The U.S. Reinsurance Under 40s Group

2015 London Tour Report

March 30 – April 2, 2015

Contents

Brief Background of the U.S. Re Under 40s Group

The U.S. Reinsurance Under 40s Group, Inc. (Re Under 40s) was founded in January 2008 by a group of young professionals in the reinsurance industry. The primary aim of the Group is to provide educational, social, charitable and networking opportunities for members of the (re)insurance industry within the U.S. The day-to-day affairs of Re Under 40s are managed by board and committee members representing a wide array of industry organizations. While the board and committee positions are held by professionals under the age of 40 (hence the name), all members of the (re)insurance industry are welcome to attend events.

Ever since the U.S. Re Under 40s Group was founded, one of our goals has been to arrange a yearly trip for our members to learn about other insurance markets, similar to the tours currently offered by the Lloyd's Non-Marine Under 30s Group, the (London) Under 35s Reinsurance Group, and the Bermuda Re/Insurance Under 40s Group. We are happy to announce that our 2015 Tour to London was a resounding success. As outlined in this Report, the tourists attended meetings with (re)insurers, syndicates, brokers, rating agencies, consultants, and other service providers. We toured Lloyd's of London, shadowed brokers and underwriters at Lloyd's and developed a greater understanding of the London market – both historical and present day. In short, the Tour offered a unique educational and networking experience, which all attendees benefitted from.

Please look at our website to learn more about the Re Under 40s.

Disclaimer: We have endeavored to provide a full and comprehensive report of the various events and meetings that occurred during the 2015 Tour. While we have aimed for accuracy throughout this Report, please note that the views and comments expressed herein are the tourists' own, and not attributable to their companies, sponsors, participants or hosts.

The Participants

Name	Company	Role
Vanessa Contreras	Munich Reinsurance America Inc.	Participant
Diane Cotrim	Munich Reinsurance America, Inc.	Participant
Shannon Dempsey	AXIS Capital	Participant
Rob DiUbaldo	Locke Lord LLP	Tour Leader
Christopher Holland	AXIS Reinsurance	Participant
Catherine Lo	AXIS Reinsurance	Participant
Kaushal “Ken” Majmudar	Ridgewood Investments	Participant
Kelly Minto	FTI Consulting	Participant
Andrew Newhouse	AXIS Reinsurance	Participant
Marlín Ramlal	AXIS Reinsurance	Participant
Sean Ramlal	QBE Re	Participant
Leigh Tuccio	Arch Insurance Group	Participant
Andy Vuong	Brit Global Specialty USA	Participant
Cari Winebrenner	Aspen Insurance	Participant
Nicole Zaman	Munich Re	Participant

RE 40 Under 40s Group, Inc. The U.S. Reinsurance

Tour Agenda

Monday, March 30
Welcome to Lloyd’s Tom Bolt, Director of Performance Management
Overview of the Lloyd’s Market, How it Operates and Lloyd’s in the US Susan Baker Josh Brekenfeld
Guided Tour of Lloyd’s Building
Lunch with various Lloyds’ employees
Presentation at Lloyds’ Nick Beecroft, Emerging Risks and Research Manager, Lloyd’s Emerging Risks at Lloyd’s
Presentation at AXIS Reinsurance Emmet Hiney, International A&H A&H Reinsurance
Reception sponsored by AXIS
Group dinner and networking

Tuesday, March 31
Presentation by and breakfast with IHS, formerly Exclusive Analysis David Hunt
Presentation at Guy Carpenter Vicky Carter, Vice Chairman of International Operations Nick Frankland, CEO of EMEA Operations Chris Klein, Head of EMEA Strategy Management Guy Carpenter Global Overview
Lunch with Guy Carpenter
Presentation at IUA (International Underwriting Association) Christopher Jones, Director of Market Services Overview of IUA
Presentation at Talbot Underwriting Ltd Rupert Charles Neville Atkin, CEO The Challenges of a Lloyd’s CEO in the Current Market
Group dinner and networking

Wednesday, April 1
Broker and Underwriter Shadowing at Lloyds (each tourist assigned a Lloyd's broker/underwriter)
Group Lunch with London Under 30s
Presentation at Aspen Insurance Company UK Sarah Stanford, Head of Financial and Corporate Risk
Presentation at JLT Re Stephanie Young, Catastrophe Analyst, BSc Cert CII Catastrophe Modeling 101: An Introduction to catastrophe modeling – an Underwriters perspective
Presentation at Munich Re Keith Nichols, Underwriting Manager Specie & Marine Fine Art and Specie Insurance
Event with London Under 35s

Thursday, April 2
Breakfast and Presentation at QBE Jonathan Parry, Chief Underwriting Officer Nicholas Toth, Senior Underwriter Peter Wilkins, Head of Specialty Paul Horgan, Head of Property The Retro Market
Presentation at FTI followed by lunch Alec MacMillan, Senior Consultant, Global Insurance Services How Lloyd's does Business Via Coverholders/MGA's and its Importance to the Lloyds Market World-Wide
Presentation at XL Lisa Hansford-Smith, Senior Underwriter Cyber Insurance
Presentation at Standard & Poor's Simon Ashworth, Director Reinsurance and Solvency II
Group dinner and networking

Tour Reports

Lloyd’s of London Corporation

Tom Bolt, Director of Performance Management

Susan Baker & Josh Brekenfeld, Relationship Management Team

Lloyd’s of London

Our first meeting of the tour kicked off at Lloyd’s with Tom Bolt, Director of Performance Management. He and his team are responsible for overseeing the business plans and performance for all of Lloyd’s 94 syndicates. Tom gave us a brief overview of Lloyd’s 2014 annual performance, highlighting that reinsurance made up approximately 34% of the total £25 billion gross written premium. While there was continual growth in Lloyd's casualty and specialty lines, property catastrophe excess of loss was on the decline due to various factors, such as the entry of alternative capital providers and low loss activity. With the ongoing soft market, Tom emphasized the need to be more thoughtful in terms of risk when writing business.

Susan Baker and Josh Brekenfeld, both part of the Relationship Management Team, walked us through the rich history of Lloyd's and its current operating structure. Some of the highlights of Lloyd's history include:

1688 - First mention of Lloyd's. Edward Lloyd's Coffee House became the central hub of shipping information for merchants.

1877 - Cuthbert Heath. One of Lloyd's most famous members, he introduced non-marine policies.

1904 – The first motorcar policy is written.

1906 - The San Francisco quake. Heath insisted that all losses would be paid in full to their policyholders, including any losses from the fire that followed, regardless of the policies' terms. This became a pivotal moment, cementing Lloyd's reputation.

1911 – The first aviation policy is written.

1923 - Creation of the Central Fund. After underwriter Stanley Harrison admitted to covering a line with high losses, he turned to Lloyd's Chairman, Raymond Sturge, for help. Knowing that Lloyd's reputation was on the line, the members chipped in so that the losses could be paid in full. This incident led to the creation of the Central Fund. Currently funded by all members, it is a last resort that can be used to respond to a loss when a member's own funds and capital are insufficient.

1920s-30s - Expansion of specialized classes, including bloodstock.

1965 – The first satellite policy is written.

A breakdown of the company:

The Market Structure

<ins>Members</ins> provide the capital for the syndicates.

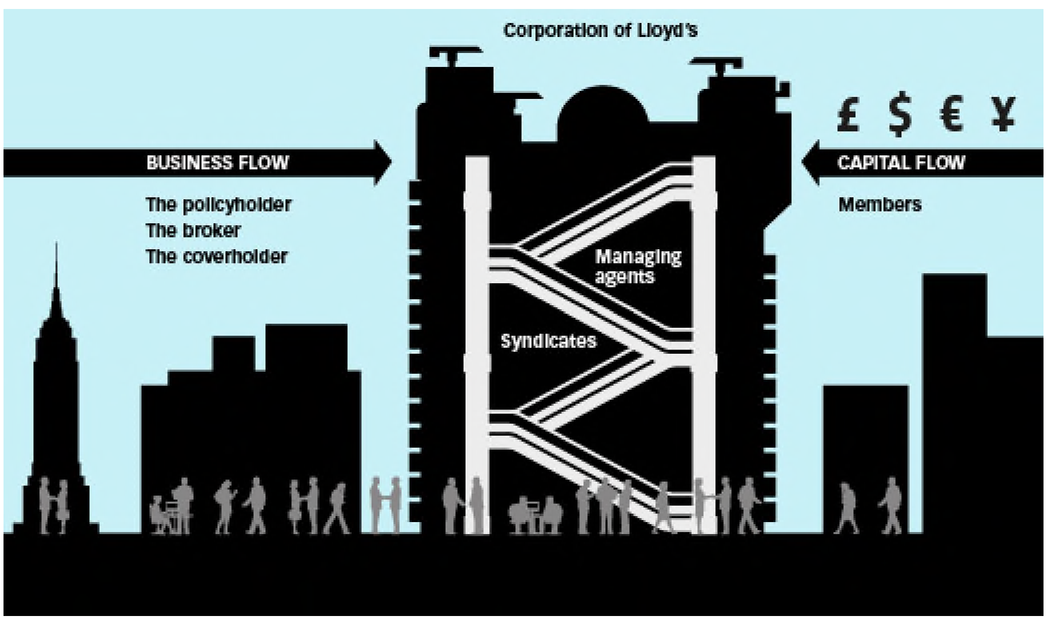
<ins>Syndicates</ins> write the business and operate under the Lloyd's name. Under the syndicate, the deal is typically written between the broker and underwriter.

Managing Agents manage the syndicate on behalf of the members, overseeing day-to-day operations.

Distribution
Brokers place the business with the underwriters on behalf of the client.

Cover holders are authorized by the managing agent to accept risk on behalf of a syndicate. This creates local access to Lloyd's around the world.

Policyholders are the insured individuals, business or organization.
The Corporation of Lloyds
The group that oversees the entire market.

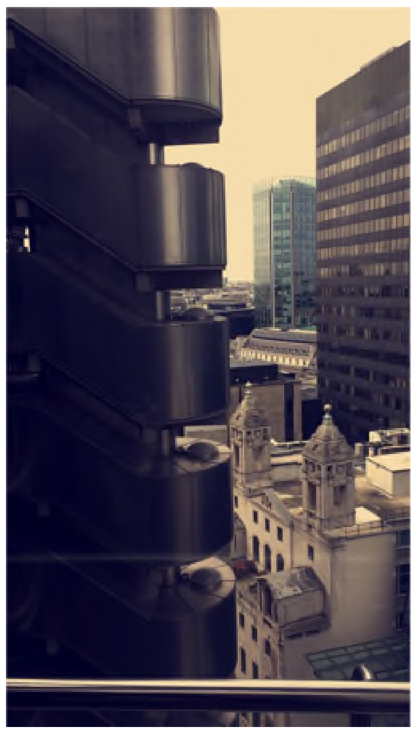


(https://www.lloyds.com/lloyds/about-us/what-is-lloyds/the-lloyds-market)

Lloyd's of London

Nick Beecroft, Emerging Risks & Research Manager

Emerging Risks at Lloyd's



After lunch at Lloyd's, the afternoon session was led by Emerging Risks & Research manager, Nick Beecroft. He is part of the team responsible for identifying new or developing risks with the goal of trying to understand and reduce these risks and their uncertainties. Lloyd's officially defines an emerging risk as "an issue that is perceived to be potentially significant but which may not be fully understood or allowed for in insurance terms and conditions, pricing, reserving or capital setting".

Nick explained the globalization of technology as an existing risk, using the 2011 Thailand floods as an example. Many technology companies with production plants in Thailand, including Intel and Western Digital, were severely affected by the flood. This created a shortage of hard-drive disks and processors, which in turn disrupted supply chains around the world. Several companies from Japan also placed their factories in Thailand for the very purpose of trying to reduce potential risks at home. Having been hit by the Tohoku earthquake and tsunami earlier that year, these companies suffered additional loss to their factories and supply chains. With the heavy impact of such catastrophes, companies are forced to rethink where to place their global factories and how to spread such risks.

Nick briefly went through other emerging risks case studies including the following:

Cyber

- Challenges
  - Systemic nature – connected to global network
  - Intangibility – victims are unaware
  - Human threat – constantly evolving and innovating
- How do we determine cyber risk versus terrorism?
- Expensive costs in getting loss data and analysis from experts
- Approximately 5x cost of average property policy

Severe Space Weather - Sun geomagnetic storms

- Solar storms in upper atmosphere induce currents onto Earth's surface
  - Currents travel onto power lines and other conductors
  - Can overload electric grid system, causing voltage collapse
  - Potential heavy damage to extra-high voltage transformers
    - Widespread blackouts
    - Time to repair transformers may be significant
    - Business interruption and catastrophic economic costs
- Probability of extreme storm is low, but inevitable to occur
- Extreme storm is 1 in 100-250 event
- Can cause power outages during peak of solar cycle
  - North American electric grid is getting old
  - Over time, people becoming more dependent on electricity
  - Potential power outages can range from 16 days to 2 years
  - Could affect 20-40 million people
- October 2003, Halloween Storms
  - South Africa – damaged 12 transformers
  - North America – minor grid disturbances
  - Sweden – blackout under an hour affecting 50,000 customers

Emerging Technology Risks

- Autonomous vehicles
  - Challenges with insurance and legal frameworks
  - Public concern and trust over safety
- Drones
  - Regulation still developing
  - Challenges with airspace
- Synthetic biology
  - No single set of regulations
  - Scarcity will drive innovation, but need to be responsible

AXIS Reinsurance

Emmet Hiney, Vice President of Underwriting, International A&H Reinsurance

International A&H Reinsurance

On Monday afternoon, March 30th, the Reinsurance Under 40s Group met with AXIS.

AXIS Capital (AXIS) is a Bermuda based insurance institution established in 2001. It comprises of AXIS Insurance, AXIS Reinsurance, and AXIS A&H. At year-end 2014, AXIS' total capital was $6.8B and total assets were $19.9M. Currently, it holds an A+ rating from both A&P and AM Best.

Our presenter was Mr. Emmet Hiney, Vice President of Underwriting, International A&H Reinsurance. In 2010, AXIS established an AXIS Global Accident and Health (A&H) product. Currently, AXIS A&H is divided by US and International business and is subdivided into Insurance and Reinsurance business. AXIS A&H is headed by Chris DiSipio, AXIS A&H CEO. AXIS A&H Reinsurance is led by Rob Smart, Reinsurance Manager. AXIS A&H is underwritten from their AXIS US, London, Dublin, Madrid, Paris, Zurich and Singapore offices.

Mr. Hiney focused his discuss on International A&H Reinsurance. Coverage is offered on a treaty or facultative basis through excess of loss, quota share and aggregate structure. There are two types of insurance coverages: Personal Accident and Medical. Reinsurance is sought for the following classes of business within an A&H book: Personal Accident (Death, Dismemberment, and Disability), Life (Natural Causes, Accidental or Failure to Survive), Pensions (Life, Disability and Income Protection), Medical, Unemployment, Pandemic, Worker's Compensation, and Carve Outs.

Currently, there is little demand for Quota Share or Surplus. There is more demand for Life, Personal Accident, and Travel Catastrophe Excess Loss programs, as well as Travel Excess Loss and some Travel Expat Medical coverage. International A&H product coverages include Personal Accident (Death/Discrimination & Disability), Business and Leisure Travel, Medical, Life and Disability, Specialty Health Coverage, and others. These products are offered to diverse types of insurers through reinsurance brokers. They will write business for Life, Health, P&C insurers, as well as through MGAs and captives. Capacity for this business is $50M per occurrence and $5M per person. International A&H is divided among UK, South America, Asia/Pacific, Middle East and Africa. Europe, specifically the UK, has more product and coverage offering than the other regions.

There are many underwriting considerations when reviewing an A&H insurance program. The following are a few that Mr. Hiney shared with us:

Travel XL's

1. Per Person:
    - Exposed to medical particularly USA.
    - Exposed to Liability

2. Cat:
    - Delay/Abandonment/Cancellation/Curtailment
    - Personal Accident accumulations
    - Pandemics (hours clause)

Life Cat XL's

1. Loss Occurring During vs. Risk Attaching during basis

Pension Cat XL's

1. Reserves

Mr. Hiney discussed various markets for A&H Reinsurance, starting with Europe. The UK has the broadest market for A&H products, which includes Life/Personal Accident/Income Protection catastrophe XL covers, Expat Medical Quota Share and XL covers, and Travel XL. In the UK, there is very little demand for Quota Share/Surplus programs. Additionally, the market is very open with many cedents and placements through Lloyd's Syndicates. In Denmark, Life/Personal Accident/Personal catastrophe XL reinsurance is purchased for many cedents throughout the country. In Norway and Finland, Life/Personal Accident/Pension/Travel/Workers Compensation catastrophe XL covers are also purchased. Also, in Norway and Finland, you can find Per Person XL covers, which are comparable to Workers Comp cover. The number of cedents in Norway and Finland is limited. In Sweden, Life/Personal Accident/Pension/Travel/WC Catastrophe XL covers are available. You will also see Per Person XL covers in Sweden. Cedents are fewer, but there is a market within the captive groups. Now, in France, there are many types of cedents, including Insurers, Mutual, Provident Institutions, Pools, and Associations. France currently has the largest A&H Reinsurance catastrophe market, including Life/Personal Accident/Dependents Catastrophe XL covers. There is also demand for Per Person XL covers. In Belgium, the Netherlands, and Luxembourg, Workers Compensation Catastrophe XL covers are common. In Germany, there is market for Travel XL covers and Life/Personal Accident/Pension Catastrophe XL covers. In Spain and Portugal, demand is generated from local markets and the Spain State Pool for Non-Catastrophe & Terrorism covers.

The presentation also addressed South American countries, which is a market that is relatively smaller, but continues to grow as their economies become stronger. Currently, there are three countries in which there is a market for A&H reinsurance: Colombia, Brazil and Chile. In Colombia, covers are sought by individuals on a proportional basis and for groups on a non-proportional basis. In Brazil, covers are sought mainly by group insurance on a proportional basis. Finally, in Chile the demand focuses on Pension Fund catastrophe XL covers.

The presentation continued with the Asia and Pacific Countries. Mr. Hiney discussed the markets in Australia, New Zealand, Singapore, Japan, North Korea and China with great detail, and noted that, in this part of the world, Life and Personal Accident catastrophe XL and Travel XL covers are popular. Some differences among A&H markets included Australia's Disability and Income Protection and Travel XL covers. In South Korea, there is demand for a Life and Personal Accident catastrophe product that would provide insurers cover for losses caused by war.

The Middle East, although large in size and population, has a very similar market for A&H, which includes Medical Per Person XL & Medical Quota Share covers. These countries included Saudi Arabia, United Arab Emeritus, Kuwait, Oman, and Bahrain. In Israel, there is market for Life/Personal Accident/Travel catastrophe XL.

We ended our tour around the world with a discussion of the South Africa market. We learned that there is a growing demand for Life/Personal Accident and Travel catastrophe XL covers.

AXIS

IHS (formerly Exclusive Analysis)

David Hunt, Senior Manager, Risk Indicators & Analytics

Overview of IHS

Our first meeting on Tuesday morning was with IHS, where the presentation was led by David Hunt, Senior Manager for Risk Indicators and Analytics. IHS is made up of more than 3,000 analysts and more than 8,000 employees throughout the world. Founded in 1959 by Richard O'Brien, and becoming publicly traded in 2005, IHS has continued to grow with three acquisitions this year and seven in 2014. IHS is based in Englewood, Colorado, and provides information, analytics, and expertise. It serves a number of businesses and governments in 140 countries, covering terrorism, political risk and energy business, among other sectors.

We were able to sit in on IHS' morning brief, which was a fast paced news summary that provided an overview of real-time global developments. During this briefing, each department discussed key events that took place in the prior 24 hours. Afterwards, each report was aggregated into their system. IHS has just less than one million data points over the past ten years that have been geocoded. These indicators help drive their pricing tools. They take many factors into consideration when evaluating risk in a particular country. Frequency and severity of each risk relevant event helps develop their heat map in which they show the intensity of events specific to certain regions. This analysis, along with a location risk score (which is based strictly on location); help measure the likeliness of an attack. It is important from IHS' perspective that they do not look at only the news, but also how things change. This is especially difficult with social media being seen as "noise" within an analysis. In the presenter's view, media outlets should be viewed as signals, but not used exclusively. The IHS operation was extremely impressive since they are always forward looking in how to share information.

Guy Carpenter

Vicky Carter – Vice Chairman of International Operations

Nick Frankland - CEO of EMEA Operations

Chris Klein- Head of EMEA Strategy Management

Guy Carpenter Global Overview

Guy Carpenter Global Overview:

- 2nd largest broker
- $24B reinsurance premiums placed
- More than 1300 clients
- $1.2B in revenue
- Staff count exceeds 2,300 worldwide
- Globally, Guy Carp spends $150M on Analytics a year
- There has been strong growth over a 5 year period
    - 2014 not one of the best years, outlook is uncertain
- North America
    - Large PC growth is coming out of North America
    - Efforts spearheaded by Andy Marcel
- Europe
    - There has been growth in Marine business
        - Global marine has doubled in size in the last 2 years
        - Aviation has been a tough market. Prices have been decreasing despite recent events. Unable to diversify portfolio
        - Retro business has also been tough

Global Property Cat Re ROL index:

- As of 1/1/14, results are down 11%. Contributing factors:

    - Oversubscribed programs
    - Benign cat loss
    - Continuing inflow of capital
    - Changing buying patterns
- In the 7 years since 2009 dropped 24%
    - Heavy driven by US Cat perils

Trends after Hurricane Andrew & KRW

- Led to bifurcation of the market
- Prices now tend to respond more locally the globally

Casualty Renewal Highlights

- Overall the market is down 5-10%
    - Broadly down across the board globally
    - UK Motor went up 5-10%
    - PP claims are high
        - Single person awards are tremendously high

Alternative Capital

- Global Cat capital up 7%
- $20B in alternative capital has entered the market, a significant number in Guy Carpenter's view
- Product growth:
    - Cat bond +7%
    - Collateralized Re +8%
    - Sidecars +2%
    - ILW +1%
- Consider whether alternative capital appetite flows to casualty lines in the future
- Cat bonds are mainly in the US because of the quality of Modeling Data

Overall Global NWP 2013: $205B

- Munich 18%

- Swiss 15%
- Hanover 8%
- Berkshire 7%
- Scor 6%
- The rest 26%
  - Top 3 haven't changed in years

Overall trends we are seeing and will continue to see in the Reinsurance market place:

- Consolidation
- Scale
- Diversification

GUY CARPENTER

The International Underwriting Association of London (IUA)

Christopher Jones, Director of Market Services

Overview of IUA

Our Group met with Christopher Jones, Director of Market Services at The International Underwriting Association of London, also known as the IUA. The IUA represents insurers and reinsurers that trade in the London insurance market outside of Lloyd's. Its key priorities are to improve the efficiency of doing business in London, advance the development of market expertise and innovation and influence public policy and compliance developments.

The IUA is the world's largest representative organization supporting international and wholesale insurance and reinsurance companies, with 43 full members representing over 90% of business written by the London company market, 10 affiliate members in run-off or providing professional services to other members, and 14 associate members from outside of London. 22 IUA members also have a Lloyd's platform.

Perhaps most importantly, IUA's members speak with a single voice to the market and government. In this regard, the IUA drafts model policies and has previously worked collaboratively with Lloyd's and broker organizations to present a single voice when dealing with issues such as regulation and compliance.

Joining the IUA community provides members with peer recognition. The IUA also offers its members operational support, and the members influence and benefit from market modernization as they strive to improve core infrastructure in the market.

IUA members also have the advantage of information and research sharing between member companies. The IUA produces quarterly updates on a wide range of topics, as well as specific issue papers. There are 71 individual IUA committees, with over 700 individuals serving on at least one IUA committee. The IUA also utilizes 41 distribution lists, with over 43,000 IUA information circulars distributed to members in 2014 alone. Furthermore, the IUA organizes market briefing events, which present an opportunity for members to discuss relevant issues with non-members such as subject matter experts from law firms and Xchanging, for example. Some current issues that the IUA is focused on include the weight of regulation and compliance, the growth of alternative capital, strategies for making the London market more efficient and attractive, development of Xchanging infrastructure, issues involving emerging economies, and new risks and products, such as cyber.

Talbot Underwriting

Rupert Atkin, CEO

Challenges of a CEO in the Current Market

On Tuesday afternoon, the Group met with Rupert Atkin, CEO of Talbot Underwriting and a Deputy Chairman of the Lloyd's market. Rupert has more than 30 years of industry experience. The presentation focused on Rupert's perspectives on the challenges of the current market and key areas of focus to persevere.

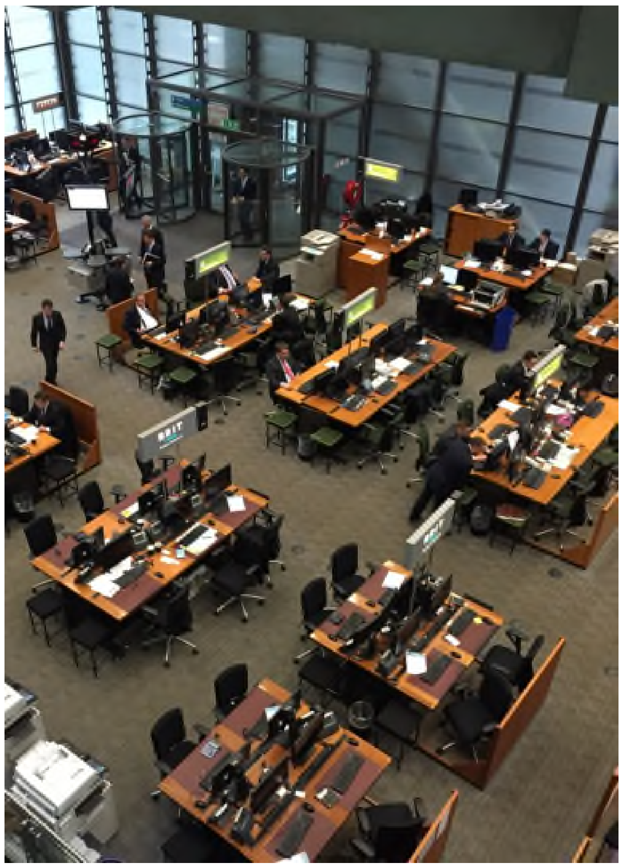
The discussion opened with Mr. Atkin's view that the market is not quite as bad as the majority believe. The industry can no longer rely on the hard/soft market cycle concept with the current oversupply of capital and its anticipated permanence. In his mind, it is not the supply that matters, but the willingness to deploy it. Success comes from ignoring the cycle.

Mr. Atkin believes that companies should focus on achieving growth without compromising the values of the organization. Organic growth and M&A activity are difficult in this type of market, so Talbot has deployed excess capital through extension of its international footprint by writing preferred classes of business in other countries. Talbot has always focused on what it knows best. This underwriting culture has served the company well and differs from many other Lloyd's syndicates. Main classes of business include Marine, Energy, Aviation and Terrorism.

Mr. Atkin also discussed the talent side of the industry, highlighting that Lloyd's and insurance in general have become more attractive to college graduates. He described great underwriters as those who think outside the box with entrepreneurial attitudes. In addition, proper use of judgment and understanding of models are key. Knowledgeable claims adjusters are also critical and the industry is facing a very large generational gap in this area. He went on to discuss the risk of overregulation which threatens to drive up costs, prohibits entering new lines of business and stifles innovation. Mr. Atkin highlighted Lloyd's Performance Management Development as a great example of regulation that works.

The discussion wrapped up with an overview of Lloyd's Market Association and a few positive statements about the industry's contributions to the economy. In London alone, the insurance industry employs over 50,000 people and accounts for 21% of its GDP. Before opening up to questions, Rupert encouraged us to promote the image of insurers as partners and enablers, rather than non-payers.

Lloyd's Broker Shadowing



AXIS Insurance

On Wednesday morning, each tourist shadowed an assigned broker or underwriter at Lloyd's. We were given full access to the brokers and underwriters as they conducted their business. The following is a summary of a shadowing session:

One of the tourists shadowed the SVP of Terrorism Underwriting at AXIS Insurance (10 years' experience) as well as his UA (1 year experience). The first portion of the shadowing provided an overview of the history behind the standalone Terrorism market. Prior to 9/11, terrorism risk was included in most policies without extra premium. In countries with elevated terrorism risk, such as Colombia, Sri Lanka, etc., standalone coverages could be purchased.

Following 9/11, the inability to predict the number, scale or frequency of future terror attacks became more apparent and policies began implementing exclusions. Demand for cover exceeded supply, and as a result, the standalone market truly emerged. Significant underwriting profits were made from 2002 to 2005, so insurers looked to this line as a way to diversify from cat lines. Rates began to soften and eventually led to the oversupply of capacity we see today. Historically, however, the Lloyd's Market has typically seen incurred loss ratios in the single digits, with 2010 being the exception, where the Thai Riots resulted in a 30% loss ratio to the market.

While shadowing the underwriter at the AXIS box, the tourist was able to experience some interaction with a broker. In this instance, the contract was a renewal from the previous year; however, the broker was looking to place new business. For Terrorism, probabilistic or deterministic models are typically used. Terrorism being so unpredictable, other sources may also be referenced. Having the IHS "Every Point on the Planet" overview the previous day provided a good segue into the topic of pricing new business. An example where this may be used is insuring a pipeline which may run through areas where the underwriter has little knowledge.

Overall, the Lloyd's shadowing provided an interesting opportunity to experience the interconnectivity of the insurance market within Lloyd's as well as London.

AXIS

Aspen

Sarah Stanford, Head of International Financial and Corporate Risk

Financial and Professional Lines

On Wednesday afternoon, the Group met with Sarah Stanford, Head of International Financial and Corporate Risk, Financial and Professional Lines, at Aspen Insurance UK. Sarah began her presentation with an overview of the Aspen Group, which is a Bermuda-domiciled specialty insurer and reinsurer with $2.9B in gross written premiums in 2014. The mix is currently 60% insurance and 40% reinsurance, with a broad range of lines of business written. Aspen has various offices across the UK, United States, as well as in Dublin and Zurich.

The insurance business is broken into three segments:

- Marine, Energy, Aviation & Transportation
- Financial & Professional Lines (FinPro)
- Property & Casualty

Sarah explained the FinPro leadership structure and then provided more detail around the sub-segments of the International business, including: Professional Indemnity, Financial and Corporate Risk, Tech & Data Protection (cyber), Credit & Political Risk, and Accident and Specialty.

Within Aspen, Sarah heads up the Financial and Professional International group, a London based team of 8 people. There are 60+ years of experience within the team. They also have dedicated claims professionals with years of experience.

Sarah delved into more detail around the Products and their specific areas of interest. For example, for Financial Institutions, they have a full range of Products including FI Directors and Officers Liability, BBB/Crime, FI Professional Liability, and Prospectus Liability. In the US, the liability focus is narrow and Crime is the core product offering. She showed an additional slide addressing their territorial appetite, which was different in Financial Institutions vs. Management Liability. The available distribution channels include a Lloyd's syndicate, company paper, and Swiss, Canadian, and Australian branches.

Sarah then discussed some detail concerning the Aspen D&O Consortium; an Aspen led facility with 4 Lloyd's of London partners following, which was started last November. The goal is to be more efficient for commercial D&O brokers. They currently have a $70M line size for International business and a $30M line size for US exposed business with the potential for future increases.

Sarah also gave the Group a Eurozone Update, in which she noted that the IGDP grew slightly in 2014, with larger growth predicted for 2015. The growth should be helped by lower oil prices. Sarah mentioned Spain's expected GDP growth, Portugal's recovering economy, and Ireland's economic growth. The outlook for Greece, Cyprus, and Italy did not look as positive, in her view.

Market Consolidation was the next topic discussed in Sarah's presentation, which was a very hot one during our week in London. She showed a great summary slide detailing the recent deals in the P&C specialty arena, including the size of the deals, price/book value, announced synergies, and the stated strategic rationale. It was interesting to discuss the various reasons why there seems to be an increase in market consolidation. The discussion then moved into broker consolidation and the recent activity. We closed with a brief Q&A session. Overall, it was a very informative and interesting meeting.

JLT Re

Stephanie Young, Catastrophe Analyst, BSc Cert CII

Catastrophe Modeling 101: An introduction to catastrophe modeling – an Underwriters perspective

Stephanie covered a variety of topics related to Catastrophe Modeling, ranging from the general motivation for developing Cat Models, to the science and methodology behind the models, and how models are used.

Prior to the 1990s, insurers and reinsurers relied on the concept of Probable Maximum Loss (PML), historical Catastrophe experience, and measuring accumulations in peak zones. Since then, technology has jumped by leaps and bounds. Today's Catastrophe Models are a result of collaboration between Science, Statistics, Engineering, Meteorology, Hydrology, and Seismology. The models complement traditional approaches by recognizing that the next Catastrophe will not be an exact repeat of a historical event. This is accomplished by applying computer simulations to a portfolio of risks. Current modeled perils include Hurricane, Earthquake, Fire Following Earthquake, Tornado/Hail, Winter Storm, Flood, Terrorism, Offshore Platforms, and Workers Compensation.

There are currently three main Cat Model vendors: RMS, AIR, and EQE. Depending on the vendor, either detailed (i.e. location level information) or aggregate information is used for modeling purposes.

General primary characteristics of each model include location/site information, policy/financial information, and structural information. As with any type of model, the better the detail of the data, the more accurate the results will be.

Location/Site Information	Policy/Financial Data	Structural Information
Location name	Inception & Expiration Dates	Construction
Address: Street, State, City, etc.	Policy Limits & Deductibles	Occupancy
Latitude/Longitude	Share Size	Year Built
		Number of Stories
		Roof Type

In addition to the above risk characteristics, Catastrophe Models are also able to account for other issues, such as Post Loss Amplification (a.k.a. Demand Surge). Post Loss Amplification occurs when the cost of goods and services are inflated after a large event due to supply shortages.

All of this information is used by the Catastrophe Models to generate exceedance probability curves, average annual losses, and modeled loss results, which are used by underwriters to price both individual risks and entire portfolios. Catastrophe Models also serve many other purposes within the insurance industry. CEOs and other Senior Level management often use results to manage and optimize portfolios. Rating Agencies will look at model results for Solvency II and other regulatory purposes. Most recently, Investors and Investment Banks use Catastrophe Models to develop pricing for Alternative Risk Transfer vehicles, such as Industry Loss Warranties, Catastrophe Bonds, and Sidecars.

Stephanie concluded the session by reminding attendees that modeled output is not the "answer", but rather an estimate of expected loss. There are non-modeled elements to many risks that must be accounted for outside of the Catastrophe Models. Moreover, clients may not have provided 100% of their Catastrophe exposed risks. When in doubt, underwriters and analysts are encouraged to ask questions. At the end of the day, it is essential that exposure information is understood in relation to modeled output.

Munich Re

Keith Nichols, Underwriting Manager Specie & Marine

Fine Arts & Specie Insurance

The final presentation on Wednesday was given by Keith Nichols at the Munich Re London office. Mr. Nichols discussed the following: Fine Arts, cash in transit (CIT), jewelers block, and general specie insurance. Specie is a moral hazard-exposed class, so key underwriting considerations are integrity and risk management of the insured.

Definition of the line of business: Specie insurance covers high value goods against physical loss or damage while in transit or at rest anywhere in the world.

Fine Arts

- **Private collections** - preferred class of business.

- **Museum & Exhibition** - often struggle for funds to secure the various pieces in their collection. The upside to this is that they have a very high duty of care.
- **Commercial Galleries** - more difficult class due to the fact that people are more interested in the turnaround of stock versus the pieces themselves.

Jeweler's Block – inland marine insurance, which provides coverage for loss or damage to jewelry that is the stock of the following:

- Retail
- Wholesale
- Manufacturer
- Pawn brokers

Cash in Transit

- Financial Institutions
- Armored Car Companies
  - Much more difficult to manage for a variety of reasons, including constant turnaround of staff, the fact that companies typically pay minimum wage to drivers so their duty of care is often very low, and the cars are always on the move so it can be difficult to track the exposure at any given time.
  - 95% of the risk is theft by infidelity of employees.
  - Owner infidelity is now specifically expressed in the wording.
  - D&O exclusion on all CIT policies.
  - Insurance carriers send out surveyors to do undercover procedure audits. Because of this, companies no longer allow one man crews.

General specie considerations

- It is much more difficult to sell stolen goods today. There is now a trace magazine that helps to mitigate loss due to extortion.
- State of the art security is available for locations in earthquake prone zones. An underwriter must keep in mind that the security can only do so much. There will be damage but these protections help to reduce the ultimate loss.
- Valuations are made on an agreed value policy. This is done to ensure a "fair and reasonable" dollar amount.

- Fakes are considered "not covered" but if purchased in good faith, there are instances were companies would return the premium paid for the policy.
- Most important considerations:
  - Risk management
  - Clarity of coverage
  - Pricing
- Low frequency, high severity line of business
- There are so many areas without losses so there is no actuarial pricing assistance for most specie books. There is a bit in jewelers block when possible.
- There is about 2.3 billion GBP of fine arts business in London
- There is about 3.4 billion USD of private collection business in NY alone
- Buy back clause – if the original item is recovered there is a clause that allows the insured to purchase it back from the insurer at an agreed upon amount.
- If a private collector is approached regarding showing a piece at an exhibition, the policy of the exhibition organizer is responsible for the piece and not the owner's policy.

Munich RE

London Under 35's Reinsurance Networking Event

On Wednesday night, we headed to a local bar near Lloyd's for a networking event with the London Under 35's Reinsurance Group. This Group was formed in 1975 and has quickly developed over the years to become a large and diverse group engaged in a variety of educational and social activities for young professionals engaged in the reinsurance market. The original goal of the Group was to give a voice to the younger practitioners in the market, and while this remains the principal role, the Group also engages in many social, training and educational events in both Europe and abroad. The Group has arranged many tours, visiting places such as Australia, New Zealand, Indonesia, Taiwan, Singapore, Canada and the US. Each trip provides invaluable experience and contacts for the participating individuals and their sponsoring companies.

It was great to be able to meet more people in the reinsurance industry from the London market. It was also very interesting to discuss their many tours and get ideas for locations for the U.S. Re Under 40's Group's future tours.

QBE Re

Jonathan Parry
Chief Underwriting Officer

Nicholas Toth
Senior Underwriter

Peter Wilkins
Head of Specialty

Paul Horgan
Head of Property

The Retro Market

We began our final day of the tour with QBE Re and a presentation on the market for inwards and outwards retrocession (retro) reinsurance. Jonathan Parry kicked off the session with an anecdote on his experience with the Lloyd's Under 35's Group early in his career. He attended a similar tour to the United States and spoke of both the educational value and the importance of the relationships formed. Of the 30 attendees of the tour, 24 are still in the industry and hold a variety of senior and executive level positions. The network formed has been key to his successful career and he stressed the importance of obtaining and maintaining contacts starting early in your professional life.

As an introduction, Jonathan shared the history of QBE. It began in 1886 in Sydney, Australia as North Queensland Insurance Co. After the 1959 acquisition of Equitable Probate and General Insurance and the 1971 merger with Bankers and Traders Insurance Company, the QBE brand was formed. In 2014, QBE had about 16,000 employees in 38 countries and gross written premium of US$16.3B. The European Operations of QBE has a strong presence in the UK. It is the third largest underwriter in Lloyd's with about 6% of the capacity share of the market.

Nick Toth kicked of the retro part of the discussion and his viewpoint as a seller of retro. A retrocession is essentially a reinsurance company insuring another reinsurance company to provide protection against peak or catastrophic loss. Retro comes in many different forms and a typical structure could be one or more of the following: Quota Share, Excess of Loss (Peak Territories, Non-Peak Territories, Pillared, Composite), Per Risk, ILW, and Aggregate.

Retro products include:

- Reinsurance Side Car - Vehicles that allow investors to take on the risk and return of a group of insurance policies (a "book of business") written by an insurer or reinsurer and earn the risk and return that arises from that business. A reinsurer will only pay ("cede") the premiums associated with a book of business to such an entity if the investors place sufficient funds in the vehicle to ensure that it can meet claims if they arise. Typically, the liability of investors is limited to these funds. These structures became quite prominent in the aftermath of Hurricane Katrina as a vehicle for reinsurers to add risk-bearing capacity, and for investors to participate in the potential profits resulting from sharp price increases in reinsurance.
- Catastrophe ("Cat") Bonds - Securitized products, typically issued by insurers/reinsurers via an investment bank. They usually have a one to three-year maturity and offer returns based on Libor plus an insurance premium. They typically have very low loss expectancy, but have substantial downside if a claim is triggered by a major event due to the lack of diversification. The total Cat bond market worldwide has an estimated value of US$10B, according to estimates from Guy Carpenter, and the majority of Cat bonds have exposure to US events. This market is dominated by reinsurance funds and asset managers seeking direct exposure to the reinsurance market.
- Industry Loss Warranties ("ILWs") - Typically written on a one-year term, issued by reinsurers (or insurers) in relation to a specific industry event (e.g. a hurricane in Florida). The trigger point for losses is determined by an index of industry losses, rather than an insurer's actual losses. Various ILW options can be purchased providing different risk/return characteristics. The market is dominated by reinsurance funds, with participation from a few traditional reinsurers.
- Collateralized Reinsurance - This is traditional or retro reinsurance written in collateralized form. Typically it is identical to traditional reinsurance except for the practice of the "investor" providing collateral for its full potential claim obligation under the contract. It has allowed unrated entities such as hedge-funds and pension funds to assume insurance market risks without the burden of achieving an explicit claims paying rating from a leading rating agency. The practice has also resulted in a broader range of risks being transferred to the capital markets than through

catastrophe bonds alone due to characteristics of various insurance risks that do not lend themselves well to the securitization process.

Losses that have impacted the retro world include Hurricane Katrina ($78.6B), Great Tohoku Earthquake & Tsunami ($36.8B), Sandy ($36.1B), Hurricane Andrew ($27.0B), Terror attacks on the WTC ($25.1B), Northridge Earthquake ($22.4B), Hurricane Ike ($22.3B), and Lyttleton Earthquake NZ ($16.8B).

Peter Wilkins then shared his thoughts from the perspective of a buyer of retro reinsurance for different lines of business. For marine retro, it covers a variety of business. While there has been a significant amount of activity (Deepwater Horizon, Thai floods, Costa Concordia, Japan Earthquake, etc.) that impacted the market, as the market softens, there has been pressure on rates and terms/conditions. As marine business has a longer tail, capital markets have not found it an attractive sector. On the aviation side, retro is purchased to cover airlines, general aviation/products. This market tends to have large capacity at competitive rates. While there has been some significant losses in recent news (Estimates: Malaysia Airlines at $500M, Malaysia Airlines in Ukraine at $300M, and the German Wings crash at $300M), these events have not impacted retro covers. For personal accident, events from the World Trade Center still define the market. There haven't been significant losses to the market since. While pricing has been competitive and terms and conditions have been challenged, it has been tame compared to the first tier cat market.

QBE Re

FTI Consulting

Alec MacMillan, Senior Consultant, Global Insurance Services

Lloyd's Coverholders

After meeting with QBE Re, we met with Alec MacMillan, a Senior Consultant, Global Insurance Services, at FTI Consulting in London. He presented on Lloyd's coverholders and their role in the London market.

A coverholder is "a company or partnership authorized to write contracts of insurance, collect premiums, issue insurance policies and certificates of insurance on behalf of the managing agent as evidence that contracts of insurance have been accepted in accordance with the terms of a 'binding authority.'" As of 2014, there were over 3,000 coverholders across the globe, an increase of over 500 from 2012, with approximately 250-300 new coverholders added each year. Coverholders are a significant component of the Lloyd's market, comprising over 30% of the total premium written by the Lloyd's market in 2013.

Both Lloyd's and each coverholder enjoy a mutually beneficial relationship. For example:

Coverholders gain access to . . .

- Lloyd's brand and security rating
- Other territories through Lloyd's licenses
- Flexibility and capacity to develop custom insurance products

Lloyd's syndicates obtain . . .

- Local underwriting without the establishment and maintenance of local infrastructure
- Niche product and region expertise
- Greater premium capacity

Prior to becoming an approved coverholder, a candidate must submit a formal application and undergo a due diligence process to ensure, among other things, that its capital, controls and procedures, licenses, and experience are in compliance with Lloyd's standards. Once a coverholder is approved, it is subject to ongoing audits, monitoring procedures, and annual compliance, which are critical for preventing and detecting common issues such as:

- Rating and discounting
- Separation of production and coverholder functions
- Deviations from binder limit adherence
- Untimely premium submission
- Credit control
- Reporting

To champion a coverholder's self-monitoring, Lloyd's provides a variety of tools and training, including financial crime training, a tax and regulatory online tool, and the coverholder toolkit. While not foolproof, both internal and external controls and monitoring have aided in minimizing risks to create a largely successful relationship between coverholders and the Lloyd's syndicates.

FTI CONSULTING

XL Catlin

Lisa Hansford-Smith, Senior Underwriter, Professional Indemnity

Cyber Insurance

Lisa Hansford-Smith is a Senior Underwriter, Professional Indemnity at XL Catlin focusing on cyber, one of the emerging and prominent risks in the (re)insurance space. Before she joined the then-XL Group in 2013, Lisa led Marsh's professional indemnity and cyber liability team for communications, media and technology, working with international wholesale and retail clients. She also worked with major corporate clients in publishing, technology and telecommunication. Lisa has an MBA and is an Associate of the Chartered Insurance Institute.

Lisa began the presentation by discussing the varying views in the industry of what constitutes a "cyber" risk. Wording can be very broad, and cover everything from a wide array of breach response costs, third-party liability exposure arising from a "hacking" of personal confidential information, first-party property damage (including, potentially, business interruption or contingent business interruption), regulatory investigations, terrorist acts, D&O and E&O exposures. Recent high-profile cyber hacks and crimes in the US involving "name-brand" companies such as Sony, Target, and Home Depot, have raised awareness publicly about the need for insurance solutions.

In the US and UK, cyber insurance is generally written on a standalone basis. In Europe, it is generally packaged as part of a broader insurance product, which makes it less expensive and easier to place (generally), although there are exceptions. Moreover, in the US, there have been a number of high-profile situations in which policyholders that have sustained a cyber attack have sought coverage under their CGL insurance covers, which has led to a debate as to whether such policies cover cyber claims. The law in the US is still developing in this area, although a number of courts have found that traditional cyber hacks have not fell within the scope of a CGL policy. There have not been as many public cases addressing this issue in the UK and Europe.

Cyber threats include attacks by professional/political hackers, foreign/corporate espionage, organized crime (focusing on the ability to obtain credit card, bank account or social security numbers), and rogue or careless employees/staff. The emerging regulatory climate, and explosion of social media, presents challenges for insurers and reinsurers in this space.

A hot topic in the (re)insurance sector – whether in the UK, Europe or the US – is how insurers and reinsurers that write this business can manage aggregation of risk. A cyber event has the potential to implicate many lines of business, some of which may not have contemplated by underwriters at the time a risk is written. Insurers and reinsurers have seen cyber claims under policies that were not foreseen at the time the policy or reinsurance agreement was issued. The costs of a cyber event from an insurance or reinsurance perspective can be substantial – forensics, breach notification, crisis management, re-issuance of debit or credit cards, credit/account monitoring, public relations costs, government/regulatory investigations and alleged violations, and legal expense in responding to lawsuits.

The average limit currently offered for a cyber program is $100 million (US). Lisa has seen lines of as much as $300 million (US) sought to be placed. Coverage has been purchased more in the US, in light of some of the recent high-profile (and costly) data breaches discussed above. In certain industries, such as retail, rates for cyber cover have increased dramatically over the past year and brokers have sometimes had a difficult time securing the amount (or type) of coverage sought. The industry continues to work to develop adequate solutions to address this need, and given the soft market in other lines of business, there is an appetite by many (re)insurers to underwrite this risk.

There are currently about 40 markets writing cyber. Some of the biggest players include AIG, Allianz, Beazley and Zurich. Carriers have sought to leverage their relationships with brokers and insureds who they currently underwrite in other lines of business. Retailers, manufacturers and financial institutions have the biggest appetite for cyber cover. Traditionally, financial institutions have been "ahead of the curve" when compared to other sectors with regard to having sufficient security, processes and procedures in place to address cyber risks. In sum, Lisa anticipates that the desire to purchase cyber/privacy coverage, and corresponding market, will only continue to grow in the future.

XL CATLIN

S&P

Anvar Gabidullin and Miroslav Petkov

Reinsurance and Solvency II

The final presentation was provided by S&P, and addressed reinsurance and Solvency II. The global picture for 2015 for reinsurance is expected to experience a small improvement compared to 2014 because the US economy is sound and Europe is improving.

There are some risks to this forecast: geo-political, the Greece situation, and increasing interest rates, as well as significant leverage in shadow banking system and the Chinese economy.

Over $2 Trillion of Euro Debt is trading at negative yields. A third of that is in Germany. All German maturities below 7 years are at negative yield. This is particularly an issue for life insurers and raises concerns about the quality of bond assets on insurers' balance sheets. These issues are causing currency risks and volatility.

Equity markets have done well. The U.S. is up 13% from last year. Europe has lagged, but has been catching up lately and is almost as well performing now.

Reinsurance overall still a challenging outlook. The main issue is over capitalization on the supply side, especially from alternative and hedge fund capital. On the demand side, clients have bigger balance sheets and are more comfortable holding on to risks, reducing and rationalizing the demand for reinsurance. This creates challenges for smaller and less diversified reinsurance. Lloyds had an 88% Loss ratio in 2014, but this was a not a year with significant catastrophes, and in a normal cat year the losses would be higher.

The pressures outlined above are continuing to lead to a consolidation wave. Overall profits and reserves are robust but consolidation pressures should continue. Insurers see consolidation as a way to maintain relevance and build scale to deal with these issues. A few deals have already been announced this year, including XL/Catlin, Axis/PartnerRe, and Fairfax/Brit.

Natural catastrophes have been occurring at below average rates, but a single large cat could change that. Cat pricing has been down 10%+ and soft conditions persist across the board.

Solvency II is an EU-wide legislative initiative designed to create harmonization of the regulatory regimes and a coordinated approach for balance sheet strength across the Euro zone.

There are three components of Solvency II, which is modeled after the Basel 2 requirements, but customized for insurance companies: 1) Quantitative; 2) Qualitative; 3) Supervisory and Public Disclosure. Solvency II provides rules for credits/haircuts on balance sheets items (both assets and liabilities) to determine capital adequacy under the proscribed formula. In essence, it gives insurers a choice on how to calculate their balance sheet solvency, as between the standard formula provided or their own internal model. The standard formula is quite complex, but has some flexibility. Some may opt to use their own internal model or a regulator may, in exceptional circumstances, require them to use an internal model if they deem the standard formula as being inappropriate in their circumstances. An internal model may be more complex and costly to implement, but may offer a better reflection of the company's particular risk profile, especially in complex circumstances. The standard formula is quite robust and most will likely opt for that approach.

Solvency II represents a big change in the rules and harmonization for the insurance business in Europe, but also has global implications. The Solvency II deadline is currently set for January 1, 2016 - though this deadline has been pushed back many times already due to pressure from the industry and the complexity involved in shifting to this new paradigm. It is not impossible that the deadline may be extended again, though the chance of keeping this implementation date and preparedness this time around seems greater than before.

STANDARD & POOR'S

Attendee Bios

Tour Leaders:

Robert W. DiUbaldo – Locke Lord LLP

Rob is a Partner at Locke Lord LLP, working in the firm's insurance and reinsurance group. He has spent his entire career counseling and representing insurers, reinsurers, brokers, asset managers, MGA's, MGU's, hedge funds, investors and other entities involved in the (re)insurance industry. His practice areas include litigation, arbitration, coverage advice, drafting policy/treaty wording, and regulatory matters. Rob's favorite part of the London Tour, besides the people, was the shadowing of Lloyd's brokers and underwriters. He felt that this was a tremendous learning experience that would benefit anyone who has not actually sat at a Lloyd's "box" and conducted business on a given day.

Tour Participants:

Vanessa Contreras – Munich Re

Vanessa Contreras is a Professional Liability Underwriter at Munich Re America. She is currently working out of Chicago and is responsible for underwriting and pricing Medical Professional Liability for physicians, surgeons and allied healthcare facilities, as well as non-medical lines of Professional Liability, including Directors and Officers and Miscellaneous E&O. Vanessa began her career in reinsurance as part of the Munich Re Risk Analyst Development Program. The program allowed her the opportunity to rotate through several key operational units including underwriting, actuarial pricing, accounting and claims. Prior to Munich Re, Vanessa worked for State Farm in Bloomington, IL as a Quote and Bind Auto Sales Representative. She was responsible for quoting and binding auto insurance in 13 states across the U.S. She has also spent time shadowing various underwriters and brokers at Lloyd's of London as part of an internship opportunity through the Katie School of Insurance at Illinois State. Vanessa has been an active member of the Re Under 40s for three years. She participated in the 2013 Munich/Zurich Re Under 40s Tour and the 2015 London Tour. This will be her second term as Membership & Communications Chair. Vanessa is also a member of PLUS - Professional Liability Underwriting Society and the APIW – Association of Professional Insurance Women.

Diane Cotrim – Munich Re

Diane Cotrim is an Alternative Market Underwriter at Munich Re. She began her career in insurance after receiving a degree with concentrations in Finance and Risk Management & Insurance from Temple University. In her current role, she provides excess insurance and reinsurance solutions to public entities, educational, religious and non-profit institutions. Diane's favorite part of the tour was the underwriter shadowing at Lloyd's and exposure to global markets.

Shannon Dempsey – AXIS Reinsurance

Shannon is a Senior Actuarial Analyst at AXIS Reinsurance, working in reserving. She became involved in the insurance industry after majoring in Actuarial Mathematics and Economics at the University of Pittsburgh. After graduating, she began her career working as an Actuarial Analyst at Insurance Services Office, in the Personal Lines Homeowners' Division. Shannon's favorite part of the London Tour was the shadowing of a Lloyd's underwriter, as this provided both a unique and valuable learning experience.

Christopher J. Holland – AXIS Reinsurance

Christopher J. Holland is an Assistant Vice President at AXIS RE. In this role, he is focused on the development and growth of the Workers Comp and Alternative Risk platforms. Prior to joining AXIS RE in 2014, he was a casualty underwriting officer at Platinum Underwriters Reinsurance, Inc.

Before joining Platinum Re, Mr. Holland served as a senior underwriter at Zurich, where he was responsible for a portfolio of domestic casualty insurance products. Prior to 2010, he was an underwriter in AIG's Risk Management division, where he developed customized risk management programs. Christopher got his start in the insurance industry working as a claims adjuster working for various prominent U.S. P&C insurance companies and has continued to take on roles of increasing responsibility.

Catherine Lo – AXIS Reinsurance

Catherine Lo currently works at Axis Reinsurance as a Senior Actuarial Analyst in pricing, focusing primarily on marine business. Before making the move from California to New York, Catherine previously worked at Farmers Insurance and Sequoia Insurance doing both pricing and reserving. She holds a degree in Math/Applied Science from UCLA. Catherine's favorite part of the tour was visiting Lloyd's and learning about their history and company structure.

Kaushal "Ken" Majmudar – Ridgewood Investments

Ken serves as founder and Chief Investment Officer of Ridgewood Investments - a NJ based Investment Management Firm. Ken graduated with honors from the Harvard Law School in 1994 after being an honors graduate of Columbia University in 1991 with a bachelor's degree in Computer Science.

Prior to founding Ridgewood Investments in late 2002, Ken worked for seven years on Wall Street as an investment banker at Merrill Lynch and Lehman Brothers, where he has extensive experience working on initial public offerings, mergers and acquisitions transactions and other corporate finance advisory work for Fortune 1000 companies. He is admitted to the bar in New York and New Jersey though retired from the practice of law.

Ken has a long history of following and investing in growth oriented insurance companies, particularly companies with business models that combine good underwriting with good investment management as a central focus of their business. Ken is currently working on setting up a Bermuda-based insurance company to implement a similar insurance/investment based model for his own clients.

Andrew Newhouse – AXIS Reinsurance

Andrew is currently an Underwriter for US Property Treaty at Axis Re. He started his career as an Underwriter for Financial Institutions at Axis Insurance in 2012. His favorite part of the London Tour was the numerous networking opportunities, along with the day at Lloyds.

Kelly Nickerson – FTI Consulting

Kelly is a CPA and Senior Director in FTI Consulting's Global Insurance Services group. Since joining FTI in 2007, Kelly has been providing litigation consulting and other advisory services for insurers and reinsurers in matters including, but not limited to, complex litigation, statutory and GAAP accounting issues, insolvency causation, and reinsurance contract disputes. Prior to joining FTI, Kelly started her career as an auditor for Ernst & Young, auditing global property and casualty insurers and reinsurers. While Kelly has been involved in the ReUnder40s Group since 2011 as a board member, the 2015 London Tour was her first tour. The part of the tour that she enjoyed the most was the diverse subject matter covered in merely four days—from the inner workings at Lloyd's of London to specie insurance to global M&A activity.

Marlín Ramlal – AXIS Reinsurance

Marlín Ramlal is an enthusiastic and dedicated underwriter. She has experience in primary insurance, brokerage and reinsurance. Marlín received her Bachelor's Degree in Actuarial Science from St. John's University in 2006 and began her career as an insurance summer intern in 2004. Since 2012, she has been a Casualty and Multiline Reinsurance Treaty Underwriter with AXIS Re. Prior to joining AXIS, she was an Excess & Surplus Lines Underwriter at Arthur J. Gallagher MGA's division RPS from 2006 to 2012. She holds both her CPCU and ARe professional designations from The Institutes and is pursuing her RPLU (Registered Professional Lines Underwriter). She serves on the board of the US Reinsurance Under40s Group as the Education Chair and, previously, as the Social Chair. She is, also, a member of the John Street Insurance Association and Association of Professional Insurance Women. Marlín participates as a Volunteer and Event Treasurer for the St. Baldrick's Foundation.

Sean Ramlal – QBE Re

Sean is an Assistant Vice President at QBE Re working as a lead treaty underwriter on their casualty reinsurance team. Before graduating from St. John's University's Actuarial Science program, Sean began his career as a claims intern at Platinum Re. From there, he joined CNA's actuarial rotation program in Chicago as an analyst for their Specialty Lines reserving team and their Worker's Compensation pricing team. In 2009, he returned to the reinsurance industry in New York to work for Allied World Re to price casualty treaties. He joined the underwriting team at QBE Re in 2014. Sean holds the Associate of the Casualty Actuarial Society (ACAS), Member of the American Academy of Actuaries (MAAA), and Chartered Property Casualty Underwriter (CPCU) designations and has been named to the Intelligent Insurer's list of 40 Rising Stars Under 35. He has been involved with the Reinsurance Under 40s group since 2010 and now serves as President.

Leigh Tuccio – Arch Insurance Group

Leigh Tuccio is a Senior Claims Examiner at Arch Insurance Group, within the Executive Assurance group. She handles a high exposure caseload of Directors & Officers, Employment Practices Liability and Insurance Company Professional Liability claims. Leigh joined Arch in 2013 from ACE Group, where she was most recently a Claims Manager in the Professional Risk group. Leigh supervised a team of Claims Specialists handling Employment Practices Liability Claims. Prior to joining ACE in 2011, Leigh was an Associate at Mendes & Mount, LLP in the Professional Liability Department. While at Mendes & Mount, LLP, she handled mostly Lawyers Professional Liability Claims as well as some Miscellaneous Professional Liability Claims. Leigh received a BA from Boston College and a JD from Fordham University School of Law. Leigh is a member of the New York Bar and a licensed Insurance Adjuster in many states.

Andy Vuong – Brit Global Specialty USA

Andy is an underwriter at Brit Global Specialty in Chicago. He became involved in the insurance industry while studying insurance and finance at Illinois State University. He previously worked at Munich RE in Chicago in the public and non-profit sector. His favorite part about London was meeting the other members on the tour as well as the shadowing at Lloyd's.

Cari Winebrenner – Aspen Insurance

Cari is currently a Vice President and Actuary at Aspen Insurance in New York. She supports pricing for several lines of business within the US Insurance segment. Before joining Aspen in 2012, Cari spent almost five years working for Travelers Insurance in various roles. She began her career at The Hartford where she was part of the actuarial development program. Cari is currently a Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries. During the tour, she enjoyed learning about the current state of the reinsurance market, participating in the job shadow at Lloyd's, and networking with other members of the tour group.

Nicole Zaman – Munich Re America

Nicole is an Assistant Vice President, Property Underwriter within Munich Re America's Reinsurance National Clients group. Before moving to her current role in 2011, she participated in Munich Re America's Risk Analyst Training program, spending two and half years rotating across various functional units. Nicole became involved in the insurance industry after majoring in Finance and Risk Management & Insurance at Temple University. Her favorite part of the Reinsurance Under 40s tour was shadowing a broker from Safeonline at Lloyd's of London.

Closing Thoughts and the Road Ahead

We believe that the Tour was a fantastic opportunity for all of the participants to learn about the Lloyd's and London markets, further their professional knowledge and make life-long networking relationships. It was great experiencing the "underwriting boxes" at Lloyd's first-hand after hearing about and working with underwriters and brokers at Lloyd's for years. We met with people from all walks in the industry and heard their views on the current market and predictions on what lies ahead of us. We learned about lines of insurance some of us never even knew existed or had not been exposed to yet in our careers. We made a lot of contacts - young and old - that we hope to maintain for years to come.

On behalf of the Re Under 40s Group, we thank all of the companies, sponsors and organizations that helped make the 2015 London Tour possible.

See you next year!

The Tour Leader,

Rob DiUbaldo