

Surety Solutions

OSRL Financial Standing Criteria



Summary

As an OSRL subscriber, you can satisfy the financial standing criteria within your Supplementary Agreement by issuing a Surety Bond (a 'Bond').

How it works

Our bespoke wording satisfies the financial standing criteria with an automatic Bond amount increase when a deployment event occurs, whilst also facilitating competitive pricing and leaving bank facilities unencumbered (in contrast with an SBLC).

Subscription	Bond Amount		Bond Amount
Capping	US\$5,000,000	Deployment Event →	US\$50,000,000
Containment	US\$5,000,000		US\$50,000,000
Offset	US\$5,000,000		US\$40,000,000

Key benefits

Bonds issued by insurance companies do not affect working capital or bank borrowing facilities, which improves your cash flow and liquidity. Other benefits include:

- ✓ Competitive pricing modelled on an initial and maximum Bond amount¹, payable annually in advance;
- ✓ No tangible security or collateral required to support issuance; and
- ✓ Straightforward issuance procedure through a dedicated specialist team.

How do you apply?

RKH Specialty Limited, the UK's largest independent specialist surety broker, are the exclusive broker for arranging the issuance of surety bonds in favour of OSRL.

To apply, please provide the following information to Tom Parrott or Will Watts (details overleaf):

1. Latest set of audited accounts of the Subscriber;
2. Latest set of consolidated accounts of the Subscriber's ultimate parent company;

Upon review, RKH will confirm eligibility for obtaining a bond and will provide further information regarding the procurement process.

Should you be eligible and the terms offered are acceptable, you will be required to enter into a counter indemnity with the surety and pay the premium in full and in advance prior to issuance.

¹ Example: the cost for a capping subscriber with a standard rate of 1% per annum would be:
US\$5,000,000 x 1% p.a. + US\$45,000,000 x 0.50% p.a. = **US\$275,000**

Key contacts



Tom Parrott

Account Executive
+44 (0)20 7133 1404
+44 (0)77 1413 3912
tom.parrott@rkhspecialty.com



Will Watts

Account Handler
+44 (0)20 3808 2390
+44 (0)79 3637 1022
will.watts@rkhspecialty.com



One Creechurch Place, London EC3A 5AF, United Kingdom

T +44 20 7456 9300

F +44 20 7456 9399

T @RKH_insurance

www.rkhspecialty.com

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