

POWER BROKER: AT LARGE



Dee Anderson, CPCU

**EVP and Regional Director
Alliant, Louisville, Tenn.**

A Cyber Attack's Worst Nightmare

Cyber attacks can have a devastating effect on businesses when they strike. Added to that, their increasing frequency and severity is continually driving up rates in an already hard market. When Dee Anderson's client, Forward Air, a ground transportation and logistics services provider, suffered a cyber ransom event, he faced a huge challenge to ensure it was properly covered.

Having replaced the firm's cyber limit after the previous one of \$5 million was exhausted by the event and with the renewal just around the corner, Anderson successfully managed to renew both its cyber and D&O coverage on favorable terms.

Kimberly Rountree, deputy general counsel of Forward Air, said, "With Dee you get the full package. He knows our business and insurance needs inside out, has a great industry knowledge, is extremely proactive and responsive, and has built a great team around him."

Another large manufacturer client with a significant trucking operation faced two auto liability claims that occurred within six months of each other for eight and seven figures respectively.

Despite this, Anderson leveraged his and his client's relationship with the insurer to negotiate a flat renewal.

"Dee's prompt service and attention is an invaluable asset for us as we continue to grow. He has all the talent and resources we look for in a top broker," this client said.



Richard Ashe, CPCU

**Senior Vice President
Marsh, Sarasota, Fla.**

Solving Environmental Claim Headaches

Mold damage has become an increasingly difficult risk to handle. This has been exacerbated by increasingly severe hurricane seasons and buildings remaining vacant because of the COVID-19 crisis. It was a problem encountered by Richard Ashe's client, a large real estate and investment firm, after its insurer denied full coverage for mold damage associated with water exposure because of Hurricane Florence.

Successfully arguing a technicality, he negotiated a final settlement of \$3.6 million, which exceeded his client's expectations by \$300,000. The client said, "The claim was already two years old when Richard came in. He gathered all the history, went through all the information that had been provided to the carrier for proof of loss and, through leading the discussion on our behalf, achieved a positive outcome for us."

Another manufacturing client was named as a responsible party of a SuperFund site claim by the state regulator.

The case involved waste material that had been disposed from a particular site — the policy for which, because of prior claim activity, the insurer had decided to impose a much higher deductible of \$250,000 and restrictive language. But Ashe pointed out that neither the deductible term nor the restrictive language included the words "waste disposal," therefore the coverage limitations didn't apply, to which the insurer agreed.



Kristin Erbacher

**Managing Director, Senior Vice President, Middle Market
Broking Leader
Aon, Cleveland**

Serving the Needs of the Retail Sector

Fewer sectors were hit harder by the pandemic than retail. One of Kristin Erbacher's clients, a nationwide retailer, was particularly challenged. Trying to stay afloat and facing a hard market, the company engaged Erbacher to carry out a full marketing effort on its primary and excess casualty lines to secure a more favorable deal at its January 31, 2021 renewal.

But with the incumbent indicating flat to 5% rate increases on its primary casualty lines and umbrella/excess limits being halved to \$25 million, she needed to find additional capacity to fill out the \$50 million limit required. Added to that, during the pandemic, the company had leased its own tractor trailers to transport goods from its warehouses to retail locations, increasing its auto liability exposure. Erbacher was able to secure the full limit, with the additional capacity provided by three main insurers, delivering total annual premium savings of \$258,000 in the process. The client said, "Kristin recommended a switch to another carrier. We were apprehensive at first, given our history and the potential change management impact. But she guided us through the process and the change was seamless."

Another client said, "Kristin is very attentive to our needs. She makes herself available to us all of the time. She even called me once when she was on vacation, such is the length she is willing to go to."



Kristin Falzone

**Vice President, Executive and Cyber Risk
EPIC Insurance Brokers & Consultants, Easton, Conn.**

Checking Every Box

Half the challenge for brokers is getting underwriters to understand the risk they are writing. It's a skill that, if done well, can save clients significant premium amounts and/or improve their limits, and terms and conditions. That is exactly what Kristin Falzone achieved for her client, investment firm Adams Funds.

Its primary management liability insurer had substantially reduced limits, restricted coverage, increased retentions and doubled premiums for the 2021 annual renewal. A large increase in excess rates also made replacing the limit gap in the company's insurance tower expensive and unattractive. So Falzone immediately evaluated its current limits and carried out in-depth claim scenario analysis and thorough marketing exercise in the global marketplace. Because the firm's risk profile is often misunderstood as self-managed, closed-end funds are uncommon; she also had to educate the markets on the risk.

After restructuring the entire management and cyber liability program, Falzone was able to secure expiring limits, including an additional \$5 million in excess employment practices liability and cyber liability coverage, for an 11% total premium reduction.

Janis Kerns, general counsel, corporate secretary and chief compliance officer at Adams Funds, said, "Kristin effectively navigated that landscape and found newer relationships closely aligned by ratings and quality consistent with and meeting our coverage requirements."



Lori Freedman, CIC, CRM

**Senior Vice President
Marsh, Austin, Texas**

Solving the Worst of Winter Storm Uri

When the water pipes of a children's shelter, Safe Alliance, in Austin, Texas were frozen by Winter Storm Uri and then broke, it caused widespread flooding and property damage, with residents having to be evacuated immediately. Knowing that the storm was coming, Lori Freedman had already contacted the local restoration company to make sure she had the necessary protocols and contact information available for her client in the event assistance was needed.

When the worst happened, she was able to get the restoration firm out immediately, while escalating the claim with the insurer so repairs could be carried out straight away without having to wait for an inspection. Added to that, the shelter had to file a vandalism claim, which Freedman escalated too. She also helped it obtain the necessary information to substantiate a business interruption claim, which yielded \$152,244 in recovery for its business income loss.

Aja Gair, COO, Safe Alliance, said, "Lori ensured that we had contractors onsite as quickly as possible doing mold remediation and assessing the damage. She jumped in right away to personally handle all the nitty-gritty details of the claim and made sure that we were reimbursed for business interruption losses."

Another client, Aaron Richardson, executive leader, Whole Foods Market, said, "I sleep a lot better at night knowing that Lori's eyes are on our files. Her vigilance has been invaluable in containing or preventing large losses."



Thomas Grey, AIC

**VP, Senior Claim Advocacy Professional
Marsh, Charlotte, N.C.**

Putting Out Fires for His Clients

Settling a claim for a fire can be stressful, to say the least. But when Thomas Grey's client, a food manufacturer and coffeehouse chain, suffered a fire at one of its legacy retail locations, it wasn't just a matter of dealing with the initial incident but the complexity of claim that he had to contend with too.

Despite the location's footprint and layout being vastly different to the firm's current builds, the insurer based the claim on the replacement value of the store at the time of the loss, which was less than the newer locations' cost to build. Working with his client, Grey developed a line-by-line replacement cost for the loss location using its general contractors and resolved the difference between the client's and insurer's estimates. Ultimately, the difference between the estimate on the rebuild and the cost of a current, stock build location was negligible.

Grey also secured advance payment for his client based on the actual cash value of the construction cost within the first 60 days of the loss, with the insurer eventually paying \$200,000 in total; more than the original loss estimate. The client said, "Thomas was in the thick of it. He got stuck straight in and resolved what was a very tricky claim with the minimum of fuss."

Another client made the move between insurers, with older claims in run-off. Grey provided feedback and advice on reserve adjustments and settlement recommendations on its files, resulting in cost savings on reserves and payments.

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Noah Hardie

**Executive Vice President
Alliant, New Orleans**

Tenacity Abounds

When his client was forced to close dozens of its bars because of the COVID-19 pandemic, severely restricting its revenue, Noah Hardie stepped in to help. After carrying out a periodic balance sheet review, he identified revenues were down more than 50%. However, the insurer was only willing to allow a 25% adjustment to the new exposure. So Hardie remarketed the placement mid-

term with the new exposures, resulting in a more than 50% reduction in total cost of risk.

For another client, he used his knowledge of its balance sheet to identify revenue trends during the pandemic. Using the data collected from the firm's payment and settlement system, Hardie showed the underwriters the quantum of the reduction in exposure. The insurer subsequently issued a 25% COVID credit of more than \$250,000 in returned premium. Using his relationship with the insurer and access to his client's data, Hardie also negotiated a 5% renewal bonus if the client met loss ratio and timely reporting targets.

Christian Jensen, CEO of Transportation Consultants, and Hardie's client, said, "Noah's key quality is tenacity. He never gives up and keeps going until he has secured us the best outcome or solution."

Another client, a website development firm, said, "I would recommend Noah to anyone. His personal integrity, knowledge and white glove treatment stand out in an industry sometimes fraught with mediocrity and recalcitrance."



Charlie Jimenez

**Account Executive, EPIC Insurance Brokers & Consultants,
Santa Monica, Calif.**

Solving a Clause Conflict Puzzle

After his client suffered a social engineering fraud event, Charlie Jimenez recommended the firm buy a standalone cyber policy. The policy would complement its crime policy to provide additional coverage and capacity at a lower deductible.

Cognizant that there could be conflicts between the two policies' clauses — at worst, both claiming to be excess to any other coverage, thus resulting in a conflict between insurer in the event of a claim — Jimenez structured the cyber policy to be explicitly primary coverage to the existing crime policy.

A few months later, his client suffered another social engineering fraud event, incurring a significantly greater loss than the previous one. But because of the way Jimenez had set up the social engineering coverage between the two policies, with clearly defined primary and excess coverage, he was able to get a near \$500,000 claim paid within just a few weeks of loss discovery and avoid any delays or drawn-out negotiation with the insurers about who was responsible for the claim. It was a seamless solution that saved his client time and stress and enabled the company to recover its capital and put it back to work quickly.

Another client, Alan Rich, VP, Seacoast Capital Partners, said, "What separates Charlie from prior brokers we have worked with is his consistent follow-ups and conversations. He's also intelligent, highly professional and is able to offer sound advice."



Corey Lewis

**Senior Vice President
Aon, New York**

Tax Credit Complexity? He's Got This

Few insurance policies are as complex as investment tax credit (ITC). That's why Corey Lewis' expertise is invaluable to his clients.

For one client, he placed a \$100-million-plus hybrid ITC and representations and warranties policy to cover a large-scale solar utility project in Texas.

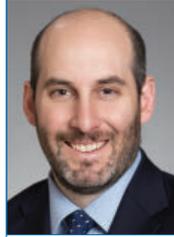
After approaching more than one dozen tax insurance markets to gauge interest and extensive discussions to explain the underlying risks, he secured the coverage at a competitive price and low retention. This highly-specialized and complex policy enabled the tax equity investor to invest in the project.

Lewis also placed a \$37 million ITC policy with a seven-year term that insured the fair market value of the project concerned and that the tax basis of the ITC eligible property would be respected by the Internal Revenue Service.

Within this, he drafted policy language that outlined the specific and appropriate covered tax positions to reflect the concerns of the various parties involved.

As well as achieving considerable cost savings, a lower retention, and favorable terms and conditions for his client, Lewis also implemented an innovative payment structure where the policy was paid for each time a project was placed into service.

A client said: "Corey is the best. He knows his stuff inside out, which, believe me, is no mean feat given the complexity and specialism of the niche field he works in."



Alexander Minier, CPCU, RPLU

**Vice President and Team Leader
Aon, Boston**

A D&O Master

Special purpose acquisition companies (SPACs) have taken off in popularity over the last 12 months as more companies have become publicly listed on the stock exchange. Yet they can be extremely complex deals, as Alexander Minier can attest to when he placed a public D&O policy for his client CarLotz, the U.S.'s largest consignment-to-retail used car marketplace.

The company was undergoing a deSPAC transaction, and he needed to align the language so that the three D&O policies involved would cover the liabilities for the private company, the SPAC and the new entity.

But negotiations were challenging amid a hard market and insurers were reluctant to provide capital for new public companies. Added to that, late in the talks with the underwriters and weeks away from the deal, CarLotz was served with merger objection litigation. After engaging each of the dozen insurers on the D&O tower to present the specifics of the litigation and its potential impact on the firm's excess layer, Minier was able to maintain the quoted terms.

Another client, Janina Diggins, senior director, worldwide insurance, at Parexel, said, "Alexander is exceptionally knowledgeable, not just from a product standpoint but also from an industry perspective. He's also great at breaking down complex terms into a language that everybody understands."



Nicole Sivieri

**Vice President, Shared Economy & Mobility
Marsh, Philadelphia**

A Master of Her Craft

Autonomous vehicles are one of the newest and fastest growing insurance markets. That's why it's key as a broker to keep up with all the latest risks and developments affecting the market.

When Nicole Sivieri was approached by one such client that operates in the space to scale up its insurance program from a small business package policy to a \$160 million tower in a hard

market where 40% to 60% rate increases were standard, she was able to do so thanks to her in-depth market knowledge.

Then, at the new renewal in 2021, she went one step further, securing \$230 million-plus in capacity, expanding the line share of almost every market and partnering with insurers that had never written autonomous vehicle risk before. Sivieri also negotiated a 30%-plus rate decrease for the lead umbrella coverage and improved terms and conditions on the company's bespoke lead umbrella form.

In addition, she secured improved contract certainty within the excess casualty program by moving each insurer to Marsh's XSellence form, ensuring follow-form coverage throughout the tower. She also resolved a stacking dispute a Bermuda insurer had with the firm's parent company, thus securing \$25 million in additional capacity.

Another autonomous driving client, said, "Nicole is extremely diligent, effective at getting things done and never shies away from responsibility. In addition, her openness to questioning the status quo makes her an ideal partner."



Fiona Terry

**Multinational Leader, SVP
Marsh, Montreal, Canada**

Answering Questions Across the Industry

Versatility is a key trait for a broker. It's one that Fiona Terry thankfully possesses in abundance, working across multiple industries and companies.

Facing a hard market, with stricter underwriting guidelines, she worked with her client, a pulp and paper manufacturer, ahead of renewal to determine the various amendments that needed to be presented in its schedule of values. As a result of regular, consistent and frank messaging to the underwriter, Terry secured favorable deductibles and valuations, and stable pricing.

The client said, "I have known Fiona for so long and trust her implicitly to get everything right, all of the time. That's invariably what she does."

For another client, a meat processing company, she was engaged to place its programs after its first acquisition in Canada. But two days before its property renewal, Terry was advised the primary insurer was not going to renew the program. However, with the support of placement specialists ready to pivot and provide a new solution, she found new insurers at a reasonable price.

Terry has also helped another client, a water and waste management firm, to regularly place project-specific insurance in a short time frame. The client said, "Without a shadow of a doubt, Fiona is the best broker I have ever dealt with. She's so client-focused, always available when I need her, and gets back to me promptly every time."