CIT CAPTIVEINSURANCETIMES

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Far from a catastrophe for P&C

Property and casualty (P&C) insurance experienced a buoyant year in 2013, with approximately $7.1 billion worth of new catastrophe bonds issued—a record year for P&C issuance, according to GC Securities.

The firm's report stated that in Q4 2013, catastrophe bond issuance of $1.82 billion was minimally offset by the limited amount of catastrophe bond maturities of $360 million, resulting in a net change of risk capital outstanding of $1.46 billion.

As a result of the positive net change in risk capital outstanding, total risk capital outstanding at the end of 2013 reached an all-time high of $18.58 billion, an estimated 16 percent of global property catastrophe limit purchased annually.

While the capital markets pressured pricing through the first three quarters of 2013, traditional reinsurers responded to protect their market share and limit further pricing impact by offering attractive pricing, expanded structural features and in some cases, collateralised capacity and/or limited multi-year capacity.

Given the desirable pricing seen in the traditional market, some insurers began lining up capacity for their 1 January 2014 renewals before the end of Q3.

Despite the traditional market's response, insurance-linked securities (ILS) issuance in Q4 2013 remained robust, as sponsors issued $1.82 billion of capacity, a level of issuance consistent with the fourth quarters in previous years.

Global head of ILS for GC Securities, Cory Anger, said: "Overall, 2013 included seven new sponsors who collectively secured $1.46 billion of catastrophe bond capacity. In addition to these new sponsors, another prevalent change in the market was the increasing use and acceptance of indemnity-based triggers."

"Given that spreads have tightened between indemnity and other trigger types, sponsors were inclined to take advantage of investors' openness to indemnity triggers

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Irish captives must confirm compliance

Ireland's central bank has told captive entities that they must provide it with written statements that they are adhering to certain regulations.

In January, the Central Bank of Ireland informed Irish authority insurers and reinsurers, including captives, that they would be required to complete a compliance statement to be submitted to the central bank under Section 25 of the Central Bank Act 1997.

Captive insurers and reinsurers will now be obligated to adhere to the Corporate Governance Code (CGC) for Captive Insurance and Captive Reinsurance Undertakings 2011, in addition to established Irish regulations.

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Capstone prevails in arbitration dispute

A dispute between professional services firm Organisational Strategies Inc and captive manager Capstone Associated Services has been dismissed from district court due to existing agreements to arbitrate.

US District Court for the District of Delaware Judge Richard Andrews dismissed the case on 12 February, as agreements to independently arbitrate disputes were already in place.

Feldman Law Firm LLP set up three captives for OSI—Integration Casualty, Systems Casualty and Optimal Casualty—and its management business, Capstone, was charged with managing them.

The captives have benefited from 831(b) of the Internal Revenue Code,

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Far from a catastrophe for GC securities

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to reduce coverage basis risk without a material increase in pricing relative to non-indemnity trigger pricing."

Traditional players in particular are now hedging their bets and creating their own capital markets decisions to attract, manage and utilise capital from third-party sources whether in the form of fund management, managed accounts or sidecars. This will allow reinsurers the opportunity to securitise the most capital-intensive parts of the business while providing valuable cost-efficient capacity on other business lines.

Despite the significant decrease in ILS pricing over the past 12 months, investor demand continues to be robust. ILS managers continue to see interest in deploying large amounts of capital into the sector, but given the limited opportunities to actually deploy such capital, some ILS managers are maintaining a soft closed position with respect to bringing incremental capital into the ILS space.

Chi Hum, global head of distribution for ILS for GC Securities, said: "The growing influence of alternative markets capacity is pressuring traditional reinsurers' business model and challenging them to compete against a model with lower-cost of capital that continues to enter the reinsurance market. As the catastrophe bond market continues to mature, more new sponsors are looking to the alternative market space for meaningful capacity and we expect that this trend is likely to continue through 2014."

Irish captives must confirm compliance

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The compliance period for captives is the most recent financial year and the Section 25 Compliance Statement must be submitted with the annual return to the central bank.

Each director, as of the date of submission, will be required to confirm the accuracy of the information in the Section 25 Compliance Statement.

Capstone prevails in arbitration dispute

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which allows entities earning $1.2 million or less in premium income per year to only be taxed on investment income.

But audits of the captives in 2011 revealed that premiums paid to the captives were too high, and an independent consultant warned that they would not stand up to the scrutiny of the IRS.

Fearing that its captives would lose their status as bone fide insurance companies and the tax advantages it brings, OSI asked Capstone to adjust the premiums, but it reportedly refused, leading it to file its complaint in the Delaware district court.

OSI argued that the arbitration agreements are void, because of conflicts between wordings and alleged ethical violations.

Capstone countered that the district court lacked subject matter jurisdiction because an arbitration had already taken place.

The captive manager said that OSI's arguments "put the cart before the horse", adding that "if there was no agreement to arbitrate in the first place, then what happened in the arbitration is irrelevant," according to court documents.

Judge Andrews sided with Capstone, finding that the arbitration agreements were clear and that the alleged ethical violations were up to an arbiter to decide on. He dismissed the case due to a lack of subject matter.

Capstone did not respond to a request for comment.

CITINBRIEF

QBE reflect on disappointing 2013

Australian insurance group QBE has announced a net loss after tax of $254 million during its 2013 full year results.

Cash profit (net profit after tax but before non-cash charges for amortisation and impairment of intangibles) was $761 million, compared with $1 billion in 2012.

The loss was due to large one-off costs primarily associated with QBE's North American operations relating to prior year claims, write-off of goodwill and intangibles and restructuring costs.

Gross written premiums for 2013 were $18 billion, down from $18.4 billion in 2012. This was well below budget, largely due to a $715 million year-on-year reduction in North American gross written premiums, with growth in the other divisions partially offset by translation to the stronger US dollar.

Premium rate increases on renewed business averaged 4 percent overall, reflecting relatively strong rate increases in Australia and North America. Pricing in Europe remained challenged where strong competition and surplus capital is precluding any substantive rate increases.

QBE Group CEO John Neal said: "Although we are disappointed with our 2013 underwriting result, we have taken the necessary steps to deal with underperforming portfolios, completed an extensive program of management change and succession across the group and are well on the way to implementing transformation programmes, all of which will provide a solid base for our business in 2014."

Vermont continues captive evolution

Vermont has introduced the Legacy Insurance Management Act (LIMA), which has the potential to drive millions of dollars into the state's economy.

The bill allows specialised Vermont-based insurance companies to acquire or unload closed blocks of non-admitted commercial insurance policies and reinsurance agreements—subject to fees and transfer taxes.

The purchaser, or legacy insurance company, does so if it is able to manage the legacy liabilities more efficiently than the original insurance company.

In buying the block of policies, along with a proportion of the financial reserves the insurance company had set aside to cover risks, the legacy firm manages any claims that might come through, and invests the reserves in order to turn a profit.

As LIMA covers only commercial insurance, no life, health, auto, homeowners' or workers' compensation, is included. The legacy companies must be based in Vermont and hold at least one meeting there every year.

A.M. Best affirms ICI "A" rating

A.M. Best has upgraded the issuer credit rating to "a+" from "a" and affirmed the financial strength rating of "A (Excellent)" of the Investment Company Institute (ICI) Mutual Insurance Company, a risk retention group. The outlook for all ratings is stable.

The ratings reflect ICI Mutual's strong capitalisation, favourable underwriting and operating results, and vast intellectual capital and expertise within the mutual fund industry. The company's balance sheet is supported by its low underwriting leverage, in addition to management's conservative reserving philosophy and proactive claims and risk management strategy.

ICI Mutual's positive rating attributes are derived from its strategic role as a captive insurance company for the mutual fund industry as well as from the significant market penetration of its sponsor, ICI, which is the national trade association of US investment companies whose members manage total assets of over $14.7 trillion, owned by 90 million investors.

Positive rating actions could occur if ICI Mutual continues to produce strong operating profitability relative to its peer group and maintains strong risk-adjusted capital.

Negative rating actions could occur if capitalisation and/or operating performance fall markedly short of A.M. Best's expectations, including a significant deterioration in loss trends. Given ICI Mutual's narrow business scope, the ratings also are subject to any sudden shifts within its core market niche or a drastic change in its business profile.

Canadian reinsurers through the worst

A new market report by Research and Markets, entitled 'Reinsurance in Canada, Key Trends and Opportunities to 2017', has found that Canadian reinsurance providers have recorded negative premium growth.

This is a result of low premium growth registered by Canadian insurers that forced them to cut their reinsurance expenses, a low reinsurance-ceding trend, and weak economic development.

Written premium in the Canadian reinsurance segment fell from $30.7 billion in 2008 to $26.2 billion in 2012, at a compound annual growth rate of -5.5 percent between 2008 and 2012.

The report finds that the retention of risk among Canadian insurance providers was high.

The reinsurance regulations in Canada, which stated that insurance companies cannot cede more than 75 percent of their gross premiums in total and 25 percent of their gross premiums to unregistered reinsurers, was repealed by the Office of the Superintendent of Financial Institutions (OSFI) during the review period.

The authors of the report believe that this has provided insurers with the flexibility to structure operations and compete globally.

The Canadian reinsurance segment is expected to register positive growth at a compound annual growth rate (CAGR) of 1 percent over the forecast period; however it will be limited by the low interest rate environment and weak economic development.

Eurekahedge and ILS Advisers launch index

Eurekahedge, an alternative fund data provider, launched a new hedge fund index focusing on insurance linked securities in 2012, in partnership with ILS Advisers.

Following this successful launch, the first index tracking the performance of 32 funds investing exclusively in insurance risk, Eurekahedge together with ILS Advisers will release a USD hedged version of the benchmark.

The index was incepted in December 2005 and has returned 71.27 percent through January 2014.

The index has an annualised return of 6.88 percent and an extremely low volatility, producing one of the highest Sharpe ratios of all of Eurekahedge indices at 2.17.

Since its inception, the Eurekahedge ILS Advisers Index has experienced an increasing acceptance by ILS investors, ILS funds, consultants and advisers, as a representative and fair benchmark for the asset class of insurance linked securities.

The year 2013 marked a new record for the asset class, as the total value of outstanding catastrophe bonds passed $20 billion for the first time.

The Eurekahedge ILS Advisers Index is an equally weighted index of hedge funds that explicitly allocate to insurance linked investments and have at least 70 percent of their portfolio invested in non-life risk.

The new USD hedge version of the index is base weighted at 100 in December 2005 and has returned 7.18 percent per annum with a volatility of 2.30 percent until the end of 2013.

Hiscox acquires DirectAsia

Hiscox has reached a $55 million agreement with Whittington Group to acquire its direct-to-consumer online operation DirectAsia.

DirectAsia was founded in Singapore in 2010 and launched in Hong Kong in 2012 and Thailand in 2013. Its primary business is motor, one of the few non-discretionary insurances in Asia, with ancillary lines in travel, personal accident, healthcare and life. During 2013, DirectAsia had gross written premiums of $25.3 million.

Bronek Masojada, the CEO of Hiscox, commented: “DirectAsia is a challenger brand with real potential. It gives Hiscox a 21st century distribution platform in Asia that leapfrogs traditional routes to market. DirectAsia complements our direct-to-consumer businesses in Europe and the US, and in time, we will use it to distribute Hiscox products.”

CEO Whittington Group, Anthony Hobrow, said: “We have developed a successful entrepreneurial business, taking on the global giants with traditional distribution models. We are very pleased that we have been able to pass this unique platform to Hiscox who can supply expertise, capital and a strong customer focussed culture to help us further develop and grow the business.”

The business will continue to operate under the DirectAsia brand and with the existing local management team, which will be led by Steve Langan—Hiscox UK and Europe MD and now CEO of DirectAsia Group.

Hiscox, headquartered in Bermuda, is an international specialist insurance group listed on the main market of the London Stock Exchange. DirectAsia will be Hiscox’s first business in Asia, and builds on its other direct-to-consumer operations in Europe and the US.

The acquisition has been approved by the Monetary Authority of Singapore and is subject to regulatory approval from the Office of the Commissioner of Insurance (OCI) in Hong Kong.

Casualty capital: Jekyll or Hyde?

Capital is pouring into the casualty reinsurance market from both traditional property catastrophe reinsurers looking to offset rate reductions in their own sphere, and now also from the capital markets, according to Andrew Newman, global head of casualty at Willis Re.

Newman said: “This new capacity has resulted in a much wider choice of reinsurers for cedants, with increased supply also creating more competition in terms of coverage, structure and pricing.”

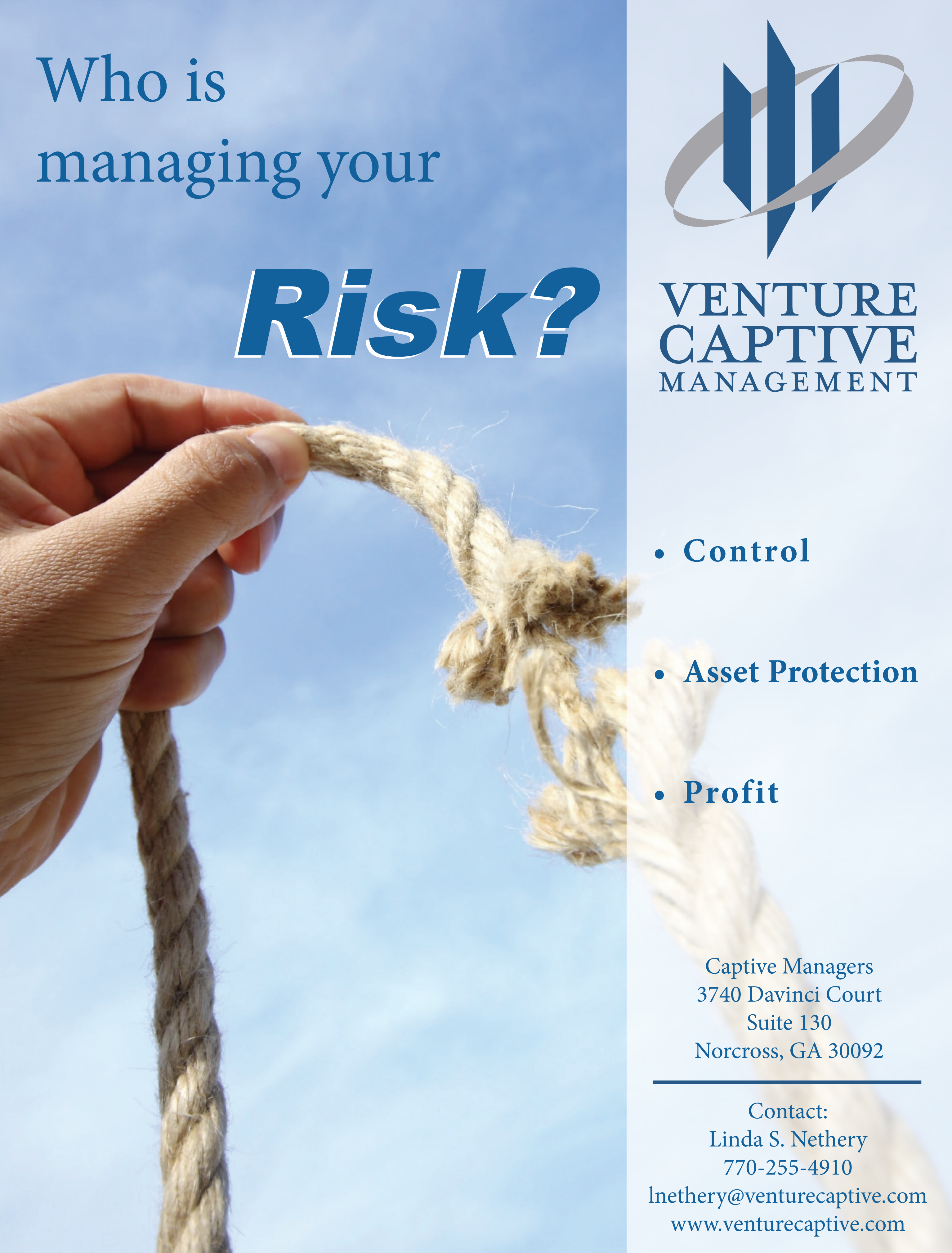
The fact that the capital markets have now entered the casualty markets at the risk level, an example of which is sidecar style operation Watford Re, is potentially game changing, according to Newman.

Newman said: “Two aspects of this model make this potentially transformational. First, it confirms that new capital, in search of non-correlating returns, is willing and able to enter the casualty space and participate at the risk level, just as it has in the property catastrophe market. Second, it expressly offers clients a product that has a lower cost of capital, or an improved investment yield, or both, integrated into its pricing model. This at least conceptually represents a possible game changer in long tail lines.”

Newman does, however, point out that new capital pouring in from both the traditional reinsurance and capital markets is as yet untested.

Newman said: “As a collective, new capital entering the casualty space could be exciting, dynamic, cost-effective and valuable at an increasingly competitive point in the market cycle, and as such cannot and should not be ignored. At the same time all new entrants with whatever operating model should be scrutinised in the context of continuity given the significant time lag aspect of casualty business.

“Questions around market selection cannot be readily answered in a vacuum and only serve to enhance the value to clients of expert advice in an increasingly complex and inter-connected market. On casualty business, clients need thoughtful and informed support in understanding and measuring their casualty risk in order to manage it to within an appropriate risk tolerance framework.”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Rebuilding Bridges

After a short time away from GCM, Ian Bridges has returned as vice president to find that things are still looking bright for Cayman's captives

STEPHEN DURHAM REPORTS

Firstly can you give us an overview of Global Captive Management (GCM), and how your role has altered since your return?

As GCM is an independent, privately owned practice and not instructed by various global corporate mandates, the company is able to be very flexible. This flexibility is a huge advantage of GCM and has allowed it to grow into one of the 10 largest captive managers worldwide while maintaining our independent client focus. Our flexibility has allowed us to adapt to the changing needs of the market place and our clients. We hope to continue to evolve with the captive market in the future.

From a personal standpoint, it was pretty much business as usual the day I walked in. I am happy to see some people hired during my first time at GCM are now more senior and there are a few new faces but, as was typical with my past employment with GCM, the atmosphere in the office is still great.

I have a portfolio of my own clients, which I oversee on a daily basis. These clients range from smaller doctor groups to larger Securities and Exchange Commission (SEC) subsidiaries and anywhere in between. I also get involved with any tax issues our clients have, which involves anything from an IRS notice to potential tax planning options. I also get heavily involved from day one on any new client leads because, inevitably, when new US based clients and their captives are being set up—they have a number of US tax questions. This is my area of expertise here at GCM.

I am able to talk with potential new owners, potential new directors and their CFOs, accountants and tax providers who may not understand some of the captive tax issues. These can be in relation to certain outbound transactions (US investors investing outside the US) or the US insurance tax rules. Captive insurance taxation is a niche subject matter so, the earlier I can get involved in any of the new captives discussions, the better. We can then see from the get go, whether a particular captive is going to work and meet their insurance needs while having an understanding of the tax implications. We hope that our unique level of tax experience separates us from other competitors on the island.

If we get into a situation where we have a new captive, there is only one insured in the form of a parent company, and they are looking for a tax deduction on their premiums—then we can discuss the feasibility of different options. My objective is to begin a dialogue of the issues at a high level. GCM does not provide tax

> "When I first started with captives in 2002, we would wonder which US state a new client lead was going to come from—these days we do not even know which country"

advice, per se, so we still highly recommend the client engages a tax provider or attorney. There have been a number of highly reputable accounting and law firms we have worked with in the past and are happy to list these options to a new client.

How does GCM compare with some of the other Cayman-based operations?

Our practice is led by Peter MacKay, who established GCM in 1982 and has been involved with captives in Cayman since the infancy of the industry. Monique MacDonald is our senior vice president and a former regulator, who has a unique insight into government regulations and keeps update with the latest regulatory changes. Jennifer Reid, who has been working with captives on the island since 2002, has an excellent knowledge-base on group captives.

There are a number of high quality captive managers on the island but we are very well established in the marketplace given both our longevity in the captive market along with the size of our captive portfolio. As an independent captive manager we have invested heavily in technology such as various web-based applications to share information through a web portal—but at the end of the day it all comes down to relationships, and that is what GCM really focuses on.

I believe our independence also separates us from some of the other broker owned managers on the island. There are no conflicts of interest with an independent manager, as they work for the best interests of their client. Our goal is to truly maximise the potential of our client's captives and provide them with information on all available options to make informed decisions. A testament to the quality of service we provide is the fact that we have grown to one of the ten largest captive managers worldwide while maintaining our independence and personalised client focus.

Our captive insurance company to staff ratio is lower than most other captive managers. We are easily able to do this as we are not constricted by corporate mandates or policies from a head office. While there is obviously a cost for GCM, we feel our clients benefit from a higher level of service. This lower ratio also contributes to our staff's job satisfaction and leads to what I believe is a better than average turnover of our staff, both Caymanians and expatriates, which in turn also benefits our clients.

What are your opinions of the US market, in terms of the new developments in New Jersey and South Carolina?

A number of states have enacted captive legislation and, while we certainly have not seen an outflow of existing captives, there is a potential threat of new US clients looking at their own home states for captives. Entering into both the South Carolina and New Jersey markets have been strategically done to provide specific solutions to our clients.

What do you see as the long-term development of GCM?

There are always people looking for a new jurisdiction. I know when Canada signed the TIEA (Tax Information Exchange Agreement) with the Cayman Islands; people really started looking at Canada as a potential source. Even though some business came out of the TIEA, there is just not an abundance of captive work there compared to the US—given the different litigation environments.

Stakeholders in the captive industry are continuing to look at emerging markets. Recently we have had some leads from the UK and Central Europe—more so than our traditional markets in the US. When we are looking at the recent Cayman Islands' recent intergovernmental agreements for both US FATCA (Foreign Account Tax Compliance Act) and the FATCA-like UK regime, we are seeing further evidence of globalisation of business.

We are currently working on a captive writing certain risks in China that, four or five years ago, may not have been available. When I first started with captives in 2002, we would wonder which US state a new client lead was going to come from—these days we do not even know which country.

What is Cayman and GCM doing in order to stay ahead of the competition?

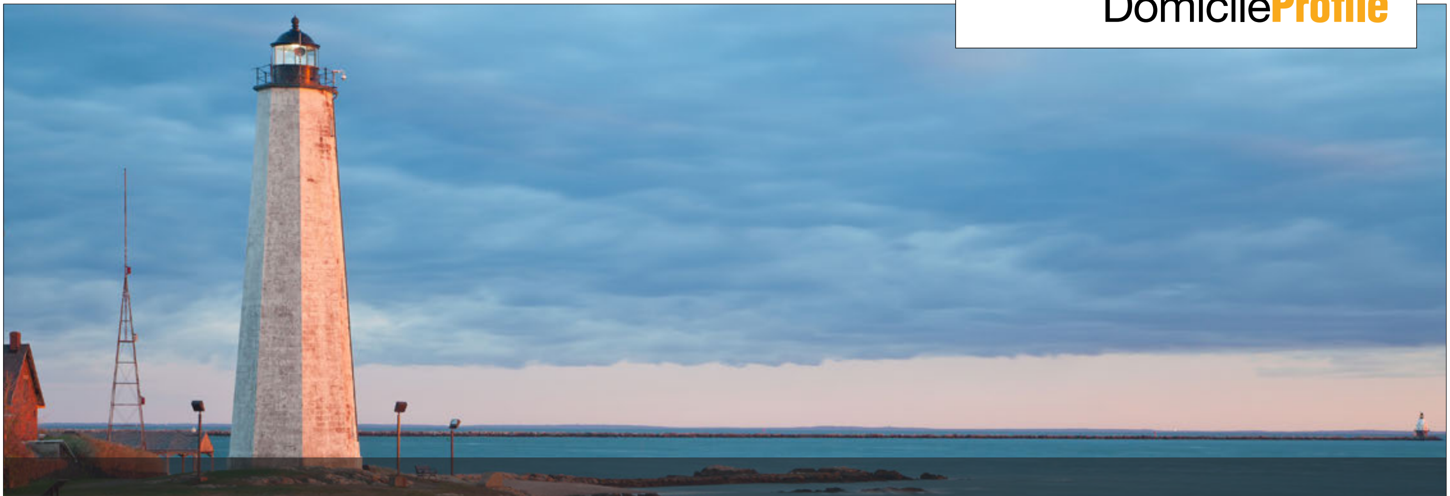
If Cayman rested on its laurels, it would be making a mistake. There is a lot of demand and competition in the captive industry so we are always looking to improve.

Evidence of this is the new portfolio insurance company (PIC) law we are developing, which would provide similar benefits as incorporated cell companies such as establishing a cell as a separate legal entity, allowing for a PIC to have its own board of directors and to also contract with other PICs.

We are always looking at innovative solutions because we know that there are jurisdictions out there to compete with—whether they are domiciles for large captives or domiciles for smaller captives perhaps in the 831(b) space. We know that we cannot be complacent, at GCM or in the Cayman Islands as a jurisdiction.

When a client chooses Cayman it is because of its excellent reputation and industry expertise. With over 34 years of experience in the captive arena, the wealth of knowledge here is unparalleled. CIT

Ian Bridges
Vice president
Global Captive Management



Do judge a state by its regulator

With 200 years of insurance heritage and a prime location in the heart of northeast America, it was only a matter of time before Connecticut embraced captive legislation. But was the state too late?

STEPHEN DURHAM REPORTS

Although the captive insurance industry in Connecticut is still in its infancy, the state's regulators have embraced an unusual philosophy to allow maximum support for potential clients.

When regulating a captive, the Connecticut Insurance Department has shifted the focus away from the common 'rules-based' approach, towards a more 'principles-based' form of regulation. In other words, the state has fostered a responsive regulatory regime that is flexible, knowledgeable and can attempt to act as more of a business partner than an overseer.

This is not to say that specific rules do not apply—the laws and regulations do provide certain financial requirements and compliance standards. However, 'principals-based' regulation recognises that every company is different, and that each company has different goals for its captive programme.

This ideological change was born out of a desire to carve a competitive niche to attract new managers and entities to Connecticut—ahead of its more seasoned rivals.

John Thomson, head of the captive regulatory unit at the Connecticut Insurance Department, says: "Many of the other states are more interested in ticking boxes and maximising the number of licences that they have put in place over a given year. I would much rather have a smaller number of well-done captive programmes than have 34 poorly designed and understood programmes on the books."

As a result of the youth of the captive industry in Connecticut, the state's regulators are keen to build a 'hands-on' reputation from the ground up, and concentrate on maintaining the flexibility and sustainability of each individual captive operation. This involves interacting with entities themselves, understanding their objectives and strategies, and ultimately helping them to get their actuarial and accounting pro forma statements vetted.

Thomson continues: "I have a real commitment to governance. I am always looking to see the details of the process first-hand and discover how the governors are owning and managing their captives—I think this is something unique to Connecticut."

The state is currently planning to examine its first captives—the oldest of which are still only in their second year. These captives will be checked every three years, as will any that follow in the future.

Connecticut's youngest entities, such as the six-month-old StanleyBlack & Decker (SBD) captive, are experiencing both the rough and the smooth of locating themselves in an inexperienced and unconventional captive domicile.

Tim Perra, vice president of communications for SBD, says: "Connecticut is a very new domicile which has been working with us to make the SBD captive a success for both parties … There are some learning curves that have delayed the timeframe of implementation, but this likely happens in other new domiciles as well."

"There are always growing pains related to any new process. For example, there are start up issues with understanding regulatory requirements of a captive in a state that is more familiar with traditional insurance. Understanding what is required from the actuary and from the audit are two examples. Another example is working through an investment strategy that makes sense to all parties. However, the regulators have demonstrated a genuine interest in working with SBD Insurance during this process and providing flexibility in necessary areas."

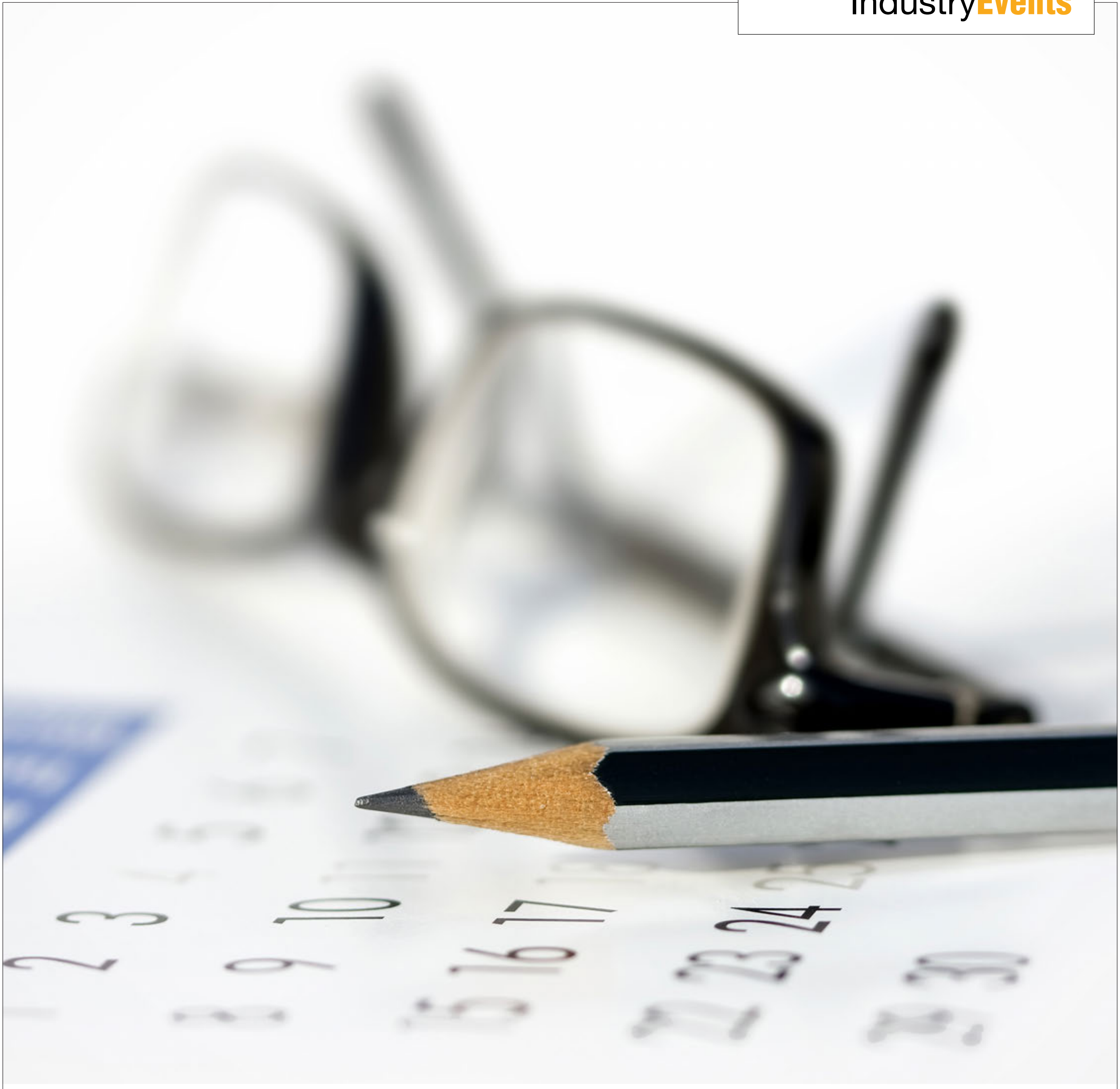
Perhaps as a result of this relatively short-track record, many of Connecticut's competitors, such as Vermont, still do not see it as much of a threat—at least not yet.

Daniel Towle, director of financial services for the Vermont Agency of Commerce & Community Development, says: "Vermont continues to license captives at a consistently strong pace. New captive domiciles coming into the market every year has been a trend for quite some time. Vermont continues to seek quality companies that are forming captives as a better way to manage their risk, and this strategy has not changed regardless of market conditions or competition.

"Connecticut is certainly very late to the captive insurance industry and I am not sure what took them so long since I know in the past they have considered themselves as an insurance centre. As a relatively new jurisdiction, I have not had any experience with Connecticut as a domicile."

Although Connecticut is less familiar with captives than some of its contemporaries, it does claim to be more different. Rather than advertise itself as cheaper or easier in which to set up, the state says it is typically less aggressive and restrictive in its regulation—and not to the detriment of sustainability, either.

As Thomson explains: "Connecticut is unique in the wider US in that it has led with sustainability, even though others may say they achieve this by maintaining rules but allowing flexibility. Connecticut is the only state to focus on the strategic intent for the captive as well as how the owner manages it." CIT



CICA 2014 International Conference - Captives: Global Opportunities & Solutions

Location: Arizona
Date: 9-11 March 2014
www.cicaworld.com

The captive insurance industry continues to evolve, expand and change. To meet these needs we must understand the issues and opportunities to create solutions in our markets. This year's CICA 2014 International Conference - Captives: Global Opportunities & Solutions highlights the results that come from addressing challenges impacting small domestic captives and large multinational captives equally.

10th Annual Canadian Captives & Corporate Insurance Strategies Summit

Location: Calgary
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www.captivesinsurance.com

Expand your corporate insurance strategy through leading global case studies; manage your riskiest ventures and preserve capital with an integrated captive strategy. Expand to new and emerging markets while mitigating the risks to your organisation.

Create your blueprint for overcoming emerging risks and preserving precious capital through a calculated insurance strategy.

Industry appointments

QBE Accident & Health has named **Phillip Giles** as vice president of sales and marketing.

Giles will oversee sales and strategic marketing initiatives as well as medical stop-loss captive business.

Prior to joining QBE, Giles spent more than 10 years as vice president of marketing for Artex Risk Solutions, the captive and alternative risk management division of Arthur J. Gallagher & Co. Giles has accrued nearly 28 years of experience in accident and health and property and casualty alternative risk.

QBE's North America operations are a part of QBE Insurance Group Limited, one of the top 20 insurers and reinsurers worldwide.

Miller is combining its property and casualty specialists into one business area to be headed by **Ken MacDonald**.

The new structure will enhance the service Miller provides to its corporate, intermediary and captive clients, offering them seamless access to UK and international insurance markets.

As part of these developments, **Charles Lane** has been appointed as head of international casualty and will lead a team that includes five other new joiners. They will work closely with Miller's existing property and casualty specialists to expand Miller's capabilities internationally.

Lane joins Miller as head of international casualty and will be responsible for managing and developing Miller's book of international casualty clients. He has 30 years of experience in casualty insurance production and broking for clients based in a range of international locations, including Australia, New Zealand, Africa, Europe and South America.

Lane started his career at Sedgwick in 1984 before leaving to set up the property and casualty wholesale division at Glenrand (latterly Glencairn) in 2000 where he was a board director. Before joining Miller, he was head of casualty at Faber Global, a trading division of Willis Limited.

James Stringer has 24 years of experience of broking casualty insurance for clients based in the UK and internationally on a wholesale, retail and facultative basis. He will be working to grow Miller's book of international casualty clients.

Fiona Woodcock is a specialist broker of casualty insurance for clients operating in a range of sectors, including mining, construction, freight and logistics, food and drink, leisure and entertainment, and security and hospitality.

She began her career in 2008 and has experience of working with organisations in several international locations, particularly Australia and South Africa. She will be working to develop Miller's book of international casualty clients.

Tim Sloan moves to Miller as head of property and casualty claims. He has more than 15 years of claims handling experience for clients based in the UK internationally, and will lead Miller's claims handling across its book of property and casualty clients.

Kevin Grimes has 40 years of experience in operations roles including head of client service across all classes at Sedgwick. At Miller, he will provide operational support to the international casualty team.

Clare Sorboen has 25 years of insurance industry experience. She specialises in producing casualty policy wordings for international clients, primarily based in Australia and South Africa. At Miller, Claire will support the international casualty broking team, preparing wordings, placing slips/endorsements and market reform contracts.

The Isle of Man Captive Association has appointed a new deputy chairman, **Simon Nicholas** of KPMG.

Nicholas joined KPMG Isle of Man in 2010. Prior to moving to the Isle of Man, he worked with the Bermuda reinsurance and captive markets for KPMG in Bermuda for nearly seven years, and with the London and Lloyd's markets for many years prior to that.

He has experience auditing and advising insurance entities, in particular captives.

Members of the captive association offer services ranging from small local operations to representatives of the world's leading captive management groups.

The Isle of Man's legislation offers structures including single-parent captives, association captives, rent-a-captives, incorporated cell companies, special purpose vehicles, protected cell company captives, limited liability partnership captives and captives writing third party business under limited third party authorisation.

Besso Insurance Group, the independent top 20 Lloyd's broker, has appointed **Samantha Hovey** as CFO.

Besso was founded in 1967 and was bought by Colin Bird and colleagues in 1985. After building up the business they sold it to Jardine Insurance Brokers, buying it back in 1995 with financial backing from BP Marsh.

Besso's most recent areas of expansion include worldwide reinsurance and captive management.

Hovey joins Besso from Cooper Gay & Company where she was also CFO. Prior to being appointed CFO in early 2010, Sam was group financial controller. Other previous roles include positions at HSBC Insurance Brokers and Rattner McKenzie. **CIT**

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