

A portrait of Christine Brown, Deputy Commissioner of Captive Insurance at the Vermont Department of Financial Regulation. She has shoulder-length, wavy, light brown hair and is smiling. She is wearing a dark blue blazer over a green top and a pearl necklace. The background is a solid blue color with a subtle geometric pattern.

## Beyond formation

Christine Brown, Deputy Commissioner of Captive Insurance at the Vermont Department of Financial Regulation, on what captive owners should consider when pursuing a redomiciliation, merger, or conversion

### **Advisory Outlook**

Bryan P. Hudson on how Smith + Howard's acquisition of BPS strengthens captive advisory services

### **Warranty Captives**

Hale Stewart on why warranty programmes deserve a place in your captive

### **AKT Series**

Heather McClure on her journey from trial lawyer to captive manager and building trust in the industry

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# captiveinsurancetimes

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### Nevada captive numbers reach 282 at year-end 2025

Nevada's Division of Insurance has released its year-end 2025 captive insurance figures, revealing a total of 282 captive entities licensed in the state.

The Silver State's captive portfolio comprises 58 pure captives, seven association captives, three agency captives, 12 risk retention groups, one branch captive, five sponsored captives, and 196 protected cells.

Pure captives remain the dominant structure, accounting for just over 20 per cent of Nevada's total captive entities. Protected cells, which allow multiple unaffiliated companies to access captive insurance benefits through a shared sponsored structure, represent the largest single category with nearly 70 per cent of all entities.

Speaking to Captive Insurance Times, Michael D. Reynolds, management analyst II at the Nevada Division of Insurance, says the increase in new companies joining as cell structures has been nearly equal to applications for other licence types.

However, he notes that sponsored captives' programmes tend to be highly specialised, leading to fewer closures in response to market and regulation changes.

The industries that domicile their captives in Nevada have remained largely the same over the years, Reynolds explains, including construction, manufacturing, casinos, mining, and agriculture.

In 2022 and 2023, Nevada experienced a significant impact to its captive numbers when many captive insurance companies serving the financial sector chose to close out of an abundance of caution preceding the IRS 831(b) rulings.

However, Reynolds notes the state has continued to attract new companies from all industries, including the financial sector.

Nevada has positioned itself as a competitive captive domicile since establishing its programme in 2009. The state offers low application fees of US\$1,050, annual renewal fees

of US\$550, and a US\$5,000 credit for first-time premium tax filings.

Minimum capital requirements vary by captive type, ranging from US\$200,000 for pure captives to US\$800,000 for rental captives.

The state is one of only eight US jurisdictions offering series corporation structures, which enable sponsored captives to establish protected cells with independent corporate governance.

The Division of Insurance maintains simplified financial reporting requirements and provides dedicated regulatory support through its captives team. Annual filings include premium tax returns due March 1, license renewals due March 1, Nevada annual reports due June 30, audited financial statements due June 30, and actuarial opinions due June 30.

Reynolds attributes the state's captive sector growth to the dedication of companies and captive managers who have benefited from Nevada's regulations and tax structures. "Nevada has always been a great place to do business," he says.

To support the captive industry, the Nevada Division of Insurance has been working to improve its regulatory programme. Reynolds highlights several examples: updates to regulatory reporting requirements, additional outreach activities to meet with industry experts and educate prospective owners, and in 2023 the addition of a dedicated analyst to the regulatory team, which he says greatly improved review and response times.

In 2025, Nevada enacted legislation permitting homeowners insurance policies to be written through a captive insurer. Under the new framework, Nevada-domiciled captives may write most lines of insurance except automobile liability and workers' compensation as direct coverage. All lines of insurance remain eligible for reinsurance through Nevada captive structures. ■

### Marsh McLennan Agency Private Client Services adopts ZestyAI risk analytics

Marsh McLennan Agency (MMA), a subsidiary of Marsh, adopts risk analytics from ZestyAI to enhance risk assessments for high-net-worth clients with catastrophe-prone properties.

The MMA Private Client Services team is utilising three solutions from the risk and decision intelligence platform, Z-FIRE, Roof Age and Z-PROPERTY, to evaluate wildfire risk by analysing detailed property data, loss history and high-resolution aerial imagery.

The strategic deployment allows the team to offer more precise, customised insurance and risk management solutions for highvalue homes.

ZestyAI works closely with regulators to ensure transparency and validation, with its portfolio of models securing more than 80 approvals from regulators across the United States.

Robert Pritula, senior vice president and national placement and solutions leader of MMA's Private Client Services division, says: "Safeguarding the lifestyles and legacies of our clients requires a forward-looking approach to risk. We are always looking for new ways to leverage cutting-edge technologies that will allow us to offer clients tailored and effective solutions to mitigate the threats facing their most valuable assets, including their homes."

Attila Toth, founder and CEO of ZestyAI, adds: "MMA has built its reputation on exceptional client service and proactive risk management. With granular risk analytics backed by industry standards and proven accuracy, they are leading the way in how high-value portfolios can be protected with confidence." ■



### Larson Gross acquires Liptz & Associates, adds captive insurance expertise

Larson Gross welcomes the Liptz & Associates team to the firm, expanding the West Coast accounting and advisory practice into the captive insurance sector.

The California-based Liptz & Associates team joined Larson Gross on 23 January 2026. The firm brings more than 20 years of experience in captive insurance, providing audit and tax compliance, IRS representation, and consulting services to the industry.

Liptz & Associates clients will continue working with the same professionals, now with access to Larson Gross's broader advisory bench, expanded technology, and additional service offerings. The Liptz team will transition to the Larson Gross brand over the coming months.

Kelli Visser, CEO of Larson Gross, says: "Their client-first approach and deep expertise in a highly specialised industry make them a natural fit. We're confident that our aligned cultures and shared dedication to service will deliver exceptional value to our clients for years to come."

David Liptz, founder and owner of Liptz & Associates, says: "We weren't looking to change who we are—we were looking to strengthen how we serve. Larson Gross brings the depth, culture, and strategic mindset we were seeking."

Larson Gross is a Bellingham, Washington-headquartered accounting and consulting firm with a 77-year history. The firm is led by 20 partners and supported by more than 200 professionals.■



**Guernsey captive market holds steady as cell structures drive growth**

Guernsey’s captive insurance market holds steady in 2025, with cell captive formations offsetting a slight dip in traditional structures as the domicile maintains its position among Europe’s leading captive jurisdictions.

The Guernsey Financial Services Commission (GFSC) reports 196 non-cellular captives domiciled on the island at the end of 2025, a net decrease of one from the restated 2024 year-end figure of 197. Eight new captive formations during the year were offset by nine licence surrenders.

The modest decline marks an improvement on 2024’s performance, when the domicile recorded a net loss of seven captives despite 10 new formations, as 17 entities surrendered their licences.

Cell structures continue to attract interest. The GFSC records 126 cell captives at year-end 2025, up from a restated figure of 122 at the close of 2024.

Thirteen new cell captive formations and nine surrenders delivered net growth of four, maintaining momentum from the previous year when the domicile reported 14 new cell formations and net growth of six. Protected cell companies (PCCs)

decreased from 46 to 44 over the year, while PCC cells excluding insurance-linked securities rose from 215 to 222, a net increase of seven. Incorporated cell companies (ICCs) remained stable at 14, with ICC cells unchanged at 46.

Guernsey’s international insurance sector manages significant capital. The GFSC data shows gross assets of £29.70 billion, net worth of £12.62 billion, and gross written premiums of £5.19 billion for 2024, the most recent year for which financial data is available.

The domicile’s overall insurance entity count stands at 549 at year-end 2025, up from 542 twelve months earlier. This total comprises 223 companies, 44 PCCs, 222 PCC cells, 14 ICCs, and 46 ICC cells.

Commercial reinsurers saw notable growth among non-cellular entities, rising from 27 to 30, while special purpose vehicles decreased from 29 to 25. Commercial general insurers increased from 59 to 61, with 31 retail general insurers included in that figure. Commercial life insurers remained unchanged at 15.

Guernsey maintains 23 authorised insurance managers following one addition and two surrenders during the year. Insurance intermediaries grew by one to 36, while the island’s five domestic insurers remained unchanged. ■



**MCIA opens registration for 2026 annual conference**

The Montana Captive Insurance Association (MCIA) opens registration for its 2026 annual conference, scheduled to take place from 2-3 June in Whitefish, Montana.

The conference programme, which is currently being developed, aims to showcase insights from industry experts, including regulatory authorities, business owners and service providers specialising in captive insurance.

Attendees can expect to hear from key captive regulators, captive owners and leading service providers on a variety of timely topics impacting today’s captive marketplace. These professionals will explore issues pertinent to the captive insurance community, with the environment serving as a leading networking opportunity for those engaged in or aspiring to join the Montana captive domicile.

The event is designed to provide value for individuals actively involved in the sector as well as those considering entering it. Discounted early bird registration fees for the conference are available until 5 March 2026. ■

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**SAIC Motor captive and Lockton establish strategic partnership**

SAIC Motor and Lockton establish a strategic partnership to support the global expansion and internationalisation of Chinese automotive brands.

The collaboration involves SAIC Motor Insurance Co., Ltd., a wholly-owned captive insurance company of SAIC Motor that was authorised by the Hong Kong Insurance Authority in August 2025.

The two parties will focus on risk management, insurance solutions and cross-border operation support alongside Lockton, the world’s largest independent insurance brokerage.

As Chinese automobile brands accelerate their overseas expansion, the risks faced by enterprises are becoming increasingly diversified. These include

geopolitics, compliance with regulations, supply chains, product liability and data security challenges associated with intelligent connected vehicles.

The partnership aims to explore a collaborative model with “industry + service” at its core. This includes joint efforts to improve insurance and risk management solutions covering overseas production, sales and after-sales links.

Ma Jian, general manager of SAIC Motor Insurance Co., Ltd., says: “The next stage for Chinese automobile companies to go global is not only competition in products and scale, but also a comprehensive reflection of governance capabilities, technical standards and global synergy.”

Ma adds: “Through this cooperation, we hope to promote technological innovation and brand ‘upward development’ while exploring operations

and risk management practices that are more in line with international rules.” The two firms will also cooperate on emerging risks such as cybersecurity, data protection and technical liability to assist companies in promoting the overseas application of intelligent technology while complying with various regulatory requirements.

Jaideep Sharma, regional head of specialties at Lockton Asia, says: “Global expansion today is no longer just about scale, it is about managing complexity across regulatory regimes, technical systems and customer expectations.”

Sharma concludes: “Through this partnership with SAIC Motor, Lockton brings a proactive, forward-looking risk management concept to support innovation-driven automobile companies to improve their stability and long-term value in the international market.” ■

Image: SAIC Motor\_Lockton

**James River selects Kalepa's AI underwriting platform**

James River Insurance Company has elected Kalepa's AI platform to enhance its operating efficiency within the excess and surplus (E&S) market.

A subsidiary of James River Group Holdings, the insurer plans to deploy the platform to augment underwriting decisions, improve speed to market, and bolster portfolio management across its E&S business.

The engagement aligns with James River's strategic focus on using technology to improve competitive positioning and support profitable growth.

Kalepa's AI is designed to support the end-to-end underwriting process by automating submission intake, triaging risks, and centralising risk-critical information to deliver decision-ready quotes.

Todd Sutherland, president at James River, says: "This investment directly supports our focus on disciplined underwriting and our commitment to providing our employees with state-of-the-art technology to deliver shareholder value".

He adds: "Kalepa will help our underwriters make faster, more consistent decisions with better insight, strengthening risk selection and portfolio performance".

Valdean Langenburg, group chief information officer at James River, comments: "Unleashing AI enabled technology and fostering a culture of continuous improvement is a winning formula and what we will be known for. Kalepa's integrated platform, deep understanding of insurance underwriting and proven ability to drive measurable results were key in our selection process."

James River Group Holdings operates in two specialty property-casualty segments: E&S lines and specialty admitted insurance. Its regulated insurance subsidiaries currently hold an 'A-' (Excellent) rating from AM Best. Founded in 2018, Kalepa is backed by IA Ventures and Inspired Capital. ■

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**GENERALI**  
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### Generali and Swiss Life partner to create top employee benefits network

Generali Group and Swiss Life Global Solutions have entered into a long-term commercial partnership and a binding commitment for the acquisition of Swiss Life Network (SLN) by Generali Employee Benefits (GEB) Network.

The transaction will establish what the companies describe as the global number-one employee benefits network, managing more than €3 billion in premiums. The combined entity aims to set new standards in service and innovation for multinational clients and their employees worldwide.

The partnership will merge the strengths and complementary profiles of the GEB and Swiss Life networks. According to the firms, the move will create synergies across product offerings including protection and pension, multinational

pooling, and reinsurance to captive. It also combines their geographical footprints, client segments, and commercial and technical capabilities.

Ludovic Bayard, currently CEO of GEB Network, will lead the new combined network. The unit will be part of Generali Care, the global B2B2C/E partnerships arm of the Generali Group, reporting to Antoine Parisi.

Frederik Van Den Eede, chief commercial officer at GEB, and Michael Hansen, CEO of Swiss Life Network, will jointly lead the commercial area to ensure a transition for clients and partners. GEB will also welcome Swiss Life Network employees into its teams once the transaction is closed.

Bayard says: “The new platform marks a major milestone in strengthening Generali’s employee benefits business. By combining our well-established network with Swiss Life Global Solutions’ expertise and excellent partner

relationships, Generali becomes the go-to partner for international corporations and employees worldwide. Together, we will deliver best in class protection and pension solutions, enhanced by advanced digital services that promote employee wellbeing and drive sustainable business performance”.

Theo Iaponas, CEO of Swiss Life International, comments: “By contributing our expertise and excellent partner and client relationships to the well-established network and reinsurance and captive business capabilities of Generali, this creates a unique value proposition as a ‘Network of Choice’ for multinational clients”.

Hansen adds: “By uniting the best captive and most flexible pooling solutions we will provide our network partners and clients with a true one-stop-shop experience, bringing together fresh perspectives and ideas through a diverse and inclusive global team a further strengthened network offering”. ■



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**Crumdale Specialty launches next-generation captive platform**

Crumdale Specialty (Crumdale) launches Crumdale Captive Solutions, a next-generation protected cell captive domiciled in South Carolina.

The platform is designed to provide mid-market employers with a self-funded strategy for healthcare renewals. According to the firm, the group captive approach offers visibility into claims and cost drivers, flexibility in plan design and the opportunity to participate in underwriting gains.

The launch is an extension of Crumdale’s Integrated Health model, an ecosystem designed to simplify self-funding and deliver the lowest net cost of care. The captive is owned by Crumdale and aims to help employers move away from traditional fully insured models.

Matthew Naylor, founder and CEO of Crumdale Specialty, says: “Mid-market employers have long been at the mercy of unpredictable rate hikes with limited insight into their claims data or cost drivers.”

Naylor adds: “From day one, Crumdale has focused on financing healthcare risk by optimising and integrating self-funded solutions. Our group captive is a natural extension of that strategy—offering an additional layer of risk financing for employers ready to take greater control.”

The firm, based in Paoli, Pennsylvania, recently formed an inaugural Captive Broker Advisory Board to guide product development and growth strategy following a dedicated broker seminar.

Naylor concludes: “This isn’t just a captive. It’s a movement—built on trust, fuelled by partnership, and designed for the long game.” ■



**MDD launches AI platform to streamline business interruption claims**

MDD, the forensic accounting arm of Davies, has launched MDDi, an AI-enabled platform designed to support the handling of low-value, high-volume business interruption (BI) claims. Developed in-house, the platform combines forensic accounting expertise with artificial intelligence to automatically extract and analyse BI data from documents. The solution aims to streamline non-manufacturing claims processing while tackling common challenges such as manual workflows, limited transparency and unpredictable adjustment costs.

MDDi provides a real-time user experience with virtually instantaneous measurement results and a transparent cost structure. A hybrid support model is available, allowing users to engage with both the AI platform and MDD’s forensic accountants for cases requiring deeper financial analysis. Marcelo Fazio, chief innovation and growth officer of MDD, says: “We’ve designed MDDi, in conjunction with Davies’ in-house technology team, to address common challenges in managing high-volume, low-value BI claims. It helps optimise processes that are often manual and unpredictable, improving transparency and reducing delays in communication”.

The launch aligns with the Davies Vision 2030 strategy, unveiled at the start of 2025 by group CEO Dan Saulter, which involves doubling investment in technology and AI. Davies acquired MDD in 2024 as part of its expansion into specialist professional services and technology for the insurance market. ■

Image: Crumdale Specialty

Image: MDD, Davies, MDDi

**MNK International launches Brazil office to drive global expansion**

MNK International, an independent Lloyd’s of London broker, launches MNK International Brazil to provide (re)insurance solutions in the Latin American market.

Based in São Paulo, the new business is led by CEO Sergio Clark and international director Alexandre Dabus. The office will support Brazilian clients in accessing global and specialty insurance capacity while providing local support for multinational organisations.

Clark brings more than 50 years of brokerage leadership to the role, having

previously founded several major brokerage operations, including a joint venture with JLT. Dabus joins with experience in developing multinational client portfolios at Gallagher’s Brazilian partner and Marsh.

As part of the London-headquartered MNK Group, the Brazilian business will draw on the group’s global network, including managing general agents and other risk-bearing entities.

This allows for the delivery of solutions across sectors such as large industrial risks, oil and gas, engineering, financial lines, marine and property.

Naman Kumar, CEO of MNK International, says: “As we continue our rapid growth in

Latin America, expanding into Brazil is a natural next step for MNK International. In Brazil, we are partnering with a leadership team that has spent decades building trust in the market”.

Kumar adds: “MNK International Brazil will strengthen how we support international clients with interests in Brazil and help Brazilian clients access the very best solutions worldwide”.

Clark concludes: “Our goal is to build a focused and efficient business from day one. We are ready to prioritise new and emerging opportunities in the market, drawing on our capability and extensive networks to deliver innovative solutions that meet the needs of our clients”. ■

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 **SIGMA** ACTUARIAL CONSULTING GROUP, INC.



### Brown & Brown launches national healthcare practice

Brown & Brown, Inc. launches a fully integrated, all-lines national healthcare practice, Brown & Brown Healthcare.

The specialised team brings together more than 140 professionals dedicated to delivering risk solutions for healthcare organisations. The team will support hundreds of customers and place billions in premium both domestically and internationally.

Brown & Brown Healthcare is co-led by Matthew Siciliani and Tracy Hoffman, with strategic guidance from practice chairman Bob Dubraski.

Siciliani and Hoffman bring decades of technical experience in managed care, professional liability underwriting, captive reinsurance and risk consulting for healthcare organisations. Dubraski, who joined through the Risk Strategies acquisition, has a track record of helping healthcare organisations design and implement enterprise-wide risk strategies.

The integrated structure provides end-to-end service across production and placement, with support in specialty areas including professional liability, managed care reinsurance, value-based care, cyber liability, captive management and actuarial services.

Steve Hearn, president of Brown & Brown's Retail segment, says: "Healthcare organisations today face complex, rapidly evolving risks. By forming a National Healthcare Practice around this team of seasoned professionals, we're demonstrating our commitment to delivering integrated, innovative risk management solutions, empowering our customers to focus on providing quality care."

Hearn's sentiment is echoed by Joe Siech, Retail senior leader, who adds: "The strength of Brown & Brown Healthcare lies in the experience and collaboration of its leadership.

We've assembled a team of true specialists who understand the challenges facing healthcare systems and bring the strategic perspective needed to address them." ■

### WTW releases next-generation RiskAgility FM models for life insurers

WTW releases the next generation of its U.S. Library models within RiskAgility Financial Modeler (RiskAgility FM), incorporating full Valuation Manual 22 (VM-22) requirements.

The upgrade provides insurers and reinsurers with a production-ready platform to meet the principles-based reserving framework for non-variable annuity products, including fixed annuities, structured settlements and pension risk transfer (PRT) liabilities.

VM-22 reshapes statutory valuation for these products by introducing a market-aligned, principles-based approach.

The updated RiskAgility FM models provide an end-to-end environment that aligns with these requirements, enabling companies to navigate the transition with transparency and speed.

The release builds upon the firm's existing asset and liability modelling suite for statutory and generally accepted accounting principles (GAAP) valuation.

Key features include enhanced asset-liability integration, efficient projection architecture for stochastic workloads and built-in support for VM-22 aggregation groups.

The platform's U.S. Library offers liability models with integrated asset capabilities, allowing firms to manage risk and capital more effectively.

WTW's Insurance Consulting and Technology business serves the global insurance industry with advisory services and technology solutions. More than 1,000 companies currently use the firm's specialist insurance software. ■



### Davies restructures audit solutions to expand global reach

Davies has unveiled a global realignment of its audit solutions operations, establishing a dedicated international arm to extend geographical capabilities. The strategic move unites three branches throughout the US and Canada: Davies in Florida, Massachusetts and Canada.

The Florida and Massachusetts branches form the US/Caribbean audit arm, led by managing director Andrew Heath, while the Canadian arm is led by managing director Clive Heath.

The newly formed international arm extends audit capabilities across the UK, Europe and the Middle East under the leadership

of managing director Ameet Kaushal. All divisions now sit within the audit solutions team, led by Susan Arsenault, head of audit solutions.

The restructure provides clients with a sole point of contact and enhances consistency through auditors who understand local regulatory nuances.

Arsenault says: “This restructure broadens the range of services our clients can access globally. With a more integrated and responsive audit framework, we’re positioned to provide scalable solutions that support clients’ changing needs around the world”. The move represents another step towards Davies’ Vision 2030, reinforcing the firm’s commitment to global integration and enhanced service. ■

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Captive Insurance Management, Reimagined



**London Market doubles in size but faces talent crisis, LMG warns**

The London Market is now worth US\$187bn in gross written premium, having doubled in size over the past decade, but faces a critical talent shortage that threatens future growth, according to new data from the London Market Group (LMG).

The trade body’s 2026 London Matters report shows the market has increased its global share to 8.7% in 2024, up from 8.2% in 2022, and now contributes £61bn to UK GDP, equivalent to 37% of “the City’s” economic output.

However, the report warns that the market’s workforce is ageing rapidly, with the proportion of employees under 30 expected to fall from 24% to just 7% over the next decade.

“London remains the global leader in risk transfer, demonstrated by its growth in absolute size and market share,” says Chris Lay, chair of the LMG.

“Yet we cannot be complacent as, whilst much smaller than London, some other

jurisdictions have grown faster in recent years.” The market currently employs around 61,000 people, up from 59,000 in 2022, but is expected to require 82,200 full-time equivalents by the end of 2034.

Graduate job postings in insurance fell 18% year-on-year in September 2025, despite this growing demand.

Caroline Wagstaff, CEO of the LMG, says the demographic shift “should ring alarm bells” for the industry.

“In order to continue to grow, we must have talented teams in place and fully trained, and that takes time,” she adds.

“Graduate and entry level employment needs to increase to meet demand in the next decade, but this is not being reflected in current hiring. This is an industry-wide problem that needs industry-wide attention.”

The report identifies cyber, AI and energy infrastructure as key growth areas. London is already Europe’s largest cyber insurance market, with over 800 firms providing cybersecurity products and services, a 30% increase from 2022.

The market writes US\$5.3bn in cyber premium annually.

Renewables premiums could increase by up to US\$0.8bn between 2024 and 2030 as the share of renewable energy use rises to around 20%.

On capital, the LMG highlights the success of London Bridge 2, which has grown at approximately 150% per annum since its 2022 launch to reach US\$1.9bn in deployed capital. However, this represents just 2% of global alternative capital.

“The London Market was not present in the alternative capital space prior to 2022,” says Lay.

“It is clear that the London Market needs to build on this success and do more to attract alternative capital through structures such as captives and ILS.”

The market remains larger than its five closest competitor hubs combined, with London’s US\$187bn exceeding the combined total of Switzerland, Bermuda, Singapore, Japan and Hong Kong by US\$28bn. ■

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**Hartwell Insurance selects INTX as core captive operating system**

Tennessee-domiciled protected cell captive insurance company (PCCIC) Hartwell Insurance (Hartwell) selects INTX Insurance Software (INTX) as its core insurance operating system.

The partnership aims to modernise Hartwell’s captive operations by providing a scalable foundation that unifies policy administration, billing, claims, reinsurance and reporting. INTX’s platform utilises an open API architecture, which allows Hartwell to integrate various partners and services as its captive programmes evolve.

Hartwell provides bespoke captive insurance solutions, guiding clients through captive formation and ongoing operational management. By deploying the INTX system, the firm gains automated regulatory reporting, real-time financial

transparency and accurate reinsurance tracking across the insurance lifecycle.

Roland Horton, president of Hartwell, says: “Captives are becoming more strategic, and that requires a modern operating foundation. We chose INTX because it gives us a complete insurance operating system that gives us the flexibility to scale and evolve based on the needs of our captive clients. This partnership allows us to deliver a better captive experience—one built for clarity, control, and growth”.

Rob Lewis, CEO of INTX Insurance Software, adds: “Hartwell understands captives must evolve beyond static structures and manual processes.

INTX provides the operating system that enables Hartwell to scale and evolve its captive programs with confidence, without the limitations of legacy systems”. ■



**Generali launches cyber insurance for IFAs**

Generali, through its UK branch, announces the launch of primary cyber insurance for its Independent Financial Advisor (IFA) clients.

The new product is developed and managed by Generali Global Corporate & Commercial (GC&C) UK, reinforcing its commitment to the UK market. This offering provides indemnity for cyber exposures for IFAs and complements Generali UK’s existing professional indemnity (PI) commitments.

In addition to the insurance coverage, Generali’s UK IFA clients benefit from in-house claims expertise designed to support their financial lines requirements.

Luke Harris, product head PI and tech E&O at Generali UK, comments: “The landscape for IFAs is becoming increasingly complex. Having listened to our broker partners and clients, Generali believes we are uniquely positioned within the IFA market to provide solutions to their concerns. Importantly, our proactive in-house claims expertise will enable clients to benefit from this new innovation and offer clarity when they need it most”.

Jeremy Cottle, head of financial lines at Generali UK, adds: “We are excited to launch this complementary product and believe that this coupled with our affirmative AI solution will continue to differentiate Generali UK from other IFA insurers”. ■

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# Beyond formation

Christine Brown, Deputy Commissioner of Captive Insurance at the Vermont Department of Financial Regulation, speaks with Elliot Hayes, reporter at Captive Insurance Times, about what captive owners should consider when pursuing a redomiciliation, merger, or conversion, and how early engagement with regulators can help ensure a smooth transition

**Christine Brown**

Deputy Commissioner of Captive Insurance  
Vermont Department of Financial Regulation



Image: Christine Brown



**My advice to captive owners is to engage early, not only with your captive manager and advisor, but also with legal counsel in both jurisdictions: the one you are leaving and, more importantly, the one you are going to**

**From a regulator's perspective, what are the primary motivators behind a captive owner's decision to pursue a merger, redomiciliation, or conversion? What advice would you give to a captive owner at the very start of this thought process?**

**Christine Brown:** With respect to a redomiciliation or merger, typically the reasons for a company to consider such a move would be that their current domicile is not as responsive as they need. In Vermont, we do our best to operate at the speed of business, understanding insurance decisions impact the operations of the entire organisation. Sometimes we hear it is a reputational consideration, with perceptions about a specific jurisdiction.

If it is an onshore parent company, they sometimes get pressure from the board if the captive is domiciled offshore. Additionally, when companies form in a certain jurisdiction, once they have experience there for a number of years, they may find it is not the best fit for what they are trying to do with the captive, or with respect to the expertise they need. What we hear from captive owners when they move to Vermont is that they value our experience, our team, and our responsiveness.

Companies get the benefit and stability that comes with a 45-year-old jurisdiction with a large regulatory team focused only on captive insurance. We have licensed over 1,400 captives in our history and have seen a lot, which is a value proposition for companies looking to expand their captive operations.

Conversions are a little different. Typically, these take place with captives already licensed in Vermont, converting from one type of captive to another.

Generally speaking, it is either that a company has outgrown a cell structure and wants its own licensed captive to be able to do more, so they convert from a cell to a sponsored captive.

However, we have also seen it go the other way, where a pure captive will want to form a sponsored captive, for example, if they want to write controlled unaffiliated business (third party) and segregate those risks into cells.

There are many different reasons for these transactions, but my advice to captive owners is to engage early, not only with your captive manager and advisor, but also with legal counsel in both jurisdictions: the one you are leaving and, more importantly, the one you are going to.

They can really help with the process because they know the laws of that jurisdiction and can help make sure everything runs smoothly.

**A captive's domicile can significantly affect its operations and value. Could you elaborate on the key regulatory factors captive owners should consider when evaluating a redomiciliation?**

**Brown:** Some of the important considerations for captive owners are regulatory expertise, the resources that a jurisdiction puts around captive regulation, and consistency

in both the team and the legislative support. It is important to know that nothing is going to be drastically changed within the jurisdiction where you might lose footing if something was previously allowed and then disallowed a couple of years later. It is valuable to have a jurisdiction where there has been stability so that your operations are not going to be impacted by changes in leadership, staffing, or legislative bodies.

That is one of the primary considerations. But there are also cost considerations. Vermont is definitely not the cheapest jurisdiction, but we are also not the most expensive; we come in somewhere in the middle. Companies do have to look at that when considering where to go. In Vermont, we believe we provide value to captive owners such that, even though the cost may not be the lowest, what they get from us in terms of expertise and responsiveness is worth the investment when it comes to business plan change approvals, examinations and other services.

### **Could you explain the differences between a true redomiciliation and a merger from a regulatory and legal standpoint? When might one be preferable to the other?**

**Brown:** The choice really depends on the laws of the captive's current jurisdiction and the desired structure after the move.

Some jurisdictions do not have redomiciliation laws that allow a company to leave. In those cases, we typically see a merger, which involves forming a new captive in Vermont and merging the business from the current jurisdiction into it.

This has the same effect as a redomiciliation but involves merging the old company into the new Vermont company because that jurisdiction does not have redomiciliation laws on the books. With a redomiciliation, the process is much simpler. If the jurisdiction allows redomiciliations, it is essentially picking up a company and placing it in Vermont.

It is very seamless: operations move from one jurisdiction to another and the law treats this as a continuation of the original entity.

There is no need to form a new entity; the existing one simply becomes a Vermont domestic captive insurance company. A merger, by contrast, involves two separate entities: they form a shell in Vermont and then merge the foreign company into the new Vermont entity.

### **For a captive owner considering a conversion to a sponsored captive with segregated cells, what are the most significant regulatory benefits and challenges? How does this structure offer flexibility compared to a pure captive?**

**Brown:** The sponsored captive structure with segregated cells offers considerable flexibility, and we see conversions going in both directions. Sometimes a company has outgrown a cell structure and wants its own licensed captive to do more; other times a pure captive will want to form a sponsored captive to write controlled unaffiliated business and keep those risks segregated. From a regulatory standpoint, one of the key benefits is that each cell operates with statutory protection, meaning the assets and liabilities of one cell are legally separate from those of another.

This provides a level of risk isolation that you cannot achieve with a traditional pure captive. The sponsor manages the overall captive, which can reduce the administrative burden for cell participants. However, the regulatory review is more complex because we need to evaluate not just the core structure but also ensure appropriate governance is in place for how cells will be managed. Companies considering this conversion need to have clear documentation around cell participation agreements.

As with any transaction, I would encourage preliminary conversations with us and with legal counsel who understands these structures. Vermont has significant experience with sponsored captives, and we can help companies think through whether this structure makes sense for what they are trying to accomplish. The flexibility comes from the ability to add new cells relatively efficiently once the sponsored captive is established, but it is important to understand the ongoing compliance requirements from the outset.

### **A key challenge in multi-jurisdictional transactions is coordinating with multiple regulators. What are your expectations for captive managers and legal counsel when working with the Vermont Department of Financial Regulation, and what can they do to ensure a smooth process?**

**Brown:** We coordinate with regulators in other jurisdictions when we see moves like this. It is helpful for the company to know that and to facilitate those conversations. We will generally ask for contact information at that jurisdiction

and then reach out. We discuss any concerns or issues and also get approval from that jurisdiction to allow the move or redomiciliation into Vermont.

We want to make sure there is no regulatory arbitrage happening, where someone is not getting the answers they want in one jurisdiction and is moving to try to circumvent regulatory requirements that would be required anywhere. From a legal perspective, it is really important to get local counsel involved because they are experts in the law of each jurisdiction and can help with the process, the corporate legal documents, and working with the Secretary of State. In Vermont, we find the process goes much smoother when attorneys with that expertise are involved.

**Could you walk us through the essential documentation and steps required for a captive redomiciliating to Vermont? How does the process differ for a captive that is in good standing versus one that may be struggling in its current domicile?**

**Brown:** We have an application form that is specific for redomiciliations because our requirements are slightly different. When a company is redomiciling, they have been in existence for quite a while, so feasibility is already proven. You are not projecting what things might look like; we have real financial statements and historical information that we can look at to see how the captive has been performing. Some of the application is very similar to a new formation: we require corporate governance documents, biographical affidavits, business plans, financial projections, and draft contracts. Where things differ is that, instead of feasibility work, we ask for the actuarial report produced for the current captive and review current audited financial statements. We are looking at historical information to gauge future success.

**What is the best course of action when the jurisdiction you are redomiciliating from is uncooperative or has less stringent regulatory and review processes?**

**Brown:** This is a tricky one. We have in the past allowed redomiciliations of companies that are struggling in their current jurisdiction, whether they are on an action plan or have had other issues. We have learned some hard lessons by doing that.

We generally feel that if a captive is struggling and it is not about the domicile or the regulator, but more about the

“

If we can gain an understanding from captive owners about those issues and problems generally, we can feel more comfortable when it is not about solvency concerns and is more about timing of approvals

“

One of the first things we say is that they have to get to the midpoint. We have allowed companies to do that over a period of two to three years, because it can be a significant hit if they try to do it all at once

captive's operations and what has happened historically, it is usually better for them to straighten things out where they are before they move, rather than trying to move and then figure it out after the fact.

That said, we also understand that sometimes jurisdictions simply do not have the resources to be as responsive, or may not be as flexible because they lack experience around certain things.

If we can gain an understanding from captive owners about those issues and problems generally, we can feel more comfortable when it is not about solvency concerns and is more about timing of approvals. In those cases, it is easier for us to accept an application. However, if there are real solvency concerns, we tend to tell companies to sort things out where they are before making a move.

**In your experience, what are the most common oversights or red flags you encounter in the actuarial and financial analysis reports submitted for a captive transformation?**

**Brown:** The biggest red flag would be a company that is not booking reserves to the midpoint, or to the actuary's expected scenario. We sometimes see companies continuously book toward the lower end of a range, and this can cause issues later on.

If you are constantly at the lower end of the range, there is no cushion for loss development and it is better to be at least at the expected level so that reserves are in line with what the actuary anticipates. We have seen issues when companies have been booking at the lower end and then want to redomicile here.

One of the first things we say is that they have to get to the midpoint. We have allowed companies to do that over a period of two to three years, because it can be a significant hit if they try to do it all at once. But our view is that the expected or midpoint is where a company should be; not anything lower than that.

Another issue we see is financial projections where companies will look at what the actuary has done, but based on their experience or controls they have implemented, they say they expect their experience to be better in the future. Without proof that those mitigating factors are actually doing what the

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company thinks they will do, it is hard to take credit for them early. We have seen companies try to take credit for controls they put in place very early in the process, without fully seeing whether the anticipated results materialise.

That can also trip companies up. It is always best to take the actuary's advice.

**Beyond the necessary documentation, what are the most common pitfalls or unexpected hurdles that can slow down or stall a captive merger or redomiciliation? How can captive owners and their service providers best mitigate these risks at the outset?**

**Brown:** Beyond the documentation itself, one of the most common pitfalls we see is underestimating the time required to coordinate between jurisdictions.

Even when both regulators are responsive, there are procedural steps that take longer than anticipated, particularly around getting formal releases or approvals from the departing jurisdiction.

If there are delays on that side, it can hold things up for us because we want to understand what is happening and why they are not responding.

Another hurdle is internal corporate governance. Companies sometimes do not fully appreciate the board resolutions, shareholder approvals, and amended corporate documents that need to be prepared and executed, particularly with more complex structures like risk retention groups where more members need to be involved in approving what is happening.

We also see issues when there has not been adequate communication among service providers.

The captive manager, legal counsel, actuary, and auditor all need to be aligned on timing and deliverables. This comes back to my earlier point about engaging with your advisors and with attorneys who know the laws of both jurisdictions.

To mitigate these risks, I would encourage captive owners to have realistic timelines with some buffer built in for unexpected delays. In Vermont, we welcome preliminary meetings to make sure the transaction is well suited to both parties and to flag any potential issues before they become problems. That initial conversation can really help the process run smoothly.

**Does the regulatory process for a redomiciliation or conversion differ significantly based on the captive structure, such as for a pure captive versus a risk retention group or a sponsored captive?**

**Brown:** There are some nuances. A pure captive is obviously the easiest because there is one owner and one member. When we are getting approvals of the board and shareholder, it is much easier with a pure captive. With a risk retention group, there are more members to consider and more approvals that need to happen.

Structurally, group captives are generally more complicated with their corporate documents. Redomiciliation from the perspective of a group or risk retention group requires more work from the regulatory review side, but also more preparation. There is more that goes into it, and more people have to be involved in approving what is happening along the way.

**From an ideal submission to a final approval, what is a general timeframe for a captive redomiciliation to Vermont? What key factors typically expedite or, conversely, delay the regulatory review and approval process?**

**Brown:** Typically it is a 30-day timeframe, standard with all of our other types of applications. So for a new formation or a redomiciliation, we give 30 days. In terms of what could expedite versus delay the process, the redomiciliation application really does walk someone through it clearly. If the package includes everything we have asked for, it can go pretty quickly.

We sometimes see delays when companies are not using their actuarial estimates and are instead coming up with their own estimates based on their experience, as noted above. That can delay things because we look at that closely to make sure we understand the assumptions going into the financial projections and they are reasonable. Clear communication with the regulators in the state they are in is also a factor.

If there are delays there, it can hold things up because we wonder why they are not answering our questions. In Vermont, not just for redomiciliations but for any new company coming here, we value having introductory meetings to ensure the arrangement works well for everyone. Having a meeting with the prospective captive owner to understand the business and why they are moving can really help expedite our review. ■



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# Inside Smith + Howard's captive expansion



**Bryan P. Hudson, CPA, ACI**  
partner  
Smith + Howard

Image: Smith + Howard

As hard market conditions continue to shape demand for alternative risk financing, Nicole Bennett speaks to Bryan P. Hudson, CPA, ACI, partner at Smith + Howard, about how the firm's acquisition of BPS strengthens its advisory offering for captive owners

Smith + Howard's acquisition of Bauknight Pietras & Stormer (BPS), announced in January 2026, marks a significant expansion for the Atlanta-headquartered firm. BPS, one of the largest locally owned public accounting firms in South Carolina, brings deep expertise in the captive insurance sector.

**Bryan P. Hudson, CPA, ACI, a Partner in the audit and business advisory departments who leads the property and casualty insurance practice, is well placed to discuss what this combination means for captive clients.**

**What was the strategic rationale behind the acquisition, and how does the combined entity strengthen the advisory services available to captive insurance clients?**

**Bryan P. Hudson:** The acquisition brings complementary capabilities together under a single platform, strengthening how the firm supports captive insurance clients.

It deepens the range of advisory services available to captive owners, particularly through expanded risk advisory capabilities across the Smith + Howard platform, allowing the

combined firm to deliver greater depth, reach, and long-term value. The firm also expands its geographic footprint across additional captive domiciles, enabling more localised and responsive service.

Behind the scenes, the broader platform enhances technology, including analytics and AI, strengthens recruiting and retention, and supports a more consistent market presence, all of which ultimately improve the client experience.

**When a specialised practice becomes part of a larger platform, there is always a question of whether the culture and client relationships that defined it will be preserved. How is Smith + Howard ensuring continuity for existing captive clients through the transition?**

**Hudson:** Continuity has been a central priority throughout the transition. From the outset, both firms were intentional about partnering with an organisation that shared a similar culture and client-first philosophy.

The same advisors and client teams remain in place, preserving long-standing relationships and institutional knowledge. While the broader platform adds depth and resources behind the scenes, the culture and client-service approach that clients value are intentionally maintained. The goal is a seamless experience where clients notice continuity and added support, not disruption.

**The captive insurance practice now sits within a firm offering capabilities spanning international tax, cyber risk compliance, and forensic accounting. Which of those expanded service lines do you expect will have the most immediate impact for captive owners?**

**Hudson:** Cyber risk compliance stands out as having the most immediate impact. Captives are increasingly being used to manage volatile cyber exposures, offering customisable coverage, cost stabilisation, and, in some cases, access to reinsurance markets when commercial capacity is constrained.

While captive advisors and client teams remain unchanged, Smith + Howard brings deep expertise in risk advisory services, including SOC compliance, cybersecurity, data privacy, and framework certifications such as ISO, HITRUST, and NIST. This area was already growing within BPS, and the expanded resources and experience significantly enhance the value delivered to captive owners.

**The captive industry serves a broad spectrum of clients, from small regional programmes to multinational risk portfolios. How does the scale of the combined firm allow for more effective service delivery across that full range?**

**Hudson:** The combined platform allows Smith + Howard to meet clients where they are. Smaller programmes continue to receive hands-on, highly personalised support, while larger and more complex captives benefit from deeper technical resources and specialised expertise.

Importantly, the firm can scale alongside its clients, ensuring that as programmes grow in size or complexity, they do not outgrow their advisory team.

**Forensic accounting and litigation support are not services traditionally associated with captive insurance advisory. Can you outline how proactive forensic capabilities change the way a captive owner approaches risk management and claims preparedness?**

**Hudson:** Proactivity is essential to a successful captive programme. Forensic capabilities enable captive owners to move beyond reacting to claims and toward understanding why claims occur in the first place. By analysing claims data, identifying trends, and projecting future exposures, owners gain clearer insight into their risk profile.

This forensic analysis supports more effective loss-control strategies and encourages behavioural and operational changes that reduce claims frequency and severity over time.

**South Carolina remains one of the leading captive domiciles in the US, and the firm has deep roots in the state's captive community. How does this acquisition reinforce that commitment while also expanding the practice's national reach?**

**Hudson:** South Carolina remains a cornerstone of the firm's captive practice, with strong local relationships and active involvement in the captive community continuing as core strengths. At the same time, the expanded platform enables broader national reach, allowing the firm to support captive owners across multiple regions. The result is a balance of deep local expertise paired with the scale and resources of a national advisory firm.



The same advisors and client teams remain in place, preserving long-standing relationships and institutional knowledge. While the broader platform adds depth and resources behind the scenes, the culture and client-service approach that clients value are intentionally maintained

**The regulatory environment for captives is shifting, with new expectations around group capital calculations and enterprise-level oversight. How does the combined firm's depth of expertise help clients navigate that evolving landscape?**

**Hudson:** As captives take on more complex and emerging risks, regulators are increasingly focused on consolidated capital strength and an owner's ability to provide additional financial support to the captive if needed.

The expanded team closely monitors regulatory developments across US domiciles through active participation in industry associations, regulatory forums, and ongoing dialogue with regulators. This breadth of insight allows clients to anticipate regulatory expectations and adapt their structures proactively rather than reactively.

**Looking at the broader market, hardening conditions in certain lines and growing interest in alternative risk financing are defining much of 2026. How is this environment driving demand for specialised captive advisory work?**

**Hudson:** Continued capacity constraints and rising pricing in commercial insurance markets are prompting organisations to take a more active role in their risk financing strategies. Captives provide a mechanism for greater control over risk and total cost of risk, particularly in challenging market conditions.

Designing and integrating captive programmes effectively requires strategic coordination among brokers, captive managers, actuaries, accountants, and legal advisors, reinforcing the value of specialised captive advisory expertise.

**What does success look like for the combined practice two to three years from now, both for the team and for the captive clients it serves?**

**Hudson:** Success will be reflected in clients who feel confident, well-supported, and view the firm as a trusted long-term partner. Internally, it means stronger collaboration across teams, deeper expertise, and efficient use of expanded resources.

For the practice overall, success includes attracting and retaining top talent while continuing to deliver high-quality, relationship-driven advisory services to captive owners. ■

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# The overlooked opportunity: why warranty programmes deserve a place in your captive

While commercial auto and workers' compensation dominate captive discussions, warranty programmes offer a streamlined, cost-effective alternative with simpler claims processes and stronger risk distribution profiles, argues Hale Stewart, Of Counsel, Dickinson Wright

Commercial auto, workers' compensation, and general liability insurance receive the lion's share of attention from the captive marketplace. This focus is understandable. Commercial auto and workers' compensation insurance are not only legally mandated but often contractually required. Liability insurance indemnifies the insured against the most ubiquitous cause of action – negligence, making it a must-have coverage. The top-down premium calculation method, which does not adequately reward better-in-class risks, adds to the focus. The additional input into the claims process and the ability to receive dividends for superior loss performance round out the reasons for the market's focus on primary, three-line coverages.

But these are hardly the only captive-suitable risks. Often overlooked but equally viable are warranty captives – programmes that underwrite contractually imposed financial claims. This risk is far more stable and requires far less overhead, streamlining the captive's expenses. Most importantly, a warranty represents third-party risk, strengthening the captive's risk distribution profile for federal income tax purposes.

This article will first define warranties and then discuss the key provisions from the Uniform Commercial Code (UCC) that

explain their practical operation. This will be followed by an overview of the far simpler warranty claims process. The article will conclude by explaining the key administrative benefits of a warranty programme.

## **Warranties defined and explained**

For the purposes of this article, Merriam-Webster's online dictionary provides two relevant warranty definitions. The first is, "a collateral undertaking that a fact regarding the subject of a contract is or will be as it is expressly or by implication declared or promised to be".

A warranty is a secondary promise triggered by the product's non-conformity with generally accepted trade practices or a representation made during a sales presentation. If the advertisement says a product is round, then the buyer can return a square product. If a salesperson states that a mobile home will be the same as the one on the sales lot, then the buyer can reject a non-conforming mobile home and return it.

The second definition from Merriam-Webster is, "a usually written guarantee of the integrity of a product and of the maker's responsibility for the repair or replacement of

defective parts". This definition provides us with the two most commonly agreed upon remedies: the merchant either fixes or substitutes similar goods, whichever is cheaper.

The UCC, which governs sales contracts between "merchants", imposes two warranties on sales contracts. The first is the "Implied Warranty: Merchantability; Usage of Trade", which requires that goods must be what they're supposed to be. Apples sold to a supermarket must be of a kind and quality that a consumer would buy. Parts purchased to be incorporated into a larger machine must operate within that structure. Non-conformity in either case would trigger a warranty action, most likely one in which the merchant would repair or replace the defective items.

The second implied warranty is fitness for a particular purpose, which occurs where the seller at the time of contracting has reason to know any particular purpose for which the goods are required and that the buyer is relying on the seller's skill or judgement to select or furnish suitable goods. Central to this warranty is that the buyer has a specific purpose in mind for the good. To illustrate the point, the UCC comments highlight the distinction between boots in general and those specifically designed for mountain climbing. The buyer is not required to inform the seller of a specific intended purpose.

An express warranty is "explicitly stated". The UCC specifically defines three: 1.) Any affirmation of fact or promise made by the seller to the buyer which relates to the goods and becomes part of the basis of the bargain; 2.) Any description of the goods which is made part of the basis of the bargain; and 3.) Any sample or model which is made part of the basis of the bargain.

All three centre on a representation – whether verbal, written, or in a form – that entices the buyer to purchase a good, and which goes to the core of the contract's subject matter. As noted by one UCC scholar, express warranty cases all centre on whether "the plaintiff recover[s] because the goods did not do what the defendant said they would do".

Because warranties arise from contract law, damages are based on the purchaser's expectation interest, meaning he is "put in as good a position as he would have been in had the contract been performed". The buyer may seek the "difference between the market price at the time when the buyer learned of the breach and the contract price together with any incidental and consequential damages [...], but less expenses

saved in consequence of the seller's breach". The seller can contractually limit damages, typically to either repair or replace damaged or non-conforming goods. To limit the total amount of loss, the contract can include a liquidated damages clause, which will be upheld so long as it is reasonable.

### **Anatomy of a warranty claim**

There are two types of warranty claims: "in-person" and "at the buyer's location". In-person is best thought of as those occurring at a retail store. The process is simple: the buyer returns the purchased good to the retail point of purchase, where the seller has the option to repair or replace the item.

Several UCC code sections cover those that occur at the buyer's location. The buyer can inspect the delivery within a reasonable time and can accept all, reject all, or reject part of the shipment. The seller has the option to cure the defect in a reasonable time.

The warranty claims process is far shorter and simpler. It is possible that, in the case of a retail store, the transaction takes less than a minute. In all situations, the event is primarily an accounting function instead of a formal, time-consuming claims process. There is no need for an adjuster or formalised process. It is therefore possible to describe a warranty captive as an accounting function memorialised as an insurance liability.

### **Administrative benefits of a warranty programme**

In a fronting programme, the insured still pays a premium to an insurer. But it cedes most of the funds received to the insured's captive, which is then financially responsible for claims. Third parties interacting with the programme do so with a known and rated insurer.

Insurers are paid handsomely for their services; the minimum fronting fee is US\$250,000. Fronting is mandatory for commercial auto and workers' compensation coverage due to both risks' administrative and legal complexities. Fronting also requires collateral, which is often the reason why a company does not form a captive programme.

A warranty programme does not need to file paperwork with a federal agency nor comply with the extensive regulatory framework of state-level workers' compensation law. The programme must comply with the state-level UCC section

2 laws, but these are not administered by any regulatory agency. Additionally, buyers of the company's products do not need to see insurance papers to verify the validity of the warranty programme. They instead rely on the contract terms and any additional documentation to understand the warranty programme. Therefore, there is no need for a fronting carrier and, as a result, no collateral.

Additionally, the claims process is much simpler. No truck has hit a car or pedestrian; no employee has broken a limb; a store patron has not slipped in an aisle.

A seller must instead repair or replace an item sold to the buyer. There is no need for a third-party claim administrator. The process can also be automated through an accounting programme, significantly reducing costs.

The two largest expenses associated with liability captives are not present in a warranty captive, significantly reducing the minimum amount of premium required to make the captive a viable option.

To be recognised as an insurance company for federal income tax purposes, a captive must comply with the Harper test, of which risk distribution is the most challenging element. Facts supporting the presence of this factor include third-party (non-parent) risk and sufficient "statistically independent risk exposures" – individual things covered by an insurance policy, such as individual trucks for commercial auto or each employee for workers' compensation.

Each warranty is non-parent risk; each thing sold is a "statistically independent risk exposure". While an actuary's opinion should be the final opinion, both facts are strongly indicative of risk distribution for tax purposes.

### Conclusion

Warranties represent a great opportunity for placement in a captive. Since a front and claim TPA is not needed, the ongoing cost is greatly reduced, lowering the bar for companies wanting to form a programme.

The sponsoring company should have a wealth of historical information in its accounting records to base premiums on. The fact that a warranty represents third-party risk greatly increases the programme's potential attractiveness. For any company with this exposure, a captive should be considered. ■

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A warranty represents third-party risk, strengthening the captive's risk distribution profile for federal income tax purposes

### Hale Stewart

Of Counsel

Dickinson Wright



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## From the courtroom to the captive: McClure on building trust and credibility

This month's entrant to the AKT Series: Alternative Knowledge Transfer is Heather McClure, managing partner and general counsel at Helio Risk. The AKT Series is a dedicated knowledge-sharing platform where senior industry figures impart their career experiences and technical expertise to mentor and inspire the next generation of captive insurance leaders. Elliot Hayes, Reporter, Captive Insurance Times

Image: Heather McClure/Helio Risk



There is nothing like being in front of a jury who not only needs to like you, but also to believe in your trustworthiness. As likable as we all may think we are, facts are facts, and our word needs to be credible and verifiable

**Your career journey is remarkably diverse, spanning trial law, in-house counsel, chief risk officer, and now captive manager. Looking back at these transitions, which move do you consider the most pivotal in shaping your approach to risk, and what did that experience teach you that formal education never could?**

**Heather McClure:** When I moved from in-house counsel to working inside organisations who owned captives, things 'clicked' for me about how critical it was to make insurance decisions based on real data, as well as risk tolerance of the organisation's board.

Being able to leverage the captive based on the commercial market's capacity and pricing allowed me to see the true impact a captive can have on operations and finance.

**You tried ten cases to juries as lead counsel early in your career. How has that courtroom experience influenced your approach to captive insurance and risk management? Are there lessons from the trial setting that professionals entering our industry should understand?**

**McClure:** There is nothing like being in front of a jury who not only needs to like you, but also to believe in your trustworthiness. As likable as we all may think we are, facts are facts, and our word needs to be credible and verifiable, or we will not have the reputation we need to encourage others to join us in building strong systems for them.

**As a former captive owner and operator at a major academic health system, you saved the organisation millions through successful captive operations. What were the key decisions or strategies that made that programme so effective, and what common mistakes do you see captive owners making that could be avoided?**

**McClure:** That programme was highly successful for a few reasons: first, we engaged leading industry service providers and continuously asked them how they thought we could improve year over year, often seeking second look opinions by captive consultants; second, we regularly invested the surplus gained by the captive back into the parent organisation for risk grants, funding of safety programmes and personnel, and other methods to mitigate risk; and third, we took governance very seriously, engaging internal leadership at regular meetings to encourage transparency and share information we were learning about our own risk profile.

**Captive insurance is evolving from an alternative risk financing vehicle to a necessary component of total risk programmes. For professionals just beginning their captive careers, how should they be positioning themselves to meet this expanding demand, and what skills will be most valuable in the next decade?**

**McClure:** We definitely do not think of captives as alternative anymore. The trajectory of this industry is only going up. For those new to it, I would highly recommend attending all conferences their employer will allow, and submitting ideas for

panel sessions is a great way to become highly visible at the conference and gain an employer's backing for attendance.

CICA, Western Region, and other state-based domicile conferences are all seeking next generation involvement and would welcome speakers.

I would enrol in ICCIE courses to complete the ACI designation which not only educates but distinguishes graduates from others. I would also learn as much about an industry as you can, such as healthcare or construction, as the years go by, so that you have some in-depth knowledge about how best to serve an area that truly interests you.

**Your expertise spans an unusually broad range of coverage lines, from professional liability and cyber to aviation and property. How did you develop this breadth of knowledge, and what advice would you give to younger professionals about building expertise across multiple disciplines rather than specialising in just one?**

**McClure:** I do consider healthcare, which is about one-third of my business, as a particular specialty. Because health systems also must have significant coverage for other lines like cyber, aviation, property, and others, it was natural for me to learn those as well. The great thing about being in this captive industry is that you can pick a few favourites but you will most often be dealing with diversified captives whose risk spans multiple lines, so you will continue to learn.

**You have held leadership positions with multiple states' associations, and CICA, and you are now chair of CICA's board. What has your involvement with industry associations taught you about the captive community, and how has this engagement shaped your professional development in ways that day-to-day work alone might not have?**

**McClure:** I consider my years of service on industry boards, which I believe will continue for many years to come, as crucial to my career development. Hearing, in person, from colleagues

who are in different service roles or are captive owners, gives one a perspective not otherwise available.

Debating and dialoguing in those meetings about best practices is a huge learning opportunity, and I consider many of my colleagues who have served alongside me to be true mentors and friends. In the end we are not competitors, but we all love the business we are in and want it to continue to grow.

**Healthcare captives face unique challenges, from medical malpractice volatility to evolving patient safety risks. Drawing on your healthcare background, what principles from healthcare risk management do you believe translate well to other industries, and what aspects are truly unique to the healthcare sector?**

**McClure:** In healthcare, we drew from aviation as our model. Checklists, safety officers, time outs before proceeding with critical functions, and making sure employees had the right tools all came from there. Healthcare took that body of work and implemented things like time outs before surgeries where we make sure everyone in the room is on the same page before we do something irreversible. Another is speaking up when we think something seems off, for example when a nurse needs to question a doctor. Other industries began to follow, and as these protocols are shown to reduce risk, aspects of them are highly useful to other industries. My company manages construction captives, oil and gas, and other industries where I see these tools being used regularly.

**You earned your ACI designation in 2024, despite already having decades of experience and significant industry recognition. What motivated you to pursue additional formal captive education at this stage of your career, and what message does this send to emerging professionals about the value of continuous learning?**

**McClure:** That is just it. I wanted to send a message to my staff and others that formal captive education is important, regardless of years spent in the industry. There were several topics I did not know enough about to feel comfortable in

certain conversations, and having the education truly helped me with that. There were classes that were challenging to me, and I appreciated that I was learning, even though some of the tests were painful!

**Relationships and trust are often cited as essential in our industry. Reflecting on your career, can you share an example of how a relationship or mentor significantly influenced your trajectory? What advice would you offer to those seeking to build meaningful professional connections in the captive space?**

**McClure:** My partners, Kyle Sweet and Blake Kerr, and I have to trust each other. We sometimes have to have hard conversations, but always with the knowledge that those who rely on us, our clients, employees now working for us in multiple offices, and our families, need us to work through any challenges.

I would say they inspire me the most, and, like siblings, even though we sometimes have to have hard conversations, we are each other's biggest fans.

My advice is to surround yourself with those who are willing to give you constructive advice, and with whom you can share clear common goals.

**You are known for your work in creating custom endorsements and policy forms to address evolving risks. What is your process for identifying emerging risks and developing insurance solutions before they become mainstream concerns? How can professionals cultivate this forward-thinking mindset?**

**McClure:** This is truly one of the most enjoyable parts of my job: to take an evolving risk and create a solution. Working with actuaries who have the ability and drive to find relevant data is key.

Thankfully, we have identified truly great actuaries we love to brainstorm with on how we can use captives, fronting

programmes, reinsurers, and other structures to solve clients' problems. We have a significant book of business in industries that struggle to find capacity or right pricing in commercial markets, such as explosives, firearms, psychedelics, and others, and we are able to help using creativity and sound data, which is extremely satisfying.

**After years in large organisations like Aon and the large health system, you co-founded Helio Risk. What prompted that entrepreneurial leap, and what has surprised you most about building a captive management practice from the ground up?**

**McClure:** My partners and I felt strongly there was a true lack of independent captive management firms, and that given the growth of the industry, it was the right time to start.

My partner Kyle was a captive owner for another one of his businesses and had experienced what I had as a captive owner, in that most of our competitors are connected to brokerages and therefore the work of the company is secondary to the production of commercial market insurance solutions.

We built Helio Risk with a model of true independence from any competing interest and with the solitary focus on providing management and risk consulting services that are best in class. Our initial hypothesis has been proven true, and our growth has exceeded our expectations. We are celebrating our three-year anniversary in March tremendously encouraged by this. ■

#### Get Involved

If you would like to participate in the new 'ALTERNATIVE KNOWLEDGE TRANSFER' series, or wish to nominate a senior professional to share their expertise, please contact our reporter:

Elliot Hayes [elliiohayes@captiveinsurancetimes.com](mailto:elliiohayes@captiveinsurancetimes.com)

# **The Reinsurance 'Shock Absorber': Accounting for Solvency and Stability in Captives programmes deserve a place in your captive**

Diana Hardy, CPA, CFE, managing director of audit operations and chief operating officer at RH CPAs, explains how robust reinsurance programmes act as a shock absorber for solvency. She reviews complex structures, counterparty due diligence, and the impact of new standards like IFRS 17 on captive accounting



**From an accounting perspective, how does the presence of a robust reinsurance programme directly influence a captive insurer's solvency margin and overall financial stability?**

**Diana Hardy:** Think of strong reinsurance as a shock absorber for a captive. By transferring risk off the balance sheet, it lowers the captive's net retained exposure and, therefore, the capital required to meet solvency tests.

The practical result is greater capital efficiency — captives can support more risk or free capital for other uses.

What are the key accounting considerations and potential complexities arising from different reinsurance structures (e.g., proportional versus non-proportional), and their impact on a captive's balance sheet and income statement?

Proportional treaties shift a percentage of premiums, claims and sometimes costs to the reinsurer, which tends to produce straightforward ceded premium and ceded reserve entries.

Non-proportional, such as excess of loss covers, are triggered by severity and create timing and estimation complexities around recoverables and attachment points.

Accounting implications include variability in premium ceding patterns, potential timing mismatches between ceded premium expense and recoveries, and more complex disclosures. In short, it is important to understand each reinsurance contract, as the accounting is not a 'one size fits all'.

**How do accountants assess the quality and security of reinsurance counterparties, and which financial metrics are crucial in determining their reliability from a captive's solvency standpoint?**

**Hardy:** A main consideration is whether credit for reinsurance is allowed. Statutory Accounting Principles and Generally Accepted Accounting Principles (GAAP) differ in the evaluation of credit for reinsurance.

States authorise reinsurance carriers for Statutory purposes, so if the reinsurer is authorised credit is automatically given.

When the reinsurer is unauthorised then collateral must be posted in some manner or form, whether it be directly posted assets, a letter of credit, trust for the benefit of the ceding

insurer, or other types of collateral. As accountants we closely examine the credit for reinsurance.

For GAAP companies the process is more complex, companies under Financial Accounting Standards Board (FASB) 326-20 must establish a reporting framework and recognition of Current Expected Credit Losses (CECL).

The assessment of credit for reinsurance on a GAAP basis is more complex, and requires more judgement, however, collateral always helps.

A few key items to evaluate include credit ratings, regulatory capital, liquidity ratios, and available collateral (trusts, funds-withheld, and letters of credit). Important metrics include balance-sheet strength (surplus/solvency margin), leverage, liquidity coverage, and claims-paying ratings.

**Could you elaborate on the accounting treatment of reinsurance recoverables and the potential impact of delayed or disputed recoveries on a captive's capital adequacy calculations?**

**Hardy:** Reinsurance recoverables are recorded as assets to the extent they are probable and measurable. When recoveries are delayed or disputed, captives must evaluate collectability, book allowances or write-offs. Delayed recoveries effectively increase net retained liabilities and reduce usable capital until resolved.

**In your experience, what are some common pitfalls or accounting errors that captive insurers should be particularly mindful of when dealing with reinsurance arrangements, especially regarding their impact on reported solvency?**

**Hardy:** Frequent errors include overstating reinsurance recoverables without sufficient evidence of collectability, inconsistent treatment of ceded premiums versus ceded reserves, failing to capture timing mismatches from multi-layer treaties, and inadequate disclosures.

Mistakes like recognising recoverables before contractual conditions are met or failing to hold allowances for credit exposure directly inflate solvency ratios and create regulatory headaches later. Prevent these by enforcing disciplined contract reviews, consistent recognition thresholds, or consulting with an accountant at the time a new contract is entered into.

**What are the accounting implications of contingent capital arrangements, such as letters of credit or parental guarantees often linked to reinsurance programmes, and how are these reflected in a captive's solvency position?**

**Hardy:** Letters of Credit (LOCs), trust accounts, and parental guarantees create explicit security that improves the admissibility of recoverables. LOCs and funded trusts are often viewed as highly reliable collateral and can materially strengthen solvency metrics. However, guarantees and LOCs require careful legal and accounting review. In practice, well-structured contingent capital instruments can materially reduce capital charges, but only when documented and recognised under the domicile's statutory and accounting rules.

**Looking ahead, are there any emerging accounting standards or regulatory changes relating to reinsurance that captive accountants should be proactively considering in relation to solvency and capital adequacy?**

Globally, the biggest ongoing change has been IFRS 17 which recasts insurance and reinsurance accounting, treating reinsurance contracts held as standalone contracts with new measurement and disclosure demands. Its adoption continues to influence reporting and retrospective restatements in many markets.

**From a due diligence perspective, what key accounting information and analyses would you recommend a captive owner or manager focus on when evaluating the solvency and capital implications of a proposed reinsurance programme?**

**Hardy:** When evaluating a new reinsurance programme, I tell owners to 'follow the money'. Start by reviewing the treaty itself and mapping how premiums, claims, and recoveries are expected to flow.

**Then look at the numbers behind it: counterparty financial strength, any collateral or letters of credit backing the deal, and modelled gross-to-net reserve scenarios from the actuaries. Finally, run stress tests — what happens to solvency if recoveries are delayed, or if a large claim hits above expected levels?**

**Hardy:** By combining contract terms with financial analysis, you get a clear picture of whether the programme truly strengthens the captive's capital position or just looks good on paper. ■



The assessment of credit for reinsurance on a GAAP basis is more complex, and requires more judgement, however, collateral always helps

**Diana Hardy**

Managing director of audit operations and chief operating officer  
RH CPAs



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# [RE]CONNECT

CAYMAN ISLANDS 2026

## Cayman's reinsurance showcase expands to two days

Now in its third year, [Re]Connect 2026 returns to The Ritz-Carlton, Grand Cayman on 16-17 April with an expanded programme and keynote address from the premier. Kearney, chair of the CIRCA Marketing Committee, speaks to Nicole Bennett about the jurisdiction's growth as the world's number two international insurance domicile

**For readers who may be new to the jurisdiction, could you provide an overview of the Cayman International Reinsurance Companies Association (CIRCA) and its primary mission in supporting the islands' position as a leading global reinsurance hub?**

**Conor Kearney:** CIRCA serves as the unified voice of Cayman's commercial reinsurance sector, representing more than 70 full and associate member firms across the ecosystem. Our role is to foster collaboration, support regulatory excellence, and promote informed dialogue on matters affecting the industry's development.

We work closely with the Cayman Islands Monetary Authority (CIMA) and the Cayman Islands Government, as well as local and international stakeholders, to support responsible growth that strengthens market confidence and policyholder protection aligned with international standards.

Beyond this, CIRCA plays an outward-facing role, helping international audiences understand Cayman's regulatory framework and market structure. ReConnect in April and the Cayman Islands Reinsurance Roundtable in New York each October form an important part of that engagement.

**With Cayman now established as the #2 jurisdiction worldwide for international insurance, how does [Re] Connect provide a “front row seat” to a sector that has seen 50 new reinsurers and US\$25 billion in asset growth in just three years?**

**Kearney:** We launched ReConnect in 2023 as a dedicated forum for senior-level discussion on reinsurance and related capital markets. Cayman’s growth in international insurance and reinsurance has been substantial in recent years. As of the end of 2025, the jurisdiction had 720 Class B, C, and D insurers licensed, including 113 reinsurance companies. Reinsurance premiums totalled approximately US\$30.1 billion in 2025, with total reinsurance assets under management reaching US\$101 billion.

ReConnect brings together executives, regulators, policymakers, and capital providers, offering participants direct access to the people shaping the market.

**Last year’s event saw a significant jump in attendance to approximately 650 delegates. What were some of the most impactful takeaways from the 2025 sessions that have helped shape the 2026 agenda?**

**Kearney:** Now in its third year, ReConnect has grown steadily since its launch, with year-on-year increases in attendance, speaker participation, and industry support. In 2025, 650 delegates representing more than 200 companies attended, reflecting the continued growth and senior-level engagement the conference attracts.

Feedback from delegates consistently underscored the value of candid, substantive exchange between regulators, policymakers, and industry leaders — particularly around supervisory expectations, capital and regulatory frameworks, and cross-border alignment.

Many noted that the ability to engage directly with decision-makers in an open forum distinguished ReConnect from larger, more transactional events.

That momentum has directly shaped the 2026 programme. This year, we are expanding ReConnect to a full two-day format in response to both increased participation and the depth of discussion expected by a senior audience. The agenda now clearly distinguishes between a Cayman-focused first day and a second day addressing global reinsurance and capital markets developments.

This evolution reflects both the growth of the conference and the increasing maturity of the discussions taking place.

**The ‘myth-busting’ panel from last year was particularly well received. How is CIRCA continuing to address the need for transparency and “getting the word out” regarding Cayman’s status as a serious and robust reinsurance jurisdiction?**

**Kearney:** The strong response to that session reinforced the importance of open, fact-based dialogue. Cayman operates a proportionate, risk-based regulatory framework aligned with international standards.

For US statutory business, reserves are fully collateralised and held in qualifying US trusts or custodial accounts, and supervisory engagement is ongoing and substantive. CIRCA’s approach is to focus on clarity rather than confrontation. We provide data, context, and direct engagement to support informed discussion. ReConnect itself plays an important role by bringing regulators, policymakers, and industry leaders together in the same forum to address questions transparently.

Our objective is straightforward: to ensure that discussion about Cayman’s reinsurance sector is grounded in fact and informed by how the framework operates in practice.

**With expectations of more than 750 attendees for 2026, what are the core themes and emerging trends — such as macro shifts or capital raising — that will lead the programme at The Ritz-Carlton, Grand Cayman?**

**Kearney:** We expect to welcome approximately 750 senior professionals, and the event will run as a full two-day programme with a deliberate structure.

Day one focuses on Cayman, including the expanded Discover Cayman sessions, which provide practical discussion on licensing pathways, capital requirements, regulatory engagement, and operating expectations within the jurisdiction.

Day two shifts to broader global reinsurance and capital markets themes, reflecting the evolving international landscape. The programme features a keynote address from the Hon. André M. Ebanks, MP, Premier and Minister for Financial Services, as well as a featured conversation with



Mrs Cindy Scotland OBE, chief executive officer (CEO) of CIMA, offering valuable insight into policy direction, supervisory priorities, and regulatory engagement.

A dedicated climate resiliency panel will also examine systemic risk and the role of public-private partnerships in supporting long-term resilience, featuring US Insurance Commissioners.

**We understand the ‘Discover Cayman’ sessions have been moved to the main ballroom this year. What can potential new entrants expect to learn from this expanded track regarding the licensing process and the “business-friendly environment” on the islands?**

**Kearney:** The Discover Cayman sessions were fully subscribed last year. In response, they have moved to the main ballroom for 2026 to allow for additional capacity, and an additional session has been added.

The programme includes focused discussions on licensing pathways and capital requirements, regulatory engagement and supervisory expectations, and establishing and operating in Cayman.

These sessions provide practical clarity on capital expectations, reporting requirements and supervisory engagement.

For prospective entrants, this track offers structured insight into both the opportunity and the standards expected, along with direct access to regulators and experienced market participants.

**The Premier, Hon. André M. Ebanks, MP, is scheduled to deliver the keynote address. What does this level of government engagement signal to the industry about Cayman’s commitment to its financial services sector?**

**Kearney:** The Premier’s participation signals alignment and policy continuity. As Premier and Minister for Financial Services, his keynote reflects the importance of financial services — and reinsurance specifically — within Cayman’s economic framework.

The 2026-2028 Strategic Policy Statement identifies ‘Growing the reinsurance sector’ as a specific outcome under the Ministry of Financial Services. This clarity of direction signals that the continued development of reinsurance is an articulated government objective.

We are also delighted that the Cayman Islands Government is one of our premium sponsors, alongside Cayman Finance and Dart. Government engagement at this level reinforces the close coordination between policy, regulation, and industry, which in turn supports long-term confidence among market participants.

**Networking is a cornerstone of this event. Could you highlight the value of the signature off-site activities, such as the catamaran cruise, in fostering high-level connections within the global reinsurance community?**

**Kearney:** Networking is embedded throughout the programme. Day one includes the Discover Cayman sessions followed by optional networking activities, including the

catamaran cruise and golf, and concludes with an offsite evening reception at Camana Bay.

Day two integrates extended breaks and a hosted lunch during the main conference day, along with a closing reception at The Ritz-Carlton.

For 2026, we have introduced a dedicated additional networking space, and exhibitor capacity has been expanded to accommodate increased participation.

The overall structure is designed to support meaningful interaction and follow-up, both on stage and off.

**For our readers at Captive Insurance Times who are weighing their 2026 conference calendar, what makes [Re]Connect a “must-attend” compared to more traditional reinsurance hubs?**

**Kearney:** ReConnect offers something distinct from larger, more traditional conferences.

It is not a trade show and it is not sales-led. The event is deliberately curated for a senior, informed audience and structured around substance rather than scale.

The two-day structure combines jurisdictional depth on day one with broader global reinsurance and capital markets discussion on day two.

For captive owners, sponsors, and advisors monitoring the evolution of international reinsurance, ReConnect provides concentrated access to decision-makers and practical insight in a focused setting.

**Finally, registration for 2026 is officially open; are there specific group discounts or member rates that organisations should keep in mind as they plan their attendance for April?**

**Kearney:** Yes. CIRCA Full Members receive preferred registration rates, and group discounts are available for any organisations registering five or more delegates. Early registration is encouraged as preparations continue for 16-17 April 2026.

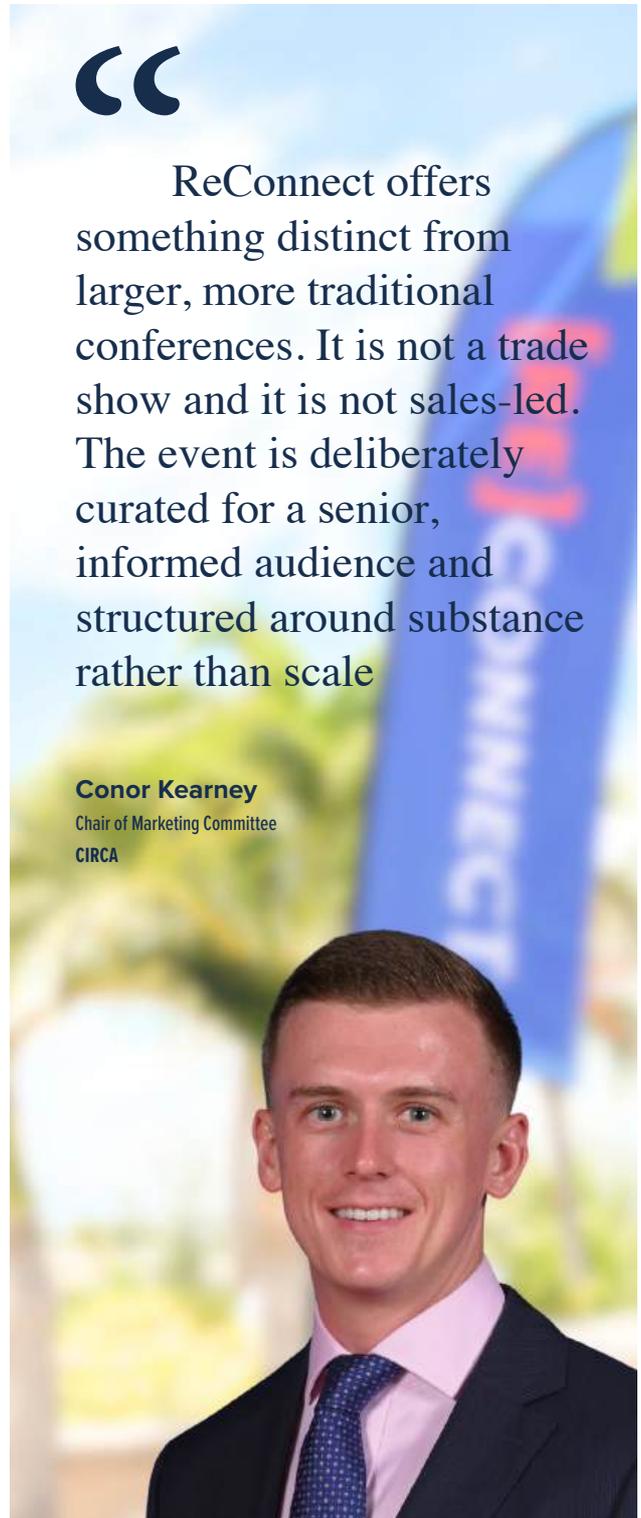
More information and online registration can be found at [www.reconnect.ky](http://www.reconnect.ky) ■

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ReConnect offers something distinct from larger, more traditional conferences. It is not a trade show and it is not sales-led. The event is deliberately curated for a senior, informed audience and structured around substance rather than scale

**Conor Kearney**

Chair of Marketing Committee  
CIRCA



# Industry Appointments



**Brown appointed deputy commissioner of Vermont Captive Division**

The Vermont Department of Financial Regulation (DFR) formally announces the gubernatorial appointment of Christine Brown as deputy commissioner of its captive insurance division.

Brown, who has served as acting deputy since the retirement of Sandy Bigglestone at the beginning of the year, takes on the role on a permanent basis.

She is just the fourth person to hold the position since the passage of the Special Insurer Act of 1981, which established the Vermont captive domicile.

In her new capacity, Brown is responsible for the administration and regulation of captive insurance companies and risk retention groups within the domicile.

A veteran of the division since 2003, she previously served as the director of captive insurance from 2022.

During her tenure, she has been involved in all aspects of the analysis and examination processes, including 18 years as assistant director.

Commissioner of the Vermont DFR, Kaj Samsom, says: “I am truly thrilled to announce that Christine Brown has accepted the position of deputy commissioner of the Vermont Captive Division. Vermont is a global leader in captive regulation, and Vermont’s

tradition of experienced professional leadership continues.”

Commenting on her appointment, Brown adds: “I am honoured to have been selected to lead our exceptional team of dedicated captive insurance professionals. DFR’s decades of regulatory expertise, its globally respected reputation within the industry, and our strong partnership with industry stakeholders underscore the strength of Vermont’s foundation.”

Beyond her work at the DFR, Brown has served as principal staff to the chair of the National Association of Insurance Commissioners (NAIC) Risk Retention Group Task Force since 2018. Prior to joining the regulator, she spent seven years in public accounting with Johnson Lambert LLP and Ernst & Young LLP. ■



**I-RE strengthens Bermuda leadership team with senior appointments**

I-RE strengthens its senior leadership team in Bermuda with the appointments of (L)Simon Long as managing director of I-RE Ltd and (R)Charles Kittrell in underwriting operations.

The specialist captive insurance and reinsurance underwriter notes that the senior hires mark a key moment in the company’s evolution, reflecting strong recent growth and ambitious plans for 2026.

Long steps into the managing director role at the heart of the firm’s development and will be central to the continued building of the business. He is joined by Kittrell, who is appointed to the underwriting operations team after progressing through the organisation as an analyst.

The expansion follows a standout period of growth in 2025, driven by record demand for the firm’s

flagship RE-PAID product. Launched in 2019, RE-PAID is an all-in-one commercial property and general liability captive solution designed specifically for high-performing US mid-market clients seeking greater control and price stability.

In 2026, I-RE plans to expand its underwriting and commercial capabilities by deploying technology to bring its teams, brokers and captive manager partners closer together to support faster decision-making and deeper collaboration.

Commenting on the appointments, I-RE co-founder Andy Jeckells says: “I-RE has reached an exciting moment. We have a proven product, strong broker and captive manager relationships and growing demand from an increasingly diverse base of clients.”

Jeckells adds: “These appointments reflect our confidence in the future and the next phase of our growth. Our priority now is to invest in people, technology and collaboration to make this happen.” ■



**HoganTaylor expands captive expertise with appointment of Beverly**

HoganTaylor expands its tax practice and captive insurance capabilities with the addition of Colin Beverly as a tax partner in its Tulsa office, effective 9 February 2026.

Beverly brings more than 20 years of experience in tax compliance, planning and consulting, having served clients across multiple industries.

Throughout his career, Beverly has advised clients in sectors including oil and gas, retail, manufacturing and professional services. His experience includes working with closely held and specialised ventures such as horse racing operations, vineyard development and captive insurance arrangements, as well as aircraft acquisition and wealth-transfer planning.

Prior to joining the firm, Beverly advised high-net-worth families, estates and trusts, and handled multi-state filers and complex pass-through entities. He is a certified public accountant and holds a bachelor of science in accounting from the University of Central Oklahoma.

Commenting on the addition, Jamie Keehn, lead tax partner at HoganTaylor, says: “Colin’s background and technical experience align well with the needs of our clients. His addition strengthens our tax practice in Tulsa and across the firm.”

HoganTaylor is one of the largest public accounting and business advisory firms in Oklahoma and Arkansas, and is an independent member of PrimeGlobal. ■



**Pinnacle Actuarial Resources promotes Maxwell to principal**

Pinnacle Actuarial Resources (Pinnacle) promotes Laura Maxwell to the role of principal and consulting actuary, effective 1 January 2026.

Based in the firm’s San Francisco office, Maxwell currently leads Pinnacle’s functional supervisor and professionalism key management areas. She serves as the appointed actuary for numerous insurance companies, including captives and self-insured public entities such as cities, counties and school districts.

Maxwell has worked in the property and casualty insurance industry since 1987. She joined Pinnacle in 2006 from another consulting firm, having previously held positions with a direct auto insurer, a state insurance department and a national rating bureau.

A recognised thought leader in the industry, Maxwell has served on several Casualty Actuarial Society (CAS) and American Academy of Actuaries (AAA) committees. She

currently chairs the CAS Casualty Loss Reserve Seminar (CLRS) Planning Committee and serves as a general officer on the Syllabus and Examination Committee.

Commenting on the appointment, Pinnacle managing principal Roosevelt Mosley says: “I am pleased to congratulate Laura on becoming Pinnacle’s newest principal.

She has been an exceptional leader, at our firm and within the actuarial profession, with decades of outstanding service to both our clients and our industry”.

Mosley adds: “Laura has lived our firm’s values with the highest level of commitment to standards and practices. She has been an invaluable contributor to our firm and our clients’ success for two decades”.

Pinnacle is an independent, full-service property and casualty actuarial firm owned by its professional staff. Headquartered in Bloomington, Illinois, the firm also maintains offices in Atlanta, Chicago and San Francisco. ■

**Job promoted to partner at ClearPoint Health**

Justin Jobe has been promoted to partner, captive and stop-loss strategy, at ClearPoint Health. Jobe previously served as regional vice president of sales for the firm since August 2024.

In his new role, Jobe focuses on alternative funded health insurance solutions, including medical stop-loss captives and level-funded products. He is responsible for supporting benefit advisors in assessing employer risk and creating cost-management strategies centred on avoidable and addressable risk.

ClearPoint Health operates as a full-service marketplace for employee benefits, providing tools for advisors to select solutions, manage claims, and implement transparent pharmacy and pharmacy benefit manager (PBM) programmes. Prior to joining ClearPoint, Jobe was regional sales director at Crumdale Partners, where he managed sales activities and market forecasting.

His career also includes senior leadership positions such as director of business development at 6 Degrees Health Dx and executive vice president of sales at East Texas Benefits.

Additionally, Jobe spent more than four years at CHRISTUS Health in various roles, including sales and marketing manager and Medicare sales representative. Commenting on his new position via LinkedIn, Jobe says: “I’m happy to share that I’m starting a new position as Partner, Captive & Stop-Loss Strategy [at] ClearPoint Health.”

He adds: “New Year... New Vision... New Goals... Same Mission: To provide your clients with true cost management focusing on avoidable and addressable risk. Ready for the best year yet!” ■



**Scherer joins TxCIA board of directors**

The Texas Captive Insurance Association (TxCIA) appoints T.J. Scherer to its board of directors.

Scherer, who currently serves as vice president at Spring Consulting Group (Spring), brings more than 10 years of experience in advising organisations on complex risk management and captive insurance programmes.

Based in Modesto, California, Scherer joined Spring in July 2023.

In his current role, he is responsible for developing the firm’s domestic and international property and casualty (P&C) and employee benefit consulting and actuarial business.

In his new position on the TxCIA board, Scherer will collaborate with industry peers to support the association’s mission through strategic oversight, regulatory guidance and industry advancement as Texas continues to grow as a captive domicile.

Commenting on the appointment, Spring says: “As Texas continues

to grow as a premier domicile, we are thrilled to have TJ helping shape the future of the industry. We know his expertise and leadership will be an incredible asset to the board and the broader captive community.”

The TxCIA serves as a primary information resource for members and regulators, providing networking and marketing opportunities for individuals and organisations involved in the sector.

The association actively advocates for state and national policies that encourage the use of captive insurance for risk management.

Key objectives for the TxCIA include promoting Texas as a premier domicile and encouraging captives in other jurisdictions to re-domicile to the state.

Through an aggressive advocacy programme in Austin and Washington, D.C., the association works to protect the interests of captive entities by building relationships with key decision-makers and state regulatory officials, including the Texas Department of Insurance. ■

**Patel joins MAXIS GBN as chief business development officer**

MAXIS Global Benefits Network (MAXIS GBN) appoints Jayesh Patel as chief business development officer, subject to regulatory checks.

Effective 5 May 2026, Patel will join the network’s executive committee and report to CEO Mattieu Rouot.

In his new role, he will oversee the global business development team and be responsible for the implementation of the firm’s global strategy.

Patel joins the firm from Allianz Commercial, where he has served as global head of multinational market practice since 2022. Prior to this, he spent nearly 20 years at Allianz Global Benefits in various senior leadership roles, including regional director for the UK and Ireland and global head of tender and risk management.

Commenting on his appointment, Patel says: “I’m delighted to be joining MAXIS GBN and look forward to using my expertise in global strategy and business development to lead its impressive business development team to even greater success”.

Rouot adds: “I’m excited that Jayesh will be joining the MAXIS GBN team in May. He has a wealth of knowledge and experience from nearly two decades in the employee benefits and property and casualty industries”.

MAXIS GBN, co-founded by MetLife and AXA, is an international employee benefits network providing services in over 100 markets globally. The network currently manages a portfolio of more than €2.4 billion. ■

Image: TxCIA

Image: MAXIS GBN



**Shamblin joins Pinnacle Financial Partners as Managing director**

Pinnacle Financial Partners has appointed David Shamblin as managing director, effective January 2026. Shamblin also takes on the roles of senior vice president, captive and reinsurance team lead, and collateral solutions lead.

In his new position, Shamblin leads Pinnacle’s specialised captive and reinsurance team. The dedicated business unit provides products, services, and advice for risk-bearing entities, including banking, treasury management, trust, custody, and investment management. He is also responsible for collateral solutions via reinsurance trusts and letters of credit.

Shamblin has been with Pinnacle Financial Partners since June 2018, previously serving as director of the institutional and insurance group, senior vice president, and trust and wealth advisor.

Before joining Pinnacle, Shamblin spent nearly three years at BB&T Wealth as vice president and private wealth advisor. During his tenure, he focused on financial planning, including estate and trust, business transition, and risk management.

His career also includes more than two years as assistant vice president at SunTrust and five years as a managing associate and financial advisor at Capital Financial Group. Shamblin is a Certified Trust and Fiduciary Advisor (CTFA).

Commenting on his new role, Shamblin says: “I’m happy to share that I’m starting a new position as Managing Director - Captive and Reinsurance Team Lead - SVP - Collateral Solutions at Pinnacle Financial Partners!”

Pinnacle Financial Partners is a Nashville-based financial services firm founded in 2000. The organisation provides a full range of banking, investment, trust, mortgage, and insurance products to businesses and individuals. ■



**GPW**  
MANAGERS · ACTUARIES  
CONSULTANTS

Based in Phoenix, Arizona, GPW & Associates was founded in September 1998 and now manages over 4,000 captive and insurance entities, serving clients nationwide ranging from small businesses to companies with multi-billion-dollar annual revenues. Specializing in meeting diverse risk management needs, GPW offers a unique combination of captive and reinsurance management, accounting, tax, compliance, and actuarial services, all under one roof, providing clients with efficient and comprehensive solutions. Our team of captive experts includes credentialed Casualty and Life Actuaries, Certified Public Accountants, and Associates of Captive Insurance.



## WHAT WE DO



- **Captives:** GPW specializes in providing cost-effective captive insurance solutions for mid-size and large corporations in a variety of industries.



- **F&I Reinsurance:** GPW is the premier provider of management, accounting, tax, and compliance services, focusing on producer-driven reinsurance programs for the automobile and banking industries.



- **Actuarial Services:** GPW offers a full range of actuarial services, including pricing, reserving, and product development for a variety of insurance coverages.



## WHY CHOOSE US

- **Full-Service Insurance Company Management:** Integrated captive, reinsurance, accounting, tax, and actuarial services in one place.
- **Industry Leader in F&I Reinsurance:** Deep expertise in program design, compliance, and profit optimization.
- **Bespoke Solutions:** Tailored reinsurance and captive programs to meet unique client goals.



# Collateral Trust Services

## Our advantage

Truist Corporate Trust & Escrow Services has a long history of trust, escrow, and risk management excellence with both domestic and international coverage.

If you're choosing a cost-effective and convenient collateral trust as part of your captive and reinsurance solution, we have a broad range of specialties that can help mitigate risk in your insurance business:

- Collateralized Reinsurance
- Regulation 114 Trusts
- Captives
- Surety Bonds
- Insurance-Linked Securities
- Deductible Trusts

Our experience is only one aspect of what differentiates our reinsurance trust business from other firms. Additionally, we excel because of:

- Single point of contact
- Comprehensive servicing
- Rapid response times
- Team of reinsurance specialists
- Extensive carrier relationships

To learn more about how Truist can efficiently and comprehensively support your escrow transaction, please contact:

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