

WHEN A CELL OUTGROWS THE FACILITY

Christine Brown of the Vermont Department of Financial
Regulation on where a cell ends and a captive begins



Actuarial Expansion

Robert Walling of Pinnacle Actuarial Resources on Canada, Bermuda and skating where the puck is going

Claims Management

Christopher Reilly of North American Risk Services on the third-party administrator as guardian of a captive's capital

Renters Insurance

Giles Hobday and Matt Baldwin on why multi-unit property owners are retaining renters insurance risk

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Keep pace with the most impactful stories in the captive insurance world. This month's round-up features the PRA's captive regime roundtable, Bermuda's stablecoin consultation, Cayman's bid for NAIC qualified jurisdiction status, and AM Best's US\$8.2 billion savings report.



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Two-way conversion, funding certified under oath, and supervision calibrated to retained risk. Christine Brown, deputy commissioner of captive insurance at the Vermont Department of Financial Regulation, speaks with John Savage about where a cell ends and a captive begins.

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Christopher Reilly, chief growth officer at North American Risk Services, speaks with Elliot Hayes about the third-party administrator's evolving role as guardian of a captive's capital, from reserve accuracy and data integrity to subrogation and litigation discipline.

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People Moves

Pinnacle promotes Megan Baker to senior consulting actuary, Amynta Risk Solutions appoints Gene Pompili as accident and health president, and SRS elevates Dom Halpin in Ireland, with further moves at Aon, Captives.Insure, Berkley Risk, Marsh and Risk Management Advisors.



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BANK OF ENGLAND PRUDENTIAL REGULATION AUTHORITY

PRA sets September date for captive regime roundtable

The Prudential Regulation Authority (PRA) holds an industry roundtable on its proposed captive insurance regime on Thursday 17 September 2026.

The session runs from 10.00am to 12.30pm and covers consultation paper CP11/26, A tailored regime for captive insurance, published on 14 July 2026. The consultation proposes a proportionate regime for single-parent captive insurers, including tailored capital, reporting, authorisation and supervisory requirements.

The PRA says the roundtable is intended to gather stakeholder views and provide additional clarity on the consultation where necessary. Attendees are expected to have read CP11/26 in advance. The event is not open to the media.

The roundtable is held on a hybrid basis. A limited number of in-person

places are available at 20 Moorgate, London, allocated on a first-come, first-served basis, with virtual attendance via Microsoft Teams. Registration closes at 5.00pm on Friday 4 September 2026, and the PRA welcomes up to two attendees per organisation. Participants can submit questions and suggest discussion topics during registration.

The Financial Conduct Authority (FCA) also intends to attend, to discuss the related conduct proposals in CP26/29 and answer relevant questions. The FCA paper was published alongside CP11/26 and covers conduct matters, while the PRA paper covers the prudential framework.

CP26/29 proposes a flat annual periodic fee of £600 for captive insurers and a Category 4 application fee of £2,820, with captives placed in the A.3 fee block. Several sourcebooks would be disapplied, including the Consumer Duty in PRIN 12, the Insurance: Conduct of

Business sourcebook, the Client Assets sourcebook, and the Dispute Resolution and Compensation sourcebooks. Captives would also be excluded from the regular reporting requirements in SUP 16, with the FCA relying instead on SUP 15 notifications.

Draft rules in a new SYSC 3.5 section set out expectations where management is outsourced to a captive manager. The captive insurer would remain responsible for its regulatory obligations and would need a contract setting out minimum terms, covering the allocation of responsibilities, whistleblowing arrangements, record-keeping, conflicts of interest, and a requirement for the captive manager to engage directly with the FCA.

Both consultations close on 14 October 2026, with implementation expected in mid-2027. The regulators intend to consult separately on extending the regime to protected cell companies (PCCs) once the necessary legislation is in place. ■



Hawaii enacts risk-based captive examination law

Hawaii Governor Josh Green signs Senate Bill 2043 into law as Act 255, introducing a risk-based approach to the financial examination of captive insurance companies in the domicile.

The Act amends section 431:19-108 of the Hawaii Revised Statutes. Under the revised framework, each captive insurance company, other than a risk retention captive, remains subject to examination no later than five years after licensure.

Thereafter, until 31 December 2031, further examinations are conducted at the discretion of the insurance commissioner, based on the risk profile of each captive.

From 1 January 2032, the statutory cycle resumes, with each affected captive subject to examination at least once every five years unless amended by future legislative action. Examinations of risk retention captive insurance companies are unaffected: such companies continue to

be examined no later than three years after formation and every five years thereafter.

The Act requires the insurance commissioner to report to the legislature before the 2031 regular session, evaluating the effectiveness of the discretionary framework. The report must assess whether the approach adequately protects policyholders and recommend whether to continue, modify or repeal the framework.

The legislation was developed by the Hawaii Insurance Division, the state legislature and the Hawaii Captive Insurance Council (HCIC). The Act has been in effect since 1 July 2026. ■

Image: Office of Gov. Josh Green

The advertisement features a large, stylized globe in the center. The globe is composed of two parts: the top half shows a snow-capped mountain range under a blue sky, and the bottom half shows a city skyline with modern buildings. The word "Captive" is written in a large, white, cursive font across the middle of the globe. Below it, the words "With A View" are written in a white, sans-serif font. To the right of the globe is a small QR code. In the bottom left corner is the Utah Insurance Department logo, which is a shield-shaped emblem with the words "UTAH INSURANCE DEPARTMENT" and a stylized mountain. At the bottom of the advertisement, the text "Utah Captive Insurance | 4315 S. 2700 W., Ste. 2300 | Salt Lake City, UT 84129 | insurance.utah.gov/captive" is displayed. In the bottom right corner, there is another QR code and the website "utahcaptive.org". The background of the entire advertisement is a scenic view of a city and mountains under a blue sky.

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AM Best affirms ratings of Apogee captive Prism Assurance

AM Best affirms the financial strength rating of 'A-' (Excellent) and the long-term issuer credit rating of 'a-' (Excellent) of Prism Assurance, the single-parent captive insurance company of Apogee Enterprises. The outlook on both ratings is 'stable'.

The ratings reflect Prism's balance sheet strength, assessed as very strong, alongside adequate operating performance, a limited business profile and appropriate enterprise risk management.

The balance sheet assessment is supported by risk-adjusted capitalisation at the strongest level, as measured by Best's Capital Adequacy Ratio.

AM Best notes that Prism has sufficient liquidity, supported by the ability to call on its parent loan-back and by the financial flexibility available through Apogee.

As a single-parent captive, Prism benefits from a low expense structure

with minimal distribution, producing an expense ratio much lower than that of traditional commercial insurers.

AM Best identifies manageable volatility in underwriting performance arising from the low frequency, high severity claims the captive was established to cover.

Apogee contributes trademarks and royalty income to the captive, alongside interest from the parent loan-back, providing a steady stream of net investment income.

AM Best says profitability metrics far exceed industry averages over five and 10-year terms.

Prism is a Vermont-domiciled captive based in Burlington, and provides specific lines of coverage to Apogee, which AM Best describes as one of the largest US architectural design and construction companies.

The captive is interwoven into Apogee's enterprise risk management programme, working with business units to reduce claims severity and frequency. ■



Jeometri secures GFSC licence for Guernsey captive PCC

Jeometri Insurance Managers (Guernsey) Limited (JIM) receives a licence from the Guernsey Financial Services Commission (GFSC) for Jeometri Insurance PCC Limited, a protected cell company offering a ring-fenced route into captive insurance in Guernsey.

The PCC is licensed under The Insurance Business (Bailiwick of Guernsey) Law, 2002, and managed by JIM. The facility is open for cells.

Darren Wadley, managing director of JIM, says: "This licence is a natural extension of Jeometri's insurance management capability. It gives our clients a straightforward, well-governed route into captive insurance through Guernsey at lower cost and with less complexity than a standalone entity."

JIM says cell structures allow faster formation than licensing a standalone insurer, with administration, governance and regulatory reporting centralised in the core and shared across cells. Statutory ring-fencing segregates the assets and liabilities of each cell from the core and every other cell.

JIM is a subsidiary of Alpha Growth, the London-based insurance-linked asset and wealth management group. JIM announced the licence on 10 August 2026. ■

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BERMUDA MONETARY AUTHORITY



BMA publishes Q2 2026 regulatory update

The Bermuda Monetary Authority (BMA) publishes its regulatory update for the quarter ended 30 June 2026, setting out consultations, reporting guidance, reports and international engagement across April to June.

The insurance-specific consultation of the quarter came on 9 June 2026, when the authority issued a consultation paper on proposed amendments to the Insurance Code of Conduct, the Insurance (Group Supervision) Rules 2011 and the Insurance (Prudential Standards) (Insurance Group Solvency Requirement) Rules 2011.

The amendments relate to the BMA's expectations for insurers when adopting the prudent person principle, enhancements to the Insurance Group Supervision Framework, and expansion of the conduct of business regulatory framework. Feedback closed on 27 July 2026.

A stakeholder letter on proposed instructions and guidance on the

application of the prudent person principle was published on 9 June 2026, summarising stakeholder feedback and the BMA's responses on the 2024 consultation paper.

For Bermuda-domiciled captives, the group supervision and prudent person elements are the items to watch. While the proposals are directed at commercial insurers and insurance groups, changes to the group supervision framework carry read-across for captives forming part of a wider supervised group, and the conduct of business expansion sets the direction of travel on scope.

The authority also published a discussion paper on potential banking models for Bermuda on 2 June 2026, and a consultation paper on asset tokenisation on 9 April 2026.

Reporting forms and guidance issued during the quarter include the Insurance Manager Annual Return 2026 and the Brokers and Agents Annual Return 2026, both published on 17 April 2026. Discount rates for 31 March 2026 were published on 15 April 2026. The 2026

quarterly financial return templates for property and casualty and for long-term business were both published on 8 May 2026.

On 30 April 2026 the BMA published its report on liquidity risk in the Bermuda long-term insurance market for year end 2024, finding that the sector maintains strong resilience against potential liquidity stresses, supported by prudent asset allocation and robust risk management frameworks.

On the international side, BMA deputy chief executive officer Shanna Lespere was elected vice chair of the International Organization of Securities Commissions Inter-American Regional Committee in April 2026.

The authority also presented Bermuda's approach to supervising special purpose insurers at the OECD Roundtable on Insurance and Pensions in Colombo, Sri Lanka. Special purpose insurers sit adjacent to the captive and alternative risk transfer segment, and Bermuda's supervisory approach to them is a recurring point of interest for sponsors weighing the domicile. ■



Cayman issues six new international insurer licences in Q2

The Cayman Islands Monetary Authority (CIMA) issues six new international insurer licences between April and June 2026, all of them class B(i), alongside three portfolio insurance companies.

The figures are reported by the Insurance Managers Association of Cayman (IMAC) following release of CIMA's second-quarter licensing statistics.

The additions bring the total number of new international insurance licences issued in 2026 to 20, meaning 14 were granted during the first quarter. CIMA confirms that a further 17 licence applications are under review. By comparison, 41 new international insurance licences were issued across the whole of 2025.

Cayman is now home to 721 class B, C and D insurance companies, collectively writing approximately

US\$61 billion in premiums and holding total assets of approximately US\$190 billion. The figures represent an increase of US\$10 billion in premium and US\$14 billion in total asset value on the first quarter.

Class B(i) licences are issued to insurers where at least 95 per cent of net written premiums originate from the licensee's related business, the category covering single-parent captives. IMAC says the expansion of class B(i) insurers reflects Cayman's strength as a domicile for single-parent captives.

James Trundle, IMAC chair, says: "These figures demonstrate the ongoing strength and diversity of Cayman's international insurance industry and showcase the jurisdiction's appeal for a wide range of captive and reinsurance structures."

Trundle adds: "It is indeed encouraging to see the continued growth in new insurance licence activity during the first half of 2026." ■



AM Best affirms Pfizer captive Blue Whale Re ratings

AM Best affirms the financial strength rating of 'A' (Excellent) and the long-term issuer credit rating of 'a+' (Excellent) of Blue Whale Re, the Burlington, Vermont-based Pfizer captive. The outlook on both is 'stable'.

The ratings reflect Blue Whale's balance sheet strength, assessed as very strong, alongside strong operating performance, a neutral business profile and appropriate enterprise risk management (ERM).

As the only captive insurer for the global pharmaceutical company, Blue Whale insures or reinsures Pfizer's international employee benefits and global property exposures, among other coverages, placing it at the centre of the parent's ERM programme.

Blue Whale provides substantial retentions across its Pfizer coverages, augmented by significant reinsurance capacity. Through recent years of hard market conditions, the captive has participated in small slices of its catastrophe tower as an economic efficiency for the enterprise, and offers cyber liability capacity when pricing requires it.

AM Best describes the reinsurance programme as appropriate and diverse, and expects Pfizer's willingness to support the captive to remain unchanged. ■



Agriculture & Rural Development



Michigan crop insurance pilot to form captive for regenerative farmers

The Michigan Department of Agriculture and Rural Development (MDARD) and its partners launch a crop insurance pilot that includes the creation of a captive insurance entity for farmers adopting regenerative practices.

The NextGen Crop Insurance pilot offers premiums that reflect the lower long-term risk associated with soil health practices such as cover crops, diversified crop rotations and reduced tillage. Pricing and coverage flexibility is delivered through the pilot's captive insurance programme.

MDARD says the captive entity gives farmers more control over how coverage is designed and priced, and enables them to pool resources to achieve cost savings.

Participants also have the opportunity to receive a dividend after remaining enrolled for at least four years.

Farmers keep their existing federal crop insurance and their current insurance

agent, receiving supplemental support as they transition to regenerative practices.

The department funds the pilot through a US\$480,900 grant to EarthShare, the fiscal sponsor of the Resilience in Agriculture Lending and Insurance Coalition (RALIC), which leads the project.

The grant also supports an assessment using data from corn and soybean growers in Huron, Saginaw and Sanilac counties to develop rates that better reflect the reduced risk associated with regenerative practices.

Corn and soybean producers in Huron, Saginaw, Sanilac and Tuscola counties who use cover crops, crop rotation and no-till or low-till methods can participate in the 2027 crop year.

Tina Owens, who heads RALIC, says: "The current crop insurance system is based on a 10-year look-back that does not recognise steps farmers are taking to improve soil health.

"NextGen Crop Insurance is the first real test of pricing that reflects changes in soil health, and it is the blueprint for

how insurers, lenders and investors will price risk in the future."

Tim Boring, MDARD director, says: "Too often, crop insurance programmes do not give farmers credit for practices that improve soil health and reduce the risk of crop loss."

Boring adds: "NextGen Crop Insurance gives farmers a pricing option that reflects the work they are doing to build healthier soils and ensure a more resilient and prosperous future for Michigan agriculture."

RALIC is led by Transformational Investing in Food Systems (TIFS).

Partners include the non-profit insurance provider A3, The Nature Conservancy Michigan and the Michigan Association of Conservation Districts.

Aon's Agriculture Resilience Center is supporting the pilot with risk analytics, insurance design and technical expertise.

RALIC plans to expand the pilot to additional states and crops as more data becomes available. ■



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CIRCA report examines Cayman role in Japanese capital strategies

The Cayman International Reinsurance Companies Association (CIRCA) publishes a report examining the role international reinsurance may play as Japanese insurers adjust to a new solvency regime.

The paper is written by Jacob Macadam, partner and co-head of (re)insurance at Appleby (Cayman), Steve Papciak, principal actuary at Marsh, and Jeremy Trader, co-head and chief actuary at Knighthood Annuity & Life, all CIRCA member firms. CIRCA states that the views expressed are those of the authors.

The report centres on Japan's implementation of the Insurance Capital Standard (J-ICS) and proposed amendments to reinsurance supervision guidelines issued by the Japanese Financial Services Agency on 8 April 2026.

J-ICS introduces an economic-based solvency regime requiring insurers to manage solvency through a total balance sheet approach rooted in market-consistent fair value. The report says the transition may increase sensitivity to market movements for certain life insurers,

identifying pressure points including long-duration liabilities, high-interest-rate guarantee legacy blocks, and credit spread exposures.

The proposals clarify expectations on cedant monitoring, collateral adequacy, stress-testing and board-level governance of reinsurance programmes.

The report notes early analysis suggesting insurers whose reinsurance recoverables are not adequately collateralised, or whose counterparties carry lower credit ratings, may face higher capital charges under the Economic Solvency Ratio framework.

The authors identify four motivations for Japanese cedants to consider international reinsurance: mitigating balance sheet volatility, accessing institutional investment expertise, improving capital efficiency, and diversifying counterparties. The report says US-facing business makes up more than 90 per cent of Cayman's US\$100 billion-plus in reinsurance-related assets.

Japanese portfolio assets in Cayman reached around US\$853 billion by the end of 2024, placing it second only to the US as a destination for Japanese portfolio investment. ■

RiverStone signs second loss portfolio transfer with Lyft captive

RiverStone International signs a second loss portfolio transfer agreement with Pacific Valley Insurance Company, the wholly owned subsidiary of ride-hailing company Lyft. The transaction is effective from 1 July 2026, with Guy Carpenter acting as broker.

The agreement follows a first transfer between the two parties, announced in March 2025, covering a commercial auto liability portfolio and effective from 1 January 2025. That deal was the first completed directly within RiverStone's US entity.

Paul Brockman, group chief executive of RiverStone International, says: "This repeat transaction reflects the depth of the relationship between our organisations and demonstrates the value of long-term partnerships in the legacy market."

Brockman adds: "We are pleased to continue supporting Lyft's risk management and capital optimisation objectives."

Pacific Valley is used by Lyft to reinsure substantially all of its US auto-related risk, according to regulatory filings.

The captive has featured in a series of legacy transactions, including an agreement with DARAG Bermuda covering commercial auto liabilities with reserves estimated at approximately US\$250 million.

RiverStone International is an acquirer and reinsurer of legacy and discontinued insurance business, operating in the UK company and Lloyd's markets, and in Bermuda, the US and Europe.

It has acquired more than US\$18 billion of liabilities since 2010, and holds around US\$4.7 billion of total liabilities. ■

Global commercial insurance rates fall 6 per cent in Q2 2026

Global commercial insurance rates fall by an average of 6 per cent in the second quarter of 2026, marking the eighth consecutive quarter of rate decreases, according to the latest Global Insurance Market Index from Marsh.

The Q2 decline follows a 5 per cent fall in Q1 2026. Property rates decline by 12 per cent over the quarter.

Marsh attributes the softening to abundant capacity and strong insurer competition across all major product lines.

Insurer profitability, a surplus of capital, lower reinsurance costs and higher

investment returns are intensifying competition and contributing to lower rates, the broker says.

For captive owners and prospective sponsors, the report identifies how buyers are deploying the savings.

Sustained soft market conditions have historically slowed captive formations, and the finding suggests appetite for structural risk financing is holding up.

All global regions record year-on-year composite rate decreases. India, the Middle East and Africa post the largest decrease at 16 per cent, the Pacific 13 per cent. UK rates fall 8 per cent, Canada 7 per cent, Europe 6 per cent and Asia 5 per cent.

The US composite rate falls 2 per cent.

Casualty rates increase 2 per cent globally, down from 3 per cent in Q1.

All regions record casualty decreases except the US, where casualty rates rise by 7 per cent. US casualty remains the line where captive and alternative risk structures are most frequently deployed in response to pricing pressure.

John Donnelly, president of global placement at Marsh Risk, says: "While economic uncertainty has led many buyers to retain premium savings, many organisations are also continuing to invest in alternative risk strategies, including captives." ■



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Captive Insurance Management, Reimagined

BMA consults on stablecoin guidance for Bermuda captive insurers

The Bermuda Monetary Authority (BMA) opens a consultation on a proposed guidance note governing the use of recognised stablecoins within Bermuda's insurance, insurance-linked securities (ILS) and investment fund structures, setting out a supervisory expectation that limited purpose insurers (LPIs), the class within which Bermuda captives are typically licensed, keep stablecoin exposure within 25 per cent of statutory capital and surplus. Stakeholders have until 30 September 2026 to submit feedback.

The proposed guidance applies to eligible entities including LPIs, Bermuda-regulated investment funds, ILS funds, insurance managers, agents, brokers, insurance marketplace providers and innovative intermediaries. Commercial insurers fall outside its scope.

The BMA frames the consultation against a shift in which stablecoins are moving from digital asset markets into institutional finance, supporting payment, settlement, treasury

management and liquidity. Global stablecoin issuance exceeded US\$300 billion as of mid-2026, according to the authority, with the market dominated by a small number of US dollar-pegged issuers.

The guidance does not treat stablecoins as equivalent to fiat currency, cash, deposits or legal tender. Instead it sets out the factors the BMA would weigh in assessing whether an arrangement is appropriate for a given entity, structure and use case.

A recognised stablecoin is defined by criteria including maintenance of a stable value against a specified fiat currency, redemption at par no later than the close of the next business day, full one-to-one backing by segregated cash or cash equivalents free from encumbrance or rehypothecation, at least monthly independent attestation of reserves, and a primary purpose of payment, settlement, liquidity or treasury operations rather than speculation. Algorithmic, synthetic, unsecured or materially under-collateralised stablecoins would not generally qualify. Permitted use cases include subscriptions into and redemptions from Bermuda investment funds, fund

treasury and settlement operations, premium collection and claims payment, approved capital or surplus support within prudential limits, and approved settlement arrangements for parametric or digitally enabled insurance structures. Entities would be barred from using stablecoins for speculative investment, yield farming, staking, lending, unsecured decentralised finance activity or leverage.

The 25 per cent guideline is a supervisory policy position rather than a statutory cap, and a higher exposure may be approved through the applicable process. The guidance also addresses intercompany settlement within a captive group or fund structure, requiring such transfers to be subject to the same governance, custody, valuation and reporting controls as the underlying activity.

The authority's position is that special purpose insurer collateral structures should remain fiat-based. The guidance does not authorise entities to issue, redeem, exchange or custody digital assets for the public, which would trigger separate licensing under the Digital Asset Business Act 2018. ■

2026 CAPTIVE INSURANCE SYMPOSIUM

October 22, 2026 | 8:00am - 3:00pm | Gainey Ranch Golf Club, Scottsdale, AZ





Texas offers premium tax amnesty to captives not licensed in the state

The Texas Comptroller of Public Accounts offers a temporary amnesty to unlicensed captive insurance companies operating in the state, and to their insureds, seeking to comply voluntarily with state insurance premium tax laws.

Non-admitted captives, meaning captive insurance companies not licensed under Chapter 964 of the Insurance Code, are subject to the unauthorised insurance premium tax under Chapter 226, Subchapter A.

The tax runs at 4.85 per cent of gross premiums charged for insurance covering people, property or activities located in Texas. Where the captive does not pay the tax when due, the insured becomes jointly responsible. Under Rule 3.835 of the Texas Administrative Code, the liability falls jointly and severally on the insurer, the insurer's agent and the insured.

The look-back period for the amnesty is four years, and penalties and interest are waived for participants.

Captives and insureds seeking the amnesty must file Forms 25-108 and 25-123, the Texas Annual Unauthorized Insurance Tax Report and its supplement, covering insurance written from 1 January 2022 to 31 December 2025. The forms must be filed by 31 December 2026 to qualify.

Non-admitted captives writing only the risks of a parent or affiliated companies are exempt from regulation by the Texas Department of Insurance under section 101.053(b)(6) of the Insurance Code, but that exemption does not extend to the premium tax.

Captives authorised under Chapter 964 fall outside the unauthorised premium tax altogether. ■

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AM Best-rated captives generate US\$8.2 billion in savings over five years

AM Best-rated US captive insurance companies generate an estimated US\$8.2 billion in savings for their parent organisations over the five years to the end of 2025, according to a new Best's Market Segment Report.

The figure comprises US\$4.1 billion in surplus growth and US\$4.1 billion in dividends, which AM Best says would otherwise have gone to the commercial insurance market.

The report, *Rated Captives Continue to Demonstrate Financial Stability in an Evolving Risk Landscape*, finds that the underwriting performance of rated US captives continues to exceed that of commercial casualty peers, with the rating agency expecting the outperformance to continue.

Comparing rated US captives in the Captive Insurance Composite (CIC) with

companies in the Commercial Casualty Composite (CCC), AM Best puts the five-year average combined ratio before dividends at 89.1 for the CIC against 96.7 for the CCC.

The five-year operating ratio stands at 78.1 for the CIC, compared with 84.8 for the CCC.

Total underwriting expense ratio for the CIC is 17.7 points against 28.1 points for the CCC, with the commission expense ratio at 3.1 points compared with 12.1 points. Underwriting performance nonetheless comes under pressure across 2024 and 2025, with a combined US\$654.1 million underwriting loss attributed to elevated loss activity.

The loss and loss adjustment expense ratio rises by almost 10 points over the past two years, driven most notably by workers' compensation and fire lines.

Net premium written increases 7 per cent at year-end 2025, taking the

five-year rise to 65.5 per cent. AM Best attributes the growth largely to captives increasing exposures through new lines and coverages rather than to rate increases.

The dividend ratio nearly doubles year on year to 10.6 points in 2025.

AM Best rates more than 220 captive companies globally, around 70 per cent of which are domiciled in the US.

Among rated US captives, medical professional liability represents the largest business line at 38 per cent, followed by other liability and commercial casualty together accounting for 34 per cent.

The rating agency notes that the captive market remains in growth mode even as more affordable capacity increases in the traditional market, with organisations increasingly viewing captives as long-term strategic components rather than a workaround during hard markets. ■

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Ministry of Financial
Services & Commerce
Cayman Islands Government



Cayman bids to become first new NAIC qualified jurisdiction since 2015

The Cayman Islands Ministry of Financial Services and Commerce confirms the jurisdiction has submitted its application to the National Association of Insurance Commissioners (NAIC) for qualified jurisdiction status.

Approval would add the Cayman Islands to the NAIC list of seven qualified jurisdictions that has not changed since it was established in 2015, comprising Bermuda, France, Germany, Ireland, Japan, Switzerland and the UK.

A Cayman Islands delegation travelled to the NAIC 2026 Summer National Meeting in Columbus, Ohio, from 11 to 14 August 2026. André Ebanks, premier and minister for financial services and commerce, led the delegation and was expected to discuss the application during the meeting.

Ebanks told the Cayman International Reinsurance Companies Association ReConnect conference in April that the

application would be submitted by the end of the second quarter, the first time a timeframe had been set publicly. The ministry does not give a submission date.

The ministry says the visit forms part of ongoing government efforts to enhance relationships with US insurance regulators, support effective international regulatory cooperation, and reinforce confidence in the Cayman Islands as a well-regulated international insurance and reinsurance jurisdiction.

Qualified jurisdiction status is a prerequisite for reinsurers domiciled outside the US to be certified by individual states as certified reinsurers, a designation that reduces the collateral required against business ceded by US insurers. Qualified jurisdictions that meet further conditions under the NAIC credit for reinsurance models can also be recognised as reciprocal jurisdictions, under which collateral and local presence requirements are removed for reinsurers meeting minimum capital and financial strength requirements. ■



IMAC names Norton and O'Neill as Cayman Captive Forum keynotes

The Insurance Managers Association of Cayman (IMAC) names Chris Norton and Eric O'Neill as opening and closing keynote speakers for the Cayman Captive Forum 2026. The forum runs from 1 to 3 December 2026 at The Ritz-Carlton, Grand Cayman. Norton delivers the opening keynote and O'Neill delivers the closing keynote.

Norton is a speaker, author and high-performance coach. At 18, Norton sustained a severe spinal cord injury while playing college football and was given a 3 per cent chance of regaining movement below the neck. Norton went on to walk across the stage at his college graduation and down the aisle at his wedding.

O'Neill is a cybersecurity specialist, former FBI counterintelligence operative, attorney and author. O'Neill is best known for an undercover role in the investigation that led to the arrest of Robert Hanssen, and now works on emerging cyber threats and risks associated with artificial intelligence.

Michael Wild, chair of the Cayman Captive Forum organising committee, says: "We are delighted to welcome Chris and Eric as this year's keynote speakers. Their experiences are very different, but both bring powerful perspectives on navigating risk, responding to challenges and adapting in an increasingly complex world."

IMAC describes the forum as the world's largest captive insurance conference and expects more than 1,500 attendees across the three days. ■

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When a cell outgrows the facility: Regulating the captive structures that graduate

Two-way conversion, funding certified under oath, and supervision calibrated to retained risk: Vermont's cell regime increasingly mirrors the standard applied to standalone captives. Christine Brown, deputy commissioner of captive insurance at the Vermont Department of Financial Regulation, speaks with John Savage about where a cell ends and a captive begins

The protected cell began as a straightforward entry point into captive ownership, the so-called 'rent-a-cell'. How has the way participants use cells changed over the past decade, and when did the structure start to behave less like rented space and more like a captive in its own right?

Christine Brown: It is really interesting: when the cell legislation first came into play, it was very narrowly defined, primarily for financial institutions. The intent was for cells to not be risk bearing at all. It was a pass-through, either to access reinsurance or as a fronted, fully collateralised situation with no risk retained in the cell. Since then, obviously, things have changed quite substantially. We started to see change after we passed the incorporated protected cell legislation in 2011.

We were one of the first jurisdictions in the US to bring in the incorporated protected cell language, which allowed owners to form cells that were their own legal entity, rather than just a cell by contract, which is what the protected cell is. An incorporated protected cell can enter into contracts on its own and have its own governance, which gives participants more agency over what is happening in the cell. Over the last five or so years, we have seen cells operating more like a traditional captive, whether a pure or group captive, and retaining risk.

We have also modernised the types of entity an incorporated protected cell can be. The name is a little misleading: it does not have to be a corporation. It can be any legal entity allowed under Vermont statute, so limited liability companies (LLCs) and reciprocals were all added later. Every time we broaden who can use these cells, we see different kinds of use, and different participants getting interested in forming.

Vermont's statute now provides for conversion in both directions: a protected cell into a standalone captive and, more recently, a standalone captive into a cell. What is driving demand for that movement, and what does the ability to travel either way tell us about how owners now think about where they sit between the two?

Brown: It was in the early 2020s when we revamped the conversion language to allow easier movement between types of captive and cell arrangement, and interestingly, we have seen it go both ways. We expected to see more cells converting into pure captives, but we have also seen the opposite, where pure captives convert into a sponsored captive structure. What is really driving this trend is the flexibility a sponsored captive allows, with the ability to segregate risks.

For example, a captive owner involved in a joint venture might want to segregate that risk, or, following merger and acquisition activity, keep the book of business they acquired separate from the rest. Sometimes entities want different types of risk in different cells, employee benefits or parametric-type covers, for example.

We have also seen owners place controlled, unaffiliated third-party risk into a cell, segregated from their own, while offering coverage to business partners with whom they have some control over risk management and an existing contractual relationship.

Going the other way, from the cell to a pure captive, is what we expected, where an entity simply outgrows the cell structure. The cell was used to dip their toes in the water, like an incubator, and then grow up into a standalone captive.



What we want to avoid is somebody looking at the cell structure and thinking, ‘Oh, these are less regulated, they do not require as much funding, we will just put our risk here’, because that is not the intent of the law and not how we regulate

When an established captive moves back into a cell, by contrast, it is usually the owner becoming the sponsor of the facility themselves, rather than moving into one run by a service provider, so they can offer cells to their contracted partners or segregate their own risks. That is generally what we see in Vermont.

Cells have always felt to me like a gateway: you set one up, outgrow it, and move to a pure captive. Going the other way, I had assumed that would be a soft-market decision, an owner deciding they no longer need the pure captive. Is that what is driving the reverse conversions, or something else?

Brown: We have not really seen the scale back, because you can do that with a pure captive anyway. In a soft market, entities will often reduce limits or put a line back in the commercial market and not use the captive for it, then come back to it later when conditions change again.

What we are seeing instead is innovative use. Typically the owner of the pure captive forms a new sponsored captive and the pure captive converts into a cell: it stays intact, converts, and it is a continuation of that business plan. This structure allows them to form other cells to segregate their own risk or offer cells to business partners.

From the regulator’s chair, what signals that a cell participant has outgrown the structure and is ready to stand alone as its own captive? What do you look for before approving that step?

Brown: To be honest, sometimes we receive an application for a cell and wonder why the participant is not simply forming their own captive. What we look for is sophistication:

the ability to govern properly, to have your own board, and to understand the insurance risks. Many incorporated protected cells, now the most popular type of cell formation, have their own governance and can contract on their own, so they really do look like a pure captive.

Protected cells are still used, but the growth is in the incorporated protected cell space. Another main consideration is funding, making sure the entity has the financial wherewithal to support the cell. It is a misconception that cells do not require the same level of funding as other types of captives. That may be true in limited circumstances, but we generally look at these programmes just as we would any other. The absence of a minimum capital requirement does not mean we would not apply the same standards. Required funding is commensurate with the retained risk.

Does that conversation come from you, prompted by your reviews, or do you wait for the owner to raise it? And where is the line for a regulator between asking those questions and straying into advice?

Brown: This is an interesting question, because there is a fine line between regulating and advising, and we cannot step into that consulting role. When we see a programme, we will ask the questions, and often the response is that it is an easier entry point, and they are more comfortable with a cell structure than forming their own insurance subsidiary.

So we ask the questions, but we try not to advise. We just need to get an understanding for the rationale behind their decision and make sure it complies with our statutes.

Even where we see a cell growing into a programme better suited to a standalone captive, we are not regulating

differently. It comes down to preference. If we have serious questions about the reasoning, and really do not think it makes sense, we would typically reach out to the adviser to have that conversation, because we do not want to step on their toes, and there may be good reasons.

It is a balancing act, but we try to be partners. If we think something is a bad idea, we will say so. If it is more a matter of preference, we stay neutral.

From 1 July 2026, every new protected cell must certify under oath, within 30 days of commencing business, that the required funding was in place before it began operating. What prompted that change, and what does the certification achieve that existing oversight did not?

Brown: We always try to balance the information we are collecting, and why it matters, against how much effort compliance takes for the industry.

What really prompted this is what we have been talking about, that we are seeing more and more cells being formed that operate very much like pure or group captives, and in those cases, we try to apply a lot of the same standards.

For example, if an entity was forming a sponsored captive that operated like an agency captive, we would turn to our agency laws and apply those same rules, even though it was not an agency captive per se.

So we were aligning our oversight for cells with what we already do for other types of captive. It is not a reaction to a problem; we are merely trying to be proactive and consistent in our regulatory approach.

That said, cells sometimes take longer to get off the ground.

We have had instances where we would approve a new cell business plan and then find out months later that it had never formed, or that the business plan rolled out more slowly than projected.

This is a way to keep track of what is happening in the cells, a growing segment of our business, and to be sure they are funded according to what we approved.

The state's own framing is that this aligns cell requirements more closely with those applied to licensed captive insurers, reflecting their growing role in risk financing. Does that signal a broader direction of travel, in which cells are increasingly held to the same standard as standalone captives?

Brown: Yes. Depending on the business plan and the type of business going in, we look at the other statutes to make sure that, where a cell is similar to another type of captive, we apply similar standards.

What we want to avoid is somebody looking at the cell structure and thinking, 'Oh, these are less regulated, they do not require as much funding, we will just put our risk here', because that is not the intent of the law and not how we regulate.

The law was designed for ease of entry, not as arbitrage between one type of captive and a less regulated structure.

The core protection of any cell structure is that one cell's liabilities cannot reach another's assets. In practice, what does the division do to ensure that segregation holds, particularly as facilities grow larger and the cells within them more varied?

Brown: The incorporated protected cells strengthen those walls further, and we are very comfortable that our protected cell statutes wall the risk off. These provisions have been tested in court, and the protection is written clearly into statute. It is really important that the participation agreement clearly sets out that segregation.

The agreements for all participants should clearly reference the law and the segregation of the assets and liabilities, and be fully executed by the parties.

We also think it is important for those contracts and other corporate documents to reference Vermont law specifically, because our statutes very clearly segregate the risk.

If the corporate documents reference laws from other jurisdictions that might not have the same strong language, there could be issues. Those are a couple of the things we think about and advise in order to keep that segregation in place.



Over the last five or so years, we have seen cells operating more like a traditional captive, whether a pure or group captive, and retaining risk

Does that segregation ever come into question in practice, and how do you guard against it being drafted poorly, particularly with newer captive managers entering the market?

Brown: I have not seen the segregation come into question.

Another thing we encourage is the use of local counsel, because they really are experts in our law and in drafting these agreements so that they withstand scrutiny on segregation.

We have a handful of firms here that know the law and know how to write these contracts so that a cell is properly walled off.

Cells lower the barrier to captive participation, which widens access but also brings in owners with less experience of carrying risk. How does Vermont balance keeping that door open with maintaining the standard of supervision it is known for?

Brown: We have a standard application form which looks very similar to our application for licensure, and it asks all the

same kinds of questions with similar documentation required. We also review prospective participants and their financial statements, because we want to be sure they have the financial wherewithal to support the cell, even in an adverse case.

We require financial projections supported by actuarial work on both an expected and an adverse basis, and they go through the same scrutiny.

Even where a participant is a smaller entity, we look at the risks they are putting into the cell and make sure it is funded appropriately from the outset to withstand an adverse scenario if one is triggered.

We are looking at the same things, even though these owners may be less sophisticated and smaller from a balance sheet perspective.

Taken together, these changes describe a structure that has matured from a simple point of entry into something the division now regulates much like a captive in its own right. Does that reflect a deliberate philosophy, that a cell should be supervised in proportion to the risk it carries rather than its size or label, and what does that mean for the next generation of cell structures?

Brown: Proportionality is our philosophy in Vermont. We take a risk-focused approach.

The type of entity matters from a legal structure perspective, as do the statutes associated with it, but from a financial solvency perspective we look at structures according to the retained risk within the entity itself.

That philosophy has not really changed with increased usage of cells. We have always been risk-focused, and look at things proportionally, so we are not over-regulating a company that does not carry much risk, and can devote more resources to companies that have a higher risk profile.

The structure matters less than the risk going into it. We require cells to file annual reports just as any other captive does, and they are subject to our annual analysis procedures and examinations, so we are always watching to make sure things are not moving in the wrong direction, to protect the owners and insureds, and our own reputation. ■



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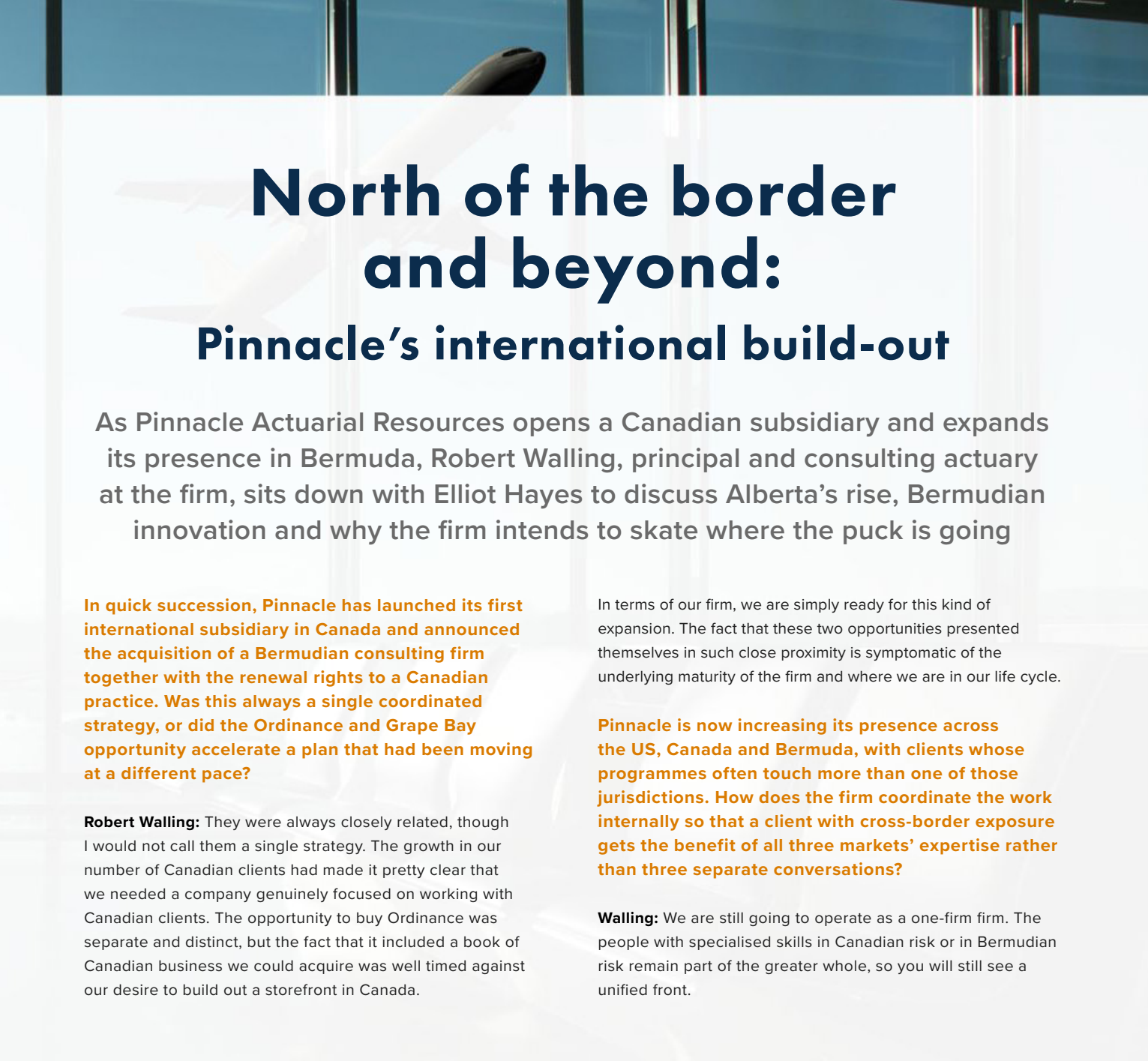
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As technology changes, and as the risks that worry business owners evolve, the captive industry evolves with them

Robert Walling
principal and consulting actuary
Pinnacle Actuarial Resources



North of the border and beyond:

Pinnacle's international build-out

As Pinnacle Actuarial Resources opens a Canadian subsidiary and expands its presence in Bermuda, Robert Walling, principal and consulting actuary at the firm, sits down with Elliot Hayes to discuss Alberta's rise, Bermudian innovation and why the firm intends to skate where the puck is going

In quick succession, Pinnacle has launched its first international subsidiary in Canada and announced the acquisition of a Bermudian consulting firm together with the renewal rights to a Canadian practice. Was this always a single coordinated strategy, or did the Ordinance and Grape Bay opportunity accelerate a plan that had been moving at a different pace?

Robert Walling: They were always closely related, though I would not call them a single strategy. The growth in our number of Canadian clients had made it pretty clear that we needed a company genuinely focused on working with Canadian clients. The opportunity to buy Ordinance was separate and distinct, but the fact that it included a book of Canadian business we could acquire was well timed against our desire to build out a storefront in Canada.

In terms of our firm, we are simply ready for this kind of expansion. The fact that these two opportunities presented themselves in such close proximity is symptomatic of the underlying maturity of the firm and where we are in our life cycle.

Pinnacle is now increasing its presence across the US, Canada and Bermuda, with clients whose programmes often touch more than one of those jurisdictions. How does the firm coordinate the work internally so that a client with cross-border exposure gets the benefit of all three markets' expertise rather than three separate conversations?

Walling: We are still going to operate as a one-firm firm. The people with specialised skills in Canadian risk or in Bermudian risk remain part of the greater whole, so you will still see a unified front.



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Once you do enough of that business, there is inevitably a need to be local, because local likes to work with local

There will not be any silos or profit centres between the Canadian, Bermudian and US business. When you engage with any of the Pinnacle companies, you still have access to the entire firepower of the firm and its intellectual capabilities, which I think is one of our real strengths.

Ordinance gives Pinnacle a Hamilton-based operation in one of the world's most established captive domiciles, while Grape Bay brings a book of Canadian clients into the new Toronto subsidiary. How do those two pieces fit together strategically, and is it fair to read this as Pinnacle building an integrated North Atlantic captive practice rather than two separate national plays?

Walling: It is absolutely an integrated strategy. We have a significant and growing Canadian practice, and we already had a book of Bermudian business that was larger than Ordinance's.

This is really about building out a corporate structure that allows us to provide even better service to our Canadian and Bermudian customers, and it is symptomatic of a longer-term strategy for Pinnacle.

In recent years, and particularly since Covid-19, Pinnacle has expanded our geographic footprint. We have gone from having a concentration of actuaries located in Illinois, Georgia and California to having actuarial professionals in Texas, Tennessee, South Carolina, North Carolina, Michigan, Florida and other US states.

On a much smaller scale, we have been implementing this strategy pretty effectively in the US, where Texans like to work with Texans and Floridians like to work with Floridians. To the extent that we have people working remotely from those areas, it has been very much to our benefit. The Canadian and Bermudian operations follow the same form.

Toronto was chosen as the base for Pinnacle Actuarial Resources of Canada, while British Columbia has historically been the centre of gravity for the Canadian captive market. With Grape Bay's client book now folding into the Toronto subsidiary, how does the firm see its Canadian presence developing across provinces?

Walling: Wide open, candidly. We incorporated in Toronto, but there is nothing about that incorporation precluding us from

having operations in Vancouver, Calgary, Montreal or other cities. We are still opportunistically looking at additional ways to expand our presence in Canada, so I do not think there is anything to read into incorporating in Ontario in terms of our future ambitions and our intention to address the needs of all the Canadian provinces.

Looking at the captive segment in Canada specifically, where are formations actually happening right now in terms of sectors, organisation size and provincial domicile? And how does that pipeline compare to what Pinnacle is seeing in the Bermuda market following the Ordinance acquisition?

Walling: Canada is really interesting. Alberta has sprung onto the scene and feels like it is going from strength to strength. We have been very impressed with the regulatory regime and the willingness to modify the captive laws there, but also with the service providers: we are seeing an exceptional core group of captive managers, auditors and captive lawyers.

That core seems very much committed to driving Alberta forward as a domicile, and candidly the growth feels like the pattern we saw in some of the most successful US state domiciles. There are a lot of real positives in what we are seeing there.

As far as Bermuda goes, I think they are leaning into some genuinely clever innovation. We are seeing significant use of their cell programmes, but also a rejuvenation in some of the larger structures.

Even outside the Ordinance acquisition, Pinnacle has seen very steady growth there over the last five to 10 years. Looking at trends and momentum, I am very pleased with the direction Bermuda is moving.

Bermuda and Canada are two very different captive environments, with Bermuda an established global reinsurance hub and Canada a market with a distinctive provincial structure and real growth momentum. How does an actuarial firm flex its approach to feasibility studies, pricing and loss reserving as it moves between those two settings, and what does each market bring out in the work?

Walling: A lot of the work, especially in Alberta right now, is very much early days for a captive domicile. It is single parents

and associations. As they continue to modify the captive laws, I think you will see cells and groups become a significant part of what they are doing.

They are trying hard to be a domicile of choice for other provinces in Canada, and that will be a real game changer for them. They already have a substantial advantage over the offshore domiciles that cater to Canadian businesses. If they can make a couple more tweaks to their captive law, you could see them become a real North American powerhouse of a domicile.

Bermuda already is a powerhouse. From our perspective, you have the advantages of both a world-class reinsurance marketplace and a world-class captive marketplace. Part of the flex is showcasing our capabilities to reinsurers in Bermuda, alongside the fact that we are one of the best actuarial firms in the world for captives. They are interestingly distinct markets.

What we are focusing on in Bermuda is the breadth of our expertise, from innovative renewable energy programmes, credit enhancement captives and environmental, social and governance (ESG)-focused captives to basic blocking and tackling cell captives for traditional insurance companies, and everything in between.

That is a real part of this strategy: we can simply do more things with our more than 50 credentialed actuaries than a much smaller actuarial firm can, and that breadth and depth of expertise is the key to our approach in Bermuda.

Bringing new client books into an established firm is as much about continuity and relationships as it is about technical capability. What does Pinnacle have in place to make sure Ordinance and Grape Bay clients experience the transition as an expansion of what they had rather than a change of provider?

Walling: The first thing is that Julie Perron, who owned Ordinance and still owns Grape Bay, is going to remain on staff with us as an independent contractor. That continuity is priority one for us. Julie will continue to be actively involved with these clients and help us make sure that staffing continuity and work product continuity transfer effortlessly.

The other benefit, quite candidly, is that those clients now get access to our size, our ability to leverage actuarial analysts,



and our benchmarks and research resources. While there is continuity with Julie and everything she has been able to do for these clients, there is a lot of value added coming from the Pinnacle people and the Pinnacle resources that will be available to them. That has been a big part of trying to make sure this book transitions as seamlessly as possible. Pinnacle has successfully onboarded customers from smaller practices in the past.

You have spent more than three decades in this industry and watched the captive market move from a niche risk-financing tool to a mainstream part of how sophisticated organisations manage risk. As Pinnacle plants flags in Canada and Bermuda, what is the version of the captive industry you are building the firm to serve, and how is that different from the one you were serving even five or 10 years ago?

Walling: It is interesting to me. Every time I think the captive industry has reached a plateau in traditional insurance, that we cannot possibly put any more medical professional liability or workers' compensation into a captive, we come up with different ways to solve that problem and to keep growing the space. Then you see traditional coverages like property risk or parametric insurance coming on by leaps and bounds as hurricanes and wildfires push the envelope.

The forward momentum is there whether it comes from bringing new insureds in on traditional products or developing new products for new industries. Evolving insurance needs and new technologies are pushing the industry down roads we could not have envisioned five to 10 years ago, and I think that benefits both Bermuda and Alberta. It is a continuation of a theme: the captive industry was always going to stay ahead of the traditional market and push the envelope on innovative ways to cover risks that threaten business. As technology changes, and as the risks that worry business owners evolve, the captive industry evolves with them. That is why you are seeing domiciles like Alberta emerge, and some genuinely interesting new domiciles in Europe.

From the perspective of a firm like Pinnacle, we need to keep growing, innovating and developing. There is a famous quote: when they asked Wayne Gretzky why he was so good at hockey, he said he skates to where the puck is going, not to where it is. That is incredibly important here.

The job for Pinnacle is to skate to where the captive industry, the reinsurance market or the Canadian market is going, and to make sure we have done what we need to do to serve the Bermudian and Canadian markets not only as they look today, but as they will look five years from now.

Beyond Canada and Bermuda, are there other markets or structural developments in the captive landscape that you see shaping Pinnacle's next phase of international growth?

Walling: We do a lot of work in the Cayman Islands, and are already active in the rest of the Caribbean and in Latin America. What you find is that once you do enough of that business, there is inevitably a need to be local, because local likes to work with local. If I am looking at my crystal ball and seeing us add Maltese captives, or the Isle of Man, or Guernsey, and it now looks like the UK is considering rolling out a captive law, then we will continue to look into opportunistic expansion.

In terms of how we execute our strategic plan, we are always going to follow the clients and the new business activity. Part of the reason we set up Pinnacle of Canada is that we were getting a lot of new business in Canada, so it was inevitable that we would follow. Where we have a core group of clients in North America, Latin America, or Europe, we are going to follow that. ■

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North Carolina bans third-party litigation investment: a win for insurers and captives

For a decade, social inflation has pushed claims severity higher through nuclear verdicts, expanded liability and litigation dragged out by outside money. Now North Carolina has become the first US state to ban third-party litigation investment. Michael Carey, senior audit manager at RH CPAs, examines what House Bill 315 means for insurers and the captives carrying long-tail risk

The insurance industry has spent much of the last decade grappling with the effects of social inflation, the trend of increasing claims severity driven not by underlying economic inflation, but by larger jury verdicts, expanded theories of liability, and prolonged litigation.

One of the major contributors to this phenomenon has been the rapid growth of third-party litigation funding, a multibillion-dollar industry in which outside investors finance lawsuits in exchange for a percentage of settlements or judgments.

With the enactment of House Bill 315 (HB 315), the Prohibit Litigation Investments Act, North Carolina has become the first US state to prohibit third-party litigation investment in civil proceedings.

Signed into law by Governor Josh Stein on 22 June 2026, the legislation represents a landmark policy decision and may ultimately serve as a model for other jurisdictions seeking to address rising litigation costs and their downstream impact on consumers and businesses alike.

What the law does

The law makes it unlawful to engage in litigation investment in the state, or to furnish it to a party or counsel of record in a civil proceeding. Litigation investment is defined as the provision of money for the fees, costs and expenses of a pending or potential civil proceeding in exchange for a right to repayment or other consideration contingent on the outcome.

The statute carries penalties of up to US\$50,000 per violation, enforceable by the state attorney general, and voids any contract that breaches it.

A person injured by a violation may bring an action to recover damages, electing at judgment between common law damages and statutory damages set at treble the full potential litigation investment contemplated by the investor.

For insurers, the law carves out an insurer's, or other entity's, contractual obligation to indemnify or defend a party to a civil



Litigation funding introduces an additional financial stakeholder whose interests are tied not to achieving a fair and timely resolution, but to maximising investment returns

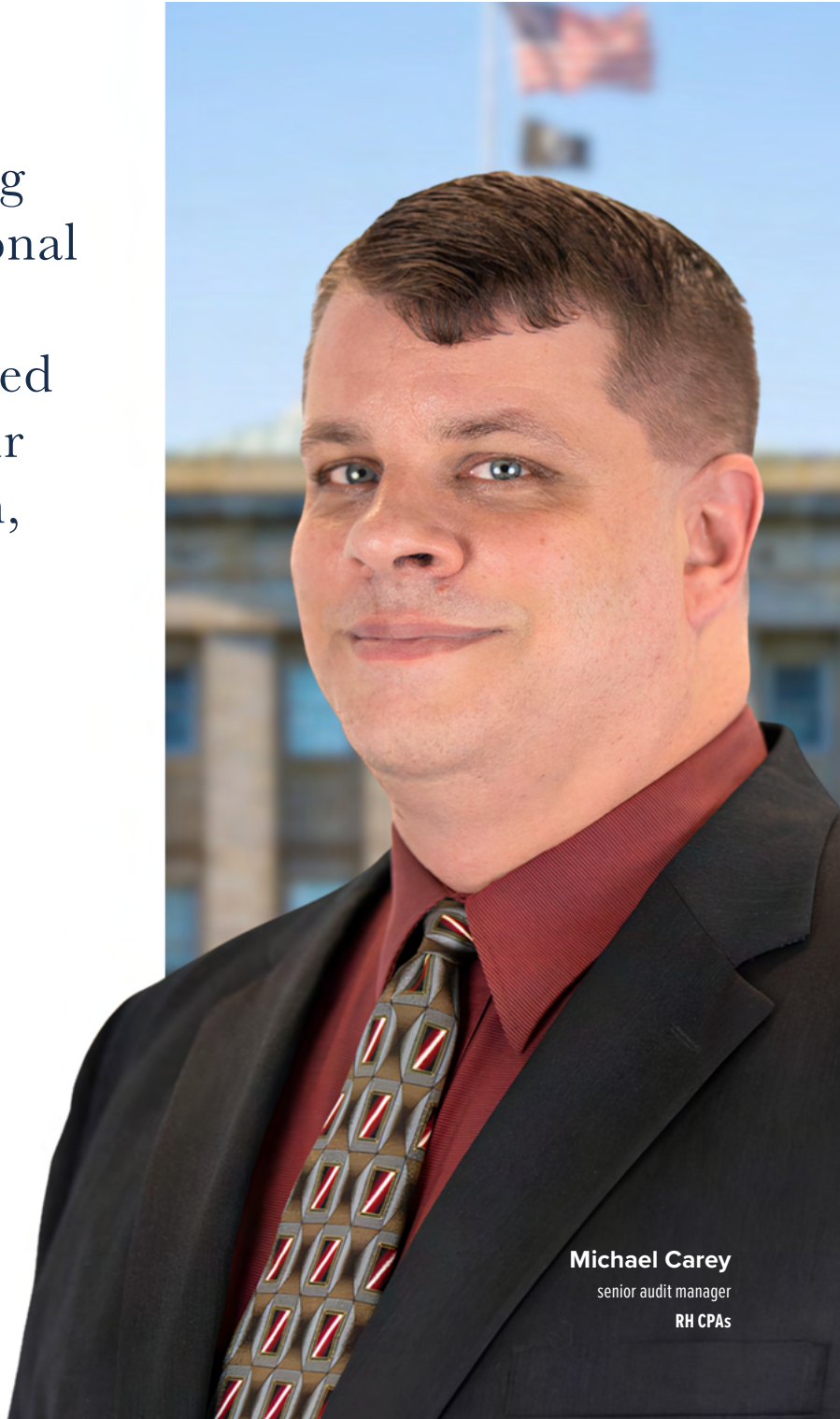
proceeding, which falls outside the definition of litigation investment.

Further exclusions cover contingency-fee legal services, an attorney or law firm advancing costs, non-profit and pro bono funding, and a direct loan whose repayment is not contingent on the outcome of a proceeding.

The case for consumers

For consumers, the benefits are straightforward. Litigation funding introduces an additional financial stakeholder whose interests are tied not to achieving a fair and timely resolution, but to maximising investment returns.

This can create incentives to prolong litigation, reject reasonable settlement offers, and increase legal costs. Those costs ultimately find their way back to consumers through higher insurance



Michael Carey

senior audit manager

RH CPAs



By reducing incentives for speculative litigation and helping contain claims severity, HB 315 has the potential to improve loss experience across captive programmes. This could result in more stable pricing, reduced reserve volatility, and greater confidence in long-term risk financing strategies

premiums, increased product prices, and greater economic uncertainty. By removing outside investment capital from civil litigation, North Carolina has taken a meaningful step towards reducing these inflationary pressures and preserving affordability for policyholders and businesses.

A more predictable claims environment

Traditional insurance companies also stand to benefit from a more predictable claims environment. Property and casualty insurers have experienced significant increases in loss severity across numerous lines of business, including commercial auto,

general liability, medical malpractice, directors and officers liability, and product liability coverage.

The growth of litigation financing has frequently been cited as a contributing factor to the rise in so-called 'nuclear verdicts' and extended claim settlement periods.

A legal environment less influenced by investment-driven litigation should improve claims predictability, reserve adequacy, and underwriting stability.

Leon Rives, chief visionary officer at RH CPAs, says: "As someone who works closely with the insurance industry, I view North Carolina's enactment of House Bill 315 as a significant development for the state's legal and risk environment. By becoming the first state in the nation to prohibit third-party litigation investment, North Carolina has taken a bold step to reduce the financialisation of lawsuits and the inflationary pressures that prolonged and investor-driven litigation can place on claim costs and loss severity."

Implications for captives

The implications for captive insurance companies may be even more significant. Captives are often formed to insure low-frequency, high-severity risks that are particularly susceptible to social inflation and adverse claims development.

Large liability verdicts can create volatility in captive financial results, increase required capital levels, and reduce underwriting capacity for parent organisations.

By reducing incentives for speculative litigation and helping contain claims severity, HB 315 has the potential to improve loss experience across captive programmes. This could result in more stable pricing, reduced reserve volatility, and greater confidence in long-term risk financing strategies. For middle-market and large commercial organisations utilising captives as part of their enterprise risk management programmes, predictability remains one of the most valuable commodities in insurance.

Rives adds: "For insurers, reinsurers, captive insurance companies, and businesses that ultimately bear the cost of social inflation through higher premiums and reserves, this legislation may help preserve a more predictable and sustainable claims environment. It will be interesting to see whether other jurisdictions follow North Carolina's lead."

Preserving legitimate claims

Importantly, HB 315 does not eliminate contingency-fee arrangements or interfere with an insurer's contractual duty to defend or indemnify policyholders. Legitimate claimants retain access to the civil justice system and legal representation, while the legislation targets the growing commercialisation of litigation by non-party investors whose primary interest is financial return rather than justice or compensation.

Tort reform measures elsewhere point to the potential upside.

In Florida, for example, some of the reforms the state has implemented have increased consumer access to affordable insurance.

Beyond the funding ban

HB 315 also amends the state workers' compensation act.

It raises the maximum award for serious facial or head disfigurement from US\$20,000 to US\$40,000, doubles the maximum for serious bodily disfigurement from US\$10,000 to US\$20,000, and raises the maximum for loss of or injury to an important organ or body part from US\$20,000 to US\$40,000.

Those provisions take effect on 1 July 2027 and apply to claims arising on or after that date.

The litigation investment prohibition took effect on enactment, 22 June 2026, and applies to civil proceedings commenced on or after that date, and to contracts entered into, renewed or amended on or after that date.

A model for other states

North Carolina's decision is both bold and innovative. North Carolina is the first state to enact a comprehensive prohibition on third-party litigation investment, positioning it at the forefront of efforts to address social inflation and its impact on the insurance marketplace.

Whether other states follow North Carolina's lead remains to be seen. However, for consumers seeking affordable coverage, insurers striving for underwriting stability, and captive insurance companies managing long-tail liability exposures, HB 315 represents a significant and positive development for the future of risk financing in the US. ■



North Carolina has taken a bold step to reduce the financialisation of lawsuits and the inflationary pressures that prolonged and investor-driven litigation can place on claim costs and loss severity

Leon Rives

chief visionary officer
RH CPAs



Image: Leon Rives, chief visionary officer, RH CPAs



Renters insurance captives:

A growing opportunity for multi-unit property owners

Renters insurance has long been written by commercial carriers, but multi-unit property owners are increasingly retaining the risk themselves. Giles Hobday, account manager at USA Risk Group, and Matt Baldwin, chief underwriting officer at Swain & Baldwin Insurance, discuss the growing interest in renters insurance captives, the profitability these programmes can generate, and the practical solutions now available to help owners enter the captive market

Renters insurance programmes are becoming an increasingly attractive captive opportunity for multi-unit property owners seeking greater control over risk, improved claims responsiveness, and a more direct share of underwriting profits.

Renters insurance typically responds to tenant-related losses such as theft of property, water damage from overflows, or fire damage caused by cooking or smoking.

Traditionally, these policies have been written by commercial insurers in the conventional market.

However, a growing number of property owners are recognising that a captive structure can allow them to retain a portion of this risk, participate in the economics of the programme, and align insurance outcomes more closely with the quality of their own properties and risk management practices.

For landlords with well-managed properties, disciplined maintenance practices, and strong safety and risk controls, the captive model can be especially compelling. Rather than paying premiums that reflect broad market averages, these owners may be able to benefit directly from their own favourable loss experience.

“Some of our renters captives are seeing consistently low average loss ratios of around 20 per cent, which shows how much opportunity there is to benefit from setting up your own renters programme when you have a strong risk control environment,” says Hobday.

Interest in renters insurance captives continues to build as more property owners become familiar with the broader benefits of captive insurance and as demand for rental housing remains strong.

Many of the captive programmes formed in this space have performed well, supported by low loss ratios, the ability to earn investment income on retained premiums, and a claims process that can be managed more efficiently and responsively.

In addition, successful renters programmes may create a platform for expansion into complementary lines such as security deposit alternatives, pet insurance, property, general liability, and other tenant or property-related coverages.



Some of our renters captives are seeing consistently low average loss ratios of around 20 per cent, which shows how much opportunity there is to benefit from setting up your own renters programme when you have a strong risk control environment

Giles Hobday
account manager
USA Risk Group



Image: Giles Hobday, account manager, USA Risk Group



We've been helping multi-family property owners capitalise on the underwriting profit that, for decades, has been realised by third-party carriers

Matt Baldwin

chief underwriting officer

Swain & Baldwin Insurance



For some prospective captive owners, the perceived barriers to entry, such as initial capital requirements, governance obligations, and recurring administrative costs, can make a standalone captive seem out of reach.

Hobday notes that alternative structures are helping to address those concerns: "We are fortunate enough here at USA Risk Group to manage a protected cell structure set up by Swain & Baldwin which is offering different levels of exposure to introduce would-be owners to various captive solutions, including rental cells which make access to a captive solution much easier administratively and less capital intensive."

"We're continuing to grow our solutions offerings for our clients, whether it is through our rental cells, our reinsurance facilities or our fronting programme," says Baldwin. "We've been helping multi-family property owners capitalise on the underwriting profit that, for decades, has been realised by third-party carriers. By shifting these profits back to property owners through captive structures, Swain & Baldwin are providing owners with the ability to enhance asset performance, increase long-term value, and reduce reliance on traditional carriers who historically extracted the majority of economic benefit."

For multi-unit property owners with strong operations and a long-term view of risk, renters insurance captives offer more than an insurance solution: they can provide a strategic way to improve programme control, retain underwriting value, and build a scalable platform for future coverage innovation.

"We look forward to seeing the continued success of these programmes going into the future and what innovative solutions we can develop next for our shared clients," Baldwin concludes. ■

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In a captive programme, subrogation is far more than an ancillary claims function: it is the recovery of the captive owner's capital

Christopher Reilly
chief growth officer
North American Risk Services

TPA 101 for the captive professional

Christopher Reilly, chief growth officer at North American Risk Services, speaks with Elliot Hayes about the third-party administrator's evolving role as guardian of a captive's capital, from reserve accuracy to litigation discipline

For a newly formed captive, the transition from a bundled carrier model to an unbundled third-party administrator (TPA) relationship is a significant shift. How should a captive owner define the ideal operational interface with their TPA to ensure seamless data flow and fiduciary oversight?

Christopher Reilly: The most successful captive programmes treat their TPA as an extension of the captive's management team rather than simply a vendor. That relationship should begin with clearly defined service standards, authority levels, reporting protocols, communication expectations, and a disciplined reserve review process.

To create a seamless operational interface, captive owners should establish a governance structure that includes recurring stewardship meetings, standing claim review committees, and direct access to claim-level data rather than relying solely on summary reports. The TPA should provide complete transparency into reserves, payments, litigation management, subrogation opportunities, and emerging claim trends, giving

captive leadership a clear understanding of the programme's performance at any point in time.

Because every claim dollar ultimately belongs to the captive, the relationship must be built around fiduciary stewardship rather than transaction processing. The ideal TPA combines disciplined day-to-day claims execution with the strategic insight needed to support board-level decision-making, helping the captive make informed decisions about capital allocation, retention strategy, and overall risk appetite.

North American Risk Services (NARS) maintains a strictly independent ownership structure. In the context of captive governance, how does this independence eliminate the silent conflicts of interest that often arise when a TPA is a subsidiary to a brokerage or a fronting carrier?

Reilly: Captives are formed to give organisations greater control over how their risk is financed, making alignment of interests essential.



Long-term solvency depends on the quality of the underlying claims data, making data integrity a foundational element of every successful captive programme

As a strictly independent TPA, NARS has no ownership ties to a brokerage, fronting carrier, or insurance company, eliminating the inherent conflicts that can arise when claims decisions are influenced by broader corporate relationships. We have no incentive to steer claims towards particular carriers, legal panels, or ancillary service providers.

This independence allows every claims decision to be based solely on the facts of the loss and the captive's financial objectives. Reserving, settlement strategy, litigation management, and vendor selection remain transparent, objective, and aligned with the goals established by the captive and its board.

For captive owners and boards, this independence provides confidence that every recommendation is made in the best interests of the captive and its insureds. By eliminating silent conflicts of interest, NARS delivers objective claims management, transparent governance, and decision-making that supports the long-term financial success of the captive programme.

Could you walk us through the lifecycle of a claim within a captive structure? Specifically, how does the TPA's role in reserving practices directly influence the captive's actuarial certifications and surplus requirements?

Reilly: Every claim within a captive follows a structured lifecycle, beginning with first notice of loss, followed by investigation, coverage analysis, reserve establishment, ongoing claim management, resolution, and closure.

Throughout that process, one of the TPA's most critical responsibilities is establishing and maintaining accurate

claim reserves. Reserve accuracy has a direct impact on the captive's financial position because actuaries rely on claim reserves to develop loss projections, estimate incurred but not reported (IBNR) liabilities, and certify the captive's overall loss obligations.

If reserves are consistently understated, the captive may appear financially stronger than it actually is. If they are overstated, capital can become unnecessarily restricted, reducing financial flexibility.

As a result, reserving practices directly influence actuarial opinions, regulatory surplus requirements, reinsurance purchasing decisions, and long-term capital management. A sophisticated TPA views reserving as far more than an accounting function:

it is a disciplined financial forecasting process that supports sound governance, protects the captive's financial integrity, and contributes to its long-term success.

Captives are often established from distressed or highly technical risks, such as construction defect or workers' compensation. Why is the boutique model, characterised by lower pending counts and specialist examiners, superior to the high-volume commodity model for captive loss funds?

Reilly: Captives are often established to insure complex, specialised risks that require experienced judgement rather than high-volume claim processing. Lines such as construction defect, workers' compensation, professional liability, and other complex casualty exposures involve unique legal, medical, technical, and financial considerations that demand a higher level of expertise.

A boutique claims model, characterised by lower examiner pending counts and specialised adjusters, enables proactive claim management throughout the life of the claim.

Examiners have the capacity to conduct thorough investigations, maintain meaningful communication with all stakeholders, identify recovery and mitigation opportunities early, challenge questionable treatments or exposures, and establish more accurate reserves. Over time, specialised examiners also develop deep industry expertise, leading to greater consistency and more predictable claim outcomes.

For captive owners, this approach translates into measurable financial benefits. Individualised claim handling often results in lower ultimate claim costs, improved reserve accuracy, stronger protection of surplus, and more informed decision-making. Rather than treating claims as a volume-driven process, a boutique TPA focuses on maximising the long-term financial performance of the captive by giving each claim the attention it requires.

At the foundational level, many underestimate the critical nexus between raw data quality and long-term solvency. How does NARS ensure that the granular data captured at the desk level is sufficiently robust to satisfy the rigorous demands of captive auditors and reinsurers?

Reilly: Long-term solvency depends on the quality of the underlying claims data, making data integrity a foundational element of every successful captive programme. Captives rely on claim data to support virtually every major financial decision, including actuarial studies, audits, reinsurance negotiations, regulatory filings, and strategic capital planning. Those decisions are only as reliable as the information captured throughout the claims process.

NARS maintains rigorous data quality standards through disciplined claim documentation, structured data capture, clearly documented reserve rationales, accurate coding, and ongoing quality assurance reviews throughout the claim lifecycle. Critical information, including injury details, coverage determinations, reserve methodology, litigation status, and financial activity, is consistently documented in both the claim narrative and structured data fields.

In partnership with the captive manager, NARS can also develop custom data fields and reporting elements to capture

programme-specific information, ensuring the data set is as comprehensive and meaningful as possible.

This disciplined approach provides auditors, actuaries, reinsurers, regulators, and captive boards with confidence that financial analyses and projections are based on complete, accurate, and auditable information rather than assumptions or incomplete records. The result is greater transparency, more reliable financial forecasting, and stronger long-term governance of the captive.

In a captive, subrogation is not just a bonus; it is a recovery of the owner's capital. How does a dedicated, proactive recovery unit serve as a safeguard for the captive's underwriting profit?

Reilly: In a captive programme, subrogation is far more than an ancillary claims function: it is the recovery of the captive owner's capital. Because every dollar recovered flows directly back to the captive, proactive recovery efforts have a measurable impact on underwriting performance, surplus, and long-term financial strength.

A dedicated recovery unit identifies third-party liability as early as possible, preserves critical evidence, coordinates with defence counsel, and aggressively pursues reimbursement opportunities. Whether through contribution from co-defendants, product liability claims, premises liability, or other third-party exposures, early and strategic recovery efforts maximise the likelihood of successful recoveries while minimising net claim costs.

By reducing ultimate loss costs, effective subrogation protects underwriting profit, strengthens the captive's balance sheet, and preserves capital that can be reinvested into the programme. Viewed through the lens of captive management, recoveries are not simply an added service: they are an essential component of fiduciary stewardship and disciplined financial management.

Fraud is a direct tax on a captive's members. How should a captive integrate a TPA's special investigative unit into their risk control strategy to deter opportunistic and systemic fraud?

Reilly: Fraud functions as a direct tax on a captive's members, making fraud prevention an essential component of both claims management and overall risk control. The most effective



Fraud functions as a direct tax on a captive's members, making fraud prevention an essential component of both claims management and overall risk control

captive programmes integrate fraud detection into the claims process from the outset rather than treating it as a reactive measure after concerns arise.

NARS partners with captive owners to establish clear fraud indicators, referral thresholds, and special investigative unit (SIU) escalation procedures that are embedded within everyday claim handling. Our dedicated SIU works closely with examiners to identify potential fraud early, while also participating in trend analysis, examiner training, and periodic claim reviews to detect both isolated fraudulent claims and broader patterns of abuse.

A proactive SIU strategy helps reduce unnecessary claim costs, protects the captive's financial resources, and reinforces a culture of accountability. It also sends a clear message to employees, claimants, vendors, and other stakeholders that suspicious activity will be identified, investigated, and addressed appropriately. For captive owners, this integrated approach strengthens underwriting performance, safeguards member capital, and supports the long-term financial integrity of the captive.

With the nuclear verdict trend accelerating, how does a sophisticated TPA partner with a captive's legal counsel to implement a defensive strategy that protects the captive's aggregate limits?

Reilly: The accelerating trend of nuclear verdicts has made early intervention and disciplined litigation management more important than ever for captive

programmes. Protecting a captive's aggregate limits requires a coordinated strategy in which the TPA and defence counsel work as a unified team from the earliest stages of a high-exposure claim, not simply when litigation is well underway.

NARS partners closely with defence counsel to identify high-severity claims early, establish realistic reserve scenarios, evaluate venue and jurisdictional risks, and develop a comprehensive litigation strategy and budget. Through a structured, decision-point litigation management process, litigated claims are regularly evaluated to assess liability, damages, defence strategy, settlement opportunities, and changing exposure. Ongoing claim reviews and strategic settlement analyses help determine when early resolution is appropriate, when additional investigation is warranted, and when trial is the best course of action. The objective extends beyond defending individual claims.

Every litigation decision is made with the captive's long-term financial interests in mind, protecting aggregate limits, preserving capital, and reducing the potential impact of unpredictable jury awards. By combining proactive claims management with experienced legal coordination, NARS helps captive owners make informed, strategic decisions throughout the litigation process while minimising the risk of catastrophic outcomes.

NARS employs an independent quality assurance department. For a captive board, what are the specific key performance indicators within a quality assurance (QA) report that should be viewed as early warning signals for the health of the claims programme?

Reilly: An independent QA programme gives captive boards an objective view of claims performance and highlights issues before they impact financial results.

Key performance indicators to monitor include:

- Reserve adequacy and reserve change frequency
- Timeliness of claim contact and investigation
- Litigation management compliance
- Closure rates and claim duration trends
- Subrogation identification and recovery rates
- SIU referral effectiveness
- Medical management compliance
- Diary management and file activity
- Severity trend development
- Audit score consistency across examiners

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- Access to live in Malaysia

*Labuan entities enjoy the benefits of most of Malaysia's tax treaties, but certain treaties have specifically excluded Labuan entities from treaty benefits



Reserve accuracy trends and declining file quality are among the strongest early warning indicators, often revealing larger financial concerns before they appear in actuarial projections or financial statements

Reserve accuracy trends and declining file quality are among the strongest early warning indicators, often revealing larger financial concerns before they appear in actuarial projections or financial statements.

The captive industry relies heavily on institutional knowledge. In an era of high industry turnover, how does a stable examiner base at the TPA level translate into more accurate tail-liability forecasting for the captive owner?

Reilly: Long-tail liabilities require continuity, making examiner stability a significant advantage for captive programmes. Experienced examiners develop a deep understanding of claim history, jurisdictional nuances, claimant behaviour, defence strategies, and reserve development over time.

High turnover can disrupt that continuity, leading to inconsistent claim handling and reserve volatility as new adjusters inherit complex legacy claims.

A stable examiner base promotes consistent reserving practices, sound claim philosophy, and more reliable forecasting. For captive owners, that consistency results in more credible actuarial projections, improved tail-liability forecasting, and greater confidence in long-term capital planning.

As a captive matures and perhaps moves from a pure single-parent to a group or cell structure, how does the TPA facilitate the necessary regulatory reporting and compliance adjustments across multiple jurisdictions?

Reilly: As a captive grows from a single-parent structure to a group or cell captive, reporting and compliance requirements become increasingly complex.

Different cells, domiciles, reinsurers, auditors, and regulators often require customised reporting, data segmentation, and jurisdiction-specific information.

NARS provides scalable reporting capabilities that support cell-level analytics, claim segmentation, bordereaux production, actuarial data extracts, audit support, and multi-jurisdiction regulatory reporting.

As organisational complexity increases, our claims infrastructure evolves with the programme, ensuring accurate, timely, and transparent information for all captive stakeholders.

This scalable approach allows captive owners to expand their programmes with confidence while maintaining strong governance, regulatory compliance, and financial transparency. ■



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Industry Appointments



Pinnacle promotes Baker to senior consulting actuary

Pinnacle Actuarial Resources promotes Megan Baker to senior consulting actuary.

Baker is based in Lansing, Michigan, and has been with the firm since March 2022. Areas of focus include captive loss reserves, rate filing reviews, pricing and rate filing support, and self-insured reserve and funding analyses.

Baker has worked on pricing and loss reserve analyses for group captive insurers and for statutory insurance companies writing medical professional liability, workers' compensation, homeowners and dwelling fire, auto liability, general liability and auto physical damage coverages. Wider experience covers loss cost projections, ratemaking and rate and rule filings, loss reserving, funding studies, financial examinations and regulatory reporting. Baker serves as project

manager on loss reserve analyses and rate studies, performing interim and year-end analyses concerning statements of actuarial opinion, and holds subject matter expertise in workers' compensation.

Baker is a qualified actuary under National Association of Insurance Commissioners standards and is qualified to sign statements of actuarial opinion under American Academy of Actuaries standards.

Before joining Pinnacle, Baker was manager, commercial lines actuarial at Farm Bureau Insurance of Michigan from 2019, covering pricing for workers' compensation, business owners, commercial package policy and commercial umbrella lines.

That followed six years in actuarial roles at AF Group and Accident Fund Holdings, rising to supervising actuary.

Baker has worked in the insurance industry since 2013.

Baker became a fellow of the Casualty Actuarial Society in 2019, a member of the American Academy of Actuaries in 2016, and a chartered property casualty underwriter in 2020.

Qualifications include a professional science master's in industrial mathematics from Michigan State University and a bachelor's degree in actuarial science from Central Michigan University.

Volunteer roles include the Casualty Actuarial Society audit committee and finance council, alongside the American Academy of Actuaries workers' compensation committee.

Pinnacle Actuarial Resources is an employee-owned independent actuarial and management consulting firm headquartered in Bloomington, Illinois, and ranks among the largest independent property and casualty actuarial firms in North America. ■



Pompili joins Amynta Risk Solutions as accident and health president

Amynta Risk Solutions appoints Gene Pompili as president of its accident and health, and medical stop loss, division.

Pompili is based in Hudson, Ohio, and provides strategic direction across underwriting, distribution, business development and long-term growth for the division.

The remit covers underwriting strategy and portfolio management, the identification of new market opportunities and product innovation initiatives, and the strengthening of partnerships across the broker, carrier, managing general underwriter and employer communities.

Pompili joins from ClearPoint Health, where the role was chief strategy officer. Responsibilities there covered enterprise strategy and long-term business planning, growth initiatives across captive and healthcare financing programmes, and the development of the firm's Stop-Loss Center of Excellence.

Pompili was previously vice president and group benefits risk

leader at Oswald Companies, leading the firm's group benefits captives practice and its consulting team. The role involved designing and managing captive and risk-sharing programmes, and advising employers on self-funded healthcare strategies and cost-containment approaches.

Over the same period, Pompili served as president and treasurer of ISBC Insurance Exchange, a healthcare captive serving independent schools and colleges across the US, with oversight of governance, financial performance and risk-sharing strategy for participating member organisations.

Earlier roles include president of Ringmaster Technologies, and regional practice leader at Roundstone, building the firm's Midwest practice for its self-funded captive stop loss programme. That role covered captive solutions for middle-market employers, affinity groups and purchasing coalitions, including 831(b) structures, deductible reimbursement and industry-specific captives, distributed across seven states.

Pompili began a career in the sector at MetLife Insurance Company and later held a regional sales director post at Prudential Insurance Company, bringing more than 35 years across the employee benefits and specialty insurance industries. ■



Halpin promoted to managing director at Strategic Risk Solutions in Ireland

Strategic Risk Solutions (SRS) promotes Dom Halpin to managing director in Ireland.

Halpin leads the insurance management team at SRS in Ireland, supporting clients with the design, implementation and ongoing management of captive and commercial (re)insurance entities. He steps up from the position of senior account manager and risk consultant at the firm.

Halpin says: "Looking forward to continuing to support our clients, working alongside a talented team, and contributing to the continued growth of our Irish business."

Before joining SRS, Halpin was vice president, captive solutions, at Marsh in Dublin, having previously held an assistant vice president, captive solutions, role covering Auckland, Stockholm and Dublin.

Earlier positions include senior accountant at Arch Insurance Group, account manager and account administrator roles at Marsh, and audit associate at KPMG Ireland. ■



Murray promoted to global chief commercial officer at Aon Captive & Insurance Management

Aon promotes Choisel Murray to global chief commercial officer of its Captive & Insurance Management business.

Murray takes commercial oversight of the unit's captives, insurance management and insurance-linked securities (ILS) activities on a global basis, working with regional, hub and domicile leaders.

The remit covers Aon's White Rock structures, which are used to facilitate ILS arrangements and can act as issuance vehicles for instruments including catastrophe bonds.

Murray is based in Bermuda.

A first spell at Aon ran from May 2011 to August 2017, beginning at Aon Risk Solutions as assistant vice president. A return to the firm in October 2018 as vice president was followed by promotion to senior vice president and head of client origination in November 2020, and to deputy managing director in May 2023.

Murray reports to Ciaran Healy, the Dublin-based global captives leader at Aon.

Aon Captive & Insurance Management manages captives, White Rock cell structures and insurance-linked securities vehicles for clients globally. ■



Kortman appointed chief underwriting officer at Captives.Insure

Captives.Insure appoints Rachel Kortman as chief underwriting officer. Kortman leads underwriting governance across all lines of business at the captive insurance focused managing general agent and consulting firm, directs the continued buildout of the underwriting team, and holds accountability for portfolio quality on behalf of the firm's insureds, captive clients, fronting carriers and reinsurers.

Kortman brings more than two decades of commercial property and casualty underwriting leadership, having managed nine-figure portfolios of publicly and privately held companies at national and global carriers. Experience spans guaranteed cost, deductible, loss-sensitive and captive programme structures, as well as the design of risk transfer and reinsurance programmes built on loss forecasting and financial modelling.

Nate Reznicek, chief executive officer of Captives.Insure, says: "Rachel's underwriting discipline and depth across complex, large-account risks strengthen every promise we make to our clients and capacity partners."

Kortman adds: "The fundamentals of underwriting do not change. Whether you are evaluating a family-owned business or a publicly traded company, disciplined risk assessment and long-term profitability are the foundation."

Captives.Insure is a managing general agent and consulting firm headquartered in Knoxville, Tennessee. ■



W. R. Berkley appoints Moede as Berkley Risk president

W. R. Berkley Corporation appoints Christopher L. Moede as president of Berkley Risk, with immediate effect.

Moede succeeds John Goodwin, known as Jack, who has been named chairman of the business.

Moede brings more than 20 years of leadership experience in the commercial insurance market, and joins from a major multinational insurer, where he most recently led a global underwriting segment.

Goodwin joined Berkley Risk in 2012 and served as executive vice president before being named president in 2014.

W. Robert Berkley, Jr., chairman, chief executive officer and president of W. R. Berkley Corporation, says: "We are pleased to welcome Chris to Berkley Risk. He brings outstanding leadership skills and broad experience

in developing risk solutions for customers."

Berkley adds: "We thank Jack for his many years of exceptional service and numerous contributions to our business. We are delighted he will continue in the role of chairman."

Berkley Risk provides at-risk and alternative risk insurance programme management services for a range of groups and individuals, including public entity pools, professional associations and self-insured clients. As a third-party administrator, the business manages workers' compensation, liability and property claims across the US.

W. R. Berkley Corporation was founded in 1967 and is an insurance holding company operating in two segments of the property casualty insurance business, Insurance and Reinsurance & Monoline Excess.

The company describes itself as among the largest commercial lines writers in the US. ■



Krehbiel joins Marsh as global strategic client service leader, captive solutions

Marsh appoints Aileen Krehbiel as global strategic client service leader, captive solutions, at Marsh Risk.

In the newly created role, Krehbiel leads the broker's captive strategic deployment across its largest and most complex captive clients globally, working with Marsh brokers and advisers to provide the strategic advice clients are increasingly seeking.

Krehbiel joins from John Deere, most recently serving as manager, captive insurance programmes, with additional responsibility for employee benefits technical accounting. Before John Deere, Krehbiel worked at Ernst & Young in the assurance services practice.

Based in Bettendorf, Iowa, Krehbiel reports to Michael Serricchio, US and Canada regional leader, captive solutions.

Serricchio says Krehbiel's global captive operations experience and technical accounting depth will benefit clients and colleagues. ■



Risk Management Advisors promotes four

Risk Management Advisors (RMA) promotes Bryson Groat to executive vice president, Matthew Anderson and Austin Griffith to executive vice president, captive management, and Tracy Dirr to vice president, captive management, all effective July 2026.

Groat has worked in business development across 13 years with the firm. He works with the C-suite executives of mid-market, closely held businesses and their advisers on the design, implementation and management of captive insurance companies and self-insured strategies. Before joining RMA, Groat spent almost five years as a financial representative at Northwestern Mutual.

Anderson, promoted to executive vice president, captive management, joined RMA in 2018 as senior captive manager and has contributed to the design of its captive management structure and to the oversight of its insurance entities.

He previously spent six years at Artex Risk Solutions, latterly as director of public entity strategies.

Griffith, also promoted to executive vice president, captive management, joined in 2019 as a senior captive manager and has contributed to new business acquisition and to the recruitment, training and development of colleagues. He spent four years at Artex Risk Solutions, where he managed 831(b) and 831(a) captives and medical stop loss captives.

Dirr joined RMA in 2019 as an account manager and was appointed senior captive manager in 2022. Across almost seven years with the firm she has worked in captive insurance financial reporting, regulatory compliance and board reporting, coordinating with audit, tax, legal and actuarial partners.

Risk Management Advisors is a national firm specialising in the design, implementation and management of captive insurance companies. ■

A photograph of a city skyline at dusk, featuring several tall buildings with lit windows. A large, stylized banner is superimposed over the top of the image.

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