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**MAYER BROWN AND KBW INVESTMENT BANK
FINANCIAL SERVICES M&A FORUM**

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STRATEGIC PARTNERSHIPS:
EXPLORING INTERCONNECTIONS AMONG PRIVATE CREDIT,
INSURANCE COMPANIES AND BANKS



Brent Rhodes
Managing Director
Apollo



Jonathan Bock
Sr. Managing Director
Blackstone



David Golub
President
Golub Capital



JP Bernard
Partner
Mayer Brown



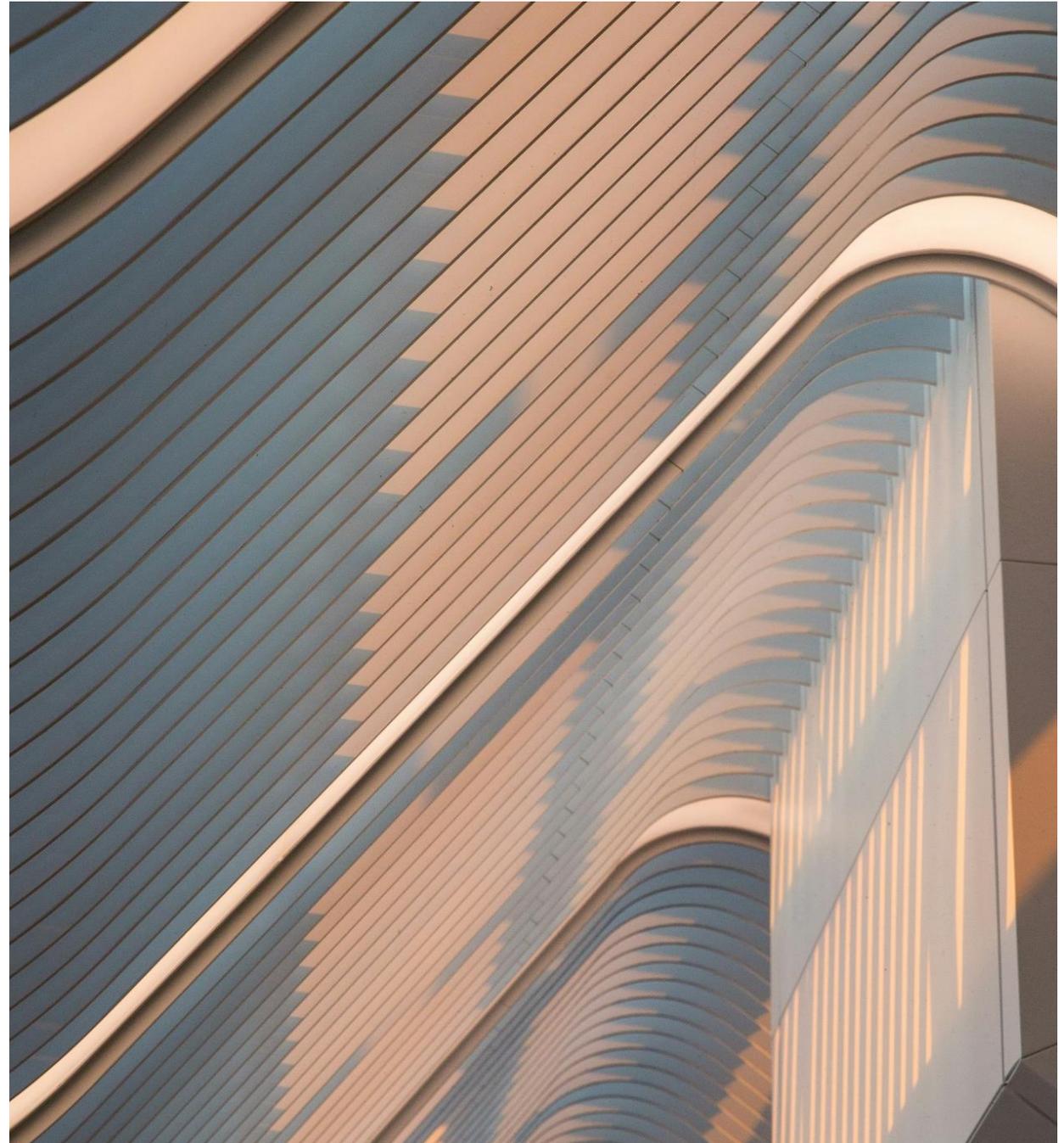
Joe Castelluccio
Partner
Mayer Brown



Al Laufenberg
Managing Director
KBW Investment Bank

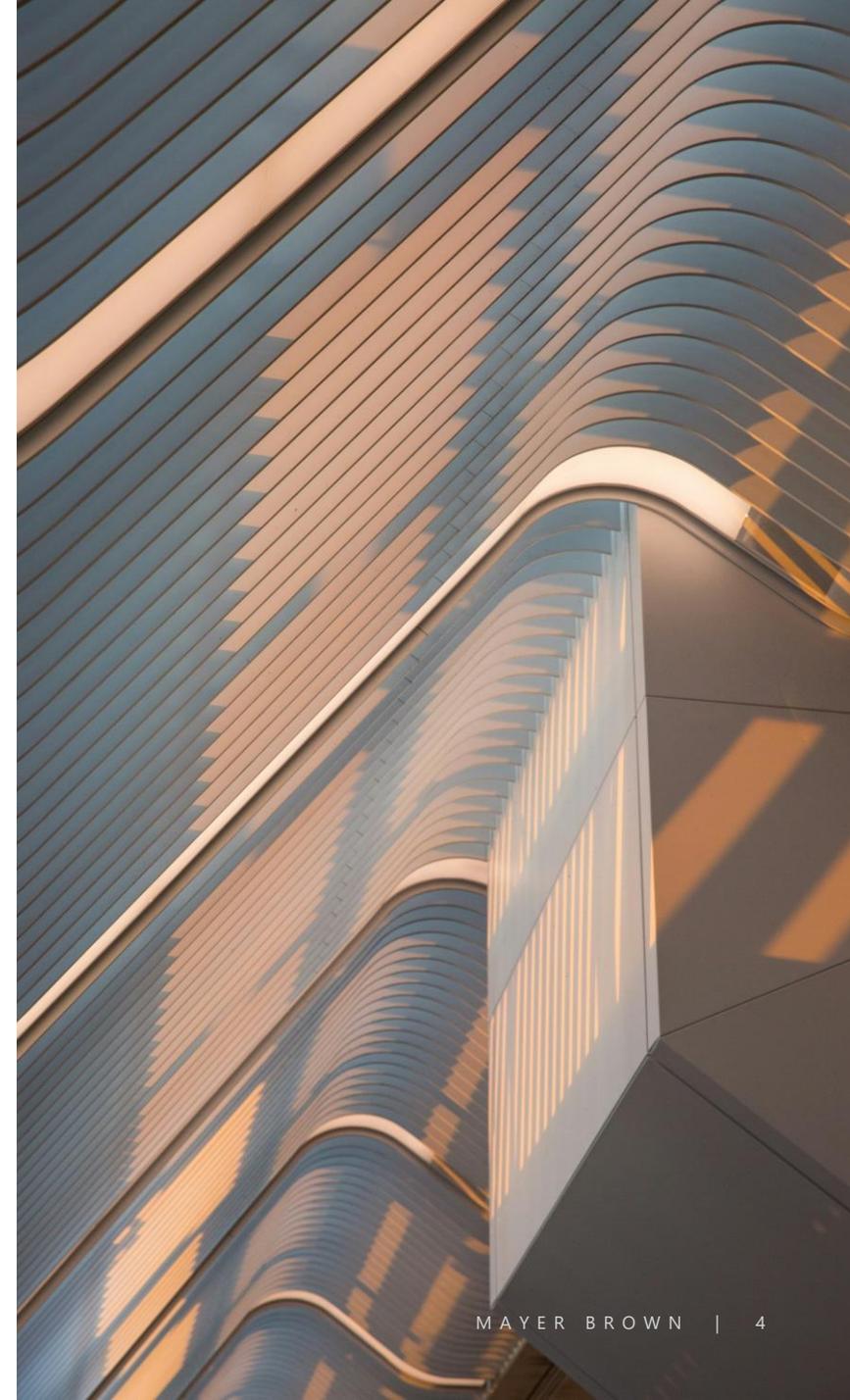
AGENDA

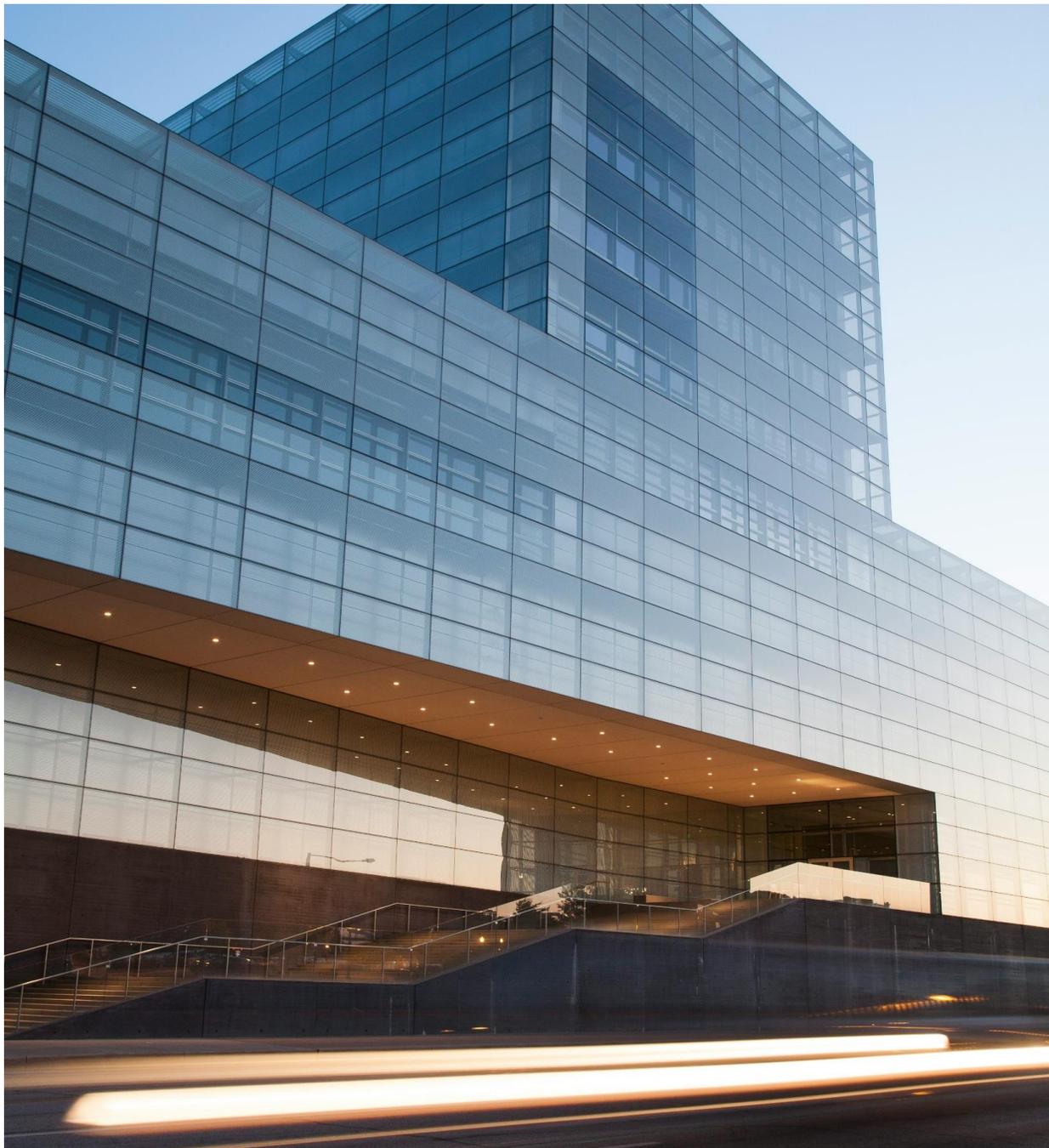
1. Why these partnerships exist and why are they expanding?
2. What motivates and drives these relationships?
3. Issues and Challenges
4. The Future



INTRODUCTION

- Overview of the trend in partnerships among banks, private credit providers, and insurance companies
 - Partnerships between banks, insurers, and private credit providers are reshaping the financial ecosystem.
 - Growing demand for alternative financing solutions.
- Understanding drivers, challenges, and opportunities in this evolving ecosystem.





WHY THESE PARTNERSHIPS EXIST AND ARE EXPANDING

- Banks, insurers, and private credit providers aligning strengths
 - Banks provide infrastructure and regulatory expertise
 - Insurers offer long-term capital and risk management
 - Private credit adds flexibility and innovative lending strategies
- Examples: Citibank/Apollo Program and others
- Market forces driving scale and transaction volume

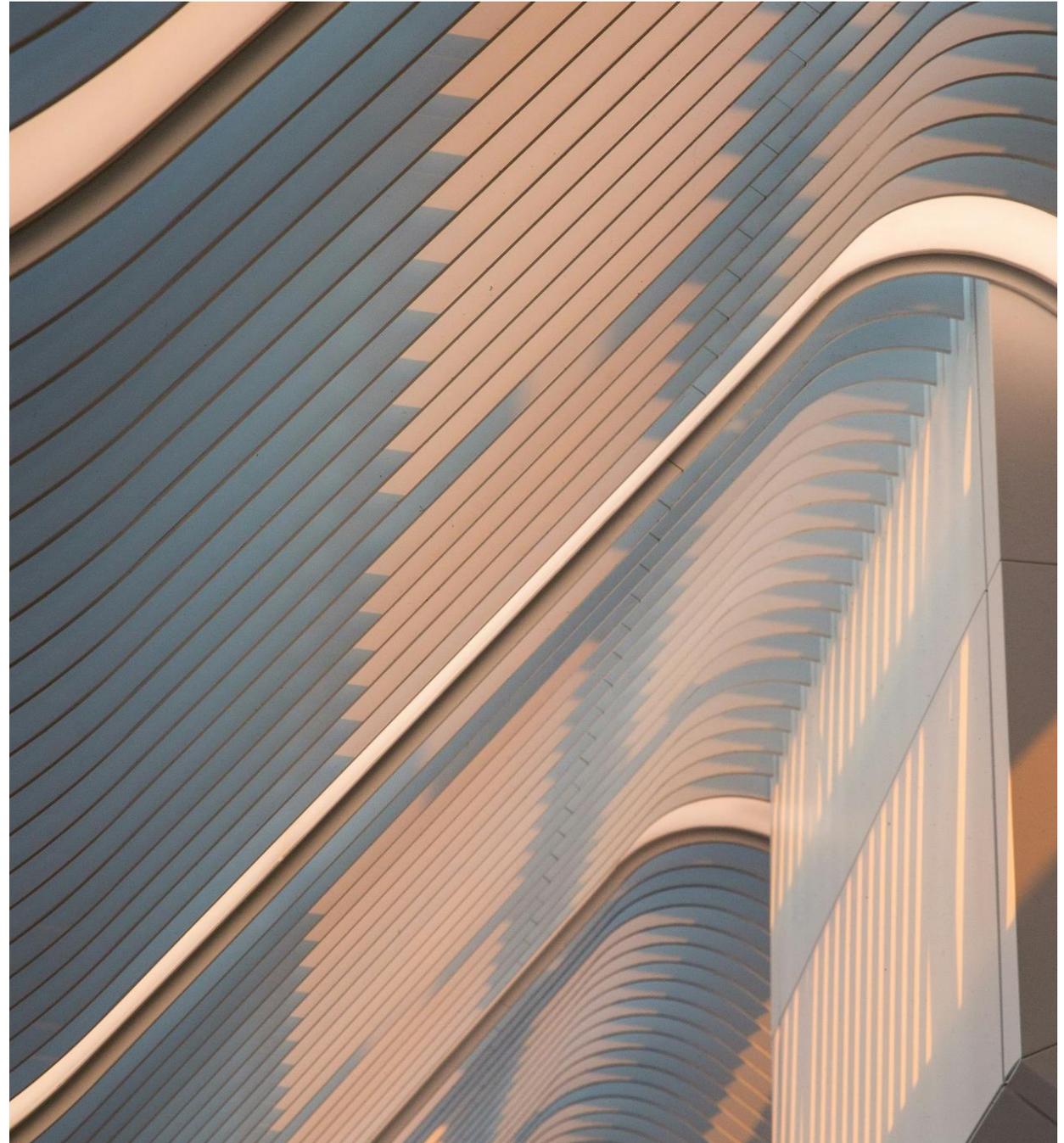


EVOLUTION

- Historical context of bank-insurer-private credit collaborations: From niche collaborations to mainstream financing solutions
- Trends in transaction structures and goals over time
- Shifts in market and regulatory perceptions and acceptance

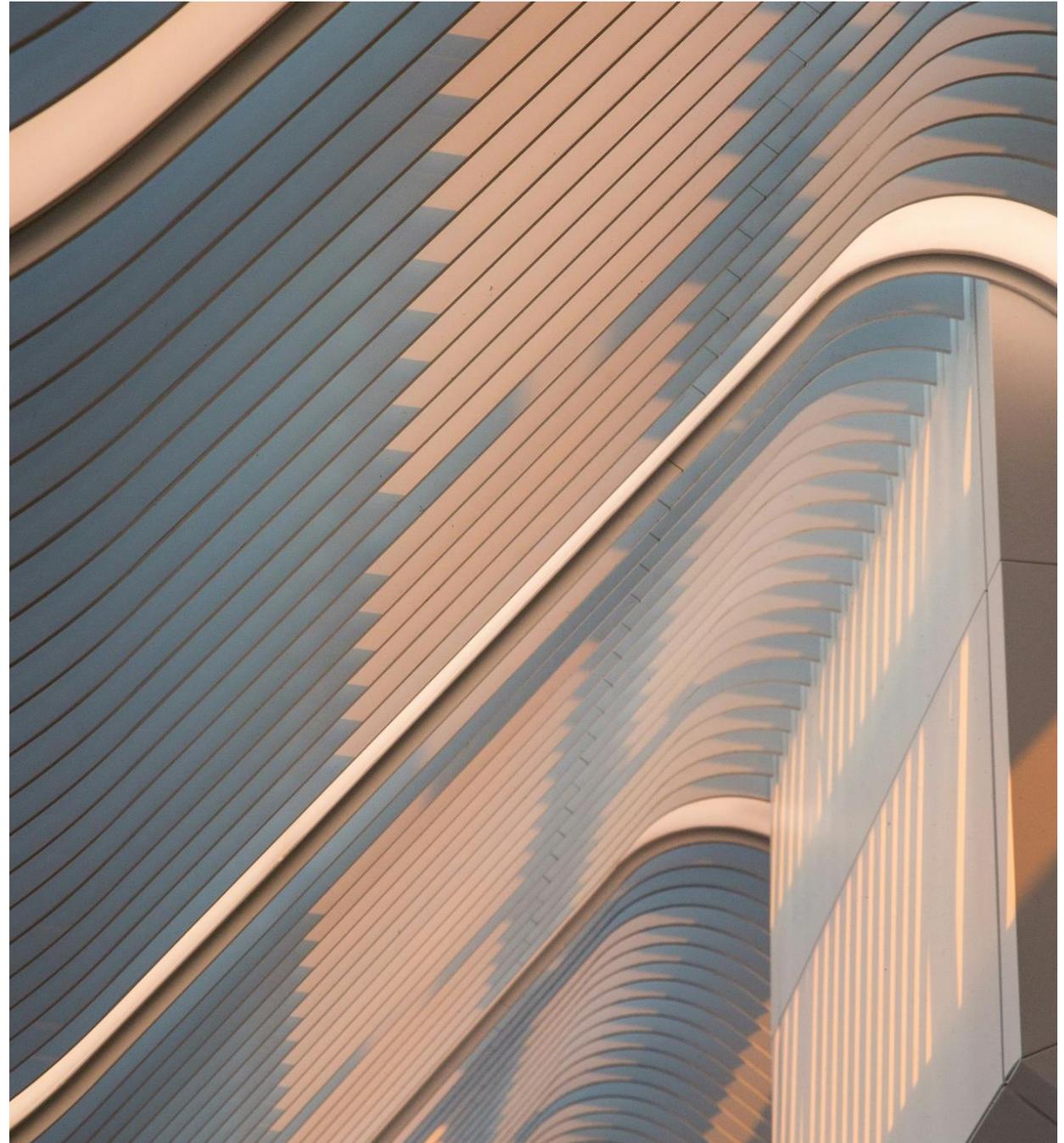
DRIVERS – BANKS

- Diversification of revenue streams
- Increased regulatory pressures and response to tighter regulatory controls
- Strategic objectives: Enhancing return on equity and customer offerings



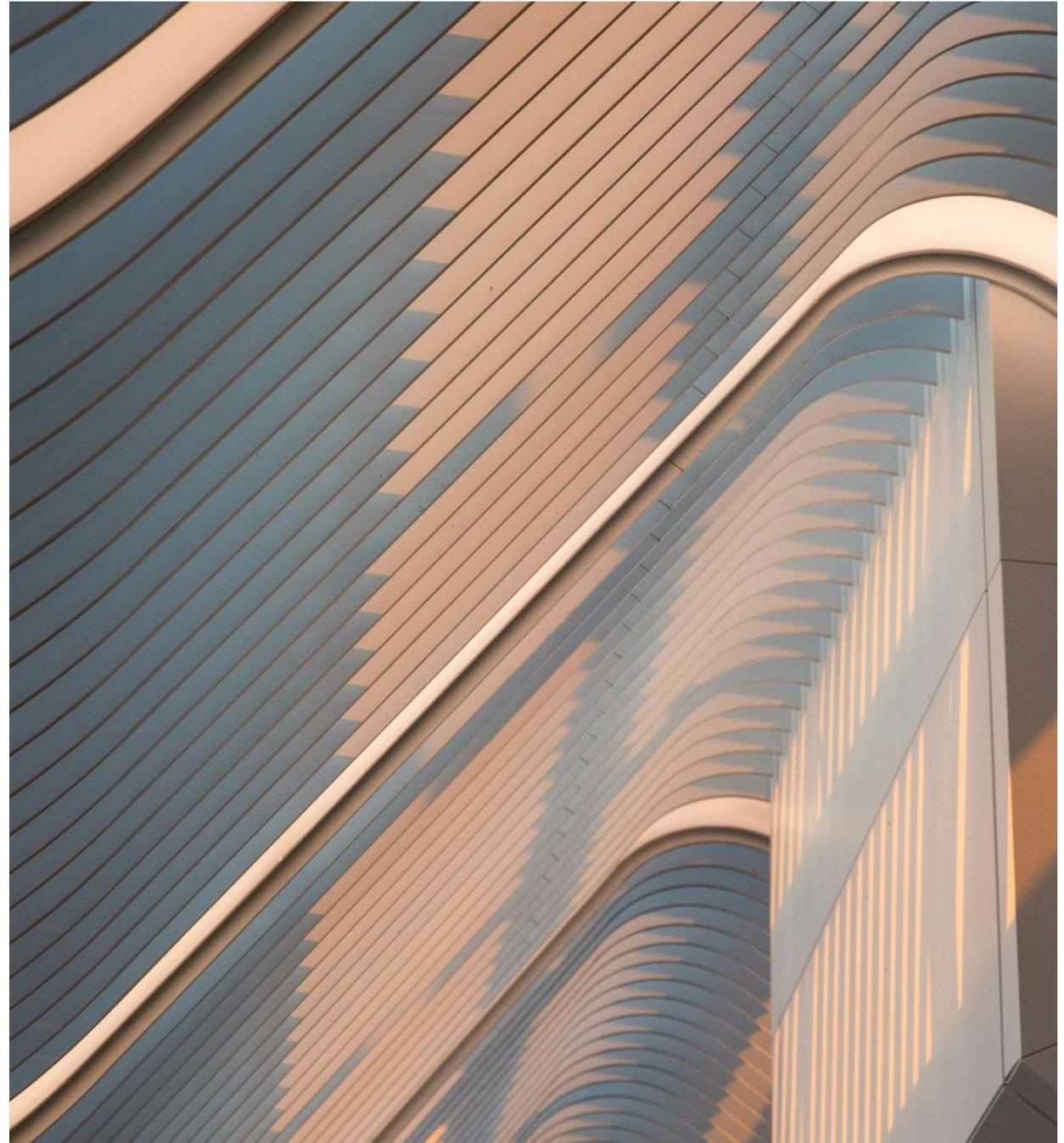
DRIVERS – INSURANCE COMPANIES

- Desire for predictable long-term returns
- Matching liabilities with predictable investments
- Leveraging innovative credit solutions for portfolio optimization



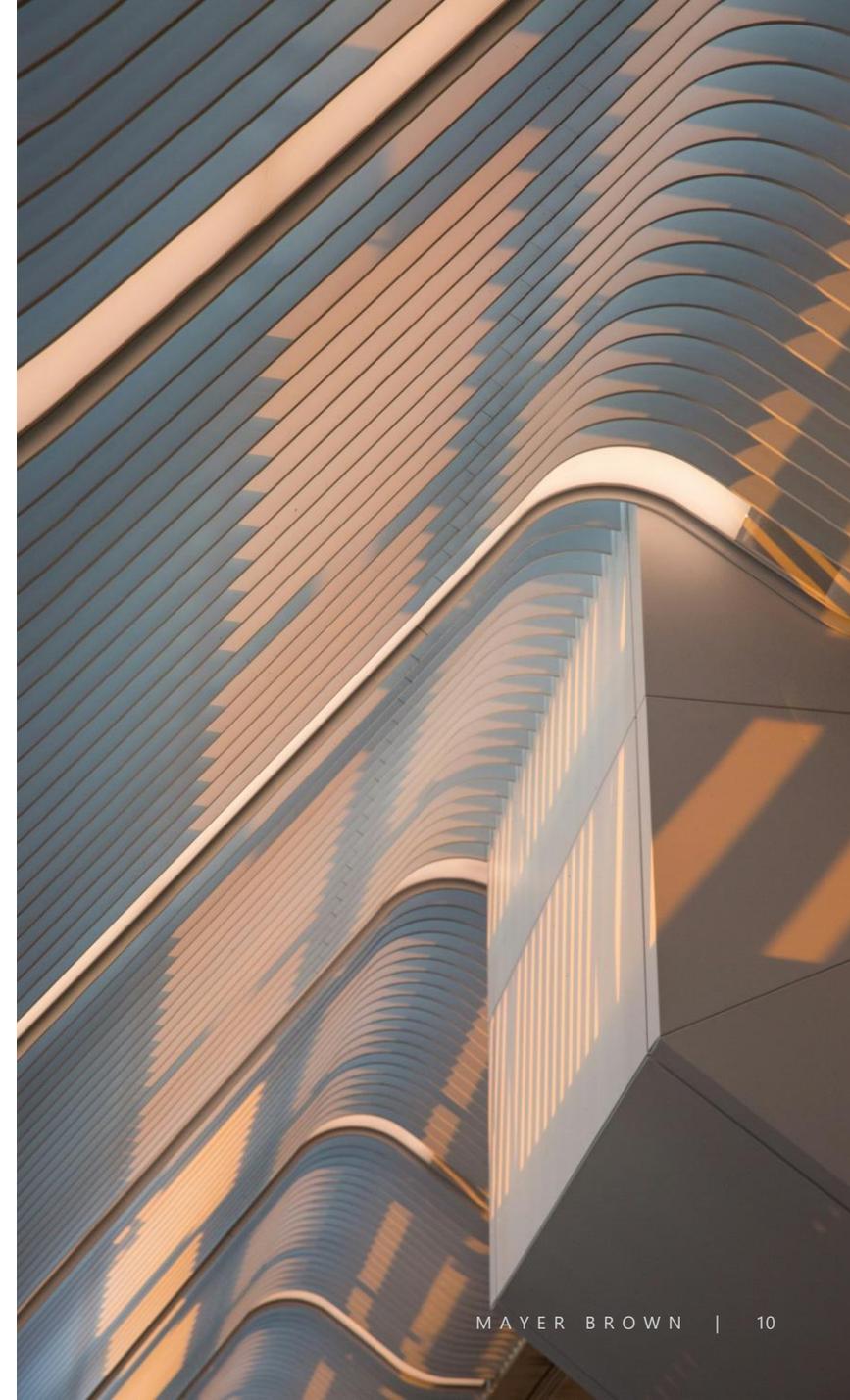
DRIVERS – PRIVATE CREDIT

- Expertise in creating tailored financing solutions
- Addressing gaps left by traditional lenders
- Flexibility in deal structuring



CHALLENGES

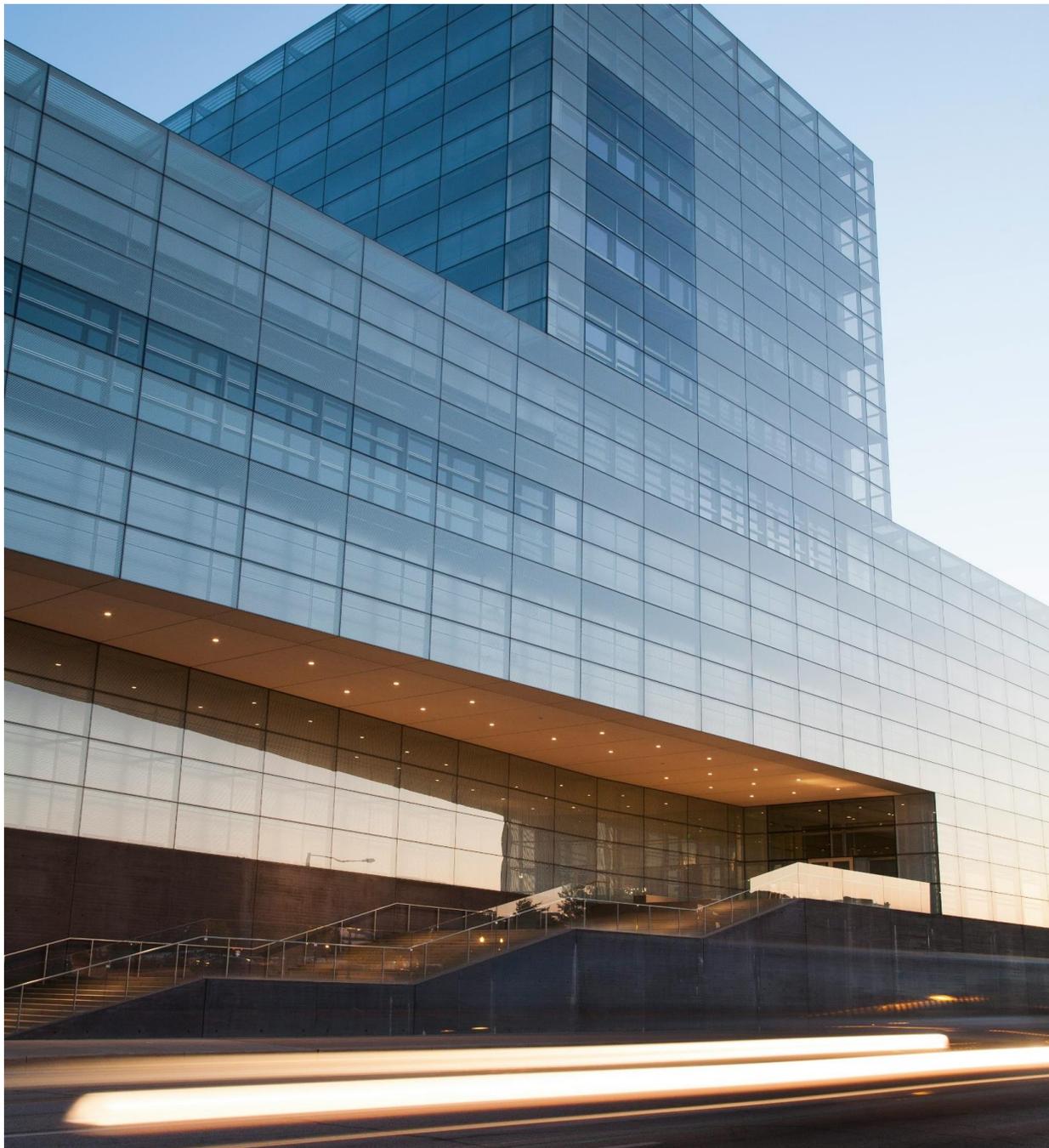
- Need to align divergent risk tolerances and management strategies priorities among banks, insurers, and private credit providers
- Need to bring together divergent priorities across parties
- Negotiating terms that balance profitability and regulatory compliance





RISK MANAGEMENT AND REGULATORY CONSIDERATIONS

- Alignment of risk tolerance strategies
- Regulatory compliance: Differences in requirements for each party
- Key “hot button” issues, including conflicts of interest



IMPACT ON THE MARKET

- Benefits: Increased market efficiency, innovative financing solutions
- Risks: Potential systemic vulnerabilities
- Implications for the financial services landscape

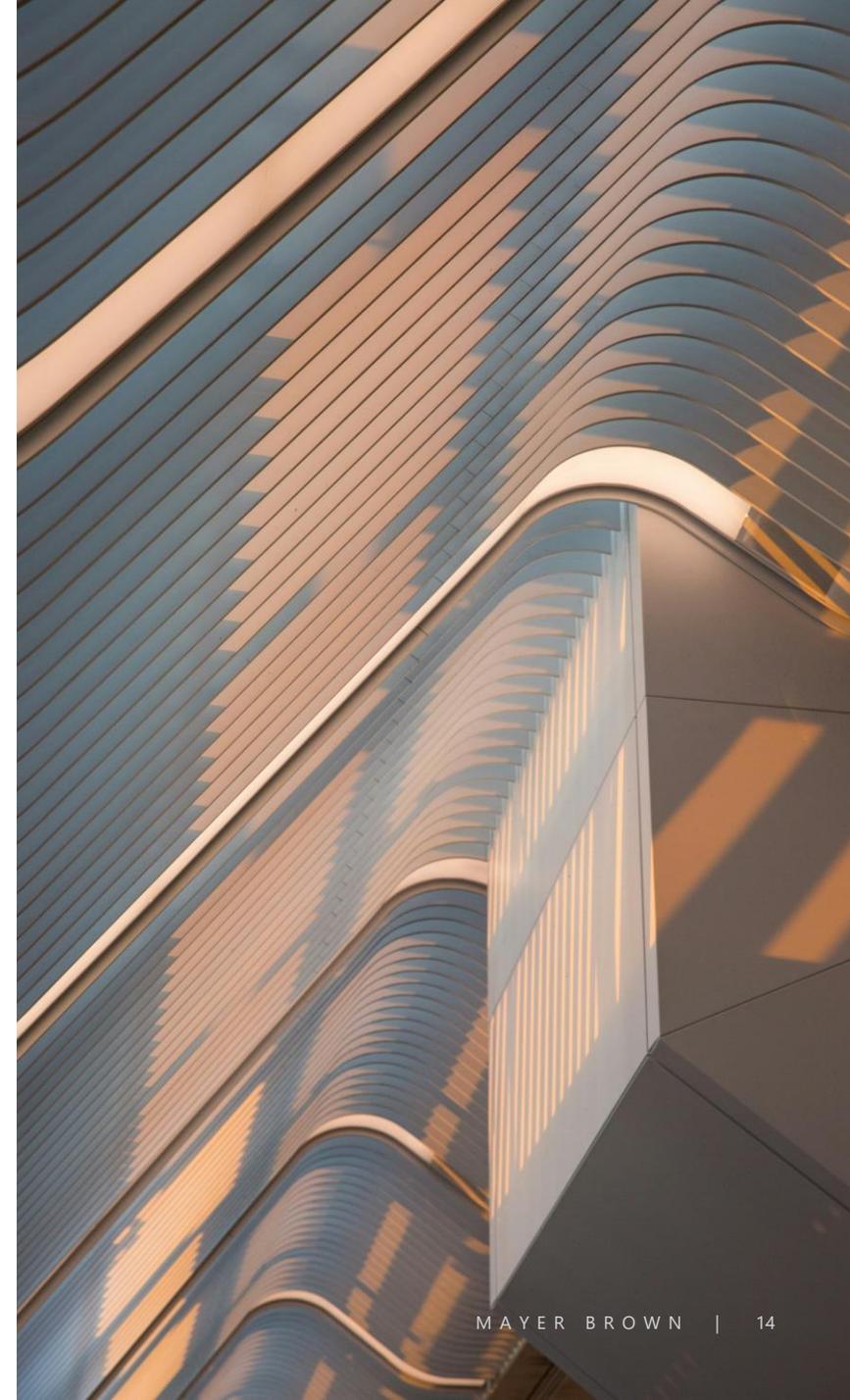


FUTURE

- Expected trends in partnership structures
- Potential market and regulatory shifts over the next 12-18 months
- Impact of new administration policies on these collaborations

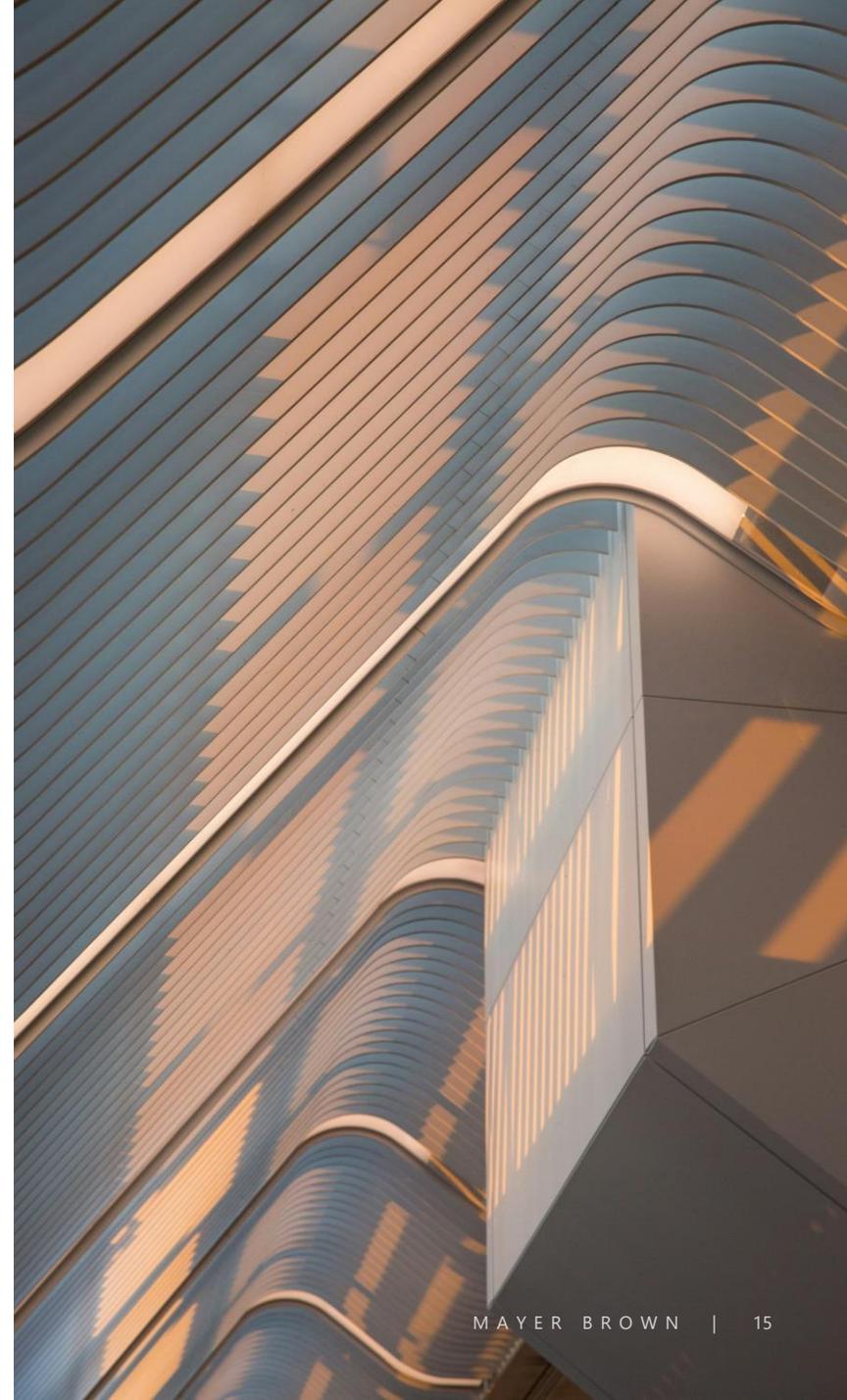
KEY TAKEAWAYS

- Recap of key drivers, opportunities, and challenges.
- Importance of innovation in financial services partnerships
- Collaboration as a tool for addressing market gaps



CONCLUSIONS

- Final thoughts on the importance of collaboration in financial services
- Encouragement for continued innovation and cooperation among stakeholders



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