



Construction & Real Estate

GrECo Specialty

GrECo,
matter of trust.



GrECo Specialty Construction & Real Estate

The international team of the Construction & Real Estate Practice at GrECo Specialty provides insurance broking, risk management and claims consultancy services to large local, regional and international companies such as Real Estate Developers, Contractors, Designers and Engineers as well as Project Owners and Banks.

Changing framework

Rapid advances in construction technology and methods coincide with scarce labor resources and low margins despite high risks and need for substantial capital investment in plant and machinery. Recent years have shown some of the largest insurance losses in history, partly induced by adverse weather conditions, partly man-made incidents.

Stable support

We help financing and transferring your risks. This is the main benefit we deliver to our clients. No more, no less. As (re)insurance brokers we advise on risk allocation and management and unlock the local, regional, international and global insurance markets to accommodate for the appropriate coverage. Our technical expertise and analytical capabilities create additional value for project companies and ventures. We constantly monitor developments in the insurance market and make clients aware of any future implications.

Holistic View

In our specialization we support our clients holistically. Our industry focus enables depth of expertise, fluency in international project contracts enabling superior results for our clients and reducing interface and friction losses. We view insurance and risk management as a tool to enable you to achieve a favorable risk / return profile in your ventures.

Sincerely,

Richard Krammer
Group Practice Leader Construction and Real Estate



Construction.

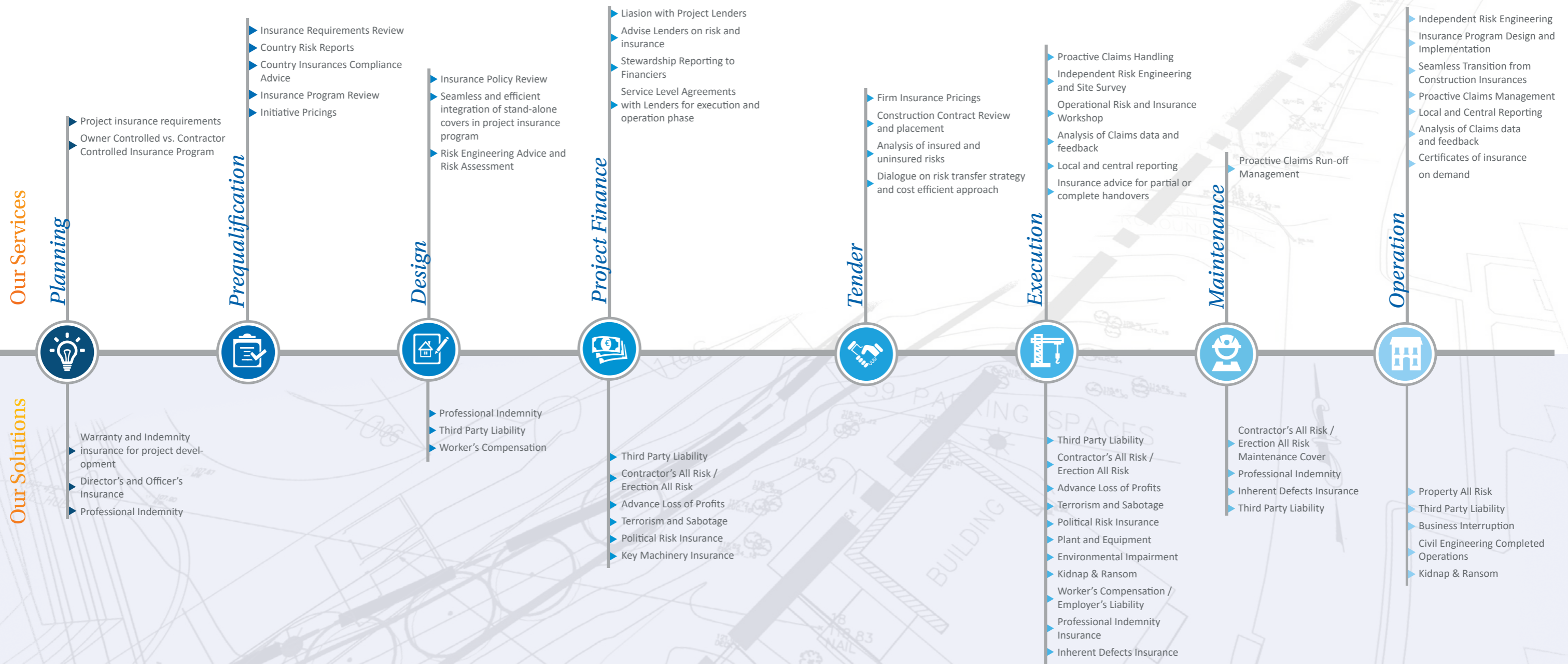
At GrECo we believe that only dedicated specialists with an unconditional focus can live up to our Client promise and provide the best service. It enables a degree of proximity and effective-

ness which, by its very nature, remains unachievable for generalists who do everything at the same time. GrECo's Construction and Real Estate Practice provides dedicated services to

Contractors, Project Owners, Architects, Engineers and Financing Institutions. Our services encompass the entire value creation chain from feasibility study over design and engineering to execu-

tion and maintenance. We can provide insight on risk allocation, construction and erection contracts and insurance. We are involved in setting up insurance structures, assist in negotiations with

Contractors, Subcontractors and Principals as well as lawyers and contribute to a successful project execution by reducing uncertainty.





Our Services. Your Benefits.

1 Risk Analysis

Through our focus on the construction, engineering and real estate industry we understand the specifics of project organizations and the interfaces between project owners, contractors, financiers, subcontractors and authorities and can help you to safely steer your course.

2 Insurance Paradigm

We advise on risk bearing capacity, which and how risks can be allocated and transferred under contracts and what your position under different insurance programs is. Combining access to regional and global specialist insurance markets with unique technical expertise will bring you highest certainty and lowest cost of risk.

3 Risk Engineering

We feature a dedicated unit offering services in real world risk management with an unconditional focus on results. Assessing risk on site and supporting to keep it under control will benefit both a successful completion of the project as well as lowering risk transfer costs, effectively saving you money.

4 Servicing

Promises are to be kept. It is in the case of a loss that this promise has to be lived up to and the coverage has to prove its worth. Concise stewardship reports and online access to your claims will respect your time and give you the results you need, freeing resources for your core business.

5 Consulting

Financing a project without being able to directly influence its execution means that there is limited opportunity to intervene once the original setup has been chosen. We advise on the appropriateness of insurance covers for your investment or analyze existing covers as Lender's Insurance advisor.

6 Claim Advocacy

Not just your typical claims handler. We go the extra mile to ensure that every claim is treated in accordance with the local legislation, best industry standard and in a proactive and consistent manner. You will receive regular updates, claims reports and statistics. Our claims analytics support your management to learn from past experience and mitigate risk.

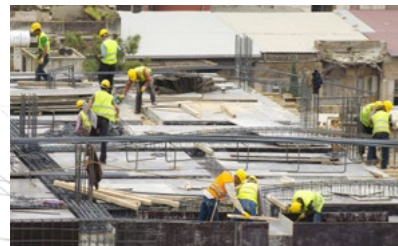
Our Clients.

Contractor

A contractor faces the very essence of construction and engineering risks. Often risks are transferred contractually and many unforeseen circumstances which are imminent to project companies realize in the Contractor's sphere. At the same time calculations have to be concise with decreasing opportunities to file claims to Owners.

Understanding the risks involved and which ones are best borne by the Contractor himself, transferred to subcontractors or insured supports in completing projects with a high degree of financial stability. One project gone wrong may offset the results of dozens of successful projects.

As such, it is of key importance to have a clear view on which risks to insure in annual programs and to really understand the scope and accessibility of project specific covers.

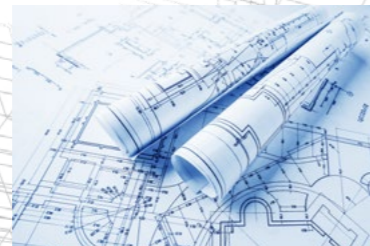


Engineer

Design and Engineering services are at the root of all projects. From early feasibility studies to the solution of highly demanding design requirements these works carry a high degree of risk and uncertainty.

Projects become increasingly sophisticated. This often means pushing the borders of the technically controllable while facing an increasing number of interfaces with other project participants.

Understanding whether a project specific Contractor's All Risk policy would step in and to what extent, what limitations of liability are practically feasible and which insurance solutions are available when it comes to design, engineering or design & build projects may be a question of economic survival.



Owner

Project implementation involves a high degree of complexity and substantial capital investment. Though many risks can be transferred by contract to other parties there is always a residual risk.

We support you in all phases of a project, tightly liaise with your legal counsel and help avoid any gaps in insurance coverage while always having the most cost effective solution in focus. Understanding the differences of Owner Controlled vs. Contractor Controlled insurance programs, the interplay with force majeure provisions and when which one or combinations of the two are more appropriate may be key to a successful project finalization.

An insurance solution for your project should provide transparency on risks and insurance coverage, be the most cost efficient one and avoid any complications in case of damage.



Developer

Developing an asset means that there are immediate consequences on the ability to redeem any financing or liabilities to buyers and renters should a project be delayed or even become unfeasible.

We assist in identifying the pertinent project risks, allocating them to project participants and ultimately help making sure the developed property can be marketed as planned.

The scope of insurances stretches far beyond mere covers for property damage and liabilities and comprises also Warranty and Indemnity insurances, facilitating transactions and helping overcome possible reservations on a buyer's side.



Financiers

Being a financing party on a project means that the success of the project and guarding it against unforeseen circumstances has a direct consequence on the recoverability of the loan.

Being coinsured or having been ceded a project specific cover which inadequately covers the involved risks means believing to be on the safe side while actually be set for surprises in the case of damage.

We act as Lender's Insurance Advisor when scrutinizing projects and provide consultancy on uninsured risk and possible consequences on an investment.



Our Solutions.



Contractor's All Risk

The Contractor's All Risk insurance (CAR) covers unforeseen property damage to the works during their execution. It may be taken out by anybody, most often by the principal or the general contractor. Regularly, all companies involved in a project are covered. Insufficient drafting or exclusion of risks may lead to uninsured loss and liability claims.



Plant and Equipment

Insuring the assets needed for executing the works against unforeseen property damage (and optionally consequential financial loss) is the focus of this line of business. A fundamental differentiation lies in the mechanical breakdown vs. externally induced losses.



Third Party Liability

Liability may either attach on the basis of law or contract. This insurance covers loss to third party property, bodily injury and financial loss as a consequence thereof. In addition, it may extend to pure financial losses as well. Also small contracts can lead to substantial claims, rendering this insurance one of the most important to guarantee the financial survival.



Professional Indemnity for Design

A specialized third party liability insurance for professionals. Often designers are not co-insured under a project's Contractor's All Risk policy making it necessary for the principal or the contractor to actively pursue claims, facing an insurer negotiating liability. A more intricate version is encountered in Design & Build contracts where a regular PI will not suffice because originator of loss and damaged party are the same before handover.



Delay in Start-up

Insures the loss of profits as well as any fixed costs incurred should a project not be finished because of an insured property damage during construction/erection. Care has to be taken to reconcile this insurance with any penalty provisions in the construction and erection contracts. Contrary to contentions this insurance can also be concluded by a contractor with the project owner as loss payee.



Latent Defects Insurance

Latent defects insurance (LDI) is a type of insurance that provides cover for the cost of remedying and rectifying damage arising out of latent or inherent defects. It is purchased by developers and property owners to facilitate selling on, or receivers to protect against contractors in liquidation. It may also be used as a substitution of other collateral (surety).



GrECo Specialty. Your Added Value.



For more than 95 years, our clients have been able to lean back and relax. They have placed their trust in our solutions and services, knowing that their employee, operational and financial risks are on the safe side. The advice and recommendations we give are a combination of highly specialised, national and international know-how, multilingual teams and an efficient risk assessment that takes local requirements into consideration.

At GrECo Specialty, we are specializing in chosen industries and solutions. Our deep expertise and entrepreneurial culture give us the authenticity, flexibility and persistency to go beyond the routine and deliver tailored results for our clients.

We meet our clients at eye level and speak their language. We act responsibly and always put our clients first and are sensitive to the needs of both, their industry and all associated risks. We fight for your interests with greater passion, determination and professionalism than anyone else.



Coverholder at **LLOYD'S**

We are proud to be the Lloyd's market participant and the only Coverholder in the region with the ability to underwrite Construction and Engineering projects on behalf of Certain Underwriters at Lloyd's.

The delegated authority enables GrECo Specialty to deploy re-/insurance capacity on engineering projects valued up to 150 million EUR in Austria, Eastern Europe, Russia and CIS. The capacity can be used either on direct basis, where Lloyd's is permitted to write insurance, or as reinsurance, quota share or excess.

We understand your needs and can offer:

- Capacity** Substantial Capacity for projects up to 150 million EUR any one risk in respect of Total Insured Values
- Speed** Speedy placement – 24h for initial quote and 72h for final binding terms including the duly signed and executed insurance/reinsurance certificates
- Direct and Facultative** Flexibility – the capacity under the Facility can be used on a following form reinsurance or lead terms depending on the client's preferences
- Geography** Over 30 countries in Europe, Russia and CIS

About us.

Who we are.

We have been a privately-owned family business ever since the beginning. Our independence is a privilege: we are not responsible to stock market analysts or share prices, we are only committed to meeting the needs of GrECo target groups.

Our far-reaching network, the pioneering work in Eastern Europe and Central Asia as well as the trust placed in us has made us the leading insurance brokers and consultants in the region. A pole position that we, a family business with strong roots in Europe, are particularly proud of.

What we do.

In our risk and insurance management solutions for industry, trade, commerce and public sectors, we put the spotlight on individuality. GrECo provides optimum security for clients' employee, operational and financial risks and manages these risks at all levels.

Trust and proximity characterise our relationships with clients. Coupled with

a broad spectrum of specialties and expertise, this enable us to precisely assess risks and tailor and optimise risk and insurance costs for our clients.

In addition to our core business as brokers and consultants for industrial insurances, we are also active as reinsurance brokers, risk engineers and developers of client-focused software solutions.

Global reach.

GrECo nova is the global specialist insurance broking network which provides our clients with decisive benefits in all their global ventures.

nova independence. Independent advice worldwide.

Ever since its foundation, GrECo has been an independent family business. This independence has been instilled in us – it defines us, worldwide. That is why we mostly collaborate with leading local brokers who are as independent as we are and who share our guiding principles and self-image.

nova flex. Maximum flexibility worldwide.

Wherever you go, we are already there. As an independent risk and insurance consultant, we are flexible to individually identify the best possible local solutions for our clients. Our openness in choosing partners gives you maximum flexibility. We not only look for the right partner for you, we already work with him!

nova value. Premium quality worldwide.

We not only act responsibly but consider it our responsibility to ensure that the local brokers we select provide top quality services. This is what we demand from them, on behalf of our clients, no questions asked. For that we have agreed on comprehensive service standards with our partners. This also means, we guarantee GrECo quality worldwide, wherever you are.

132
million EUR turnover



1,133
million EUR placed premium



95+
years experience



Where we are.

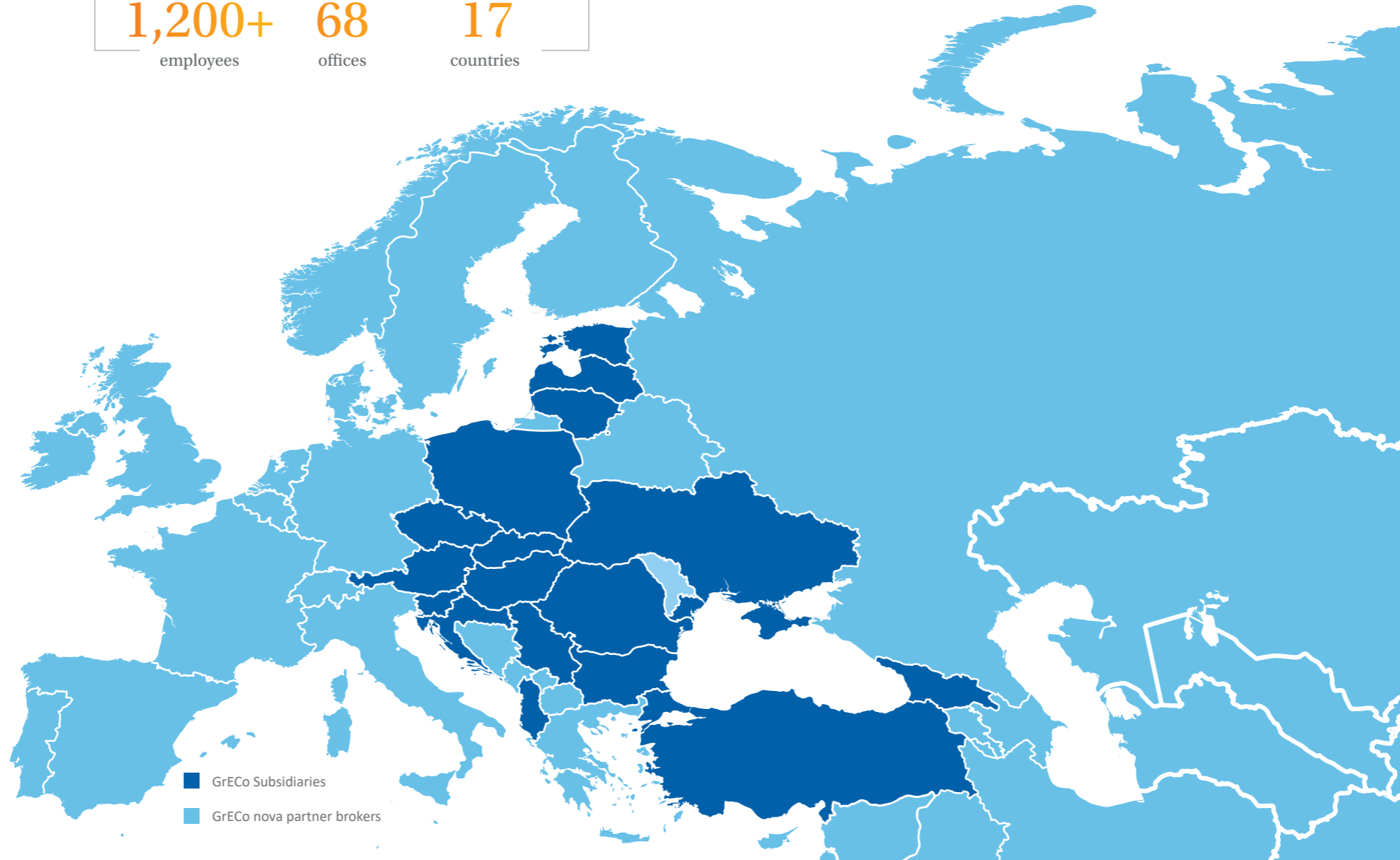


in

1,200+
employees

68
offices

17
countries



nova



Contact



Richard Krammer

Group Practice Leader Construction & Real Estate

Tel: +43 5 04 04 119 | Mob: +43 664 810 29 63

r.krammer@greco.services

GrECo Specialty GmbH

Insurance Brokers and Insurance Consultants

Elmargasse 2-4 | 1190 Vienna | Austria

www.greco.services

**GrECo,
matter of trust.**

All rights for this presentation are reserved. The presentation including its sections (all or in part) is protected under copyright. The information contained in it is confidential. This presentation and its content may not be used, translated, distributed, copied or processed by electronic means without the expressed agreement of GrECo Group. Distribution to a third party is not permitted.