
Stoneheath Re Issues \$350 Million of Preferred Shares

Date: 12/12/06

Cahill represented XL Capital Ltd in connection with an offering made outside the U.S. to non-U.S. Persons of \$350 million of preferred shares issued by Stoneheath Re, an off-shore special purpose vehicle formed to provide reinsurance to certain foreign reinsurance and insurance subsidiaries of XL.

The innovative structure of this transaction will grant XL's subsidiaries access to capital if a big reinsured event occurs. Comprised of elements of traditional reinsurance, contingent capital arrangements, and catastrophe bonds, according to reported coverage, the transaction is believed by rating agencies to be the first structure of its kind.

Attorney

- Thorn Rosenthal