachers' Pension Plan/Elementum Advisors – Cat bond advocacy

ILS investors Ontario Teachers' Pension Plan and Elementum Advisors worked together in early 2012 to propose a series of best-practice standards for cat bond structures.

Many of these measures were adopted for transactions throughout the year as 2012 evolved into a banner year for ILS issuance.

Their proposals included introducing independent directors on cat bond special purpose vehicles to strengthen governance standards and lessen the potential for conflicts of interest.

The duo also campaigned for the release of more information on the underlying risk transferred in a cat bond transaction, in order to narrow the information gap between ILS investors and reinsurance providers on the traditional or collateralised market.

The two investors expressed a hope that these changes would reap future dividends for the market by avoiding disputes.

The judges applauded their "resonant" contribution to the debate about increased cat bond transparency in the wider market.



Philippe Trahan (Ontario Teachers') and Jake Weber (Elementum) pick up the Initiative of the year award from Verisk Analytics' Alex Korb

Entry criteria: Candidates were from any sector within the convergence market, whose specific initiative – including new trading technology, IT development, modelling innovation, new product, or introduction of new parties to the convergence market – significantly aided its development. The winner of this broad category was expected to be a corporation or a team whose specific innovation has made an outstanding contribution to improving the way that (re)insurance risk is transferred in the past year.