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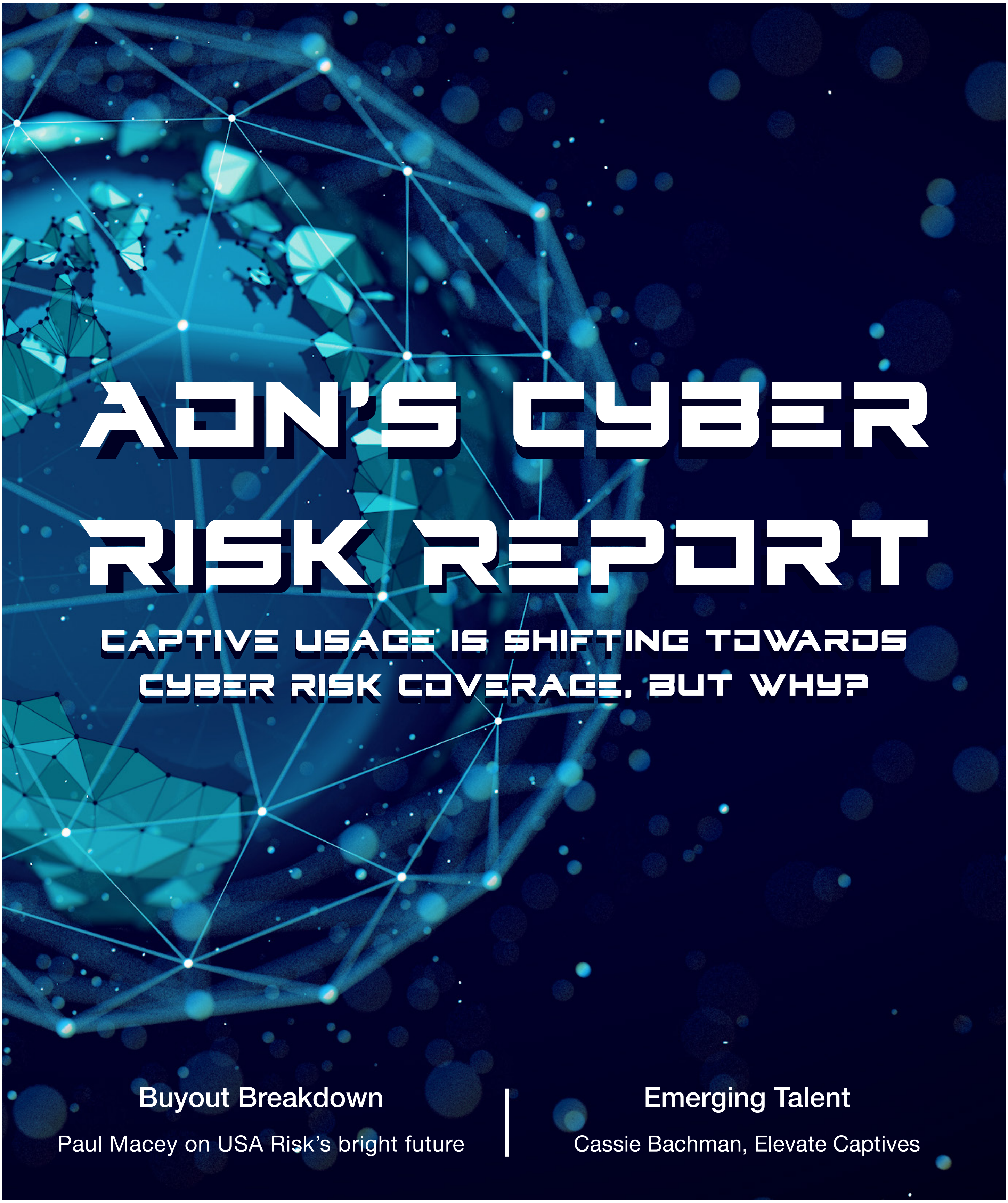
26 June 2019 - Issue176



AON'S CYBER RISK REPORT

CAPTIVE USAGE IS SHIFTING TOWARDS CYBER RISK COVERAGE, BUT WHY?

Buyout Breakdown

Paul Macey on USA Risk's bright future

Emerging Talent

Cassie Bachman, Elevate Captives

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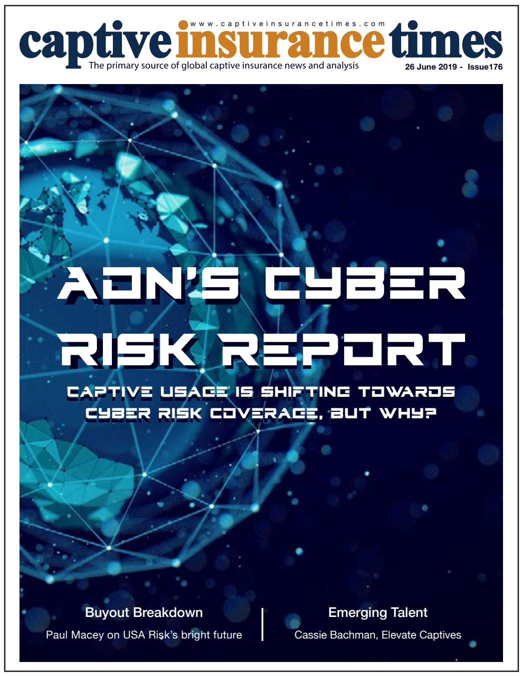


Contents

BPS moves main office to support captive expertise growth

Bauknight Pietras & Stormer (BPS) has moved its main office to support its growth in captive insurance expertise.

The regional public accounting and captive insurance consulting firm is one of the largest of its kind in the Midlands.

It specialises in the provision of tax, accounting and consulting services across a range of industries, including insurance, professional services and technology.

The move to Columbia's central business district, scheduled for 15 July, will allow additional office space and employee capacity.

Russell Bauknight, managing shareholder at BPS, said: "When we began looking for a new office, the need for more space was obvious, but we were also excited about the opportunity to move to main street to join what we see as a renaissance of the city." ■

Russell Bauknight, Managing shareholder, BPS

ICCIE unveils Harry House Captive Insurance Scholarship

The International Center for Captive Insurance Education (ICCIE) has unveiled the Harry House Captive Insurance Scholarship.

The Harry House Captive Insurance Scholarship, sponsored by HAI Group, consists of one full scholarship and one course scholarship per year for coursework leading to an Associate in Captive Insurance (ACI).

These awards are only eligible to minority college students currently participating in actuarial or risk management programmes.

Applicants must detail their course, grades, extracurriculars, and long term goals.

ICCIE stated that the recipients will be selected on the basis of "scholastic excellence" and "good standing in the university community".

Also unveiled was the Vermont Captive Insurance Association (VCIA) Distinguished Scholar Award, which constitutes of one full scholarship per year. Sponsored by the VCIA, it is only accessible to the group's members. Applicants must be employed by a member company of VCIA, provide two reference letters regarding their involvement in the captive insurance industry and prove their involvement in extracurriculars. The recipient will then be selected by an ICCIE panel of three industry members.

> "Scholarships like the Harry House scholarship provide professionals in the insurance industry the opportunity to strengthen their skills and better serve customers. HAI Group is thrilled to be a sponsor of such an impactful award"
>
> Ed Malaspina, president and CEO, HAI Group

The deadline for both scholarships is 30 June 2019. Recipients will be announced at VCIA's Annual Conference in August. ■

Almost 800 delegates at ‘best yet’ Bermuda Captive Conference

Almost 800 delegates attended the annual Bermuda Captive Conference for 2019, which featured networking opportunities and expert panels.

The three day industry conference was attended by captive owners, brokers, risk managers, service providers and vendors from multiple domiciles. The conference theme this year was ‘Elevate’, a nod to current industry discussions surrounding insurtech, cyber risk and artificial intelligence.

This year’s conference also honoured four Bermuda-based companies with an induction into the Bermuda Captive Hall of Fame for 25 years in the market.

Scott Reynolds, president of the Bermuda Captive Owners Association, described the 2019 conference as “the best yet”, while conference chair Mike Parrish labelled it a “big success”.

Parrish continued: “Once again, the Bermuda Captive Conference has set a high bar to surpass. The numbers tell the story every year, confirming this event provides a boost to our industry, to our business community, to hospitality, and to Bermuda’s economy.”

Gemma Godfrey, COO of The Whitfield Group, the conference organiser, added: “Bermuda Captive Conference extends sincere thanks to all local and overseas companies that supported this year’s event, which brought almost 120 captive owners to the island. Early feedback from attending captives commended this year’s event agenda for its topic relevance as some of the best educational content in recent years.” ■

Compre adds to shares in Gibbon Pools in trio of acquisitions

Reinsurance legacy specialist Compre has acquired the shares of Gibbon Pools from three companies in a move to enhance its non-life insurance reinsurance offering.

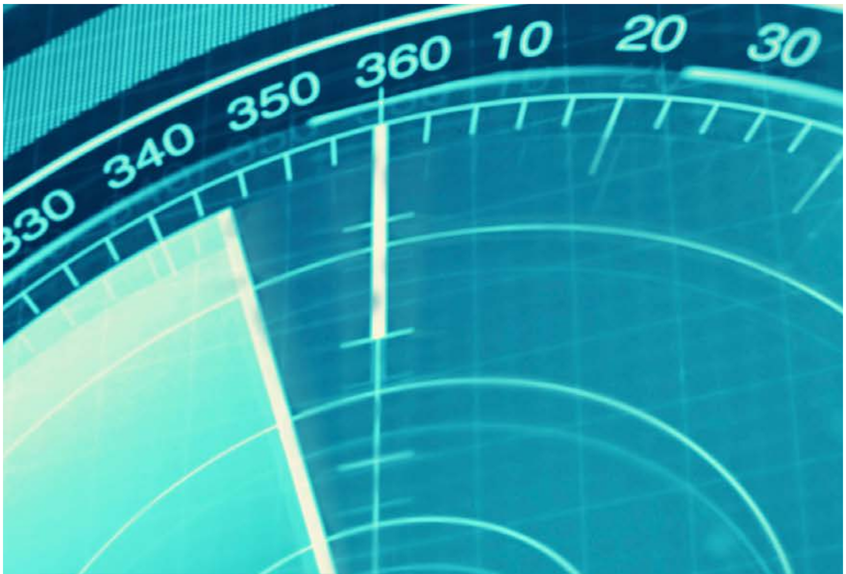
Compre signed three transactions involving Basler Versicherung, Helvetia Swiss Insurance Company and an undisclosed European insurance group.

The independent European group specialises in reinsurance solutions, run-off acquisitions, and management and closure of run-off liabilities. Compre is set to acquire the entirety of the UK branch liabilities from Basler Versicherung, a subsidiary of Bâloise Holding, which contains its share of the Gibbon Pools.

This follows deals made by Compre in 2017, which saw the privately-owned business acquire the shares in the Gibbon Pools from AG Insurance, AXA Insurance and Swiss Re International.

Will Bridger, CEO of Compre, said: “I am extremely pleased to announce these transactions, consolidating a complex legacy London market pool and delivering true finality for three highly reputable counterparties and in a variety of jurisdictions.”

“My sincere thanks to everyone involved for all their hard work to achieve this great result.” ■



AXA XL's Bauman: Captives no longer flying under the radar

Captives no longer fly under the radar and firms must be more aggressive with their compliance measures, says Steve Bauman, head of global programmes and captive practice, North America, at AXA XL.

Speaking to A.M. Best TV at the Bermuda Captive Conference, Bauman said that there are more regulators looking at captives now, and one of the industry's biggest challenges is making sure its programmes are fully compliant worldwide.

Also speaking at the Bermuda Captive Conference was Adam Peckman, global cyber practice leader at Aon, who said one of the industry's challenges is getting ahead of the risk topic, rather than waiting until you see losses with peer companies, or allowing the industry to inform what the captive strategy should be.

Referring to the recent WannaCry cyber attack, Peckman said that there has been "billions of dollars" of losses associated with these types of cyber events. He said one of the industry's biggest tests is getting ahead of this risk. ■

Optimum acquisition of Hillswick will 'enhance' captive offering

Optimum Financial Group has acquired Hillswick Asset Management in a move that will diversify its asset management activities in the US and enhance its captive insurance offering.

The merger confirms Optimum's commitment to develop asset management globally.

Hillswick has transferred $815 million to Optimum, designed to cover pension funds, insurance companies and investment platforms.

> "By incorporating Optimum's insurance expertise and quantitative edge to our tailored macro-economic approach, we are confident this combination will enhance the asset management services we offer to the captive insurance industry"

The agreement includes the acquisition of both Hillswick's assets and team.

In a statement, Optimum said: "By incorporating Optimum's insurance expertise and quantitative edge to our tailored macro-economic approach, we are confident this combination will enhance the asset management services we offer to the captive insurance industry".

Optimum's president and CEO, Anabelle Blondeau, added: "I would like to welcome the Hillswick team who share our values of expertise, rigour and client proximity."

"This expansion present a growth opportunity in asset management that will thereby enable us to offer complementary services to our American clients." ■

CICA unveils young and new professionals task force

The Captive Insurance Companies Association (CICA) has launched a young and new professionals task force.

The task force, 'NEXTGen—young & new professionals', will be comprised of captive owners, service providers and domicile members, who will meet for the first time over the summer.

Its first programme of action will concentrate on the development of CICA's NEXTGen services to encourage career development and networking opportunities for young people wishing to enter the captive industry.

CICA president Dan Towle said: "The NEXTGen task force brings the voices of young and new professionals to the planning table. We want them to have a say in developing the programmes they need to prepare them to become the captive industry's next leaders."

He added: "The response to CICA's new programmes has been outstanding. Our partnerships and outreach to university risk management and insurance programmes are generating interest in captive insurance careers."

Look out for our interview with Dan Towle in the next issue of Captive Insurance Times, where we delve deep into the NEXTGen task force and its impact on the shortage of young professionals in the captive insurance industry. ■

Ratings of National Grid captive affirmed

National Grid Insurance Company Limited (NGICL), the captive insurer of the British multinational utilities company NG, has had its financial strength rating of A (Excellent) and the long-term issuer credit rating of "a" by A.M. Best.

The outlook of the Isle of Man-based captive's ratings is stable.

The ratings are reflective of the captive's "very strong" balance sheet, strong operating performance, neutral business profile and appropriate risk management.

The assessment of NGICL's business profile as neutral reflects its core role in NG's risk management strategy as its principal captive.

The captive is well-integrated into NG's overall risk management framework and its primary objective is to mitigate the NG group's European financial exposure to casualty, cyber, property damage and business interruption risks.

NGICL's balance sheet strength is underpinned by the strongest level of risk-adjusted capitalisation.

A.M. Best noted that it expects the captive's prospective risk-adjusted capitalisation to remain at the strongest level, underpinned by the captive's low underwriting leverage and comprehensive reinsurance programme. The captive has a track record of strong underwriting performance, as evidenced by a five-year, 2014 to 2018, weighted average combined ratio of 45 percent.

NGICL's exposure to low frequency, high severity losses in its property damage and business interruption account means prospective operating performance remains subject to volatility.

The impact of large losses on the captive's balance sheet is, however, mitigated partially by extensive reinsurance protection. ■

41 percent of captives incubating cyber risk

Some 41 percent of captives owned by Aon clients are incubating cyber risk, according to a report from the professional services firm.

The Aon Cyber Captive Survey 2019 is aimed at identifying cyber risks, advising implementation of risk and insurance management and ultimately assess the value of captives in dealing with these cyber issues.

Cyber risk financing strategies have evolved in response to developments in digital technologies, such as artificial intelligence, distributed ledger technology and cloud computing.

Such advancements are designed to stimulate the economic motivators of automation and connectivity; however, this also poses risks involving disruption, confidentiality and suppliers.

The survey noted that 30 percent of captive use was intended as a form of protection against such risks. Some 37 percent cited both greater control of insurance programmes and meeting cost efficiency targets as the reason for captive use of cyber risks.

Furthermore, 26 percent of surveyed captives affirmed that they had suffered a cyber loss, 29 percent of which admitted a full limit loss.

> “Our survey demonstrates that a captive not only can provide access to innovative coverage and unlock additional capacity for this fast moving risk topic, but also better coordinate key internal teams in a company to improve overall capital allocation, strategic planning, and risk improvement for cyber risk”
>
> John English, CEO of captive and insurance management at Aon

However, Aon cited some positive statistics, noting an increase in the volume of captive premium growth for cyber risk of 263 percent, linked to, but not directly caused by, an uptick in capital investment.

The survey also highlighted healthcare and energy as leading industries in cyber risk captives.

It predicted that, in 5 years time, 34 percent of all captives will be underwriting cyber, which can be achieved through integration of cyber risk into a wider framework of risk management, increased capacity allocated to coverage components, and an industry shift in asset value from tangible to intangible.

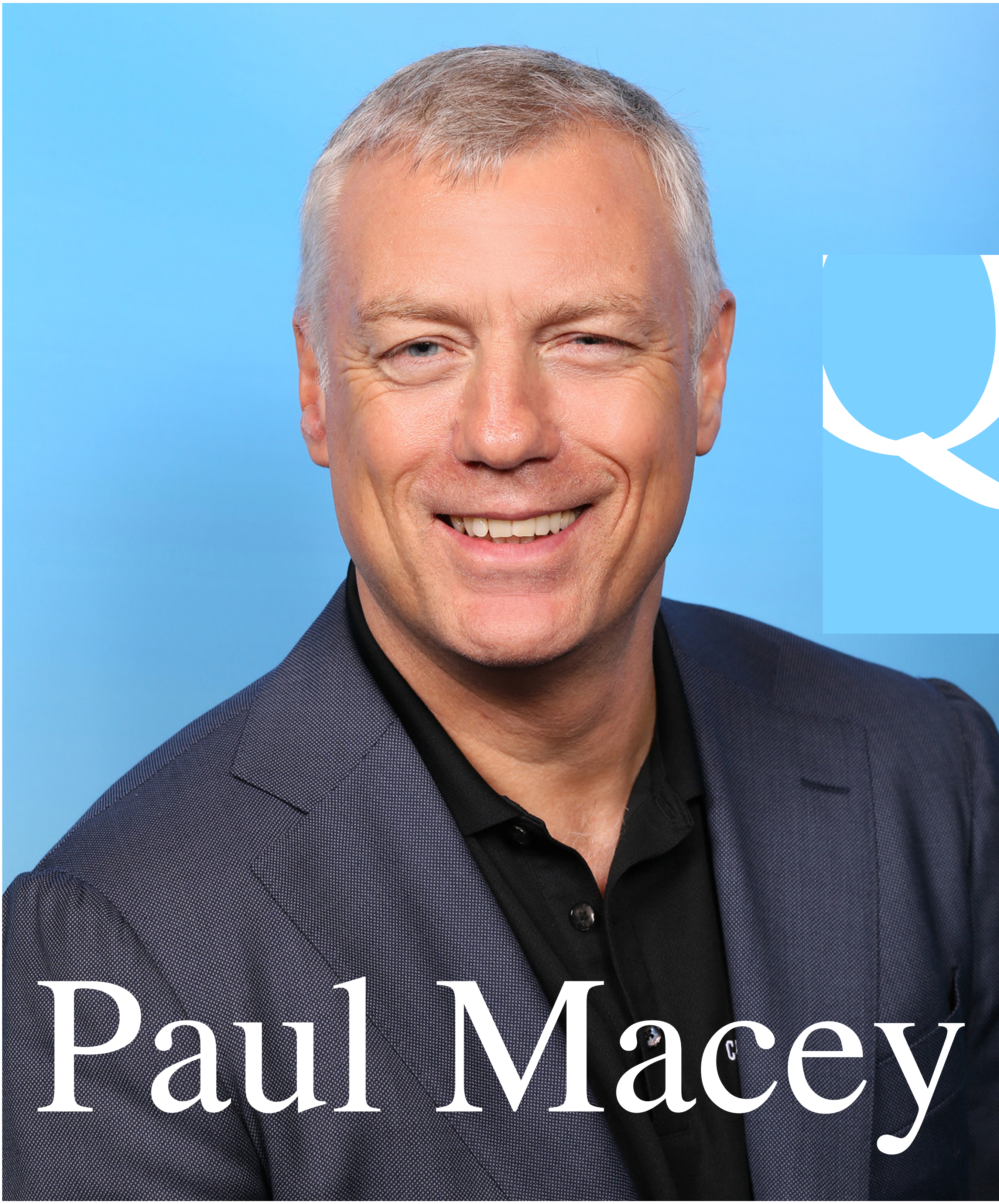
John English, CEO of captive and insurance management at Aon, said: “Captives continue to play a valuable role in addressing emerging risk issues for all companies.”

“Our survey demonstrates that a captive not only can provide access to innovative coverage and unlock additional capacity for this fast moving risk topic, but also better coordinate key internal teams in a company to improve overall capital allocation, strategic planning, and risk improvement for cyber risk.”

Global practice leader for cyber solutions at Aon, Adam Peckman, added: “Driven by the digital economy, cyber remains one of the most critical risks facing all global businesses.”

“It is critical that cyber risk is treated as an enterprise risk and framed within the existing risk management framework.

Risk managers can lead this change by utilising captives as a key strategic tool to demystify cyber risk through more sophisticated analysis and drive more fit-for-purpose balance sheet protection.” ■



Paul Macey

Q

&A

‘Taking back our destiny’

Paul Macey, president of USA Risk Group, discusses the company’s recent senior management buyout and says that after a turbulent 18 months the future is bright

In May, the senior management team of independent captive management firm USA Risk Group completed a management buyout from Spencer Capital Holdings, four years after the investment firm acquired the company.

The past 18 months, bookended by the departure of Gary Osborne in December 2017 and last month’s buyout, have been rocky for USA Risk Group, but the completion of the buyout marks an opportunity for the company to move forward in the right direction.

We spoke to Paul Macey, president of USA Risk Group, about the buyout, what it means for the company, and what their clients can expect.

What was the motivation behind the buyout?

The previous owners, Spencer Capital Holdings, were looking for an exit strategy and this provided the existing management team with an opportunity to control their own destiny by taking control of the company through a management buy-out.

Talk us through the timeline of the buyout? Is this something that has been in the pipeline for a while?

The management team has been working on this for about six months once we became aware of Spencer’s desire to exit the business.

As you know we recently completed the purchase after all regulatory approvals for the change of ownership were in place.

We brought the non-US businesses through a stock purchase and we will continue to trade under the USA Risk Group name which is recognised in the industry.

We continue to manage some of the US domiciled clients and others have found new managers after they were given notice that the US operations were being closed down.

We have received approval from a number of US state regulators to be able to provide management services to those clients that wanted to stay with us.

Will you be looking to grow your client base in those US states?

We will be looking to grow our client base across all domiciles.

USA Risk Group has always been a multi-domiciled manager and that will continue although perhaps on a smaller scale than before.

We will look to expand into other domiciles to meet the demand of our clients and prospects.

What impact will the buyout have on USA Risk Group?

We have retained the USA Risk Group name and it will be business as usual as far as our clients are concerned.

The ownership has changed but we will continue to operate with the same team of dedicated staff from the same offices and with the same systems.

We didn't want any client to be affected by the purchase from an operational perspective and we have achieved that.

We have a very experienced team of managers and our initial focus will be to continue to provide the high level of service to our clients that we are known for.

The company has gone through a number of changes over the last 18 months or so and a period of stabilisation will be welcome to our employees.

The message we want to get out there is that USA Risk Group is still in business despite a difficult 18 months or so and we look forward to the future with renewed optimism.

What impact will the senior management buyout have on your clients?

We don't think there is any impact. Our account management team is intact in all the domiciles from which we operate, and we continue to use the same systems.

Our name remains the same and the only change is that senior management are now running the business and making the decisions.

We believe this is a positive change that we will allow us to concentrate on what we are good at—servicing clients and looking after their interests. That will be our focus.

"The message we want to get out there is that USA Risk Group is still in business"

What plans do you have for USA Risk Group moving forward?

The industry is facing many challenges especially the non-US domiciles and it is important that insurance managers understand these challenges.

We want to continue to develop our employees and give them the skills necessary to be able to provide the very best service to our clients.

We are looking at all areas of how we provide services to our clients to see how we can improve.

Although it may be somewhat of a cliché our mission is to provide the very best service to our clients that we can and we believe this will stand us in good stead for the future. ■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Risky Business

An in-depth analysis of the trends, challenges and predictions of the Aon's Cyber Captive Survey 2019

Historically used as a protection or funding tool, captives are now increasingly used in the cyber risk market, according to Aon's recently published Cyber Captive Survey for 2019, which explores how captives can provide advantages to a company's cyber risk financing strategy.

While captives are continuing to be implemented for "traditional purposes, such as greater control of insurance programmes, cost efficiencies for premium and capital, and enhanced claims handling", as Aidan Kelly, associate director of global risk consulting within Aon's risk finance and captive consulting practice, identifies, "the industry is also seeing the captive being deployed as a strategic risk partner for incident response management and improved IT governance processes".

Other motivating factors that are currently propelling companies to turn to captives to insure against cyber risk cited by the survey include increased market access, cash flow or tax optimisation, and incubation of emergent risks.

Despite this evolution of risk and technology profiles, the survey also notes that many captive owners still use a "relatively unsophisticated approach to retention, limits and premium determination".

41%

of captives owned by Aon clients incubating cyber risk

30%

of client captive use intended for cyber risk protection

Some industries are more openly embracing technological advancements; Aon's cyber captive report highlights that more traditional industries are now identifying as technology industries, led by healthcare (of which 19 percent of companies self-classified as part of the technology industry) and energy (15 percent), followed by financial institutions, catering and life sciences.

But what are the benefits of utilising a captive for cyber risk? Although broadly it allows companies to operate outside of the traditional insurance regulatory environment, captives bring multiple additional advantages to companies looking to address cyber risk. This includes the development of a wider risk management structure, better understanding of financial exposure, specific and flexible client coverage (including intangible assets such as IP losses and reputational damage), access to reinsurance capacity and pricing, and the integration of incident response capabilities with captive insurance coverages and claims protocols.

Furthermore, captives can be used as a strategic risk management tool by a company chief security officer and chief information security officer to supplement risk financing processes.

Kelly also highlights the consequences of the development of digital technologies, which has seen market insurance solutions diminish in adequacy: "Our clients are increasingly relying on integrated technology solutions and their IT infrastructure to ensure their success, competitiveness and ability to adapt to an ever-changing business environment."

He continues: "With this reliance on technology and need for automation and innovation, the associated cyber risks are becoming more materials, and enhanced cyber security and risk mitigation and transfer are essential."

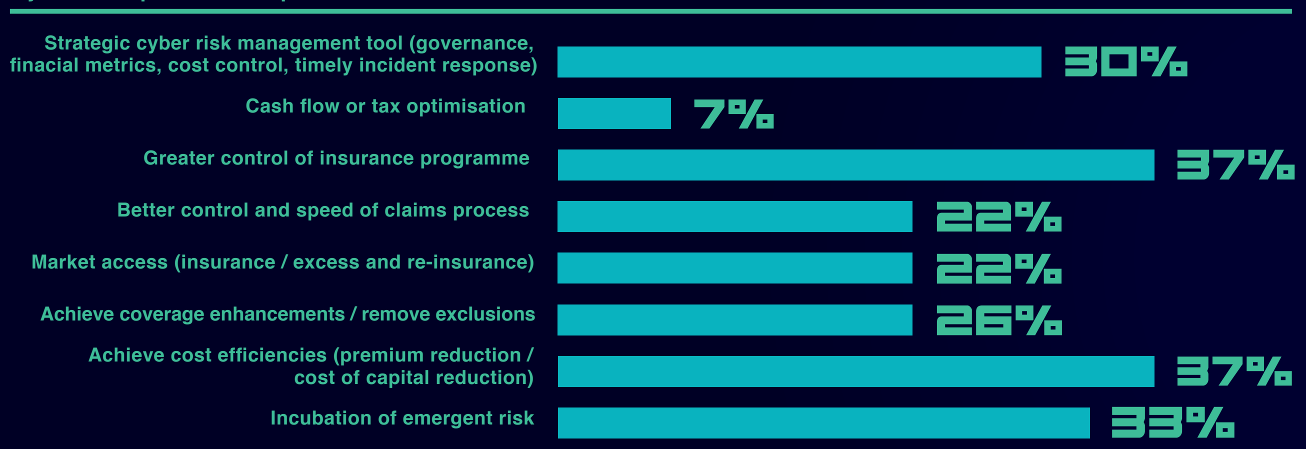
The evolution of technology also equates to an evolution of the threat landscape. Therefore, when considering whether to utilise a captive, a company must consider whether there is awareness from a government perspective, protection from a business resilience perspective, and balance sheet protection from an insurance perspective.

Kelly explains: “Understanding these risks, and developing a plan to mitigate or transfer these exposures, will protect our clients, their revenues, their data and that of their customers and aid business recovery and continuity should an event occur.”

Aon’s survey indicates that this is primarily manifested in the coverage of business interruption (seen in 63 percent of surveyed captives) and regulatory (52 percent).

The survey highlights that 41 percent of captives are incubating cyber risk. In light of this statistic, Kelly explains: “Using a captive to incubate cyber risk is an effective play for many clients, and allows them to manage their exposures while the traditional insurance market evolves and expands to better understand client needs.” Understanding of how a captive can be utilised effectively requires awareness of the integration between economic drivers, such as automation and

Cyber & Captive Participation Rationale



In response to these developments in digital technologies, the captive industry has experienced changes in the coverage offered by cyber insurance policies and captive participation, as cyber risk now affects more areas outside of crisis and liability costs.

26%

surveyed captives saw a cyber loss

connectivity, technology drivers, such as artificial intelligence, cloud computing and blockchain, and strategic threats, which include disruption, data confidentiality, system integrity and supply chain risks.

Furthermore, Aon’s survey demonstrates that 41 percent of its clients’ decision making regarding cyber risk is based on judgment, while only 7 percent adopt an approach motivated by data and risk analytics.

Aon provides cyber risk financing strategies concerning the implementation of captives to encourage its clients to make better use of such analytics, ranging from feasibility studies,

29%
of captives surveyed admitted a full limit loss

which identify the initial formation, structure and operation of a captive, to strategic reviews, which evaluate the captive's benchmarked financial performance, efficiency of operation, corporate governance, and opportunities for optimisation.

Kelly states: "A captive can be an important component as either a risk transfer vehicle or as a risk funding mechanism for cyber risk, but it must also be part of the overall cyber strategy for the client and provide strategic control of this risk, rather than it being a disparate part of an uncoordinated approach not involving IT and legal teams."

Following a clear industry trend towards using captives to combat cyber risk, Aon predicts a continuation of the premium growth for cyber risks in captives, following the survey's projection of a 263 percent increase in gross written premium (GWP) over the past year. The survey cites this surge to be a result of an increase in cyber incidents and increased capital investment in digital advancements. Further predictions project an increase in the proportion of captives retaining cyber exposure from 3 to 34 percent over the next five years.

263%
increase in volume of captive premium growth for cyber risk

This is expected to be attained through the integration of cyber risk into a company's broader risk management framework to ensure a more active role of risk managers and increased availability of capacity for coverage components, as well as chief information security officers leveraging captives as a strategic tool to extract value from risk management, such as quantitative risk analysis and total cost of risk calculations.

Aon's threefold programme is expected to galvanise an expanded use of captives.

Healthcare and energy are leading industries in cyber risk captives

It consists of assessment to identify and map a client's cyber risk, quantification to construct financial models to measure the exposures from the identified cyber risk, and design of the captive to evaluate the cyber risk transfer programme and build a network of insurance coverage.

PREDICTION:
In 5 years time, 34 percent of all captives will be underwriting cyber

Aon's survey concludes by stating that "digitisation, cyber security, and market factors will continue to driver greater captive utilisation".

Optimal captive cyber GWP will be achieved through changes in both company asset value from tangible to intangible (such as intellectual property, reputation and privacy regulations, which now account for 84 percent of total commercial assets for S&P 500 companies), and in the risk landscape from physical to non-physical, to incorporate cyber risk and the vital strategic role of risk financing. ■

Cassie Bachman
Managing director of compliance
Elevate Captives

I was lucky to grow up in several states, but my brother and I spent the most time in Muskogee, Oklahoma where my parents grew up. Now my husband Andrew and I live in Connecticut and just completed a DIY house renovation. My passions include volunteering in the community (I serve as treasurer on the board of the League of Womens Voters of Greater Hartford), reading, hiking, and projects involving creativity.

Professional profile:

After studying English Literature at Magdalene College, University of Cambridge, I came back to the US and received a Political Science and History graduate degree from Oklahoma State University and a J.D. from the University of Oklahoma.

During my early years in the legal sector, I served as a judicial intern for the chief justice in the Eastern District of Oklahoma, volunteered for the Norman Juvenile Drug Court and the University of Oklahoma Legal Clinic, then worked for a law firm where I focused on helping Fortune 500 companies with complex compliance issues surrounding US integration of international executives and key employees.

How did you end up in the captive industry?

I was practicing international law when I met my boss, Jerry Messick. He introduced me to captive insurance companies and I was intrigued. I learned about the opportunities they provide for companies to creatively manage risks, but the legal research and regulatory compliance aspect was most interesting. I took the education and skills I'd developed and learned how I could participate in the industry.

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

Being named managing director of compliance of Elevate Captives, getting to constantly learn, interacting with such a wide variety of people, including business owners, regulators, service providers and experts.

As an extrovert and a lover of learning, it's the perfect industry.

"I would describe Cassie as 'Millennium Heartland meets sophisticated chic'. We met in person at a Delaware Captive Insurance Association conference in 2015. Before our meeting, her reputation as an attorney for Elevate Captives' compliance department preceded her. Cassie's product submitted to the insurance regulators displays an attention to detail and organisation. She manages compliance matters in a way that shows she is not only intelligent, but also a genuine pleasure to work with.

Cassie demonstrates the essence of all that is needed for the future of the captive insurance industry. Her knowledge of third-party risk and medical stop-loss, coupled with her ability to think outside the box when structuring captives, is an invaluable skill."

Steve Kinion
Director, bureau of captive and financial insurance products
Delaware Insurance Department

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

Education and mentorship have by far been the biggest influence. By receiving the ACI and CSIR designations I quickly learned about captives and the insurance industry. I am enjoying all of the educational opportunities and take as many as I have time for. I also have had the privilege of meeting intelligent, wonderful friends and mentors in various sectors of the industry who provide inspiration.

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

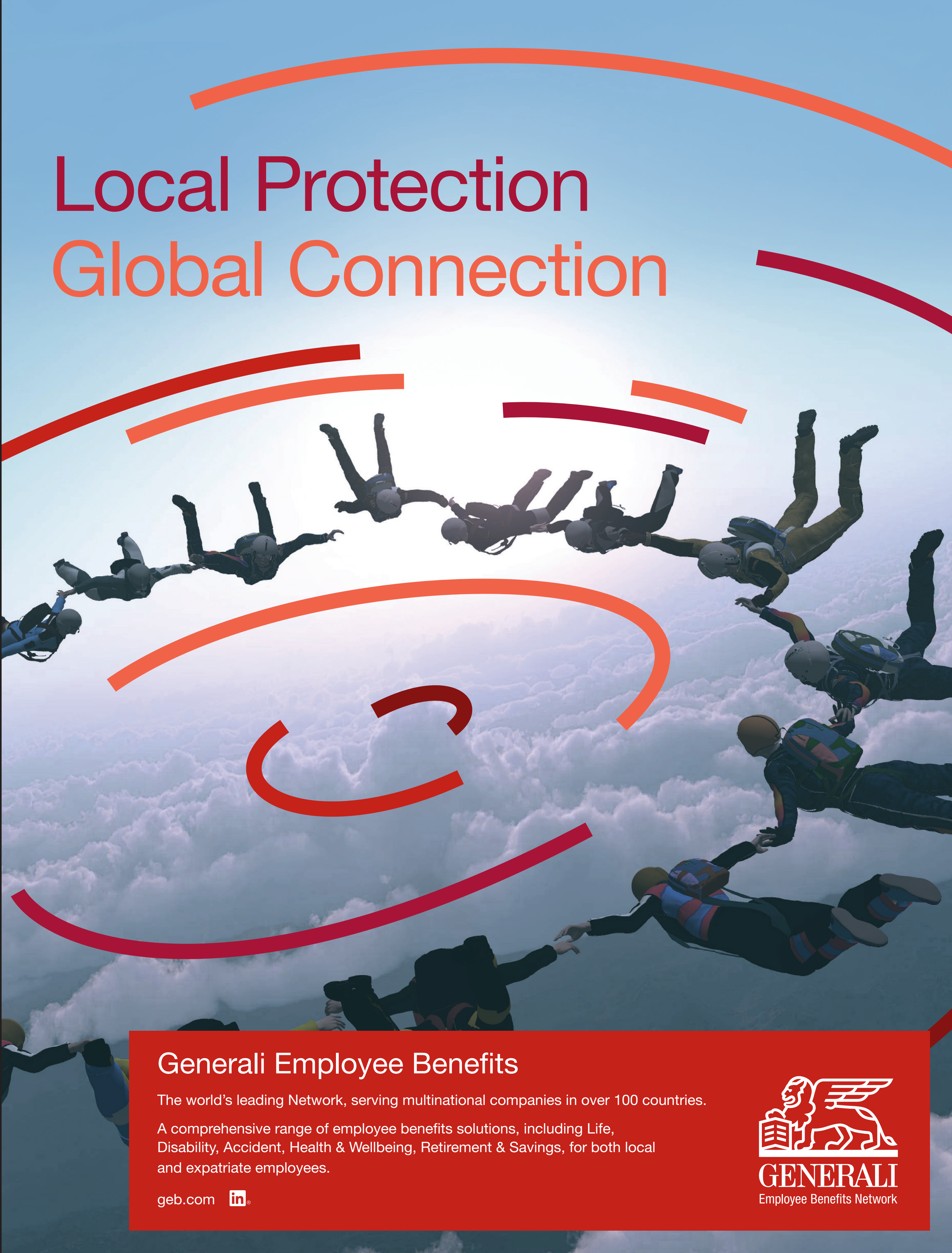
Take your aspirations to the captive industry and see what it has to offer. The variety of roles would take pages to fill, and the opportunities are endless. Also—research 'captive insurance' and not 'captive', or you will quickly lose interest.

What is your impression of the industry?

The captive insurance industry is brilliant and adaptable. It's a place where new ideas and new people are welcome. Unlike other industries, the industry works together for the best outcomes.

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

Remain in a management environment, always continue to learn, travel the world, help people reach their goals. As a compliance director, checking boxes is rewarding but creating the boxes to check is the real fun. ■



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25-27	13-14	04-06

For more information on the events listed visit captiveinsurancetimes.com

The latest moves in the captive industry

Ken Randall has stepped down as group CEO of Randall & Quilter Investment Holdings (RQIH), while Roger Sellek has been appointed director of the company.

Sellek joins the non-life legacy insurance investor firm from A.M. Best, where he was CEO with responsibility for the group's worldwide activities, ex-Americas.

Randall will continue to serve as executive chairman.

Following this senior management reorganisation, the board of RQIH now consists of four executive directors in Ken Randall, Alan Quilter, Mark Langridge and Roger Sellek, as well as four non-executive directors in Michael Smith, Alastair Campbell, Phil Barnes and Jo Fox.

Randall commented: "Succession planning has been high on the board's agenda and, with the continued development of RQIH's business, it is time to add further strength to our senior leadership team and for me to step back from day-to-day operations."

Sellek added: "RQIH has evolved to become a major force in its chosen sectors of the insurance industry, and I am very much relishing the opportunity to contribute to its continuing growth as part of the leadership team."

Julie Mix McPeak has joined Greenberg Traurig's newly opened Nashville office. In her new role, McPeak will serve as one of the founders of the Nashville, Tennessee office.

McPeak stepped down from her role as the Tennessee Department of Commerce and Insurance Commissioner on 14 June, after serving in the role for eight years.

Under her leadership, the modernisation of Tennesee's captive insurance laws has resulted in the domicile exceeding $1 billion in written premiums for the first time in 2017.

Previously, she has also served as president of the National Association of Insurance Commissioners.

Joel Katz of Greenberg Traurig said: "Nashville is a dynamic market with an infrastructure that attracts this type of quality professional and our new office will serve as an important asset to many of our firm's clients across a wide range of sectors."

Christopher Schubert has joined Pinnacle Actuarial Resources as consulting actuary.

Based in Atlanta, Schubert brings almost a decade of experience in property and casualty actuarialism, specifically loss reserving, ratemaking, rate filings, competitive analysis and financial reporting.

He was previously responsible for setting loss and expense reserves for personal vehicle liability at a leading primary insurance carrier.

Pinnacle principal and consulting actuary Arthur Randolph commented: "Throughout his career, Chris Schubert has exemplified leadership and a focus on employee development which are central to Pinnacle's core values." We are excited about Chris's future contributions to the firm and our clients."

Pinnacle Actuarial Resources has promoted Nicholas Gurgone to consulting actuary.

Based in the firm's Bloomington, Illinois office, Gurgone has experience in loss reserving, funding studies, loss cost projections, captive feasibility studies, commercial lines ratemaking and group captives.

He has worked with pricing and loss reserve analyses for captive insurers writing enterprise risk coverages and group captive insurers writing commercial multi-peril, workers' compensation, auto liability, general liability, and auto physical damage coverage.

Aaron, Hillebrandt, Pinnacle director and consulting actuary, said: "Nicholas Gurgone is a talented young actuary who enjoys developing and mentoring our actuarial analysts. He recently fulfilled the requirements for Fellowship in the CAS. We're pleased to welcome him to Pinnacle's consultant group."