

Aspen Re chairman leaves with \$1.4mn severance after disastrous 2017

Up-for-sale Aspen has revealed that the chairman of its reinsurance business and the CEO of Aspen Re Americas Brian Boornazian has stepped down.

The executive is set to retire at the end of April, Aspen said in a statement today.

He will walk away from the carrier with a severance pay-out of some \$1.38mn less tax, which represents his highest annual base salary and the average of his bonus pay-outs between 2014 and 2016.

In addition, Boornazian will get a lump sum payment for his 31,703 in unvested long-term incentive plan awards equal to the company's average share price over the last thirty days- which equates to a further pay-out of around \$126,000.

His departure follows an announcement in January that Aspen's CEO of insurance Stephen Postlewhite was also set to leave.

The swathe of exits follow a disastrous 2017 for Aspen, which reported a full year underwriting loss of almost \$500mn, with its reinsurance division responsible for more than \$300mn of that total.

Since then the carrier has put itself up for sale, and this publication revealed yesterday that its bankers JP Morgan and Goldman Sachs had told potential buyers that a formal process would be launched as soon as next week.

Within minutes of the story being published Aspen's share price spiked by more than 7 percent before closing at around \$45, taking it closer to the highs its experienced at the beginning of last year before equity investors pummelled the stocks of Bermudian carriers as the catastrophes of the second half of 2017 took hold.

Commenting on Boornazian's departure Aspen CEO Chris O'Kane said "I would like to thank Brian for his outstanding service to Aspen over the last 14 years.

“Under his leadership and with his sharp focus on execution, we have grown our reinsurance business significantly and enhanced our highly-respected position in our chosen markets.”

Boornazian will not be replaced. Instead Emil Issavi will continue to lead Aspen’s reinsurance business in the Americas in his capacity as president and chief underwriting officer of Aspen Re, the carrier said.

Brian Boornazian commented: “I am immensely proud of what we have achieved during my time at Aspen and to see our reinsurance segment develop into the outstanding business that it is today.”