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Strong growth ahead

As growth continues for the stop-loss industry and captives, BevCap Management's John Kirke says the big opportunities are in the middle market employer space

ILS Insight

Market developments including the partnership between captives and ILS after surge of interest

Emerging Talent

Chandler Brewer, audit manager at TaylorChandler CPAs and Consultants

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In this issue

State Street's captive ratings affirmed

A.M. Best has affirmed the financial strength rating of A- (Excellent) and the long-term issuer credit rating of "a-" of Federated Underwriting Company (Federated), based in Colchester, Vermont. The outlook of these credit ratings is stable. The ratings reflect Federated's balance sheet strength, which A.M. Best categorises as very strong, as well as its adequate operating performance, limited business profile and appropriate enterprise risk management.

The ratings also reflect the credit enhancement received from its ultimate parent, State Street Corporation (State Street).

"This single-parent captive was formed and capitalised in 2019 as part of State Street's alternative risk financing strategy in the wake of significant price firming in the insurance market," according to A.M. Best.

The rating firm considers Federated's business profile to be limited, as it operates as a single-parent captive insurer whose sole purpose is to take on specific risks related to its parent's insurance programmes. Being a start-up company, A.M. Best notes that Federated's historical operating performance has yet to be determined.

The operating performance assessment of adequate reflects A.M. Best's neutral position until business matures and evolves. The rating firm's assessment is based largely on Federated's historical loss experience, as well as management's projections and ability to execute its business plan. Additionally, the ratings include a level of credit enhancement from State Street, which is one of the world's largest financial service organisations. A.M. Best suggests that given the captive nature of the business being insured, the interests of State Street and Federated are aligned directly, and additional capital and financial flexibility are available should it be necessary. ■

Nevada's new captive association starts work in a bid to promote industry

Nevada's new captive association, the Nevada Captive Insurance Council (NCIC), has started work on 2021 activities in a bid to promote, protect, and enhance the state as a premier US captive domicile.

Although the NCIC was officially launched in early 2020, much of its activities were delayed due to the COVID-19 pandemic.

The Nevada Captive Insurance Association (NCIA) ceased in 2014, but a handful of captive industry leaders from Nevada continued to stay in contact with each other as well as the Nevada Division of Insurance (NDOI), according to Josh Miller, CEO of KeyState Captive Management. Miller was also recently elected as vice-president and board member of NCIC.

A year ago, under the leadership of Renea Louie, vice president at Pro Group Captive Management Services, a group of industry leaders convened with the goal of establishing a new association to promote and enhance Nevada's captive insurance domicile. NCIC's goals include growing its membership with Nevada captive insurance companies, captive service providers, students and recent International Center for Captive Insurance Education (ICCIE) graduates, and government officials.

He notes: "We are particularly interested in growing membership beyond what is very typical for state captive associations where over 90 per cent of members are service providers. For this reason, we have offered significantly reduced membership fees for students and government officials."

Miller explains that NCIC wants to support continuing education for its members with educational workshops and seminars and a formal partnership with ICCIE. In addition, the new association wants to advocate and represent the captive industry with the NDOI and at the Nevada legislature. NCIC also is keen to join the Western Region Captive Insurance conference to provide its members with an annual conference experience.

Commenting on the new association and his role, Miller says: "I was proud to join the NCIC as a board member and was subsequently elected as a vice president. I know that the entire board of directors looks forward to building an organisation that benefits all of our members and helps to elevate Nevada as a premier US captive domicile," he concludes. ■

North Carolina licenses 47 captives in 2020

North Carolina licensed 47 captive insurance companies and approved 126 cells and series in 2020, according to the North Carolina Insurance Commissioner Mike Causey.

At the end of 2020, North Carolina had a total of 795 risk bearing captive insurance entities under the regulation of the North Carolina Department of Insurance (NCDOI), composed of 250 captive insurance companies and 545 cells and series.

Out of the 250 captive insurance companies there were, 185 pure captive insurers, 36 protected cell captive insurers, seven risk retention groups (RRG) and 22 special purpose captive insurers.

The licenses granted by the state were for both new insurer formations as well as the transfer of other captive insurers to North Carolina from other captive domiciles. The newly licensed captive insurers were primarily written for property and casualty lines of business, including; tenant liability, general liability, professional liability, commercial automobile liability, and workers compensation.

The figures showed an increase from 2019's year-end figures where NCDOI reported a total of 682 risk-bearing captive insurance entities, including 235 active captive insurers and 447 active cells or series. The state revealed it has already licensed one captive insurer with six more captive insurer applications under review. In addition, six cells and series have received the NCDOI's approval while an additional 13 cells and series are under review.

Growth of captive insurers obtaining licenses to provide medical stop-loss coverage is continuing within the state, the NCDOI states.

Recently, BevCap Management, an alternative risk programme manager with captives domiciled both on and offshore, created HatterasRe, an on-shore domiciled option for BevCap Health's medical stop-loss programme, domiciled in North Carolina.

Commenting on the growth, North Carolina Insurance Commissioner Causey, says: "I am thrilled that NCDOI's captive insurance programme continues to draw companies from around the nation – even the world."

He adds: "This division is made up of highly skilled analysts who consistently provide top-notch customer service that, combined with the state's business-friendly legislation, make North Carolina a welcoming state to call home."

The North Carolina Captive Insurance Association conference is scheduled for 29 August to 1 September at the Washington Duke Inn and Golf Club in Durham. ■

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Antares places Lloyd's China operation into run-off

Antares Managing Agency (Antares), the Lloyd's specialist insurance and reinsurance subsidiary of QIC Global, has placed Syndicate 1274's Lloyd's China operation into run-off. Antares will cease accepting new and renewal business through Lloyd's China platform from 1 March 2021.

After that date, Chinese business will be written out of Antares Singapore, while existing policies written by Antares Underwriting Division of Lloyd's China will continue to provide cover on existing terms and conditions until natural expiry.

Antares Asia, operating from Lloyd's Singapore, will continue to underwrite as normal and maintain its current risk appetite.

Li Shan Yeo, CEO of Antares Asia, says: "We continue to evaluate our book in real time and ameliorate our portfolio to deliver adequate returns on our capital."

Mark Graham, CEO of Antares, notes: "Antares has a long-term commitment to the Asia Pacific region, and we continue to support our partners through our Singapore platform. We are in the final stages of our strategic review of operations, whose sole aim is to place our business on a secure and profitable footing for the future. This announcement today is a consequence of that review. I would like to thank Li Shan and the team at Antares Asia and look forward to working with them to provide underwriting services in Asia for many years to come."

In November 2020, Graham was named as CEO of Antares.Graham, reporting to Michael van der Straaten, CEO at QIC Global.

Graham has been with the firm for eight years, after starting his career at the group as a COO at Antares. ■

images by lotusjeremy/stock.adobe.com

Court awards ATGI RRG's motion for sanctions against MVT Insurance Services

The Superior Court of New Hanover County, North Carolina has ruled in favour of the American Transportation Group Insurance Risk Retention Group after it filed a motion to show cause and for sanctions against MVT Insurance Services and its principal.

The motion to show cause and sanctions comes after the RRG alleged that MVT Insurance Services and its principal wrongfully exercised unfettered control of ATGI.

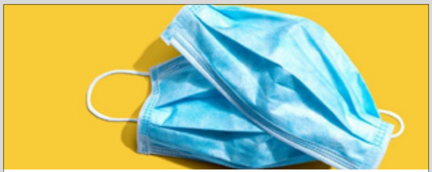
Read the full article online

Moody's affirms China State Railway Group captive ratings

Moody's Investors Service has affirmed China Railway Captive Insurance A3 insurance financial strength rating. The outlook remains stable.

China Railway Captive Insurance is a wholly-owned captive insurance subsidiary of the state-owned China State Railway Group. The insurer underwrites both internal group risks and third-party risks mainly for railway-related companies.

Read the full article online



Aon: COVID-19 taught corporations to take an enterprise-wide approach

It will be imperative for businesses to reprioritise risk as well as innovate and explore new risk management strategies due to COVID-19, according to an Aon global survey.

In the survey, 'Reprioritizing risk and resilience for a post-COVID-19 future', 82 per cent of respondents said prior to COVID-19, a pandemic or other major health crisis was not a top 10 risk on their organisation's risk register.

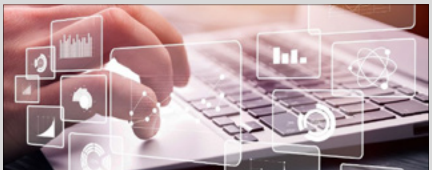
Read the full article online

Washington proposes captive bill that could see $29m in back taxes and generate revenues of over $2.5m

A bill that was submitted during the Washington State 2021 legislative session would see the creation of a framework for registering eligible captive insurers and imposing a premium tax on the risk covered by premiums allocable to the state.

The proposed bill would bring $29 million in back taxes and generate revenues of more than $2.5 million per year going forward.

Read the full article online



GEB launches digital tool for multinational companies and insurance intermediaries

The Generali Employee Benefits Network has launched an online tool to help multinational companies and insurance intermediaries to address the traditional complexities of benefit plans for mobile and expatriate employees.

eNomad will allow multinational companies and insurance intermediaries to submit quotation requests through a six step process, for group life, disability, accident, healthcare and retirement and savings covers.

Read the full article online

CICA cancels 2021 annual conference due to take place in March

The Captive Insurance Companies Association (CICA) has cancelled its 2021 annual in-person event, scheduled on 14 to 16 March in Scottsdale, Arizona.

Dan Towle, president of CICA, says: "We hoped things would improve to make it possible to host an in-person conference. Unfortunately, Arizona has been experiencing record numbers of COVID-19 diagnoses and deaths since the start of the new year."

Read the full article online

Nothing but strong growth ahead

As growth continues for the stop-loss industry and captives, BevCap Management's John Kirke says the big opportunities are in the middle market employer space

What trends are you currently seeing with captives in the healthcare industry?

In the middle market, employers that are funding their healthcare are seeking far more transparency, stability and cost control that the standard market isn't delivering for them in their programme. Inside of a well-run, highly risk and cost managed captive, we run those three foundational areas over the long term. For those buyers that get it, it's a haven for them. We strive to educate employers about what we can do in those three opportunity areas.

What have you seen in terms of growth for medical stop-loss captives over the last 10 years?

I am very excited to see the growth in the stop-loss industry and captives. Employers are opening their minds to more solutions on the spectrum of funding health insurance investment in their people. What we're seeing is a broader market of stop-loss insurance coming to the captive table and innovation in numerous cost containment solutions to complement the risk bearing entities and we welcome these solutions. However, it's important that we execute on our strategies and not dilute our effectiveness focusing on every new innovation.

What are the big opportunities to be had right now for captives within the healthcare industry?

We believe the big opportunities are in the middle market employer space. We see high levels of frustration from this customer segment seeking new results from their health insurance spend away from standard market outcomes. We're a big fan of homogenous industry group opportunities as these groups tend to share in other risk arrangements in their businesses and realise they can come together and achieve great performance in a healthcare captive.

How much of an effect has the pandemic had on the captive healthcare industry?

2020 was such a difficult year to be a benchmark for anything due to the outliers, but once everyone crawls out of the fog that was 2020 and begins to understand what just occurred, I believe customers will ask 'what can I do to protect myself on a forward basis?'. This is the time to shine for captives. We have not really seen the impact yet on our industry until it has started moving into the 2021 year. We saw some spikes in our claims due to excessive claims with COVID patients which were incredible outliers that we haven't seen before. Conversely, we also saw a suppression of demand for services for a lack of supply as some, typically costly, surgeries weren't scheduled. There is pent up demand, but we need to see it realised in 2021 and that may or may not happen. This will depend on how quickly vaccines are rolled out and when 'normality' returns. There is also a large element in play that an individual seeking healthcare services wants to feel safe in the venue they are seeking care and services. There are a lot of market forces at play potentially creating a bumpy ride — and at the moment we're dealing with some known unknowns (for exmaple, COVID patients) and unknown unknowns (for exmaple, COVID treatment volatility and healthcare services demand).

Do you think consumers will be better educated about coverage post-pandemic?

If there is one bright spot in the pandemic, it's that the ability to access care in a different modality, specifically through technology and virtual settings was accelerated like no other time in our business. Previous to 2020, I think the take rate to telehealth services was in single digits and that accelerated dramatically because it had to. I am hoping to see that trend stick and continues because it allows greater access to care at a lower unit cost and a faster ability to provide the services needed.

What are the biggest challenges right now?

The US healthcare insurance industry remains at the mercy of an inefficient market of opaque healthcare prices and costs both in medical services and pharmaceutical drugs. The economics are confounding in many markets and we must constantly innovate to create value in the ecosystem.

"If there is one bright spot in the pandemic, it's that the ability to access care in a different modality, specifically through technology and virtual settings was accelerated like no other time in our business"

How do you see the next few years playing out for the medical stop-loss captives? What will be the big talking points?

There's nothing but strong growth ahead of us. Growth can be fun for many but also be a challenge for others as well because captives, as you know, can be seen from the outside as complex risk sharing arrangements. We must continue educating the employer and advisor markets about the strategies and results inside captives and our mutual success should be realised. ■

A prime opportunity

While the ILS industry proved resilient in 2020, industry participants discuss potential market developments including the partnership between captives and ILS

The insurance-linked securities (ILS) market continues to remain resilient despite the disruption from the start of the COVID-19 pandemic last year. Direct losses from pandemic risks were mostly limited to the World Bank's pandemic catastrophe bond which was triggered in mid-2020.

New ILS deals continued to come to the market even as participants adjusted to the new normal of remote working and virtual meetings.

Sherman Taylor, executive director at Ocorian, says: "Unsurprisingly, the initial uncertainty that COVID brought to the capital markets slowed deal flows in the early part of 2020. However, by the second half of the year, ILS was well on track to deliver what was another record-breaking year, with annual ILS issuance at $16.4 billion."

The 2020 Willis Towers Watson (WTW) report on the ILS market, also showed market resiliency. It found that most end investors were satisfied with their ILS performance, with 86 per cent of ILS funds expecting market growth of 5 per cent or more cumulatively during the next five years.

It also highlighted that more than half of reinsurance and insurance companies surveyed worldwide now use ILS capacity.

Bill Dubinsky, managing director and CEO, Willis Re Securities, explains that while COVID-19 is certainly not over by any stretch of the imagination, the ILS market seems to have largely escaped significant loss activity and handled work from home quite well from an operational perspective.

He says: "That said, assets under management plateaued as COVID-19 made it challenging for ILS funds to raise new funds to replenish assets under management following significant non-COVID-19 loss activity in 2017 and 2018. For 2021 we predict we will see a return to ILS assets under management growth notwithstanding continuing challenges from COVID-19."

However, Rupert Pleasant, chief executive of Guernsey Finance explains the consequences are still being assessed and understood, but "COVID has and will affect the ILS market, particularly around the constant theme of trapped collateral."

At its most basic level, COVID increases uncertainty around claims reserving which will slow the release of collateral back to investors. Pleasant says: "This diminishes returns and makes it harder to redeploy that capital into new deals. Over the longer term, there is still uncertainty as to the full impact of the pandemic in the ILS space, but it will depend largely upon individual ILS managers' portfolios."

ILS developments

In the early days of ILS, there was intentional commoditisation of the ILS asset class, with many deals looking very similar in structure and geographic area covered, and underwriting risks are undertaken.

At one stage, ILS typically only covered catastrophe risks such as hurricanes, earthquakes and windstorms. But Taylor suggests that in the last five years, there has been a broadening of the general structure of the ILS deals, and coverage of more unconventional risks such as credit default risks, operational risks, terrorism risks, and even pandemic risks.

He says: "The geographical areas of cover have also expanded with ILS deals now covering regions of Latin America, Asia and even Africa. This is the trend we expect to see continue as the asset class becomes more mainstream."

The ILS industry is set to see an expansion not only in the total amount of ILS capital available but also in the number of use cases such as new risks, new protection buyers and new products. While most of the protection buyers in the past have been property and casualty insurers and reinsurers, Dubinsky says: "Increasingly, we are seeing corporates, government entities, as well as life, health and mortgage insurers, availing themselves of ILS solutions."

Another trend within the ILS market is the challenging claims conditions and climate change consequences on one hand with increasing maturity, acceptance of the asset class and a hardening reinsurance market on the other, according to Pleasant.

He comments: "Alternative capital has remained static as a proportion of overall reinsurer capital in the last three years at 17.5 per cent to 20 per cent of the total market capacity. That said new ILS issuances was more than $15 billion in 2020, so another record-breaking year for ILS."

Meanwhile, a trend towards cat bonds over collateralised reinsurance, which Pleasant suggests could be as it is considered more liquid and peril-specific in nature.

ILS and captives

One particular development is the partnership between ILS and captives. Those in the captive insurance industry have been anxiously awaiting their chance for their very own tailor-made ILS solution to meet captive needs, according to Michael Douglas, director, business development at Aon.

He comments: "Well not to be a New Year buzz kill, but we are just not there yet. However, the increasingly wider use of the ILS market as an alternative risk financing tool for a captive's catastrophic loss exposure is getting us closer to it becoming a reality."

The availability of ILS options has proven to be especially useful during hardening market conditions where traditional insurance and reinsurance capacity has been reduced.

The insurance market has been hardening for several years and this trend is predicted to continue. This market situation raised awareness for alternative risk management such as captive insurance and ILS structures.

"Reinsurance cover now can be provided through a cat bond usually issued as a collateralised reinsurance policy directly to the captive, or more commonly through a special purpose vehicle set up specifically to provide coverage as the transformer vehicle. The transformer holds the funds and acts as the matchmaker to make the connection between the captive the investors' capital," he adds.

Increased traditional insurance and reinsurance pricing together with reduced capacity during 2019 and 2020 have created the need for captive owners to seek out alternative sources of risk financing including ILS options.

To date, Douglas explains that most ILS solutions have been confined to larger transactions of over $100 million each and as a result has been out of the reach of most captive insurance companies or their owners.

But the landscape is changing again, and investors are starting to seek additional market opportunities for a large number of relatively smaller transactions.

During 2019 and 2020, Douglas highlights there was a marked increase in the number of smaller deals ranging from $3 million to $25 million, also called 'micro cats'.

Besides the diminished size of the transactions, there is also a movement to test ILS capabilities and to move away from the large earthquake and hurricane disaster risks to more regionalised and medium risks such as hailstorm, crop insurances, or large fire losses.

While still in their start-up mode, Douglas says: "There is growing interest from the ILS market to diversify exposures and expand penetration into new markets where the demand is high, the transactions are numerous, but likewise are smaller in size."

"This represents a natural next step for the ILS industry and shows that it is a maturing market looking for growth and new opportunities," he comments.

With the current surge of interest in using captives, and those new captives taking on a larger amount of catastrophic risk, Douglas highlights that there is a "prime opportunity for the two markets to work together to accomplish each other's goals".

He notes: "For investors, the ILS market offers an investment which is uncorrelated to the rest of their portfolio, and as such, offers diversity as well as an attractive rate of return."

"For the ILS investors, partnering with captives will provide direct access to a virtually untapped market that has a need for their services, and for the captives, ILS solutions can help with mitigating the large loss exposures in a more cost-effective manner."

"There is growing interest from the ILS market to diversify exposures and expand penetration into new markets where the demand is high, the transactions are numerous, but likewise are smaller in size"

All signs are pointing toward a period of collaboration and cooperation between these two maturing 'alternative risk transfer' markets.

Douglas adds: "We may not get there overnight, but with the current market conditionswe should keep looking under our seats and seek to be part of the next wave of reinsurance success. This will help propel captives and ILS even further into the risk transfer landscape for the third decade of the 21st century." ■

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Personal bio: *As a North Alabama native, I live in Montgomery with my wife and dog. In my spare time, I enjoy spending time with friends and family and staying active. I particularly enjoy golf, cooking, and keeping up with anything sports related, especially if it involves Alabama football.*

Professional profile: *I graduated summa cum laude from Troy University with a BS in Accounting. I started working at TaylorChandler CPAs as a staff accountant in the audit and tax department servicing clients in the traditional and captive insurance industries.*

While working at TaylorChandler, I stayed at Troy University and earned a Master of Accountancy. Upon finishing my studies, I became a licensed certified public accountant (CPA).

Currently, I'm an audit manager at TaylorChandler overseeing the planning and execution of all attestation engagements, including traditional insurance companies, pure captives, and segregated cell structures.

In addition, I assist in the financial reporting and quarterly and annual compilation of numerous captives and risk retention groups, ensuring compliance with statutory accounting principles (SAP) and generally accepted accounting principles (GAAP).

How did you end up in the captive industry?

When I began working as a staff accountant, I had never heard of captive insurance companies or even alternative risk for that matter. I was introduced to them fairly quickly while working at TaylorChandler and began to learn more and more about the industry. Over time, it was easy to appreciate the value that I was able to add to captive owners of all different sizes and complexity levels. I learned early on that no two captives are the same and that each one presents a different challenge from an accounting and auditing perspective — and I really enjoyed that challenge.

What has been your highlight in the captive industry so far?

My biggest highlight so far has been being able to perform a professional service that adds value to a client's company and operations. I always like to tell our clients that their auditor is not the bad guy, and that we are a great resource when they encounter a difficult or complex transaction, whether it's a question of how to deal with a new reinsurance contract, or how a certain event will affect their financial statements in the current year and in subsequent years. The satisfaction that comes from being able to provide warranted, insightful advice to a client is hard to beat.

What/who have been your influences in the captive industry?

This is a difficult question for me because I feel like there are so many people that have influenced and guided me through the captive industry. Being able to work under Norman Chandler feels a bit like starting on third base. Being around someone who has so much genuine passion and expert knowledge of the captive industry is infectious. It is apparent that his passion has shaped the culture at TaylorChandler and created an environment that promotes learning and creativity.

What is your impression of the industry?

My impression is that the captive industry is unlike any other. It can provide business owners of all sizes with real solutions and can be tailored to address such a wide range of pain points for a business that its value is nearly limitless.

The business environment of the industry is also very unique. The relationships that it fosters on a professional level are unparalleled.

The sphere of influence for a captive ranges from state regulators, accountants, actuaries, lawyers, underwriters, claims administrators, and many more. The opportunity, as a professional, to make so many connections and relationships is invaluable.

What are your aspirations for your career in the captive industry?

My aspirations for my career in the captive industry are fairly simple. I want to learn and grow as much as possible so that I can provide the highest level of service to our clients. As I hit on earlier, there is such an opportunity for problem solving in this industry, and that opportunity is really only limited by your own knowledge. I want to be able to help our clients succeed and to get the most out of their captive.

What advice do you have for someone considering a role in the industry?

My advice for anyone thinking about getting into the captive industry would be to dive in headfirst. As I've said, there are so many roles within this industry and with the growth that the industry as a whole is experiencing, there are few better opportunities like this for a young professional. I would say, if you have an engaging mind and thrive on critical thinking and problem solving, you will excel. ■

Over the past few years, I've utilised TaylorChandler CPAs and Consultants for auditing services for my cell captive.

Chandler and his audit team have continued to enhance and expand their service offerings to stay on top of the constant changes in the market and in my business. With his extensive knowledge in auditing as well as keen attention to detail and efficiency in reporting, Chandler has led the TaylorChandler audit team to be a valuable asset to my business.

I look forward to continuing our relationship in the years to come and witnessing Chandler continue to evolve into a driving force in the captive industry.

Todd Baitsholts, chief financial officer, North Carolina Retail Merchants Association

Pinnacle Actuarial Resources (Pinnacle) has hired Gaétan Veilleux, Travis Murnan and Kunshan Yin to enhance its expertise in modelling, data science and risk analytics.

Veilleux, Murnan and Yin have all joined Pinnacle from managerial and leadership roles at leading insurance organisations

Veilleux, who will take on the role of senior consulting actuary, joins from USAA where he worked as an actuary since 2011.

He has been in the property and casualty industry for more than 20 years and has experience in predictive modelling for personal and commercial lines of insurance.

Murnan, who joins as consulting actuary, previously worked at Lockton Companies as a senior risk analyst. He has been present in the property and casualty industry since 2012 in a variety of actuarial, analytic and managerial roles, specialising in the design, development, implementation and management of analytical models for a variety of applications.

Taking on the role of consulting actuary, Yin has extensive experience in predictive

modelling and risk management and has been in the insurance and financial services industries since 2007. ■

Donald Ashwood takes on new Oklahoma captive coordinator role

The Oklahoma Department of Insurance (OID) has promoted Donald Ashwood to the newly created role of captive coordinator.

Ashwood, who has worked at the department since 2014, most recently served as financial operations officer. His previous position focused on responsibilities across the OID financial division as a whole, including serving as the primary captive regulator and contact.

In his new role, Ashwood's focus will be primarily on the OID Captive Division. He will continue to work as the primary regulator/contact, along with monitoring and suggesting prospective captive statutory/rule amendments, periodic conference attendance/participation, as well as various other captive duties.

The initial creation of the captive coordinator position was due to an increased emphasis on captives in the state, according to the OID.

Ashwood will work alongside the captive director, which the department is currently hiring for.

Elsewhere, the OID has revealed it licensed three new captives last year.

The addition of the new captives brings the total number to 40. Of the total number, 34 are pure captives, two are association captives and four are special purpose captives.

The state, which first established its captive market in 2012, saw 10 captive closures in 2020, a decrease on the 14 that closed in 2019.

Commenting on the figures, Ashwood says: "Oklahoma welcomed three new captives in 2020 while experiencing ten closures, most due to captive owners impacted by the pandemic. We already have new submissions in-house, so our 2021 is starting in a very positive manner." ■


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Allianz Global Corporate and Specialty (AGCS) has appointed Hannah Tindal, Martin Stewart, James McGuire and Michela Moro to its financial lines business in the company's regional unit London (RUL) and Nordics team, covering the UK, Ireland, Nordic countries and the Middle East.

McGuire and Tindal will report to Stefania Davi-Greer, who heads up the unit.

Tindal, who has been named as head of directors and officers (D&O), will be responsible for leading AGCS' regional D&O team which comprises five people and will oversee strategic development, execution and financial performance. She will assume her role in Q2 of 2021 following her relocation from the US. Tindal brings with her 20 years of experience in underwriting and management roles with large corporate insurers in North America.

In addition, Stewart has been promoted to D&O underwriting manager. He will be responsible for driving the portfolio strategy for D&O in these unique market conditions.

His appointment is effective immediately and he will continue to be based in London.

Reporting to Tindal when she assumes her new role, Stewart is experienced with customers and brokers across the industry with more than 15 years of experience in financial lines roles at different carriers.

McGuire, who has been appointed head of financial institutions (FI), will be responsible for the regional FI team and for defining and executing the strategic direction of FI.

His appointment is effective immediately and is based in London. He is currently UK FI underwriting manager, McGuire brings more than 20 years of experience and expertise to the role.

Moro has been named as cyber underwriting manager, where she will have responsibility for driving strong account retention and business growth opportunities in the regional cyber market.

She will continue to be based in London and will report to Rehan Hussain, head of cyber, RUL and Nordics.

Moro joined AGCS in 2020 as senior cyber underwriter, bringing over 10 years of experience from previous roles held in finance, strategy, financial lines and cyber across different European countries and the London market.

Commenting on the promotions, Davi-Greer says: "I'm thrilled to see these internal promotions in our D&O, FI and cyber underwriting teams."

"The appointments demonstrate the depth of expertise and talent we have across our organisation in financial lines, and means we continue to be expertly positioned to support our clients' and brokers' needs in these vitally important areas of risk." ■

Bender Insurance Solutions has appointed Roland Guillen as vice president of alternative risk markets to commercial insurance clients.

In his new role, Guillen oversees the growth of the captive and alternative risk market business as well as large complex risks, in addition to developing risk sharing programmes. He also assists in the management and strategic development of Bender's captive programmes, large deductible programmes and other risk sharing programmes.

Guillen joined Bender Insurance Solutions in 2009 and has experience working with group captives and single parent captive insurance programmes.

As vice president of alternative risk programmes, his focus is on the long-term reduction of risk and expense for clients.

Guillen explains businesses today are considering more tailored and sophisticated risk transfer solutions. He says: "By focusing on the critical risks facing any business, alternative risk transfer solutions can provide businesses with innovative commercial insurance options, turning their insurance expense into a profit centre." ■

Strategic Risk Solutions (SRS) has expanded into Switzerland with the hires of Markus Beck, Georg Balint and Maria Sandoval to key positions in its new office, located in Zurich.

Effective 1 April, Beck will join SRS as managing director (Switzerland) to develop and lead the firm's Swiss insurance management practice.

Beck joins SRS from Aon insurance managers (Switzerland/Liechtenstein) where, since 2015, he has held several roles including senior risk finance consultant, chief compliance officer and, more recently as managing director of captive operations.

Balint joined SRS as managing director (Switzerland) earlier this month to developand lead the Swiss actuarial practice.

In his new role, he will support the firm's European risk consulting operations.

Balint joined SRS from Aon Switzerland where he served as senior consultant and head of actuarial and analytics since 2017.

Sandoval will take on the role of senior account manager (Switzerland), effective 1 March 2021.

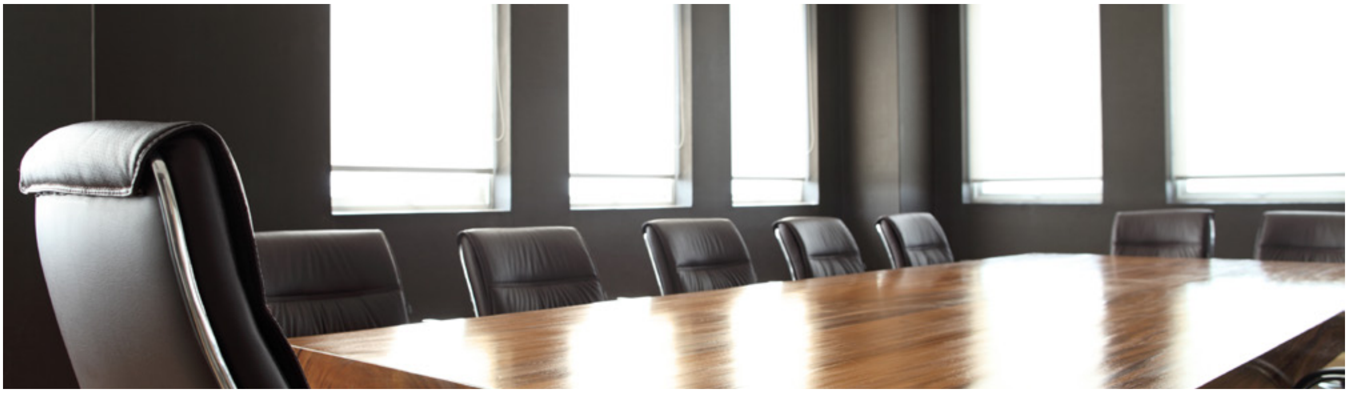
She will support the servicing of the firm's Swiss domiciled clients.

Sandoval also joins from Aon insurance managers (Switzerland/Liechtenstein) where she has served as an account manager since 2016. Prior to Aon, she held the role of corporate controller with Holcim Group in Zurich for 15 years.

Commenting on the expansion, Brady Young, CEO of SRS, says: "With its vigilant regulatory regime and stable operating environment, Switzerland is a key market for SRS, so this is another milestone in our goal of expanding the global reach of our company."

He continues: "And we are delighted to welcome Markus Beck, Georg Balint and Maria Sandoval to our team. Each is an experienced industry professional who will provide SRS with a strong foundation to serve captive and commercial insurance clients in Switzerland."

"In addition, Beck, Balint and Sandoval will add depth to our growing European presence and operate as part of SRS's broader pan-European insurance management team," he concludes. ■



Aon and Willis Towers Watson (WTW) have named the executive committee that will be effective upon the completion of the proposed combination.

In March 2020, Aon announced its intention to buy WTW in an all-stock transaction with an implied combined equity value of approximately $80 billion. Following the completion of the proposed combination, Greg Case, CEO of Aon, and Christa Davies, as chief financial officer, will be joined by 23 leaders in forming the new Aon executive committee.

The new committee includes Eric Andersen as president; Alexis Faber, North America CEO; Eduardo Dávila Europe, the Middle East and Africa (EMEA), CEO; Julie Page, UK CEO; Luis Maurette, Latin America CEO; Alejandro Galizia, Latin America president and Anne Corona, Asia-Pacific CEO.

In addition, Julie Gebauer, CEO of health, wealth and career; Lambros Lambrou, CEO of commercial risk; Adam Garrard, president of commercial risk and CEO of global broking; Andy Marcell, CEO of reinsurance; James Kent, deputy CEO of reinsurance; Carlo Clavarino, chair of international; and Lori Goltermann, chief client officer.

Finally, Maggie Westdale, chief financial officer of business; Anne Pullum, chief innovation officer; Andy Weitz, chief marketing officer; Pam Rollins, internal communications; Darren Zeidel, general counsel; Julie Gebauer, head of strategy; Lisa Stevens, chief peoples officer; James Platt, chief operating officer; and Katherine Gehman, chief of staff.

In August 2020, shareholders of Aon and WTW approved all proposals necessary to complete their combination.

Both companies stated in the March 2020 announcement that they expected the transaction to close in H1 2021.

However, the European Commission (EC) opened an in-depth investigation in December 2020 to assess the proposed acquisition on WTW by Aon over concerns that the proposed transaction could significantly reduce competition in those markets.

The EC has until 10 May 2021, to make a decision. The deal would see the combination of two of the world's largest insurance brokers.

Commenting on Aon's executive committee, Case says: "Aon and WTW have a unique opportunity to create a combined firm that will make an even greater difference in the global economy and provide unparalleled experiences for our clients and colleagues."

He notes: "All of the leaders we are announcing today are highly accomplished and true advocates of the one firm mindset that will be at the core of the new Aon."

"We are confident that our combined firm, with this leadership team, will help us address the most pressing areas of client need and provide compelling new opportunities for our colleagues," Case adds.

John Haley, CEO of WTW, states: As we learned more about each other's organisations, it became clear that a fundamental driver of our success will be leaders who fully embrace a one firm mindset."

"The willingness to put the needs of clients and the entire organisation ahead of their part of the business and any individual priorities will be the key to unlocking the full potential of the planned combination for the benefit of all our stakeholders," Haley concludes. ■