



**Louis P. Iglesias**  
President,  
Allied World  
North America

**Dear Colleagues,**

With 2017 beginning, I want to take a moment to wish you all a healthy and productive new year. 2016 was a great year for our North American Insurance business. We experienced strong performance, tackled many challenges head on and our results were representative of our focus, commitment and underwriting discipline. We saw growth in our specialty lines (including Primary Construction, Environmental and Programs) and continue to concentrate on key areas such as Public Entities, Wage and Hour, Employment Practices, Excess Casualty, DBA and Public D&O. We continued to be a leader in Cyber coverage (Fitch ranked us as a top 10 cyber insurer in 2016). Our M&A team also continued to shine – receiving awards and facilitating highly intricate deals.

In 2016, our industry was also filled with a lot of change, both on macro and micro levels. From emerging products to increased M&A activity in our space, change can create opportunities for organizations that are nimble, predictive, innovative and smart. We announced our pending acquisition by Fairfax Financial Holdings Limited. Post-merger, Allied World will become a subsidiary of Fairfax and will operate as a separate, decentralized company within Fairfax's existing portfolio. We will continue to operate 'as is' under the Allied World brand, and grow out our business in line with our strong vision.

At Allied World, we differentiate ourselves through the service we provide and the strength of our relationships, and by being flexible, accessible and responsive to our trading partners and clients around the globe. The detailed update below highlights the people and products that I can confidently state truly stand out in our industry. We look forward to the year ahead and strengthening our position within the North American and global re/insurance market.

Best Regards,

A handwritten signature in black ink, appearing to read 'Lou Iglesias'.

**Lou Iglesias**  
*President, Allied World North America*



## **NORTH AMERICA CLAIMS – Our Proven Track Record**

Since inception through September 30, 2016, our North American Claims Department has paid \$6.8 billion in claims and resolved 99.9% of claims without a coverage dispute.

**For more information** on Allied World's North America claims track record, [click here](#) to download the Quarterly Claims Snapshot.



## PEOPLE

At Allied World, we hire, retain and empower exceptional employees who focus on developing niche solutions for our specialty products. Below are some of our key new hires, as well as some industry honors of which we are proud.

### **Jeff Anderson** – Senior Vice President, North American M&A Practice Lead

Jeff has been named the M&A Service Professional of the Year by *M&A Advisor*. Jeff was selected by an independent judging committee of top M&A industry experts. Please join me in congratulating Jeff on this prestigious honor.

### **Pauline Barry** – Assistant Vice President, Healthcare Risk Management Group

Pauline received her DFASHRM designation (ASHRM's highest honor) during its annual conference in September. Congratulations Pauline!

### **Dale Chow** – Senior Vice President, Professional Lines

Based in our Bermuda office, Dale is responsible for the strategic direction, management, marketing and underwriting of Allied World Bermuda's Professional Lines, which include primary and excess Directors & Officers (D&O), Fiduciary, Financial Institutions, Employment Practices, Wage & Hour, Cyber and Errors & Omissions (E&O) coverages.

### **Jason Glasgow** – Vice President, Practice Lead – Technology, Privacy & Network Security Professional Liability

Jason is responsible for the strategy, management and underwriting of Allied World's US Cyber platform and is based in our Farmington, CT office.

### **Grace Meek** – Senior Vice President, US Programs Division

Grace has been named to *Risk & Insurance Magazine's 2017 Executives to Watch List*. Please join me in congratulating Grace on this incredible recognition.

### **Scott Smith** – Vice President of Field Operations, Environmental Division

Scott will have responsibility for overseeing the Environmental underwriting operations in our US regional offices.



## NEW PRODUCTS AND SOLUTIONS

### **Allied World LPL Assure<sup>SM</sup> E&S**

We recently aligned our surplus lines Lawyers Professional Liability (LPL) coverage with our admitted Allied World LPL Assure<sup>SM</sup> product. The two forms are essentially identical, allowing clients the same broad coverage regardless of their placement. Key enhancements include the same Unlimited Extended Reporting Period (ERP) and Free Retirement ERP upon continuous coverage that have been offered under our admitted product. Firms can transition seamlessly between the two products without losing continuity. Program eligibility includes firms with 3-100 attorneys. Visit our [website](#) to learn more.

### **Builders' Risk**

As part of our ongoing commitment to providing comprehensive insurance solutions, we are now offering **increased in-house capacity** for non-frame construction to \$200M (with the ability to FAC above). Visit our [website](#) to learn more.



## THOUGHT LEADERSHIP

Allied World's expertise takes many forms and sharing our knowledge with clients and partners is one more measure of the tremendous value we bring to the market. Whether we offer webinars on timely topics to our clients, whitepapers, or articles in various publications, our staff is known for their expertise and insight. For materials mentioned below, [visit the Perspective page on our website.](#)

### ALLIED WORLDWIDE® / MULTINATIONAL INSURANCE

- **Karl Jordan**, Senior Vice President of Global Placement for Allied WorldWide, discusses global insurance and how it can help businesses in our *Advisen* sponsored whitepaper, "[Global Insurance: Navigating a Complex Web of Exposure and Regulation.](#)"

### CRISIS MANAGEMENT

- **Tom Mangan**, Vice President and Product Recall Underwriting Team Leader, was recently featured in our *Advisen* sponsored whitepaper, [Product Recalls Impact on Business Financial Health](#), where he provides his insight on what companies can do to protect themselves.
- **Glenn Robins**, Vice President, Accounts Receivable Insurance, was recently featured in our *Advisen* whitepaper, [A CFO's Guide to the Strategic Applications of Accounts Receivable Insurance](#), exploring how accounts receivable insurance can help CFOs grow their business, not just by mitigating risk but also by expanding working capital.

### CASUALTY

- **Joe Cellura**, President of Allied World's North American Casualty Division, wrote [FAA's New Drone Rules Ready for Takeoff](#) for *Risk Management Magazine*. Joe outlined the new standards and urged risk managers to anticipate liability exposure for those that fail to comply with the new regulations.
- Allied World's Casualty Division underwriters **Rebecca Silvers** and **Michael Watkins** wrote about wildfire risks for *Advisen*. In [Utilities are shutting the power down on wildfires](#), they note that although the vast majority of wildfires are human-caused, contact between power lines and nearby sources of ignition, such as vegetation, is a common cause of fire. The article outlines utility company efforts to reduce the likelihood their equipment will cause or contribute to a wildfire.
- **Derek Broaddus**, Senior Vice President, Excess Casualty, spoke with *National Underwriter* about the E&S market in [Competitive Pricing, but Expanded Capacity in E&S Lines](#).
- **Joe Cellura**, President of North American Casualty, spoke with *Insurance Journal* about the [state of the E&S market](#). He said, "One of the things that stands out is the innovation in classes or sectors that have been around for some time. There is a significant amount of direct written premium in the North American E&S specialty market still found in the construction and real estate sectors of the insurance market. As construction has rebounded, as homebuilding has rebounded, funding for large complicated infrastructure projects continues, and those are areas in which the E&S market has thrived."
- **Derek Broaddus**, Senior Vice President, Excess Casualty, spoke to *A.M. Best Video* at NAPSLO about [public entity risks](#), specifically how governments and schools face exposures due to claims against police and lawsuits claiming injuries from sports-related concussions.
- **Casualty Risk Management Webinars** – We host Casualty-related webinars during the year for our brokers and insureds. Topics included Emergency Preparedness & Planning, Mold Case Studies, Emerging Environmental Issues, Predictive Analytics and Leading Indicators for Construction Safety and Risk Management and Construction Accident Investigation and Reporting for Prevention, Risk Management and Regulatory Compliance.

### CASUALTY – Defense Base Act

- Our Defense Base Act team produced a series of thought leadership whitepapers in 2016, including papers on [Maximizing Productivity with Fitness and Nutrition](#) and the [Serious Health Concerns Posed by Malaria](#).

### CASUALTY – Environmental

- In this [video](#) from the *National Association of Professional Surplus Lines Offices' (NAPSLO)* annual convention, **Marcel Ricciardelli**, Senior Vice President, Environmental Division, outlines

the claims environment today for this specialty sector and explains why volume seems to be picking up.

- In our most recent *Enviroscope*, we tackled Preventative Best Practices and **Emerging Environmental Issues**.

## HEALTHCARE

- Allied World's **Medical Malpractice and Healthcare Management Liability** underwriting teams have extensive experience working in and understanding the major shifts that are occurring within the Healthcare industry. Our series, "**Second Opinion: small doses of Healthcare insight**," is packed with information on emerging trends and analysis. Recent issues include an examination of **Regulatory Exposures in Healthcare**, written by **Joseph Scarlata**, Senior Underwriter, and a closer look at issues facing **Accountable Care Organizations**, written by **Michael Fasanella**, Assistant Vice President, both of our Healthcare Management Liability Division.
- **Healthcare Risk Management Webinars** – The monthly webinar series we have developed for our Medical Malpractice policyholders continues to **grow in popularity** – a tribute, no doubt, to the quality content and the expertise shared. Popular recent webinars for our Healthcare Medical Malpractice policyholders have included Effective Physician Onboarding Programs, Mergers & Acquisitions: Involving the Risk Manager, and Suicide Assessments.

## PROFESSIONAL LINES – Cyber

- **Lou Iglesias**, President, Allied World North America, spoke with *Advisen* at CIAB about the cyber market. In **Everything is on the table in volatile cyber market**, Lou discussed the state of the market and need for continued innovation.
- **Jason Glasgow**, Vice President, Practice Lead – Technology, Privacy & Network Security Professional Liability, was featured in a new *Advisen* executive interview. The article, "**Allied World's Glasgow Advises Close Eye on Cyber Regulatory Environment**," includes Jason's insight into the current cyber insurance market, regulatory trends, risks and trends. As Jason states, "Having a plan in place to respond quickly and mitigate losses is often more important than the technology."
- **Jason Glasgow** was also featured in the October issue of *Rough Notes*. The article, "**Cyber-Insurance**," discusses how, while capacity may be abundant, risk awareness still lags. Glasgow encourages agents and brokers to focus on the quality of breach vendors and consultants. He advises insureds to select a carrier that understands the exposures and offers robust risk management services to help proactively prepare and defend against cyber breach. These services are especially important for clients that don't have large IT and network security functions.

## PROFESSIONAL LINES – Public D&O

- **Mike Piccione**, Senior Vice President, Public D&O Division, discussed "**D&O: How low can it go?**" in *National Underwriter's* September issue. In the article, Mike notes that companies are increasingly interested in coverage for regulatory investigations.

## PROGRAMS / DELEGATED AUTHORITIES

- **Grace Meek**, Senior Vice President of North America Programs, co-authored an Allied World sponsored *Advisen* whitepaper that explores program partnerships and the market dynamics for MGAs and Program Administrators. In **Program Partnerships: Market Dynamics for MGAs and Program Administrators**, Grace shares insight on the program market, current economic and commercial developments that are creating abundant new opportunities, as well as the competitive landscape that poses serious threats to the program sector.
- In a **video interview** with *A.M. Best* at Target Markets, **Grace Meek** spoke about the program business. She explained that good program managers should have a solid track record, specialization, passion and more.



## OUT AND ABOUT

**Jeff Anderson**, SVP, North American M&A Practice Lead, participated on a panel, "*Reps and Warranties Insurance: Understanding the Coverage, Underwriting Considerations, and How to Effectively Use it to Close Your Deal*" at ACI's M&A Liability Conference in New York in October. **Diane Parker** also participated on a panel "*A Closer Look at the Actual Claims Experience with Transactional Risk*" during this conference.

**Gale Dwyer**, Senior Claims Analyst, North American Claims Group, participated on a panel at DRI's Professional Liability Seminar in New York in December. The session, "*Loose Lips Sink Ships (They Also Torpedo Defenses and Crash Relationships)*," examined attorney-client privilege, who owns it, when it is waived, and issues of privilege that may be implicated by discovery, e-discovery, metadata, inadvertent production, and clawbacks.

Risk Consultants, **Kristen Lambert**, VP, and **Moira Wertheimer**, AVP, spoke to a standing room only audience at ASHRM on "*Suicidal and Violent Patients*" in Orlando in September. The session explored legal and regulatory issues as well as risk reduction strategies when treating patients who have co-occurring mental illness or substance use.

**Holly Meidl**, SVP, North American Healthcare Practice Lead, attended the IMAC Cayman Captive Forum 2016 with specialists from around the world to discuss the issues most pressing to the captive insurance industry in November.

**Diane Parker**, VP, North American Claims, moderated "*Hot Topics: Reps & Warranties Claims*" during the PLUS Spotlight Event, "*Transactional Risk Insurance Today*" in New York in September.

**David Rock**, AVP, North American Claims, was a panelist on "*Professional Services Breach*" during the Net Diligence Cyber Risk & Privacy Liability Forum in Santa Monica, CA in October. The panel discussed the rise in frequency, severity and publicity of incidents (e.g., Panama Papers), the risk between Professional Malpractice & Cyber Risk, the nature of data handled (PHI, PII, etc.), and special considerations in Breach Response.

**Gwen Stokes**, VP, Healthcare Risk Management, participated on a panel at ASHRM called "*So You Think You're Covered: Analyzing and Understanding Different Coverage Options*." The panel addressed different lines of insurance coverage that hospitals may need.

**Our Casualty team** was proud to support and attend the NAPSLO Annual Convention in Atlanta, GA in September and the 36th IRMI Construction Risk Conference in Orlando, Florida in November.

[www.awac.com](http://www.awac.com)

#### ABOUT ALLIED WORLD

Allied World Assurance Company Holdings, AG, through its subsidiaries and brand known as Allied World, is a global provider of innovative property, casualty and specialty insurance and reinsurance solutions. Allied World offers superior client service through a global network of offices and branches. All of Allied World's rated insurance and reinsurance subsidiaries are rated A by A.M. Best Company, A by Standard & Poor's, and A2 by Moody's, and our Lloyd's Syndicate 2232 is rated A+ by Standard & Poor's and AA by Fitch.

Please visit the following for further information on Allied World:

Web: [www.awac.com](http://www.awac.com) | Facebook: [www.facebook.com/alliedworld](http://www.facebook.com/alliedworld) | LinkedIn: [www.linkedin.com/company/allied-world](http://www.linkedin.com/company/allied-world)

[Unsubscribe or update your email address.](#)

Allied World Assurance Company Holdings, AG / Park Tower 15th floor, Gubelstrasse 24, 6300 Zug Switzerland

