

McGill and Partners and FortuneGuard Launch First-Ever, War Risk Reinsurance Facility for Commercial Property Assets in Ukraine

London, 9th January 2025: McGill and Partners, the independent global specialty insurance and reinsurance broker, has launched a groundbreaking, war risk reinsurance facility for commercial property in Ukraine.

This new offering is the first of its kind, leveraging AI-powered technology to enhance the understanding and underwriting of commercial property risks in the region. FortuneGuard, a Lloyd's Lab Insurtech, utilises official data on projectiles fired into the country to assess the likelihood of war damage, and to support risk presentation, analysis, and underwriting. With live data risk monitoring, this approach enables underwriters to more accurately evaluate risks and offer affordable premiums for businesses in Ukraine.

Supporting Ukraine's economic recovery and resiliency efforts, McGill and Partners has also collaborated with local Ukrainian insurer, ARX, to create a product that will enable up to \$50M in coverage to be offered per risk, with reinsurance capacity provided by the London market and Lloyd's syndicates. Coverage will be provided for properties located more than 100 kilometers from the front line.

Since the outbreak of the war with Russia, the international reinsurance market has largely withdrawn from providing capacity for war risk reinsurance in Ukraine. While there have been some recent initiatives focused on covering mobile assets, the only coverage available for commercial property assets to date has been through local insurers, such as ARX, and limited to policy limits of \$500,000.

Reinsurers will work with ARX to enable quotes to be issued to new clients this month, with access to the reinsurance facility expected to be expanded in due course to additional local insurers.

Steve McGill CBE, Founder and CEO of McGill and Partners said:

"As Ukraine continues to navigate the devastating impacts of war, we recognise the significant role of the insurance industry in supporting Ukraine's economic regrowth. Providing critical coverage for businesses in Ukraine, the launch of this groundbreaking facility marks a significant milestone in supporting Ukraine's economic recovery and resiliency."

"By harnessing the power of AI and comprehensive data sets, we have been able to take a more informed approach to presenting and underwriting risk. This approach has enabled us to deliver scalable reinsurance capacity at an accessible premium, adding critical coverage for businesses that were largely unprotected."

Oleksii Omelianchuk, Founder and CEO of FortuneGuard, said:

"This historic facility is a game-changer for Ukraine's commercial sector and investors. Offering unprecedented policy limits of up to \$50 million, it provides coverage that was previously unavailable in the market. By leveraging cutting-edge AI-driven analytics, local expertise, and

comprehensive data, we can provide affordable and scalable coverage for businesses and investors operating in Ukraine. Developed with input from Lloyd's experts, this initiative not only secures assets but also provides the confidence businesses need to continue operating and rebuilding in these challenging times."

Maksym Mezhebytskyi, first Deputy Chairman of the Board and member of the Board of ARX, noted:

"A year and a half ago, no one in Ukraine could even dream of this. We are very pleased Lloyd's and the London private reinsurance markets have recognised the critical need for a property reinsurance product against war risks, and we are proud to be the first in Ukraine to introduce this product. This became possible, among other things, as a result of the experience we have accumulated over the past year and a half, and our partnership with McGill and Partners. We hope that similar products will continue to develop, and the number of insurers and reinsurers involved in them will only increase."

-ENDS-

About McGill and Partners:

McGill and Partners is an independent, specialty insurance and reinsurance broker, different by design and focused on addressing the sophisticated needs of our clients around the world. Structured to operate without silos, through an innovative single profit centre, we deliver our full range of expertise to clients and build long-term partnerships with them and our retail broking partners.

Headquartered in London, we work with clients globally and have offices in Bermuda, the US, Ireland, Australia, Switzerland, Sweden, and Germany. The firm has significant backing from funds affiliated with Warburg Pincus, a leading global private equity firm, alongside founder and employee ownership.

About FortuneGuard:


FortuneGuard, a Lloyd's Lab Insurtech, is a pioneering provider of AI-driven war risk insurance solutions. Specialising in risk analytics, underwriting support, and tailored insurance products, FortuneGuard combines advanced data analytics, local expertise, and seamless distribution to manage complex risks effectively. FortuneGuard partners with global insurers, reinsurers, and our chosen broker McGill and Partners to deliver innovative products, helping businesses and investors thrive even in war zone environments. Website: www.fortuneguard.ai

About ARX:

ARX is a leading insurer in Ukraine and a part of the international Fairfax Financial Holdings group, which provides global expertise and the highest standards of quality in the insurance industry. The company has been operating since 1994, including 11 years under the AXA brand, and has been part of the Fairfax Financial Holdings group since 2019.

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