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31 March 2021 - **Issue 220**

Now recruiting!

Although the captive insurance industry has ramped up its efforts to attract the next generation of young professionals, challenges around lack of education and myths about the market remain

Luxembourg Focus

SRS' Brian Collins discusses the latest developments for Luxembourg's captive market

Emerging Talent

Molly Hentges, account executive at Gallagher Bassett

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In this issue

Another knock back for micro captives in latest the US tax court case

Micro captives have taken another knock back in the latest US tax court ruling involving Caylor Land & Development and the Internal Revenue Service (IRS). In the court case on 10 March, Judge Holmes found that the micro captive involved did not provide insurance because it failed to distribute risk and didn't act as an insurer commonly would.

In September 2007, Rob Caylor established the micro captive, which was named Consolidated and was managed by Tribeca.

Consolidated was incorporated under the laws of Anguilla and licensed as an Anguilla insurance company.

On 21 December 2007, Consolidated elected under section 953(d) 8 to be treated as a domestic US corporation for tax purposes, as well as an election under section 831(b)(2)(A) to be taxed solely on investment income so long as its annual premiums did not exceed $1.2 million, which is what made Consolidated a micro captive.

Quoting Avrahami, Reserve Mechanical, and Syzygy, Judge Holmes states that "we will break no new ground today" in Caylor v Commissioner.

The court's opinion was made using the same structure as the three previous micro captives cases; Avrahami, Reserve Mechanical, and Syzygy.

In Avrahami v. Commissioner, which was the first micro captive to face the US Tax Court, Judge Mark Holmes ruled on 21 August 2017 that payments made to the Avrahamis by their micro captive, Feedback, amounted to taxable dividends outside of the scope of certain tax elections.

The court's opinion in Caylor v Commissioner found that despite the attempts of Consolidated to make its transactions look like traditional insurance and "take advantage of the apparent loophole" at the intersection of section 831 and captive-insurance case law, the premiums paid to Consolidated and deducted by the Caylor entities are not "insurance" for federal tax purposes.

However, unlike in Avrahami and Syzygy, the court in Caylor v Commissioner found that Caylor Construction cannot shelter in place behind section 6664(c), the reasonable cause and good faith defense.

The court found that Caylor entities received no advice regarding Consolidated or its insurance scheme.

This finding is different from those made in our other micro captive cases.

The court has ordered penalties to apply across the board.

Tribeca, which is owned by Artex Risk Solutions, was also involved in a case where the IRS petitioned the US District Court for the District of Delaware against the Delaware Department of Insurance (DOI) to enforce a summons for documents related to its micro captive investigation of Artex Risk Solutions or Tribeca Strategic Advisors from the Delaware DOI. ■

Washington State captive bill passes Senate

The Washington State Senate has passed a captive bill that would see eligible captive insurers pay a 2 per cent premium tax for insurance directly procured by and provided to its parent or affiliate for Washington risks during the preceding calendar year.

The bill, which passed 49-0, was submitted during the Washington State 2021 legislative session.

The proposed bill would see the creation of a framework for registering eligible captive insurers and imposing a premium tax on the risk covered by premiums allocable to the state. It would bring $29 million in back taxes and generate revenues of more than $2.5 million per year going forward.

On 11 March, the bill was referred to consumer protection and business. There are no plans for it to be officially read and will be referred until the adoption of the introduction report. The bill now will go through the same process in the House of Representatives. If the bill passes the house, it can then be signed by respective leaders and sent to Governor Jay Inslee.

Governor Inslee can then sign the bill into law, veto all or part of the bill, or take no action at all. ■

Dubai approves new solvency regime for captive insurers

The Dubai Financial Services Authority's (DFSA) board has approved the revised solvency regime for captive insurers after positive feedback from the industry, effective 1 April 2021.

In order to support the growth of the industry, the DFSA sought to make the solvency regime for captives more proportionate to their business model and risk profile.

The DFSA launched a consultation paper in November 2020 in order to collect industry feedback on proposed changes to the regulatory regime for captive insurance firms operating in the Dubai International Financial Centre (DIFC).

The key aspects of the proposals include amending the definition of class 2 captive insurers simplifying the minimum capital requirement calculation for class 1 captive insurer; and simplifying the minimum capital requirement calculation for class 2 and class 3 captive insurers.

In addition, the proposals looked to revise the underwriting risk component calculation methodology; revisions to the RRC calculation methodology; clarifications to the regulatory treatment of intra-group loans; clarifications to default risk component and investment volatility risk component treatment of money market funds; and amendments to submission rules for actuarial reports.

A spokesperson from the DFSA notes that with the hardening of the (re)insurance markets in recent years, the captive insurance model has become more relevant for insuring a number of risks associated with the business of the captive owner.

Under the solvency regime, captive insurance firms will no longer be required to produce actuarial reports for regulatory purposes, unless specifically required to do so by the DFSA in the course of risk-based supervision or when undertaking life insurance business.

The DFSA says that the revision of the solvency regime will bring the regime in line with international best practices and support the captive insurance industry with a proportionate set of rules.

Dubai currently has three active captive insurance companies. ■

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Davies expands US specialist claims TPA and adjusting services

Davies has acquired The Littleton Group (Littleton), a Texas-based provider of insurance claim services. Littleton delivers third party administration (TPA) and claims adjusting for insurance carriers, managing general agents, offshore and Stateside captives, municipalities, private entities, and self-insured businesses.

As part of the acquisition, Littleton will join Davies' US-based claims solutions arm, adding "significant scale" to its existing property and casualty operations.

Littleton's current CEO Steve Streetman will join Davies in an advisory and consulting role, to support integration and growth initiatives.

Meanwhile, Jeff Bode, Littleton chief operation officer, will continue to lead the day to day operations, reporting directly to Peter Wilson who was recently promoted to head Davies' US property and casualty claims operations.

All 165 employees will continue in their roles within Davies.

Commenting on the acquisition, Dan Saulter, group CEO of Davies, says: "I am delighted to welcome Steve Streetman and the wider Littleton team to Davies. Building our property and casualty claims capability in the US is a strategic focus and a growing market."

Streetman notes: "We're really pleased to be joining forces with Davies, an organisation committed to growth and innovation within the claims market in the US. Davies' history of investing in people and technology, along with a commitment to always put the interests of clients first, aligns well with our values."

"The cultural fit with Davies was an important factor and I believe the combination with Davies will present Littleton employees more career development opportunities and an exciting future as the company continues to grow," he concludes.

Waller Helms Advisors served as financial advisors to Littleton during this transaction.

Morgan Lewis: captives can help fill gaps left by SPACS

With the expansion of special purpose acquisition companies (SPACS), captive insurance can potentially fill insurance gaps, according to Jeffrey Raskin, partner and Lauren Burke, associate at Morgan Lewis.

Raskin notes that SPACs now make up nearly 70 per cent of initial public offering (IPO) activity and it continues to attract deep-pocketed sponsors, including high-profile athletes and public figures.

He explains to attract and retain qualified directors and officers, SPACs must offer comprehensive directors and officers (D&O) liability coverage to protect against that increased exposure and resulting derivative lawsuits.

"But this insurance hurdle is becoming tougher to clear as the commercial insurance market, particularly for Side A D&O coverage, which protects claims against D&O not indemnified by the public company, continues to harden. Captive insurance could be the solution to fill the insurance gap, including any timing gap," Raskin states.

Burke explains the issues such as D&O insurance in the commercial market for new public companies, like SPACs, with no track record can be prohibitively expensive or completely unavailable.

She continues: "This coverage can be even harder to secure for SPACs because of the short life cycle of the insuring relationship: SPACs often seek short-term policies (18 months to two years) with no intent to renew."

With the hardening of the insurance market and the surge in SPACS along with the current hesitance of many commercial insurers to write D&O coverage, Burke notes that SPAC sponsors may be left with a gap in the D&O market that makes it hard for SPACs to get off the ground.

Burke and Raskin highlight that captive insurance offers cost-saving benefits, in addition to filling a market void, including investment of risk premium, tailored coverage, access to reinsurance, tax savings and potential risk transfer mechanism.

Raskin comments: "Regardless of which captive funding option is selected, using a proper actuarial study, implementing claims procedures, and following insurance accounting practices are critical to demonstrate that the captive should be treated as an insurance company." ■

DARAG enters second reinsurance agreement with Protector Forsikring

DARAG Group has signed a retrospective quota share reinsurance agreement with Protector Forsikring, a multinational general insurance company listed on the Oslo Stock Exchange.

DARAG's German risk carrier, DARAG Deutschland AG (DAG), will be the vehicle for the transaction and assume booked reserves in excess of €180 million.

Once completed DARAG will provide Protector with reinsurance cover for its workers' compensation book of business underwritten in Norway and Denmark.

Commenting on the agreement, Tom Booth, Group CEO, says: "DARAG has undertaken a major expansion over the past two to three years into new markets but Scandinavia remains a key focus for our European business."

He adds: "This is the second transaction with our valued partners at Protector and is testimony to DARAG's ability to handle multinational portfolios for listed companies, as well as our sixth major deal in the Nordic countries. We are very pleased to announce this reinsurance agreement with Protector and we look forward to announcing further transactions in the near future."

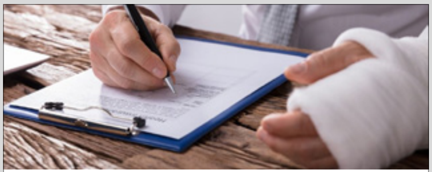
Alexander Roth, group chief strategy officer and CEO of DAG, notes: "This deal will further diversify our existing portfolio and demonstrates our team's expertise in developing bespoke legacy solutions for companies like Protector seeking to optimise their capital allocation in an increasingly attractive 'live' insurance market." ■

Bermuda Captive Conference to take place virtually for a second year

The 2021 Bermuda Captive Conference (BCC) will take place between 14 and 15 June in a fully-digital format.

Due to COVID-19, the BCC also held its 2020 conference on a virtual platform, which welcomed 900 virtual attendees. This year's theme is Resilience, reflecting the response of the captive industry to a year of unprecedented uncertainty since the COVID-19 pandemic began.

Read the full article online



CRC Group partners with PABS

CRC Group, a nationwide wholesale distributor of specialty insurance products, has partnered with 5Star Specialty Programs, a CRC Group company, and Pan-American Benefit Solutions, a division of Pan-American Life Insurance Group.

The partnership will focus on offering workers' compensation coverage for the trucking industry and is the product of a strategic initiative by PABS to expand its capacity to write trucking occupational accident coverage.

Read the full article online

FMR's captive ratings affirmed

A.M. Best has assigned the financial strength rating of A- (Excellent) and the long-term issuer credit rating of "a-" to Fidvest US, based in Charleston, South Carolina. Fidvest is a pure captive insurance company wholly-owned by FMR.

FMR, doing business as Fidelity Investments, is a diversified financial holding company offering investment management, retirement, brokerage, financial planning and wealth management services.

Read the full article online

Zurich UK launches new risk services unit

Zurich UK has launched a new risk services unit, Zurich Resilience Solutions, to help businesses manage emerging and evolving risks.

The new unit will provide services that enhance the overall resilience of a customer's business and complement traditional insurance products. Zurich Resilience Solutions offering combines risk advisory services and insights with the use of technology and tools, leveraging data and analytics as well as third-party collaborations.

Read the full article online

RMS and TigerRisk Partners expand partnership with new agreement

Risk Management Solutions and TigerRisk Partners have expanded their partnership to include additional models and data in a new multi year agreement.

TigerRisk can now access the full RMS global natural catastrophe risk models suite, which includes RMS high definition models such as the RMS North America wildfire HD models, RMS Europe flood HD models, and RMS Europe severe convective storm HD models.

Read the full article online

WTW advises on non-pensioner longevity swap

Willis Towers Watson (WTW) has acted as the sole adviser to the AXA UK Group Pension Scheme on its £3 billion longevity swap with Hannover Re to manage longevity risk in the scheme.

The longevity swap is a market first, with over 95 per cent of the 16,000 members covered being non-pensioners.

Read the full article online

Now recruiting!

Although the captive insurance industry has ramped up its efforts to attract the next generation of young professionals, challenges around lack of education and myths about the market remain

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With the combination of the hardening commercial market and the impacts of the COVID-19 pandemic, the self-insurance market has seen plenty of growth over the last 12 months.

Although the stars appear to be aligned for the captive insurance sector, one of the challenges facing the industry is the ongoing talent crisis.

The biggest challenges with attracting the next generation of professionals can largely be put down to myths about the insurance industry as well as a lack of education about this sector too.

Anne Marie Towle, global captive solutions leader, Hylant, explains: "Many individuals don't understand the captive industry specifically, therefore we need to educate people."

Towle highlights that there is also a lack of diversity. She says: "As an industry we need to change the perception and change reality by attracting more diverse talent from various backgrounds."

But is enough being done to feed the younger generation knowledge on the captive insurance sector?

Karen Hsi, programme manager, captive programmes, University of California Office of the President, suggests that being an innovative sector of the insurance industry, the captive market is not widely publicised and "gets lumped into the larger market of traditional insurance jobs".

Younger millennials and Gen Z have grown up in a unique time as they have been surrounded by and exposed to technologies since the first day they were born. Hsi explains that this is a technologically advanced generation and insurance is not often viewed as a modern, technology-focused career.

She notes that the captive insurance sector is not "attractive enough" to compete with some of the big name, fast growing technology companies that most of the next generation are familiar with and would dream of working at.

The industry is also not emphasised enough as a niche industry that provides so many growth opportunities for young professionals to embrace, Hsi adds.

To help address the talent crisis, initiatives such as the Captive Insurance Companies Associations (CICA) NEXTGen has been launched to encourage young professionals to connect with others in the industry and develop succession planning.

Discussing CICA NEXTGen, Nate Reznicek, head of US distribution at International Re, argues that from his personal experience the programme has been "incredibly valuable to me as a mentor and feedback from the mentees has been quite favourable as well".

The NEXTGen is composed of captive owners, service providers and domicile members.

Alongside CICA, other firms within the market have also actively engaged with colleges and universities for recruiting new staff. One of those is Hylant.

Towle explains that the company is hiring interns to develop their expertise, expose them to the industry and grow possible talent for the captive industry.

"It needs to be more vocal to young professionals, college students and high school students about the benefits of a career as a captive professional," she adds.

"As an industry we need to change the perception and change reality by attracting more diverse talent from various backgrounds"

As part of its work to promote the captive insurance industry within university and colleges, CICA also launched an essay competition targeted at US college students.

The prizes include a cash prize, an invitation to CICA's conference and the winning essays to be published in Captive Insurance Times.

For its 2021 competition, CICA received essay entries from students studying accounting, business administration, finance, insurance and risk management.

Captive Insurance Times also runs an Emerging Talent section in every issue of its magazine to promote a young person that works in the captive industry.

What's on offer?

Even with the initiatives that already exist, is there still enough being done in the sector as a whole to address this issue?

Towle says: "Simply, no, I believe more can be done to attract young professionals with a grassroots outreach programme."

"We need our industry advocates, representative organisations, and insurance educators to do more, share more and encourage the benefits of a captive career," she explains.

The captive industry has offshore and onshore locations for exploring opportunities, whether as an accountant, investment advisor, attorney, insurance broker, captive manager, the list is endless for a captive industry professional.

There are over 100 domiciles that license and regulate captives around the world along with the majority of US states.

Reznicek believes coordinating efforts among differing captive associations would be a great way to amplify the messaging of the industry and significantly increase outreach capabilities.

"State and regional captive associations could host more localised essay competitions with regional winners being decided on an international state at the CICA annual conference," he explains.

But what does the captive insurance sector have to offer a new generation of workers?

A recent study found that 74 per cent of millennials who like their jobs plan to leave within the next three years.

However, the same study also found that 89 per cent of millennials said they would stay with the same company for 10 or more years if just two criteria were met: opportunities for upward career mobility and a regular increase in compensation.

Hsi highlights that there are plenty of growth opportunities in the captive industry, with positions to grow into and exploration of new areas of expertise to develop and mature.

She says: "The emphasis on this being an industry where you can 'make the career what you want it to be', is a huge benefit to working in this creative sector and will help to attract and retain talent."

"The captive insurance industry is so dynamic and you are exposed to such a variety of professions within this sector, that it can keep someone interested and challenged without having to move outside of it," Hsi adds.

Mentorship is a very important aspect in certain sectors such as academic, law and art.

Commenting on if mentorship is important for young professionals in the captive sectors,

Reznicek highlights that aside from the captive industry, mentoring relationships are critical components to the success and longevity of any career.

He explains: "The sheer number of different professions and sub-industries that intersect in captives can be head-spinning for even seasoned professionals."

Relationships formed based on collaboration and shared respect for the knowledge and experience of both parties can significantly benefit the careers and personal lives of both mentor and mentee alike.

Eyes forward

Even though the talent crisis has been addressed by the industry and is resulting in initiatives to draw in a younger generation, there is still a lot of work that needs to be done to make the younger generation aware of this very niche sector that is currently experiencing growth.

"Engaging younger high school students in 'career days' can be a step towards sharing what life in the captive insurance industry could look like"

This work needs to be done sooner than later as even if new young members join, they need to be able to gain the experience before they can take over from those that exit the market.

Moving forward, Towle highlights the need for more education for all generations to increase the emphasis on brandings, such as a multi-disciplinary career and the opportunity to innovate within the captive insurance industry.

She comments: "More organisations need to offer interesting, exciting, and paid internship opportunities for students. If you do that, you can hire top talent. We were able to do that with a top student from Butler University."

Meanwhile, Hsi suggests that promotion and education in the captive industry should be starting earlier.

She says: "Engaging younger high school students in 'career days' can be a step towards sharing what life in the captive insurance industry could look like. I think many times the key to recruiting someone out of school is as simple as sharing your story or experience. What your personal journey has been like going into insurance." ■

Fresh eyes on Luxembourg

Brian Collins, SRS's recent hire for its new Luxembourg office, discusses the latest developments and the biggest challenges for the Luxembourg captive market

What trends are you seeing in Luxembourg's captive insurance and reinsurance markets?

Following a relatively stagnant few years, there has been a significant uptake in applications and formations of new captives, particularly in the last six months.

The challenging conditions which corporates are facing in the commercial insurance market are forcing existing captive owners to re-evaluate and explore the possibility of participating in new opportunities for the captive and how best to mitigate current challenges. Corporates who do not have a captive are exploring whether they are of sufficient size and scale to set up a captive.

Often existing captives have built up significant retained earnings over time and have strong solvency coverage ratios within the captive. Corporates are under pressure to demonstrate value from investments and return on equity therefore there is additional focus on how the captive can provide value.

To better prepare for any base erosion and profit shifting (BEPS) related scrutiny companies are evaluating the economic rationale which the captive has historically provided, with more buy in from management and increased captive utilisation being seen once the historical value has been demonstrated to senior management.

As governments in France and Italy look to set up an environment where it's attractive for French or Italian companies to move their captive back to their home countries will Luxembourg be at risk of losing its side to this new development?

In the past it could be said that certain countries may have viewed captives with a certain amount of scepticism, however, the true risk management benefits that captives have provided to owners through the recent hard market and COVID-19 pandemic appears to be changing those views. Captives, therefore, seem to be getting more traction at the senior government level of late which likely coincides with the recent press around a more captive friendly approach being considered by non-captive domiciles. Although countries such as France and Italy may not end up with specific captive legislation, a model similar to The Netherlands could be implemented whereby a certain level of regulatory proportionality is applied to captives insuring their owners' corporate risks.

Luxembourg has been a popular domicile for French and Italian parented captives so naturally any amendments to legislation in these jurisdictions will be keenly followed. In addition, Luxembourg already has the local expertise in the workforce and that any country introducing a captive friendly approach would need to ensure that the cost structure maintains the captive's feasibility.

"Following a relatively stagnant few years, there has been a significant uptake in applications and formations of new captives, particularly in the last six months"

What are the biggest challenges for Luxembourg's captive market right now?

Demands on cash are still extremely high meaning that companies require value from captives particularly where there is significant cash or retained earnings within these vehicles.

As with any subsidiary located outside of the parent's home country, there will always be tax considerations therefore in order to minimise potential scrutiny companies need to ensure they have appropriate substance and governance arrangements and validation of the economic rationale. The capital demands of Solvency II still exist therefore companies need to be of sufficient critical mass in order for the benefits to outweigh the costs.

Protected cell captive (PCC) legislation has been spoken about previously in Luxembourg however we understand that this is unlikely to be implemented in the short term. PCC's often provide an entry point for medium-sized corporates to enter the market and then evolve to a full captive structure over time.

The longer timeframes involved to establish new captives in both Luxembourg and onshore EU could mean that the client will simply run out of time if the captive is meant to meet a renewal deadline.

The process for opening bank accounts can be cumbersome thus efforts to streamline that process would benefit the captive industry.

How do you see the Luxembourg reinsurance market growing in 2021?

With the hardening market and capacity issues, renewals have quite likely been difficult for companies. Our consulting team continues to see demand for feasibility analysis and in most cases, the analysis is indicating that there is a substantial financial and strategic value that can be provided from a captive structure.

Much of the growth both in Luxembourg and the EU has been through the expansion of current captive programmes to facilitate increased risk retentions together with the inclusion of additional lines of cover including uninsured risks.

This trend is likely to continue particularly for risks that are or will be economically inefficient in the traditional market.

What work is being done to drive captive insurance/reinsurance in Luxembourg?

On a global basis, brokers and consultants are advising clients to investigate the usage of captives, due to the lack of capacity in the market and the hardening market. In Luxembourg specifically, the European Captive Forum, to be held in November, is a huge draw for Luxembourg.

Finally, the Commissariat aux Assurances (CAA) are still renowned for the professional and pragmatic approach on the creation and implementation of captives.

European Insurance and Occupational Pensions Authority (EIOPA) recommendations following their review of the Solvency II regime have broadly been welcomed however many believe there is more work to do.

Although EIOPA makes provisions for more proportionality to be applied there is still an onus on the national regulators like the CAA to apply a more pragmatic approach to regulation.

What will be the big opportunities for Luxembourg's captive market over the next 12 months?

The expectation is that markets will remain hard for the time being, with the continued increase in enforced deductible levels and premium rates.

The opportunities will therefore likely come from an expansion of existing captive programmes with the inclusion of higher retention on traditional insurance lines, together with the inclusion of non-traditional lines. ■

"Our consulting team continues to see demand for feasibility analysis and in most cases, the analysis is indicating that there is a substantial financial and strategic value that can be provided from a captive structure"

Brian Collins
Managing director Europe
Strategic Risk Solutions Management Europe

Molly Hentges

Account executive

Gallagher Bassett

"Due to the fact that I've been surrounded by captive insurance my entire life, I've been able to see the extensive opportunities it has to offer"

Personal bio: *I grew up in Glen Ellyn, Illinois. Outside of work, my passions consist of singing and cooking. Singing has always been a creative outlet for me, and it has empowered me to express myself through music. I also absolutely love to cook. I get in the zone when I'm in the kitchen. One of my favourite things to do is create a new dish from scratch for friends and family.*

Professional profile: *I'm a proud graduate of the University of Iowa where I double-majored in marketing and finance. Throughout undergrad, I held two internships within the insurance industry. I spent one summer at Captive Resources, which gave me a great introduction to the captive industry. The next two summers I interned at Gallagher Bassett where I was eventually brought on full-time in my current role as an account executive.*

How did you end up in the captive industry?

One of the classic things I hear is that people 'fall into' the captive industry. I had the complete opposite experience. Insurance is something that has been embedded within my family for generations. My grandpa was a small-town insurance agent that spent his entire career in insurance, just like his father before him. My father has worked within captive insurance for forty years, and both of my older brothers and I have followed in his footsteps. Needless to say, captives have always been a topic of conversation when my family gets together. Due to the fact that I've been surrounded by captive insurance my entire life, I've been able to see the extensive opportunities it has to offer. I knew I wanted to build a career within the industry.

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

The amazing relationships that I've built with colleagues and clients. I feel very fortunate to be a part of a close-knit industry that builds each other up.

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

My father, Nick Hentges, and mentor, Amy O'Brien, have been prominent influences throughout my career thus far. My father introduced me to the nuances of captive insurance at a young age. That exposure played a pivotal role in my decision to pursue a career in captives. I've also been lucky enough to work with Amy, who is both my colleague and mentor. She is a seasoned veteran of the industry with extensive knowledge in regard to the formation and maintenance of captives. Her insight and guidance have elevated my career to the next level.

What is your impression of the industry?

I believe there is still a lot of untapped potential within the industry. As a young professional this excites me as the opportunity for growth is exponential. Captives are still a relatively new concept to people; this means education is key. That education surrounding captives and how they operate will enable this industry to continue growing exponentially.

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

I'm eager to reach a spot where I'm well established within my current role and the industry at large. I intend to build out a vast network of insurance professionals and further my education by completing the ARM, CPCU, ACI and CCI designations. I also see myself getting more involved in the marketplace. This includes obtaining and holding leadership positions for captive organisations and committees, speaking on panels, and becoming a thought leader within the industry.

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

One piece of advice I would give to anyone, regardless of industry, is to find a mentor. Having someone you can look up to, learn from, and confide in is helpful and will accelerate your professional development. ■

"Molly is a creative and energetic producer of claims management programs for captive clients.

She is driven to support the perpetual need to educate potential insureds and stakeholders as to the benefits of captives.

You can find her speaking on panels and she is always open to take inquiries from interested prospects, captive managers, brokers and consultants.

Our team is pleased to have Molly contributing to our leading captive third-party administrators (TPA) practice."

Amy O'Brien, national sales director, alternative risk programmes, captives and specialty markets at Gallagher Bassett

New Dawn Risk Group, the international specialist insurance intermediary, has appointed Manuel Sicard to lead the company's expansion into Latin America.

Based in London, Sicard is a Latin America senior broker.

Prior to joining New Dawn, Sicard was vice president of financial lines at Guy Carpenter.

He previously held a similar role at Willis Towers Watson (WTW) in London. Earlier in his career, he worked in Colombia as a reinsurance analyst for Allianz and a risk consultant at RE Ingenieria.

Max Carter, CEO of New Dawn Risk, explains that Latin America is a dynamic and developing region that is experiencing growing demand for increasingly complex insurance products, translating into a broad range of opportunities for international reinsurers.

Carter says: "Given that this is relatively uncharted territory for some, cedants and reinsurers alike need to know their broker can provide local specialist knowledge of the markets they are operating in."

"Manuel Sicard's depth of experience in the region, spanning underwriting, broking and risk management, combined with the strength of the relationships he has built up over more than two decades working in the industry, means we are now able to offer clients a more engaging and valuable proposition in Latin America," he adds. ■

Miller has appointed Charlie Simpson to head up its new Bermuda platform.

Simpson will concentrate on growing Miller's presence in Bermuda by launching an independent offering, initially focused on reinsurance and insurance-linked securities (ILS), with more key hires to be announced soon.

He joins from Aon where he was most recently executive vice-president of non-marine.

Prior to that, he held senior positions at Guy Carpenter, R K Carvill, JLT and BMS Reinsurance.

Miller states that his appointment signals a major development and continuing commitment to the firm's growth ambitions following the completion of its acquisition of Cinven Capital Management and GIC.

In February, the European Commission approved Cinven Capital Management and Raffles Private Holdings acquisition of Miller Insurance Services.

Commenting on Simpson's appointment, Greg Collins, Miller CEO, says: "Bermuda was an obvious choice of location for our continued expansion given its excellent reputation."

"With his considerable experience and market contacts, we are delighted that Charlie Simpson has joined us to shape and drive our strategy on the island." ■

Pool Re has appointed Claudio Gienal, CEO of AXA UK, and Alan Rubenstein, chairman of NHBC, as new board members.

Alan Brown, the current chair of the investment committee, will retire after more than 12 years of service, following the conclusion of the company's annual general meeting in June.

After Brown steps down, Rubenstein will then serve as chair of the investment committee.

Both Gienal and Rubenstein will contribute their extensive expertise in commercial insurance to Pool Re at a key time for the mutual as it navigates the outcomes of the Office for National Statistics (ONS) classification and the HM Treasury Review.

AXA UK and Ireland is also a member of Pool Re.

Commenting on the two appointments, Julian Enoizi, Pool Re chief executive, says: "It gives me great pleasure to welcome Claudio Gienal and Alan Rubenstein to the Pool Re board. Their combined experience will be of huge benefit to us as we chart the future direction of Pool Re."

He continues: "Our board members are vital as part of stimulating further innovative thinking within the organisation and the industry as we continue to meet the challenges of the evolving terrorism threat together as well as the emergence of other systemic risks."

"I very much look forward to working with Gienal and Rubenstein. I would also like to take this opportunity to thank Alan Brown for his many years of dedicated service to our board," Enoizi concludes. ■

Marsh has appointed Amy Barnes to the newly created role of head of sustainability and climate change strategy.

Barnes will relocate to London later this year from Houston, Texas, and report to Lucy Clarke, president, Marsh JLT specialty and global placement.

In this role, she will be responsible for leading Marsh's global strategy on the development of climate and sustainability-related initiatives for clients, particularly in relation to the impact of a changing physical risk landscape, improving access to capital for green initiatives, and a more thorough understanding of climate-related project risk.

She will also participate in Marsh & McLennan's (MMC) sustainability and climate change programme, which focuses on developing sustainability and climate change services across MMC.

Barnes is currently US and Canada energy and power leader within Marsh JLT Specialty assisting clients across a range of risk and insurance issues, particularly in relation to the transition from fossil fuels to renewables. She joined Marsh in 2001 as an environmental consultant, and has held a number of senior international insurance and risk advisory positions over the last 20 years in the UK and US.

Clarke says: "Amy Barnes' extensive experience working in the global energy and power sector, combined with her understanding of the challenges and opportunities facing our clients, makes her the ideal choice to lead our climate change and sustainability efforts." ■

Gallagher Re, the global reinsurance broker, has appointed Andrew Rothseid to the newly created role of partner, head of legacy.

Rothseid, who will continue to be based in the US, joined on 8 March and will be reporting into Matt FitzGerald, managing partner of specialty at Gallagher Re.

He brings over 25 years of experience in the global insurance and reinsurance industries, having worked exclusively in the global legacy market during that time and been at the forefront of US regulatory developments for legacy business.

For the last 13 years, Rothseid has been principal and owner of RunOff Re.Solve, a specialist provider of turnaround, restructuring, and advisory services where he has worked on behalf of global insurers and reinsurers, corporate owners of captive insurers, regulators, liquidators and institutional investors.

He is an experienced commercial trial lawyer and has also served as general counsel of US and Bermudian property and casualty run-off insurers and reinsurers; managing director of a London market insurer and reinsurer; and partner with global consultancy PwC responsible for its US insurance restructuring practice.

Commenting on the hiring of Rothseid, FitzGerald says: "We couldn't be happier that Andrew Rothseid has chosen to join Gallagher Re, where his vast experience in global legacy business, run-off advisory and resolution will be of significant benefit to our clients." ■

Africa Specialty Risks (ASR), the Pan-African focused reinsurance group, has hired Peter Way as a pricing actuary, marking the firm's first actuary hire.

Way will focus specifically on the development of in-house pricing models. His primary role will be to design the in-house pricing models in conjunction with the underwriting teams.

With its recent launch, this means that the ASR will have the opportunity to build bespoke African specific pricing tools, unencumbered by legacy software and data issues.

Way brings nine years of experience working in the insurance industry, having previously performed both actuarial and underwriting roles.

His experience includes exposure to the African markets via his former role as property underwriter at Brit, where African risks made up a material part of the international book.

Commenting on the hiring of Way, Mikir Shah, CEO of ASR, says: "Peter Way's talent and experience is a real boon for ASR. His knowledge of the Lloyd's and African markets will be invaluable as we develop our in-house pricing strategy to provide proficient, client-led services across the African reinsurance market." ■