



## **PRESS RELEASE**

11 March 2011

### **Kane to acquire HSBC's insurance management operations**

#### **Acquisition will create world's largest independent insurance manager**

Kane, a leading provider of specialist risk and insurance management services, has today announced that it has signed an agreement to acquire the insurance management operations of HSBC.

Under the agreement, which has been signed with HSBC Bank Bermuda Ltd, HSBC Bank Cayman Ltd and HSBC Insurance Agency (USA) Inc, Kane will acquire HSBC Insurance Holdings (Bermuda) Ltd, HSBC Insurance SPC Ltd, the insurance management business and assets of HSBC Bank (Cayman) Ltd, and HSBC Insurance Agency (USA) Inc for a total amount of USD27.5m. The acquisition will be backed by private equity firm CBPE Capital.

HSBC Insurance Management (HIM)\* is the world's fourth largest insurance manager and a recognised leader in the field of Insurance Linked Securities (ILS). HIM has an extensive and diverse customer base, which it serves from a global network of offices in Bermuda, Cayman, Guernsey, Malta, New York, South Carolina, Washington DC and Vermont, in addition to being approved to provide insurance management services in six other US States. The Company provides management, administration and structuring support services for: Captives; Cell Companies; Insurance Linked Securities; Insurance and Reinsurance Companies; and Life, Pensions and Investment (LPI) Companies.

Stephen May, CEO of Kane, said: "This agreement is a major step forward in the overall growth strategy for Kane. The acquisition will position us as the world's largest independent insurance manager and clearly supports our aim of creating a global, domicile-neutral platform from which to offer our independent, expert advice. We welcome the new employees and customers of HIM into our Group and look forward to building and developing long-term successful relationships."

HSBC will work closely with Kane to ensure a smooth integration of HIM into the Group. As part of the acquisition, Kane has offered employment to all HIM staff.

Roy Fellowes, CEO of HIM, said: "We are excited about becoming a part of the Kane Group and delighted they have embraced, and are committed to supporting and growing all current HIM business lines. Kane and HIM have a number of synergies, not only in relation to the products and services we provide, but also in terms of the culture and approach of the two organisations. These synergies will enable a successful transition and ensure that we maintain the high levels of service which our customers expect."



Clive James, a Director of Kane, said: "The acquisition of HIM provides a strong fit for Kane. We have established an excellent reputation in the provision of alternative risk transfer services, and are keen to bolster our activities in all of the sectors in which HIM presently operates. The Company provides a large and secure base in a number of key insurance territories coupled with a significant presence in traditional captives, and the specialist ILS and LPI markets"

Completion of the acquisition is expected to take place on 30 April 2011, subject to regulatory approvals.

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**TAGS/KEYWORDS:**

Kane, HSBC, HIM, Insurance Management, Captives, Cell Companies, ILS, Reinsurance, May, Fellowes, James

**Notes to Editor**

**About Kane**

Kane is a provider of specialist risk and insurance management services. From offices in Bahrain, Dubai, Guernsey, London and Qatar, Kane's experienced professionals serve clients on a global basis. Kane's extensive expertise encompasses the following areas: risk management; self-insurance structures, including captives, protected cell companies and mutual insurance companies; healthcare consulting; regulatory compliance and underwriting services. Kane is also a specialist provider of Takaful insurance solutions.



Kane is regulated by the Financial Service Authority in the UK, the Central Bank of Bahrain in Bahrain, the Dubai Financial Services Authority in Dubai and the Qatar Financial Centre Regulatory Authority in Qatar.

For further information, please visit: [www.kane-group.com](http://www.kane-group.com)

### **About HSBC**

#### **1. HSBC Bank Bermuda Limited**

HSBC Bank Bermuda Limited has been operating in Bermuda since 1889. It offers a range of retail and wholesale banking services for personal, corporate and institutional customers.

#### **2. HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 7,500 offices in 87 countries and territories in Europe, the Asia-Pacific region, the Americas, the Middle East and Africa. With assets of US\$2,455 billion at 31 December 2010, HSBC is one of the world's largest banking and financial services organisations. HSBC is marketed worldwide as 'the world's local bank'.

#### **3. HSBC Insurance Management**

\* HIM is the marketing name for the collection of HSBC companies that perform insurance management services around the world.

For further information, please visit: [www.insurancemanagement.hsbc.com](http://www.insurancemanagement.hsbc.com)

### **About CBPE Capital**

CBPE invests in transactions with a value of up to £150m. It focuses on investment in the following sectors:

- Support services
- Consumer
- Leisure
- Industrial
- Transport & distribution
- Healthcare & pharmaceutical

For further information please visit [www.cbpel.com](http://www.cbpel.com)