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inBrief

Feds detail employer health care assessment

Eagerly awaited proposed rules issued by the U.S. Department of Health and Human Services detail how much employers will have to pay to fund the health care reform law-created Transitional Reinsurance Program. Much of the $25 billion in assessments – to be paid annually over a three-year period – will be used to partially reimburse commercial insurers writing policies for individuals with high health care costs. The first-year assessment will be $63 for each health care plan participant, which is at the lower end of projections previously made by benefit experts. The first-year tab for an employer with 100,000 enrollees in its health care plans would be $6.3 million.

See **IN BRIEF** page 29

WOMEN TO WATCH

Business Insurance's annual Women to Watch feature profiles the achievements of 25 women who are doing exceptional work in risk management, benefits management, commercial insurance and related fields. **PAGE 11**

MERGERS & ACQUISITIONS

USI, Alliant deals signal M&A trend

Private equity firms show more interest in brokerage sector

By BILL KENEALY

The acquisitions of two large, privately held insurance brokerages underscore the attractiveness of the brokerage sector to investors and the role of private equity firms in providing it with capital.

Briarcliff, N.Y.-based USI Insurance Services and Newport Beach, Calif.-based Alliant Insurance Services Inc., the ninth and 12th largest brokers of U.S. business, respectively, according to *Business Insurance*'s 2012 rankings, were acquired by private equity firms last month.

While Toronto-based Onex Corp.'s $2.3 billion acquisition of USI from Goldman Sachs Capital Partners and Kohlberg Kravis Roberts & Co. L.P.'s purchase of Alliant from the Blackstone Group for an undisclosed sum are notable, they are not unexpected, said Bruce Ballentine, New York-based vice president and senior credit officer at Moody's Investors Service. Both firms had large loan obligations due in 2014, as a result of previous changes in ownership several years ago, Mr. Ballentine said.

"What's going on here is the refinancing or buyout of firms whose debts are coming due," he said. "There was a wave of brokerage buyouts in 2007 and those are typically done with at least one component of financing as bank loans that run for six or seven years."

Mr. Ballentine said the highly leveraged nature of funding used by many private equity firms to acquire insurance brokers leaves the owners with four primary options as the loan maturation deadline approaches.

"For brokers owned by private equity firms, the normal alternatives as you approach the end of your debt schedule are to refinance with your existing owner, sell to a new sponsor, sell to a strategic buyer, or have an initial public offering," he said.

$2.3B

Toronto-based Onex Corp. acquired USI from Goldman Sachs Capital Partners for $2.3 billion. Kohlberg Kravis Roberts & Co. L.P. purchased Alliant from the Blackstone Group for an undisclosed sum.

The timing of the deals makes sense given the long-term strategies of private equity firms involved, said Timothy J. Cunningham, managing director of Chicago-based Optis Partners L.L.C., an investment banking and financial consulting firm serving insurance intermediaries.

"I would view these transactions in the natural progression of private equity ownership of brokerages," Mr. Cunningham said. "While there is no concise standard, the typical acquisition by the big private equity groups is structured, so that they capitalize their value generally within a five-year period."

See **BROKERS** page 29

BENEFITS MANAGEMENT

Fiscal cliff talks target benefits

By JERRY GEISEL

For the first time since the mid-1980s, retirement plans are being targeted by federal lawmakers looking for ways to reduce the government's massive deficit, benefits experts say.

The assault likely will come in two stages. The first is connected to the fiscal cliff, in which mandated spending decreases on federal entitlement programs and tax increases will kick in early next year unless lawmakers find a way to reduce the deficit.

The second stage, which experts say poses a greater threat to retirement plans, will come next year when lawmakers will look at a broader range of ideas to pare the deficit, perhaps as part of a tax reform package.

See **BENEFITS** page 29

INSIDE: What exactly is the "fiscal cliff," anyway? We explain more on **PAGE 28**

PROPERTY/CASUALTY INSURERS

Insurance sector fears big tax hikes

Agents, brokers concerned about firm valuations

By MARK A. HOFMANN

Even if negotiators manage to avoid a plunge over the fiscal cliff, the next stage in budget negotiations could spell headaches for the property/casualty insurance industry, according to observers.

That's not to say the fiscal cliff itself isn't a cause for concern for the industry, particularly for agents and brokers. Reverting to old, higher tax rates could have a significant impact on the way producers operate. But the unknown nature of potential tax reform in the next Congress could have a significant impact on the industry as well, say observers.

"Insurers aren't only going to be affected by the taxes, but the uncertainty created by that cliff further exacerbates the financials of anybody participating in this market," said Leigh Ann Pusey, president and CEO of the American Insurance Association in Washington.

"Our industry needs this economy growing at a stronger pace than it is, and

See **INDUSTRY** page 28

NEWSPAPER

INDEX

EMPLOYMENT PRACTICES

Harassment case to be decided by Supreme Court

Outcome will clarify who is a 'supervisor' for employers

By JUDY GREENWALD

The U.S. Supreme Court is likely to take a stand somewhere between the wide parameters that have been set by lower court rulings when it decides next year who should be considered a supervisor under civil rights law, several legal experts say.

The high court heard oral arguments last week in *Maetta Vance v. Ball State University et al.*, in which a food service worker alleged racially based harassment by someone she identified as a supervisor and retaliation for her complaints about the harassment.

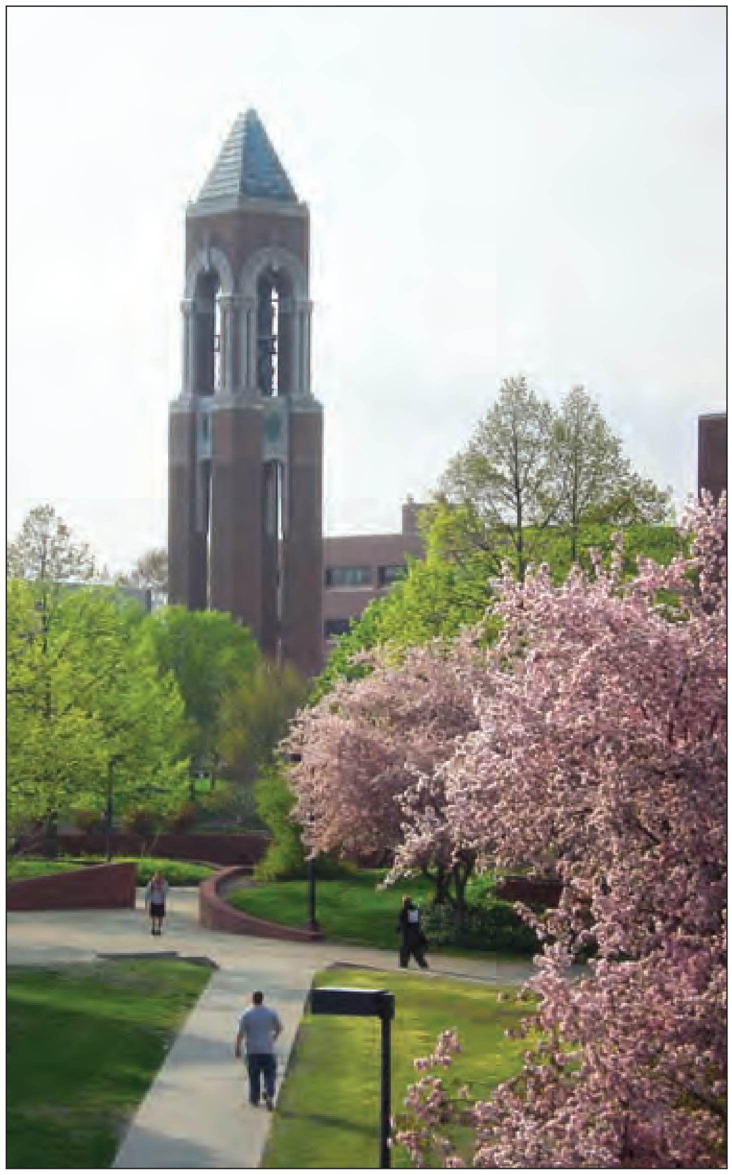
Experts say employers face conflicting lower court decisions as to who should be considered a supervisor, with the 7th U.S. Circuit of Appeals calling for a relatively stringent, bright line test in its *Vance* ruling, and the 2nd U.S. Circuit Court of Appeals and the Equal Employment Opportunity Commission calling for looser definitions (see story, page 25).

Observers say determining who is a supervisor is important because a company or organization can be held vicariously liable if a supervisor is accused of violating Title VII of the Civil Rights Act of 1964, which puts the burden of proof on the organization that it took steps to prevent harassment. In contrast, the burden of proof is shifted to the plaintiff in cases where a co-worker is accused of harassment.

Furthermore, employers fear a looser definition of who is a supervisor would lead to more litigation focused on the particular facts of a case, making it harder to win summary judgment dismissing the litigation because the court first would have to determine whether the person accused is a supervisor.

'My gut sense is the judges understood that the 7th Circuit opinion seemed to be too drastic in that it ignored the realities of the workplace.'

Michael W. Foreman
Pennsylvania State University's Civil Rights Appellate Clinic



Observers hope a Supreme Court ruling on a Ball State University worker's retaliation case will ease the confusion of disparate precedents.

During last week's oral arguments, the justices "were struggling with how to articulate a clearer standard" as to who is a supervisor "and whether that was possible" to define, said Katharine H. Parker, a partner with law firm Proskauer Rose L.L.P. in New York.

Ruling unpredictable

"It's really hard to predict" what the court will do, said Michael J. Eastman, of counsel at Norris, Tysse, Lampley & Lakis L.L.P. in Washington, whose firm submitted a brief on behalf of the Equal Employment Advisory Council, a nonprofit employer group, supporting Ball State.

"It's clear some (of the justices) were interested in a bright line rule," as presented in the 7th Circuit's decision, "and others seemed to be looking for some possible evidence that (Ms. Vance's alleged harasser) might have been a supervisor under

See **VANCE** page 25

EMPLOYMENT PRACTICES

Whistle-blower laws up stakes for companies

Generous awards encourage workers to report employers

By JUDY GREENWALD

A corporate culture that encourages employees to feel comfortable reporting problems internally is the most effective way to discourage whistle-blowers from first going to federal agencies, legal experts say.

Whistle-blowers are a looming problem for companies, particularly given generous awards granted to date, including the recent $104 million award to an IRS employee.

Particular attention has focused on whistle-blower provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act, for which the Securities and Exchange Commission adopted final rules last year.

In a related development last week, President Barack Obama signed into law the Whistleblower Protection Enhancement Act of 2012, which protects whistle-blower federal employees. The measure amends the scope of protected disclosures, tightens requirements for nondisclosure agreements, expands penalties for violating whistle-blower protections and establishes a Whistleblower Protection Ombudsman position in certain federal agencies.

Monetary awards

Under the SEC's program, whistle-blowers are entitled to an award of 10% to 30% of the monetary sanctions collected in actions brought by the oversight agency. The SEC made its first payout of $50,000 under its whistle-blower program in August.

Headline-making cases with significant awards "have generated some buzz among plaintiffs' counsel," said William J. Tarnow II, a partner with law firm Neal Gerber Eisenberg L.L.P. in Chicago.

See **WHISTLE-BLOWER** page 25

QUESTIONS AND ANSWERS

Hiscox USA CEO Ben Walter recently spoke with Senior Editor Mark A. Hofmann about the state of the property/casualty marketplace and what failure to reauthorize the federal government's terrorism risk insurance backstop might mean.

Hiscox sees potential for growth

Q: How would you characterize the state of the commercial property/casualty market right now, and do you see any changes in the new year?

It's trying to decide what it wants to do. I think there was enough momentum in the marketplace to say that the increases we had seen over the last year were going to hold, but not much more than that. Before that, what we were seeing broadly was a mixed bag in terms of increasing firmness still on the dicier areas, but some flat to even softening a bit in areas that had performed really well.

So it was sort of a dichotomous market, and that's where I would have said we would be heading into 2013 until (Superstorm) Sandy, which has thrown a wild card in. The estimates on the loss to the industry have been fluctuating pretty dramatically and still haven't settled. So I anticipate it will certainly have an effect on the property market. It's stopped any talk of declines of any status, and I think we'll see some select firming, especially obviously in the New York Metro area. In the casualty market, I think it stops the bleeding that's been going on, and I think it makes the case for, at worst, a flat year with a continued flight to quality.

Q: Where does Hiscox USA see growth opportunities?

There are a few select areas that we're really focused on. We're focused broadly on our (errors and omissions) appetite, and that runs across several products. We see a huge amount of opportunity in technology. It's a place that we

See **Q&A** page 26

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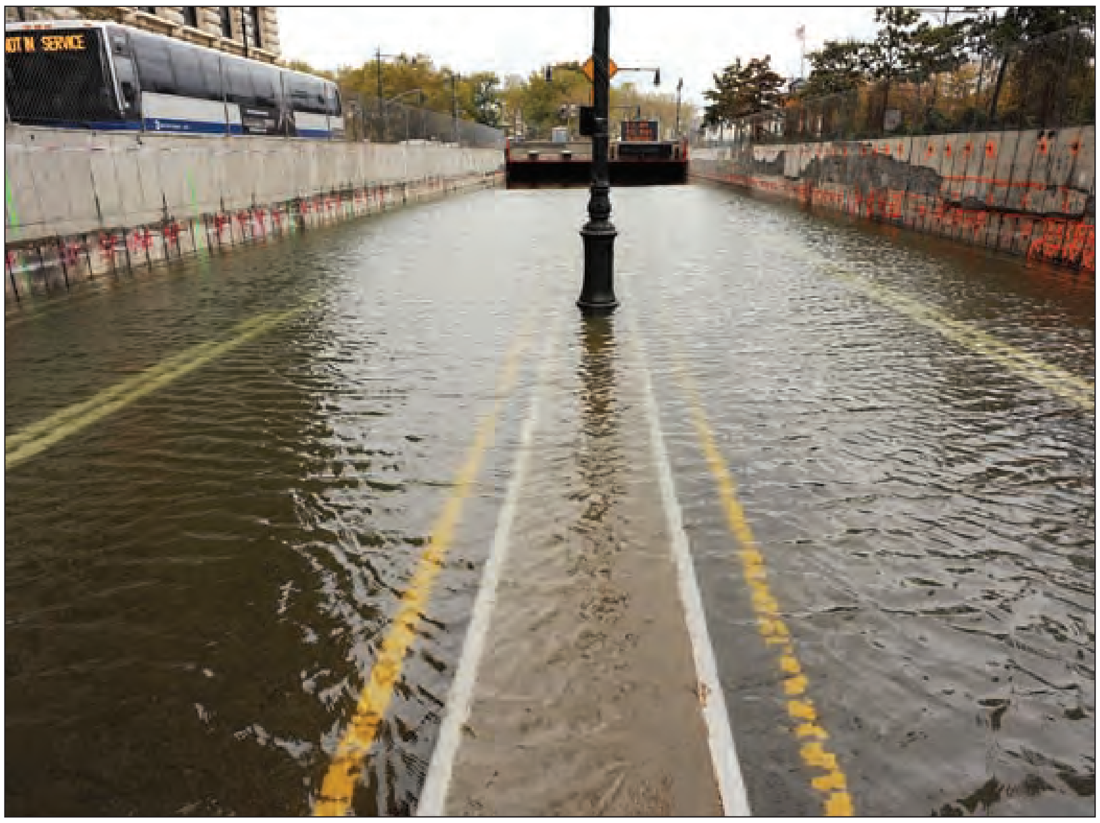
CATASTROPHES



BLOOMBERG

Water from Superstorm Sandy covered the entrance to the Brooklyn Battery Tunnel in New York on Oct. 31.

Insurers tally Sandy losses

White House seeks $11B in funding

By MIKE TSIKOUDAKIS

New insured loss estimates in the wake of Superstorm Sandy are as much as $25 billion and insurers and reinsurers have begun releasing individual estimates.

Swiss Reinsurance Co. faces about $900 million in claims from Sandy net of retrocession and before tax, according to a statement. The Zurich-based reinsurer said overall market loss may hit $25 billion.

AIR Worldwide last week revised its estimate for industry insured losses to between $16 billion and $22 billion, the Boston-based catastrophe modeler said in a statement.

The revised estimate includes wind and storm surge damage to onshore residential, commercial and industrial properties and their contents, and time element coverage such as additional living expenses for residential properties and business interruption for commercial properties, AIR said. The estimate does not include losses incurred by the National Flood Insurance Program.

Home and auto insurer Allstate Corp. expects to report October disaster losses of $1.08 billion, mostly due to Sandy, the insurer said last week.

As of last week, the Northbrook, Ill.-based insurer has paid $340 million in claims, with two-thirds of the losses in New York, according to its statement.

While Allstate's homeowner policies exclude coverage for flood damage, "auto policyholders generally have coverage for physical damage due to flood if they have purchased optional auto comprehensive coverage," according to the insurer's statement. Auto claims resulting from Sandy represent 40% of Allstate's total gross losses in October, with 78% in New York.

Allstate expects to recover about $200 million from its reinsurers, the insurer said.

The White House is expected to seek from Congress at least $11 billion to help fund disaster recovery from Sandy, congressional aides said last week.

New York Gov. Andrew Cuomo last week said the state will need $49 billion to repair and restore damaged infrastructure and structures and to cover lost revenue and other expenses, prompting the governor to impose emergency regulations on insurers to speed claims processing for hundreds of thousands of residents.

The Metropolitan Transportation Authority said last week that after insurance, it expects to be on the hook for nearly 20% of the $5 billion economic loss estimate for Hurricane Sandy-related damages.

New Jersey Gov. Chris Christie's office said the state suffered at least $29.4 billion in overall losses, with much of the damage affecting its transit system and coastline.

LIABILITY & LITIGATION

Ruling encourages arbitration clauses

By JUDY GREENWALD

The U.S. Supreme Court's ruling last week in an Oklahoma case may encourage employers to add arbitration clauses to their noncompete agreements, attorneys say.

Furthermore, the ruling in *Nitro-Lift Technologies L.L.C. v. Eddie Lee Howard* is expected to be helpful in enforcing such clauses nationally, legal observers say.

The U.S. high court's unanimous ruling that overturned the Oklahoma Supreme Court's invalidation of the noncompete agreement involved two former employers of the Lafayette, La.-based firm, which contracts with oil and gas well operators for production-enhancing services.

Mr. Howard and Shane D. Schneider entered into a confidentiality and noncompete agreement with Nitro-Lift that contained an arbitration clause. They subsequently left Nitro-Lift and began working for a competitor, and Nitro-Lift served them with a demand for arbitration.

Messrs. Howard and Schneider filed suit in state court in Oklahoma, asking the court to

See **ARBITRATION** page 27

BLOOMBERG

CONSTRUCTION RISKS

Contracting in new areas brings risks: *BI* webinar

By ANNA GAYNOR

As the construction industry attempts to recover from the economic crisis, working outside a company's normal geographic market may seem like a good option, but it can also bring a number of legal and financial risks.

During the Nov. 27 *Business Insurance* webinar "Helping Contractors Overcome Potential Legal Risks from Taking on Projects in Unfamiliar Regions," three experts agreed that companies branching across state lines need do their research before it's too late to act.

Mr. Becker

"Unfortunately, you cannot have the same expectations state to state on how coverage applies," said speaker Paul Becker, construction practice chairman at Willis North America Inc. "It's become a major challenge in the construction industry, and one area that you have to understand before you go into another state — if that state has

See **WEBINAR** page 25

Business Insurance wins award for Solution Arcs

Business Insurance's Solution Arcs have been recognized with a Silver Eddie Award in the best online tool category for business-to-business publications in Folio Magazine's 2012 Eddie & Ozzie Awards.

The national awards, which recognize outstanding magazine editorial and design, were presented at an awards ceremony in New York last month.

The awards span print and digital publications, with the Eddies honoring the best in editorial and the Ozzies the best in design.

Business Insurance's Solution Arcs are a major feature of the publication's website and were incorporated with the redesign of *www.businessinsurance.com* in 2011.

The Solution Arcs present in-depth information about timely business challenges. Using the same risk management structure that many of the publication's readers use in their everyday jobs, Solution Arcs take readers through a three-stage process from identifying and analyzing a problem to implementing solutions. Solution Arcs include original *Business Insurance* content as well as Editor's Picks highlighting relevant outside views and resources.

The Solution Arcs evolve over several months with new content being added regularly as news and analysis of the problems develop.

To view the Solution Arcs, visit *www.businessinsurance.com/section/solution-arcs* or visit *www.businessinsurance.com* and click on the Solution Arcs tab.

Mid-Market EXECUTIVE Helping C-level executives at midsize firms overcome critical risk and benefits challenges

Workers comp goes international

Foreign voluntary comp provides overseas workers added layer of protection

By SHEENA HARRISON

For U.S. executives assigned to work internationally, foreign voluntary workers compensation coverage can provide peace of mind and additional protections beyond domestic workers comp insurance if they're injured on the job.

Unlike domestic workers comp insurance, which is compulsory in most U.S. jurisdictions, employers aren't required by state law to carry foreign voluntary workers comp insurance. But experts say the coverage is being increasingly used by mid-market employers that want to lower their risks and protect their employees working outside of the United States.

"Any company that has a worker traveling overseas should have this coverage," said Robert Callard, managing partner of Robert Callard & Associates L.L.C. in Seattle and an international insurance consultant.

Foreign voluntary workers comp extends a company's U.S. workers comp policy to cover a U.S. employee's work outside of the country. The coverage can be sold as an endorsement or as a separate policy, and is often part of an international insurance package that also would include general liability, business travel accident, kidnap and ransom, or other insurance lines.

If a worker is injured in another country, the policy pays workers comp benefits based on the U.S. state in which the person was hired. In addition to standard medical and indemnity benefits, foreign voluntary workers comp also can cover endemic diseases, such as malaria or dengue fever, and repatriation costs to transfer an injured worker to adequate medical facilities.

The policy typically includes a point of contact for injured employees that can help facilitate their care in a foreign country, Mr. Callard said.

"If you're injured overseas, you make a phone call to an 800 number or call them collect, and they arrange everything for you," Mr. Callard said.

Pricing for foreign voluntary workers comp differs from domestic workers comp pricing. While domestic policies are based on an employer's industry and loss experience, foreign voluntary comp weighs factors such as the length of a worker's trip, the type of work being performed, and security or safety concerns in the country where the employee will be working.

Foreign pricing can differ from domestic workers comp pricing if the foreign work is considered less risky than a company's traditional work, said Steve Zrebiec, senior product manager for workers comp at Zurich North America in Schaumburg, Ill.

"In the United States, it might be a mining risk," Mr. Zrebiec said. "But if they're not doing mining abroad, they're not going to treat it the same way it'd be treated in the United States. That would be reflected in the pricing."

The coverage is relatively inexpensive. A company typically can expect to pay about $2,500 in minimum premium per policy year for an international insurance package that includes foreign voluntary workers comp and additional coverages, Mr. Callard said. That pricing is based on a company that schedules 15 international trips a year.

Although most domestic workers comp policies usually provide coverage outside of the United States, experts say the voluntary policy can provide additional protection for employees who are injured during international work.

First, some states limit the length of time that a domestic workers comp policy can cover an employee working outside of the country, Mr. Zrebiec said. If an employee is injured outside of that time frame, it could leave the company open to a lawsuit if it doesn't have a foreign comp policy, he said.

"A state can change what's defined as coverage abroad … at any time, so this is kind of providing a 'belt and suspenders' approach," said Mr. Zrebiec, who noted that a foreign policy can cover workers for an extended period of time.

Secondly, foreign voluntary workers comp claims are filed directly with the insurer and are nonreportable to state workers comp regulators, said Mary Beth Pittinger, vice president and workers compensation executive underwriter for Chubb & Son Inc. in Whitehouse Station, N.J. That can help prevent foreign comp claims from increasing a company's domestic workers comp pricing.

"Typically when we have losses on foreign (voluntary), they can be sizable," Ms. Pittinger said. "So it could certainly impact an insured's (experience modification) for quite some time. But with the foreign (voluntary) policy, the loss experience is not reportable to the state."

Lastly, Ms. Pittinger said exclusive remedy provisions apply for foreign voluntary workers comp policies, preventing employers from being sued by employees injured abroad except in cases of negligence.

"This works the same way any state work comp policy works," she said. "It would be the sole remedy for them to recover medical expenses and lost wages."

Experts say interest in foreign voluntary workers comp mirrors an uptick in global business travel. U.S. business travel increased by 7.6% in 2011 and is expected to grow by about 4.6% in 2012, according to a report released this spring by Visa Inc. and the London-based Global Business Travel Association. Total U.S. spending on international outbound trips is expected to reach $33.5 billion this year, up 5.5% from 2011, the report said.

Foreign coverage seems to be particularly appealing for manufacturers, small and midsize professional firms, nonprofits that do global work, and colleges and universities that send faculty or researchers to work in international locations, said Bruce Cohen, Washington-based managing director of Marsh Inc.'s international casualty practice.

"You'll often see the small (or) midsize firms go to more difficult geographies in the emerging markets," Mr. Cohen said. "They've got more risk. They need to manage that better."

Ms. Pittinger said interest in foreign workers comp has grown steadily in recent years, despite the economic downturn and technology that has made it easier to communicate with business partners in international locations.

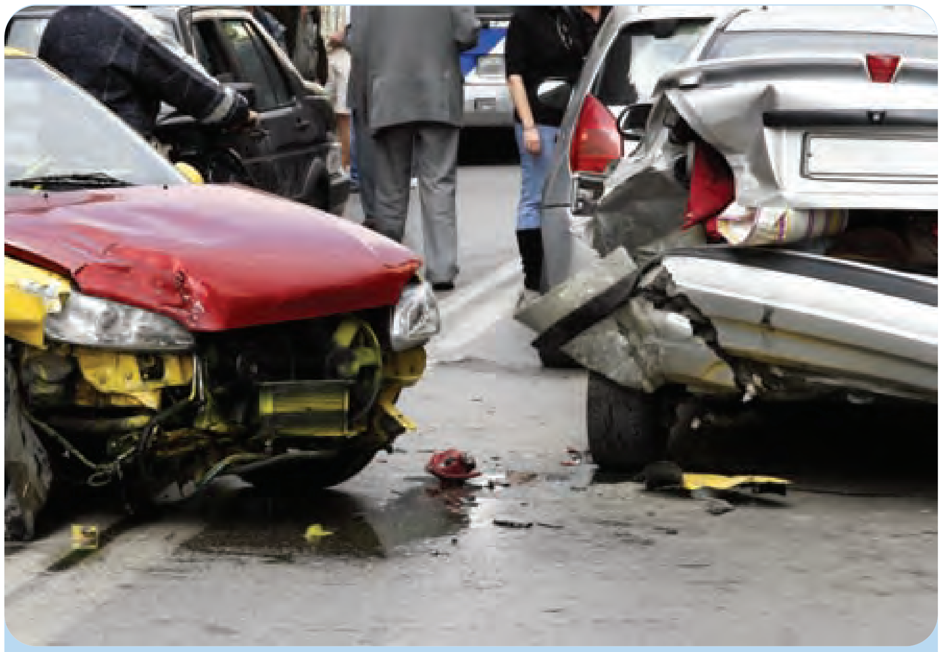
"When we're first … trying to build business relationships overseas, nothing replaces that face-to-face contact," she said.

Despite more companies seeking foreign comp coverage, experts say many firms that could use the protection often are unaware that such insurance exists.

"You have to know about it in order to ask for it," Mr. Callard said.

Experts say the cost of foreign voluntary workers comp can be worthwhile for companies to protect themselves from increasing exposure as they build a global presence.

"What I try to focus our clients on is the important travel assistance and related services that are provided that you don't get under a U.S. domestic workers comp" policy, Mr. Cohen said. "That service piece, I think, is more important than anything."



Prevent claims by planning for travel risks

By SHEENA HARRISON

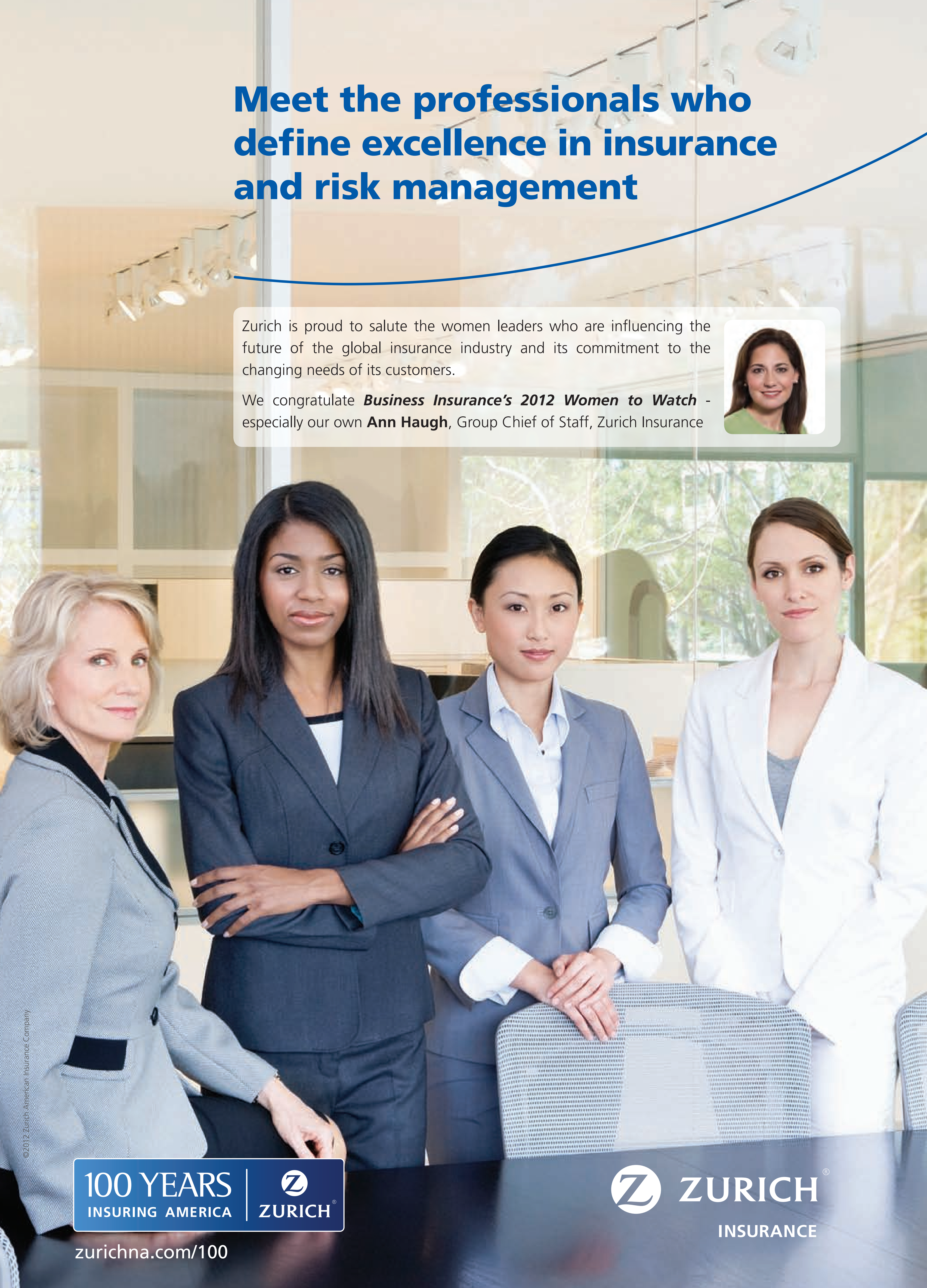
Outside of purchasing foreign voluntary workers compensation insurance, companies can take steps to protect their workers from being injured in a foreign location.

Employers should plan ahead for potential travel risks and inform employees about those hazards before they leave for an overseas assignment, said Bruce Cohen, Washington-based managing director of Marsh Inc.'s international casualty practice. Such discussions should involve risk management, operations and human resources professionals who can strategize how to best protect the company's workers, he said.

Mary Beth Pittinger, vice president and workers compensation executive underwriter for Chubb & Son Inc. in Whitehouse Station, N.J., said companies should establish a travel safety program that informs workers how to protect themselves from endemic diseases or security threats.

Ms. Pittinger noted that a number of insurance claims result from older executives who suffer deep vein thrombosis from regular air travel. A travel safety program, she said, can teach workers how to prevent such conditions and take care of their health while working in other countries.

Additionally, auto accidents are a prime cause of injuries among employees working abroad, Ms. Pittinger said. She recommends that employers inform their workers about international road rules before a trip, or hire drivers who can help employees safely navigate foreign roads.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Zurich is proud to salute the women leaders who are influencing the future of the global insurance industry and its commitment to the changing needs of its customers.
We congratulate Business Insurance's 2012 Women to Watch - especially our own Ann Haugh, Group Chief of Staff, Zurich Insurance
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Opinions

EDITORIAL

Potential target: retirement plans

As federal lawmakers look for ways to reduce the federal government's massive deficit, group retirement plans are certain to be targeted, as we report on page 1.

Retirement plans are an appealing target: They cost the government hundreds of billions of dollars in lost tax revenue. When employees make contributions to a 401(k) plan, that means a reduction in their taxable incomes and less in taxes they pay to the Internal Revenue Service.

When employees retire and draw upon their 401(k) plan balances, those distributions are fully taxable — a fact that tax expenditure tables don't take into account. And tax expenditure tables are no measurement for the benefits employer plans offer to participants, their families and the nation.

Without retirement plans — especially 401(k) and other defined contribution plans, which are rapidly replacing defined benefit plans — how would employees have the means to save? To the extent employees could contribute less to those plans, that would put even more financial pressure on government programs, such as Social Security, which already are headed for insolvency, to make up for lost income. That would not be in the national interest.

Some policymakers looking at the $17,500 maximum annual contribution employees will be able to make next year to 401(k) plans plus for some an additional $5,500 in catch-up contributions, might say: "Should older well-paid employees be allowed to make such big contributions?"

The answer is yes. Many employees couldn't afford to contribute much to their retirement plans when they were younger and their salaries likely were much lower. Their later years of employment may be the only time they can afford to make meaningful retirement plan contributions.

But retirement plans are not a sacred cow. Lawmakers should carefully scrutinize them to be sure that the provided tax breaks truly are necessary. And sometimes they are not. For example, in 1986, Congress eliminated a provision in tax law that allowed individuals covered in employer retirement plans to also make tax-deductible contributions to individual retirement accounts regardless of how much they earned. That was not a good use of tax dollars.

While lawmakers' scrutiny is welcome and appropriate, it should be conducted with caution. The cost of a wrong move eroding needed retirement income could far exceed the benefit of potential deficit reduction.

LETTERS

Business Insurance welcomes letters to the editor. The section is intended to be a forum for readers' opinions and comments. We reserve the right to edit letters for clarity or space. We will not publish unsigned letters.

Please send your letters to:
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150 N. Michigan Ave., Chicago, Ill. 60601-7524

Fax: 312-280-3174; email: *gsouter@businessinsurance.com*

SCHILLERSTROM

COMMENTARY

Chance to help women advance

When *Business Insurance* introduced Women to Watch in 2006, it began as a recognition program for senior women in insurance, risk management, employee benefits and related fields. Those honored were selected for their career achievements and the imprints they made on their respective industry sectors.

But given that women all too often are promoted based on performance, while men have been more likely to advance based on their potential, we shifted our selection process to also identify up-and-comers, those women who are likely to become the future leaders of the insurance industry.

JOANNE **WOJCIK**
SENIOR EDITOR

This year brought another change: For each nomination, we considered the extent to which these women were helping other women to follow in their footsteps. Our objective was to dispel the myth of the "queen bee syndrome," when women in positions of authority view or treat subordinates more critically if they are female. It also was intended to strengthen the pipeline so women in our industry are more likely to be recognized and promoted into senior-level positions and the executive ranks.

In fact, research has shown that paying it forward has a payback, literally. Developing protégés resulted in extra compensation averaging more than $25,000 between 2008 and 2010, according to New York-based Catalyst Inc.

That said, the Leadership Workshop being held this week in conjunction with the 2012 Women to Watch awards ceremony will address the need for formal sponsorship programs to identify and cultivate talented women in the industry. We also will explore what is still largely a taboo subject: Why do women still earn significantly less than their male counterparts?

This year, I attended a session on women's leadership at the Risk & Insurance Management Society Inc. conference in Philadelphia where an attendee asked: "Are you all under the impression that there's such a thing as a 'good old girls club' in insurance?" In fact, she said, her experience was just the opposite — that the women who make it to the top are more likely to hold other women back so they won't have any competition.

Business Insurance's Women to Watch aims to be that "good old girls club" to help women throughout our industry achieve career success.

At last year's Women to Watch event, keynote speaker Gloria Steinem challenged attendees to "do something outrageous." In a similar fashion, I challenge all of this and prior years' Women to Watch honorees to do at least one thing to help another woman advance in their organization or industry.

It is incumbent on women leaders — especially those who have been named to *Business Insurance's* Women to Watch — to serve not only as role models, but to further the change that all of us would very much like to see happen.

Contact: *jwojcik@businessinsurance.com*

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Products&Services

Allied World Europe expands liability cover

Allied World Europe will begin underwriting more of its professional liability products on a primary basis.

The suite of liability products includes Allied World Secure warranty and indemnity insurance, Allied World Secure professional indemnity, Allied World Secure directors and officers liability, small and medium enterprises or SME 360 coverage, and Executive Forcefield Side A difference in conditions coverage, Allied World Assurance Co. Holdings A.G. said in a statement.

Previously, Allied World Europe only offered these professional liability products as excess coverage, except for warranty and indemnity insurance, which has always been available on a primary basis, said Gary Lill, senior vice president and head of the professional lines division, in an email.

"Expanding our primary capabilities within the professional lines book of business in Europe is a natural evolution of our global underwriting strategy as we currently write primary business in the United States, Bermuda and Asia," said Ed Moresco, senior vice president for Bermuda and international product line manager of professional liability, in the statement.

Limits are available in the United States up to $25 million/€20 million/£15 million, Mr. Lill said in an email.

Allied World Europe will continue underwriting these professional liability products on an excess basis and, in certain cases, primary and excess coverage on a particular risk based on available limits.

For additional information, contact Mr. Lill at *gary.lill@awac.com*.

Beazley to underwrite U.S. contingency business

Beazley P.L.C. will start underwriting contingency business from the United States, the company announced in a statement.

Beginning in January, Beazley will cover event cancellation, nonappearance, prize indemnity and weather business on a nonadmitted basis. More admitted capabilities are expected to be added throughout 2013.

Christian Phillips, underwriter-contingency, will lead the new U.S. account. He will be based Philadelphia.

"We already underwrite a significant number of large-scale U.S. risks at Lloyd's, and that will not change," said Chris Rackliffe, head of the company's contingency team, in a statement. "We also have strong relationships with a number of U.S. coverholders, whom we will be able to support even more effectively with a local U.S. presence. But there is also a wide range of U.S. business that we cannot readily access through our existing distribution channels, and we believe we have the skills and service capabilities to provide a valuable service to U.S. brokers and their clients."

For more information, contact Mr. Phillips at *christian.phillips@beazley.com*.

Alterra, Ullico to partner on liability coverages

Labor and union insurer Ullico Inc. said that Alterra America Insurance Co. will be its fronting partner for subsidiary Ullico Casualty Group Inc.'s multiemployer and government fiduciary and union liability insurance.

Beginning Jan. 1, Ullico Casualty will offer new and renewal fiduciary and union liability insurance policies with Alterra America, Washington-based Ullico said in a statement.

The five-year agreement with Alterra America, a unit of Hamilton, Bermuda-based Alterra Capital Holdings Inc., replaces State National Insurance Co. Inc., which previously offered the coverages for Ullico, said Edward M. Smith, president and CEO of Ullico in Washington.

"Alterra was a long-term, stronger partner for us, allowing us to do bigger policies," Mr. Smith said, noting that State National paper still will be used in some locations.

"We are very pleased with the Alterra arrangement; we got a long-term, five-year agreement with them, so we're excited about that," Mr. Smith said.

Eqecat offers additional cat risk consulting services

Eqecat Inc. has announced additional catastrophe risk consulting services for reinsurance, financial and corporate markets.

Eqecat's consulting services group is now offering U.S. flood portfolio risk analysis as well as mortgage impairment portfolio risk analysis, which provides residential mortgage lenders and investors in mortgaged assets information on the likelihood of default based on the occurrence of natural catastrophe losses.

With the new services, the company hopes to broaden its audience, while enhancing its relationship with current clients, said Kent David, vice president of consulting services at the Oakland, Calif.-based modeling company.

For more information, contact Mr. David at *kdavid@eqecat.com*.

PROFILES 2012

2012 WOMEN TO WATCH

Many experiences spur high achievers

Business Insurance's annual Women to Watch feature recognizes women doing outstanding work in insurance, risk management, employee benefits and related fields.

Given that the insurance industry remains a male-dominated business sector, especially at the executive levels, Women to Watch also strives to serve as a springboard to encourage more women to break through that glass ceiling.

While it always has been difficult for the *Business Insurance* senior editors involved in the selection process to narrow the field of candidates and select only 25 honorees, this year was especially challenging given the exceptional caliber of the women who were nominated. Moreover, we received hundreds of nominations from around the globe and from nearly every part of the insurance sector.

But taking into consideration their notable achievements in the past five years, and how they have helped other women advance in the business as well as their current responsibilities, we believe we have identified the future women leaders of the insurance industry.

Abbreviated profiles of the Women to Watch honorees begin on page 12. To read the profiles in their entirety, visit *www.businessinsurance.com/women2012*.

Read the complete profiles of the 2012 Women to Watch at *www.BusinessInsurance.com*

2012 WOMEN TO WATCH

Dr. Teresa Bartlett

Senior vice president of medical quality
Sedgwick Claims Management Services Inc.
Troy, Mich.
Age: 52

As senior vice president of medical quality for Sedgwick Claims Management Services Inc., Dr. Teresa Bartlett oversees the third-party administrator's medical strategy and has operational responsibility over areas such as case management and utilization review. She also worked more than two decades at Chrysler Group L.L.C., where her duties included managing self-insured workers compensation programs and overseeing the development of health care benefits. Today, her top challenges include continuing to drive the application of medical care quality, wellness and disease management programs into the workers comp arena.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Learn how to network and, most importantly, stay in touch with colleagues as you move through different jobs in your career, because you never know how you can help someone else or how they might be able to connect you with someone.

WHAT'S THE BEST-KEPT SECRET ABOUT WORKING IN THE INSURANCE INDUSTRY?
I believe that most people happen upon this industry quite accidentally, and they quickly learn how interesting and multifaceted it is.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
Negotiation. I learned negotiating when it was taught in classes when I worked previously with unions. It's been extremely valuable, because the first part about negotiating I learned is to be able to hear the story about what are the other party's goals, what are they trying to accomplish and why. Then building a win-win scenario that others can believe in. It's negotiation, but it's really the communication skills and the way you treat others. If you are honest and you build that story, you can deliver compelling stories for change.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
I was really fortunate to cross off No. 1 on the list recently, which was a trip to Ireland with my family to where my dad was born. But the next item would be a trip to Venice, where my husband will sing the Italian arias while we are paddling on a gondola on the Grand Canal. It's been a longtime dream.

Sara Bennett

Commercial insurance broker
Barney & Barney L.L.C.
San Diego
Age: 31

Sara Bennett joined Barney & Barney L.L.C. immediately after graduating from college. She has established a reputation as an expert within the health care industry and is one of only a handful of female producers in the firm's commercial division. She says that while insurance is still in some respects a man's industry, it is also fun, and she attributes her success in part to her ability to establish empathy with her clients.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
My mom told me when I was young to never rely on someone else, meaning a man, and to never rely on a man to make all your money. I think that's kind of stuck with me in my career. Thankfully, I'm happily married — pretty newly married — but it's nice I feel that I can contribute and I have my own independence and my own career. You never know what can happen in life. I never grew up thinking, "Oh, I hope I can marry a guy who can take care of me." It's always been, "I really want to achieve this so I can continue to be independent and feel good about myself and my own accomplishments."

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
The hard market.

WHAT DO YOU DO TO RELIEVE STRESS?
Exercise, time with my family and a Cosmo martini.

WHAT'S YOUR SECRET VICE?
Doughnuts.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
Empathy. I think your clients want to know that you understand what they're going through if it's a renewal or if, conversely, they're excited about something in their business that maybe they made their own goal or went public or whatever. It is that you can be in their shoes and celebrate with them. We're in a hard market now, so I'm dealing with a lot of challenges. I've been told what makes me most successful as a broker is the fact that I care. I almost make their problems like my own to a fault, perhaps.

Elizabeth D. Bierbower

President, employer group segment
Humana Inc.
Louisville, Ky.
Age: 53

Elizabeth D. Bierbower is president of the Employer Group Segment at Louisville, Ky.-based Humana Inc., responsible for developing strategy and overseeing distribution and marketing operations for Humana's employer-focused business, which generates more than $9 billion in annual revenue. Previously, Ms. Bierbower was chief operating officer of Humana Specialty Benefits. She also has served as Humana's vice president of product innovation, overseeing the company's commercial product development activities and its consumer strategy, including the HealthMiles rewards and exercise program in partnership with Virgin Group Ltd. Ms. Bierbower also was named co-inventor on a pharmacy patent tied to pharmacy-based health reimbursement arrangements. Ms. Bierbower also worked at Highmark Blue Cross Blue Shield and Coventry Corp. in numerous roles. She has written a book titled "Engage! A Guide to Involving Your Consumers in Their Health," published in 2007.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
Ask for what you want. No one else will do it for you. Many women don't ask for what they want; rather, they wait to receive what they want, which may never come, or similarly, wait to be chosen. Ask, and more often than not you'll be rewarded, if not immediately, then sometime in the near future.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
The health industry lags almost all others in being transparent and demonstrating value for the money spent. Simplifying health care and making cost, performance and quality information as accessible to people as the cost and quality of other products is a huge opportunity. While the industry continues to focus on improving health and lowering costs, we must invest in longer-term initiatives such as investment in prevention and lifestyle changes, which may lower costs over the long run. We need to continue to push for transparency, accountability and value.

WHAT DO YOU DO TO RELIEVE STRESS?
I exercise, walk, bike, garden or read, all of which "de-stress" me.

WHAT'S YOUR SECRET VICE?
I love to write and am writing a novel. I also take one or two online writing classes per year.

Victoria Carter

Vice chairman of international operations
Guy Carpenter & Co. L.L.C.
London
Age: 52

Victoria Carter has been a trailblazer during her three decades in the insurance industry. Since entering it in 1979 as a broker in London, Ms. Carter charted her own course. She co-founded broking operation Dunn & Carter Ltd. in 1992 and became the first woman to establish an intermediary in Lloyd's of London. In 2004, she became chair of U.K. and international operations for Towers Perrin. In September 2010, she took her current role as vice chairman of international operations at Guy Carpenter & Co. L.L.C., where she focuses on the priorities of clients' C-suites, helping to craft customized solutions that often are beyond the scope of traditional reinsurance. An avid traveler, her next trip will take her above the Arctic Circle by dog sled.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
My first advice would be to forget that you are a woman — in the nicest sense. You shouldn't worry whether you are male or female, black or white, just be yourself and do the best job that you can. You are what you are, so make the best of it.

WHAT'S THE BEST-KEPT SECRET ABOUT WORKING IN THE INSURANCE INDUSTRY?
The friendships you make. I've been in the industry for 32 years and have been fortunate to make incredible friendships through the business. These friendships have meant a lot to me, and they have been there through the good times and not-so-good times. It's what keeps you going.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
The biggest challenge for everybody right now is growth while maintaining profit. Every company is looking to grow, so the challenge is how to maintain profit and create value for your shareholders.

WHAT DO YOU DO TO RELIEVE STRESS?
Smash down walls! I love renovating houses, and interior design is my absolute passion.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
I know it sounds a bit ridiculous and totally impractical, but I would love to rescue all the stray dogs in the world. I'd also love to renovate an old stone farmhouse in Italy. And there are still a few remote parts of the world I haven't been to yet.

Teresa W. Chan

Senior vice president,
AIG Energy Warranty
American International Group Inc.
New York
Age: 47

Teresa Chan is senior vice president and is responsible for the management of American International Group Inc.'s new energy warranty insurance product. The product provides technology risk transfer coverage worldwide to renewable, alternative and conventional energy facility owners/developers and contractors who need to provide systems performance assurance to their investment and lending partners. Among other positions at AIG, Ms. Chan also has served as AIG's counsel to corporate product development.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
I grew up in a highly competitive environment where academic achievement was the be all, end all. Success was always compared against milestones that were dictated by my environment. A lot of that pressure was alleviated when someone took the time to convince me, and I started to accept, that the expectations and perceptions of others are not the measure of success. Success is measured by what I want to achieve and, more importantly, being able to recognize what I've accomplished.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
Insurance professionals who have more diverse backgrounds and skills than one would expect. I have had the pleasure of working with people who come from all walks of life, who earlier in their careers were bankers, naval engineers and officers, musicians and writers who are now successful actuaries, underwriters and systems specialists. ... They are the reason I enjoy my work and why I have had the fortune of experiencing success.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
The next major challenge in the energy project development sector is continuing to be able to provide supplemental alternatives that project owners and developers need to get them across the finish line.

WHAT'S DO YOU DO TO RELIEVE STRESS?
Take long walks that eventually lead to a bakery.

Mildred Claire

Director of risk management
Tishman Construction Corp.
New York
Age: 30

Mildred Claire worked to place herself on a fast track in Tishman Construction Corp.'s risk management department. After joining the department as an administrative assistant, four years later she had worked and educated her way into her current position of director of risk management and transformed herself into the "go-to" risk management and insurance person in the Tishman organization.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
What worked for me certainly was trying to expand my knowledge, because I started out in this industry knowing absolutely nothing about insurance. I started out as the administrative assistant to the risk management department and … I went out on my own, I took the New York state insurance brokers course, I started doing the ARM courses, and I really tried to grow my knowledge outside of the organization, as well as obviously within the organization. And that gave me many of the tools I needed and I was able to apply those to my day-to-day activities.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
The biggest challenge for us is writing construction coverage in New York, as far as pricing, and just the capacity of coverage that's available. I see that as a challenge but I also see it as an opportunity for growth maybe from other insurers that are starting to write coverage in New York. So for us, that's probably our biggest challenge: placing construction coverage in New York City.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
I've always said that if I knew that I would end up here, in insurance, that I would have gone to a school of risk management through undergrad and graduate school. But a few years ago, I didn't know what I wanted to do and I majored in communications and took a lot of courses on public speaking. And that has helped me in so many ways when I give presentations to clients or presentations to our executive teams that I really feel that that has helped me so much. There's one thing knowing all this information, but being able to communicate it clearly so that people understand it, that has been something I've been able to develop that's been very helpful.

Betty P. Coulter

Director of risk management and insurance
University of North Carolina at Charlotte
Charlotte, N.C.
Age: 49

With years of experience in public sector risk management, Betty Coulter has strived to prepare the University of North Carolina at Charlotte for potential emergencies. Ms. Coulter, who joined the UNC staff in January 2012, previously spent seven years as the risk manager for the city of Asheville, N.C., and eight years as the risk manager for Catawba County, N.C. Using background from those positions, Ms. Coulter has helped UNC seek funding from the Federal Emergency Management Agency and the North Carolina Division of Emergency Management to aid the university with flooding hazards on the campus. In addition to her university role, Ms. Coulter is the president-elect of the Public Risk Management Association and has served as a PRIMA board member since 2010.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
For those entering the risk management field, I would say be prepared and engaged in those issues that are … emerging areas of risk management and insurance. And always reach out for continuous learning opportunities.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
For a university, we have a lot of challenges that, a lot of times, are out of our control. So I think preparing our campus community to be able to respond to those issues … creates the most concern. Of course, security is one of those. IT/cyber stability is another. … To develop a viable (enterprise risk management) plan for our campus and providing all the training associated with that is the most challenging thing, I think, in the university business sector is today.

WHAT'S YOUR SECRET VICE?
I love to sing. I sing for a lot of people ... I do a lot of patriotic music. I'll sing at ball games or special functions, or of course in church.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
Serving on a school board has provided me a skill set that has broadened my scope when dealing with people and responding to crisis events. When you look at holistic-type issues and how one decision impacts another group, serving a school board has just broadened my flexibility. It's broadened my scope.

Reshma Dalia

Senior vice president, operations and finance
Alliant Insurance Services Inc.
Los Angeles
Age: 33

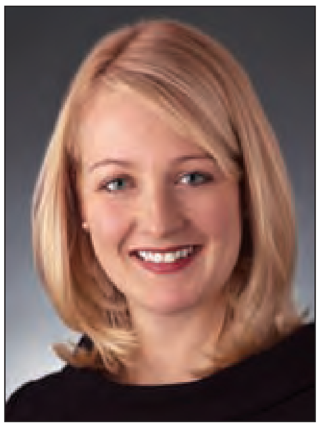
Reshma Dalia is responsible for operations and finance for the national construction services group at Alliant. Her role spans managing human resources, information technology and financial reporting and planning, with a focus on operational efficiency. She is a member of SmartGirls, which connects and encourages women in the construction industry to work together to advance their career.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
Do not be afraid to take risks and challenge the status quo, and if you fail, focus on what you learned from the experience. One of my favorite quotes that describes this is by Malcolm Forbes: "Failure is success, if we learn from it."

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
More than any other industry I've worked in, the insurance industry is extremely relationship-driven. I think it's critical to maintain the relationships and network that you create from Day 1 within the industry. Regardless of what moves you make in your career, maintain your network with your past and present colleagues and clients over the years, as your paths are likely to cross in the future.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
Ever since I was an undergraduate at Emory, it has been a personal goal to eventually create and run a microfinance organization to support less fortunate women by bolstering entrepreneurship and breaking down social barriers, thus helping drive personal and finance independence. My long-term goal is to create, run and help fund this type of organization in India. It would be extremely fulfilling to be able to provide an opportunity to women in need within the country to gain their own freedom and independence. I'm fortunate enough to have extensive Kellogg (School of Management, Northwestern University) and professional networks that will help me fulfill this goal when I'm ready to embark on this journey.

2012 WOMEN TO WATCH



Janet Dell

Managing director, client experience
CS Stars L.L.C.
Chicago
Age: 37

Janet Dell plays a crucial role in the development and delivery of information that risk managers depend on to do their jobs. She has oversight of the work created by more than 200 technical professionals that build risk management and claims administration software at CS Stars L.L.C., a unit of Marsh Inc. Her duties include managing offshore workers spread across several time zones, and she has focused on recreating a startup culture to foster talent. To do that, she has built 20 teams of design and development professionals, helping triple the company's product feature output.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Make a decision to be part of the solution instead of the problem. Perseverance and a belief that every problem has a solution will remove the boundaries to resolutions and open the door to many opportunities for personal and professional growth.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
Clients and prospects require meaningful, broad, industry-based analytics to make informed decisions in real time. This is in addition to the commoditized requirements they have of an RMIS system. Being able to push critical data to clients across a broad range of issues, such as their total cost of risk with respect to loss-control measures, weather and political events, and policy placement, provides them with insight into how their risk management strategy is performing. Within a globalized economy, it's critical for organizations not only to understand their risk management program's performance, but also how it measures against benchmarks such as their peers' policy programs, loss and safety control programs, and reserving practices. The challenge across the risk management industry for companies like Marsh will be how best to utilize technology and large global data sets to provide a unique differentiator to market rapidly.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
In all seriousness, a sense of humor and competition cheerleading. It's important to be able to find the humor while facing challenges, and be able to motivate others to continue to pursue the goal. ... Both are essential when leading growth-focused teams or practice areas.

Anna Engh

Partner
Covington & Burling L.L.P.
Washington
Age: 52

Anna Engh has worked at Covington & Burling L.L.P. to assist companies of all sizes in negotiating insurance policies and resolving coverage disputes, helping clients to recover hundreds of millions of dollars from their insurers. Ms. Engh worked as the lead litigation counsel for Geneva-based Foster Wheeler A.G., helping the engineering and construction firm to resolve asbestos coverage litigation with its insurers this year. She also served as the lead litigation counsel for Midland, Mich.-based Dow Corning Corp. as the chemical manufacturer resolved an insurance dispute last year concerning breast implant claims that were made against the company. Outside of her work, Ms. Engh has helped represent defendants in death penalty cases and provided free legal advice to people in need at a Washington nonprofit. Ms. Engh also has served on the board of trustees for the William & Mary Law School in Williamsburg, Va.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
The first is for women to reach out and develop mentors. I think mentoring relationships are extremely important in, of course, many fields. But in particular, I think … in the insurance area, it's very helpful to find mentors who women can reach out with and work with, and who take an interest in that individual's success. And (something) kind of related, I think, is really learning the business, taking every opportunity to learn something new. … It will certainly be a huge step forward to develop success in the area.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
I think there are a number of emerging issues. One is … hydrofracking. I think as that develops, that will become an issue on the … environmental coverage front. I think climate change and global warming is another area where we'll see emerging issues and challenges. And another area that I would consider hot and producing major challenges is the areas of cyber security, data breach and the liability risks associated with that.

WHAT DO YOU DO TO RELIEVE STRESS?
I love yoga, and I also play the piano. I'd say those are my two top stress relievers. And my daughter just got certified to teach yoga. … She lives in New York, but I'm hoping maybe she'll teach me a little bit too.

Jennifer J. Fahey

Executive vice president,
chief broking officer-Americas
Aon Risk Solutions
New York
Age: 48

In her 15 years at Aon P.L.C., Jennifer Fahey's career has been marked by steady advancement and ever-greater responsibilities. It would be hard to overstate the scope of responsibilities inherent to her post as executive vice president and chief broking officer for the Americas for Aon Risk Solutions, where Ms. Fahey manages brokers representing more than $30 billion in annual client premiums in 12 countries. Ms. Fahey also has demonstrated her ability to conceive and develop new business units, building a case for investment and developing a public-sector practice for Aon Risk Solutions in 2010. In her free time, the mother of three enjoys traveling and, alongside her husband, is active in charities.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
As the saying goes, "90% of life is just showing up" — the implication being that you need to be in the present and concentrate on the issues at hand. The face-to-face time that we spend with our clients and carrier partners is invaluable.

WHAT'S THE BEST-KEPT SECRET ABOUT WORKING IN THE INSURANCE INDUSTRY?
That it's amazing and the opportunities are endless. There are so many different skill sets that are valued and so many directions in which you can take your career. I've attended business school and other graduate studies, and inevitably I find people in what appear to be desirable, lucrative positions saying that they are bored by the lack of diversity in their roles. The diversity presented by the key roles in our industry is tremendous. The other fantastic thing about our business is the ability to interact with clients at a relatively early point in your career.

WHAT DO YOU DO TO RELIEVE STRESS?
Work harder to make sure that I'm leaving less work undone. Outside of work, I run, I spend time with family. Another one of my favorite things is to travel to countries I haven't yet seen.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
I love to travel. I've been to more than 45 countries at this point and love visiting places I've never been before to better understand their culture, art and people. On a business level, I would like to give back to our industry by ... having a role where I can help people who have achieved a senior level ... continue to advance, especially women and minorities.

Ann Haugh

Group chief of staff
Zurich Insurance Co. Ltd.
Zurich
Age: 41

Ann Haugh became group chief of staff for Zurich Insurance Co. Ltd. in Zurich on Aug. 1. In her job, she is responsible for overseeing the operational delivery of corporate communications, group human resources, group marketing and group strategy. Ms. Haugh first joined Zurich in 1996 in the specialties division, then worked for several years at Arch Insurance Co. before returning to Zurich in 2007 as chief operating officer-global corporate America. Two years later, she was named chief operating officer-global corporate and in 2011 was named CEO-global corporate United Kingdom.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Find your niche, ask a lot of questions and listen actively, build your network, find a sponsor, prove yourself — work hard ... but have fun doing it. If you aren't doing what you love, try something else. Reach higher, don't be afraid to be empathetic, always be authentic.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
Stay true to who you are. Always treat people with respect. Be confident in your abilities, and don't be afraid to take risks and make mistakes. Communicate, communicate, communicate.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
The opportunities are endless, many different and diverse roles within one industry — technical, sales, global, local — always an opportunity to learn something new every day ... very dynamic. Great people!

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
Growth in a time of crisis and differentiating our propositions for the evolving needs of our diverse customer segments.

WHAT DO YOU DO TO RELIEVE STRESS?
Go to the gym, read and listen to music.

WHAT'S YOUR SECRET VICE?
Red wine, but I am not sure that is a secret.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
Being intuitive to what is going on around me, to "read" people effectively and to manage through influence ... it can be quite powerful.

Dorothy E. Kelly

CEO
Crowe Paradis Services Corp.
North Reading, Mass.
Age: 31

Dorothy E. Kelly is among a group of people who transformed Crowe Paradis Services Corp. from a small, regional company to a national provider of Medicare secondary payer compliance services for insurers, employers and other parties. Ms. Kelly is now the company's CEO, overseeing attorneys and medical experts who work to help clients control their costs. She also speaks and trains others on MSP issues, such as mandatory insurer reporting under Section 111 of the Medicare, Medicaid and SCHIP Extension Act of 2007. Her other activities include fundraising for breast cancer causes.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
I really encourage women and all leaders to share their whole being. People are at their best when they are able to be great professionals and really stimulated in their careers and fantastic partners in their personal lives — be they spouses, great mothers, sisters, brothers — and great contributors to the community. I really encourage leaders in insurance and generally speaking to really harness that. It's something I put a lot of emphasis on within my organization, really asking people to be the best version of themselves that they can be. We all feel like we want to contribute and be part of something that is a little bit bigger than ourselves. You get the best business results when you get the best performance from your folks, and are able to provide the best to your customers when you are engaging the whole part of a human being.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
Sometimes I sit back and reflect on how integral insurance is to the national economy and the world economy. How systems of supporting risk allow entrepreneurs and businesses to develop, to grow and take on new challenges and provide new solutions. It's really exciting to be part of that.

WHAT DO YOU DO TO RELIEVE STRESS?
I am an avid skier, so in the winter you will find me up in Vermont or Maine or, if I am lucky, to get out West. I run. It's a good stress reliever and definitely something that is good to keep the heart healthy. I am trying to learn how to golf. I come from a long line of great golfers, so I am striving to be one at some point.

Karin Landry

Managing partner
Spring Consulting Group L.L.C.
Boston
Age: 55

Karin Landry is an expert in captive insurance, having advised and worked with about 50% of companies that have gone through the U.S. Department of Labor's approval process for captive funds. In the past few years, Ms. Landry and her team received several patents from the U.S. Patent and Trademark Office for Spring Consulting Group's program that funds employee and retiree benefits captives. Ms. Landry is a past chairwoman of the Captive Insurance Co. Association and a member of the ERISA Industry Committee, a Washington organization that represents employer interests under the Employee Retirement Income Security Act. She also serves as a professor of employee benefits for the International Center for Captive Insurance Education in Shelburne, Vt.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
It is a field that is diverse, interesting, and encompasses a number of different areas: insurance and investment risk, underwriting, claims, etc. It is an ever-changing industry with new solutions emerging, where you can be creative and develop those new solutions. More importantly, there is no reason why women cannot lead this industry.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
The constant changes to the regulations represent the biggest challenge to our business sector. Insurance and financial services are becoming more and more regulated. While some regulation is necessary, the level of increasing regulations and complexity has been staggering for employers, insurers and financial service firms in the last 10 years. I spend much of my time trying to ensure clients can be creative in the face of regulation while ensuring it creates protection without paralysis.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
My creativity and stick-to-it attitude. I never give up.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
Live in Provence, perfect my French, and open a winery.

Amy Laverock

Global health and benefits strategic solutions leader
Mercer L.L.C.
New York
Age: 36

Amy Laverock has racked up numerous accomplishments in her 15 years with Mercer L.L.C. Those accomplishments include helping to grow regional consulting revenues by about 200% while she was based in Singapore from 2007 to 2010. Currently, Ms. Laverock is responsible for Mercer's global benefits management offering, which combines local Mercer/Marsh Inc. benefits brokering capabilities with international benefits specialists who provide clients with strategic advice as well as global coordination.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
My main piece of advice would be to live abroad. I'm extremely fortunate that my mentors and leaders really encouraged me to get some global experience. I have lived in Asia, Europe, Canada and the United States. Working in the emerging markets has been the most rewarding because you can really make a big difference if you can withstand the pace and all the day-to-day challenges.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
The types of risks you come across are very interesting. In the employee benefits field, you have longevity risk and market risk. I'm very motivated by the need businesses have to address workforce risks. The industry really needs to innovate here. It has come a long way, but there still is a lot to do in terms of quantifying the impact physical and mental health have on business results.

WHAT DO YOU DO TO RELIEVE STRESS?
It definitely is a work in progress. I recently moved to New York, and I really like looking at the different neighborhoods. I also run and practice yoga.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
I am very adaptable. Over my career, I have had to adapt from a very sophisticated market to emerging markets, from a slow pace to a very fast pace. I really thrive on ambiguity and chaos, which I think helps me.

Rocío Leal Pasarán

Deputy director of property/casualty operations
Ace Seguros S.A.
Mexico City
Age: 48

Rocío Leal Pasarán leads property/casualty area operations in Mexico and Panama for Ace Seguros S.A., a unit of Ace Ltd., in Mexico City. Leading an operations team of 20, her responsibilities include the production operations of policy issuance, monitoring and managing systems for accounting, operational activities, generation of reports and billing in Mexico and Panama. Ms. Leal began her career at Ace in 1987 as an executive assistant. In 1988, she was appointed coordinator of insurance, and in 2002 she was promoted to her current role. Among her noticeable achievements, Ms. Leal in 2010 developed and implemented the overall business continuity plan program that ensures the personal security of all employees. She also heads the development of the e-learning courses that raise awareness for all members of Ace in Latin America during a catastrophe. She also in 2011 implemented Ace Green in Mexico, a corporate initiative where employees actively help environmental and conservation activities by recycling paper.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
The best advice that I received was from co-workers in my first job. They told me I was not different from anyone else, that I have the same capabilities as others to get things accomplished and that if I wasn't able to accomplish something, it was because of my own limitations. We are the ones who set our own limits. Opportunities are given to everyone; it is just a matter of how you take advantage of them. This advice totally changed my perspective on how I approach things in life and at work and has helped me achieve excellent results. I encourage women to dare to achieve their potential.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
I think the next major challenge will be to go paperless by delivering all the policies and endorsements electronically to eliminate the impact on the environment.

WHAT'S YOUR SECRET VICE?
Eating Mexican food on Thursdays. For some reason my body has become accustomed to be rewarded on that day with this specific type of food. My favorite dishes are quesadillas, enchiladas, sopes and tortas. I am aware that this makes for a very high-calorie dinner, but it is the delight that it generates which makes the experience worthwhile.

Selena J. Linde

Insurance coverage partner
Perkins Coie L.L.P.
Washington
Age: 43

Selena Linde, a policyholder attorney, served as lead counsel for Motors Liquidation Co., formerly General Motors Corp., as the liquidated company litigated with its insurers to cover $1 billion in environmental and asbestos liabilities. In the past five years, Ms. Linde has recovered nearly $1 billion for her clients, which have included Amtrak, Starbucks Coffee Co., Crocs Retail Inc., and Eddie Bauer L.L.C. Ms. Linde is the primary editor and author of the Association of Corporate Counsel's Policyholder Primer on Insurance, and speaks to audiences nationwide about insurance coverage issues. She also is chairwoman of Perkins Coie's diversity committee in Washington and a member of the law firm's national diversity committee.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
First and foremost, work hard and don't settle for anything short of excellence in the work product you deliver. Your work is your reputation. Second, don't be afraid to advocate for yourself and take risks when appropriate. I still encounter bright women who end up with the short end of the stick because they don't want to rock the boat. You should never be afraid to speak up when you see injustice.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
I think the courts will be grappling with climate change and cyber security/data breach coverage issues for some time to come. The case law on coverage in these areas is in its infancy and the extent of coverage available under the current policies will be shaped by the courts over the next decade.

WHAT'S YOUR SECRET VICE?
I've been known to play some cards and roll some dice on occasion. In fact, my second son was born during a vacation in Las Vegas — my water broke at a blackjack table. ... I like to say I won the best jackpot ever in Las Vegas.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
Acting. I went to a performing arts high school and pursued theater during both college and law school. I love to entertain and this skill translates into my ability to make people feel comfortable in a very short time, which can be very helpful in breaking the ice in serious negotiations or in adversarial meetings.

Mandy McNeil

Managing director
Moore-McNeil L.L.C.
Nashville, Tenn.
Age: 44

Mandy McNeil has worked to build Moore-McNeil L.L.C. into a growing firm providing insurance due diligence and risk management services for the financial services industry. Ms. McNeil cofounded the company in 2004 with partner Charles Moore after nearly 20 years of working in the finance sector. Within its first year, Moore-McNeil was involved in up to 75% of all project financings in the United States, and the company was sold to Alliant Insurance Services in 2008. As a survivor of the 2001 World Trade Center attacks, Ms. McNeil says she has grown from the experience and has resolved to start tackling her "bucket list." Additionally, Ms. McNeil volunteers her time as an investor and mentor for women entrepreneurs and as a sponsor for various Nashville nonprofits.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Find a good mentor who's been in the industry for a long time and partner with them. ... Male or female — it doesn't matter.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
There (are) a lot of really super people who are working really hard. I think that insurance is overlooked by a lot of people as something to look at the last minute. But for at least the work that I do, it's actually a critical part of getting a transaction done.

WHAT DO YOU DO TO RELIEVE STRESS?
I have a big interest in art and I support a lot of people, and mentor them and (try) to get their artwork into a more commercial environment. And I have a son, so I hang out with him. He just turned 6.

WHAT'S YOUR SECRET VICE?
It's not so secret, and it's chocolate.

WHAT'S THE TOP OF YOUR BUCKET LIST?
The immediate thing that's on the top of my bucket list is to make a CD with my father who's a singer/songwriter. I like to write songs and I like to sing occasionally. The other one is to take my son to Europe and to spend a couple months living there.

Deborah M. Minkoff

Member
Cozen O'Connor
Philadelphia
Age: 53

Deborah M. Minkoff has been with law firm Cozen O'Connor since 1984 as the firm's go-to person for cutting-edge liability insurance issues, including general liability, excess liability and professional liability. Ms. Minkoff is the only female shareholder in the Northeast region of the law firm's global insurance department. And as a member of Cozen O'Connor's Women's Initiative, Ms. Minkoff mentors an associate one-on-one, as well as a small group of female partners.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?

Be true to your own goals, and maximize your talents and interests. Recognize that your talents and interests are unique and they're worthy. My experience has been that women don't realize how remarkable they are and the skill sets they can bring into a situation, and if women recognize their own talents, they're going to recognize the value they can bring to their employers … to the business relationships with the people around them. I don't think women give themselves enough credit.

WHAT'S THE BEST-KEPT SECRET ABOUT WORKING IN THE INSURANCE INDUSTRY?

It is that it is a great opportunity to make friends, and I really mean it. There are very few women who do what I do, insurance litigation, and I have found incredible friends among my clients, and I would have never expected that. I don't know if it's a secret, but I think that it's rarely appreciated, and I think it's especially important for women like me who work primarily with men. I'm the only female shareholder in the Northeast region in the global insurance department of Cozen O'Connor, and I have found incredible friendships among my clients that I value and cherish, and that is the truth. I enjoy spending time with them. When (Superstorm) Sandy hit, I called two of them and asked, "Do you need a place to stay?" And it wasn't for marketing reasons.

WHAT DO YOU DO TO RELIEVE STRESS?

I walk my dog. I recommend everybody get an active dog.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?

I've never been to an opera. I really might hate it, but I've never done it. I've also never been to Italy, so I guess I want to go to an opera in Italy.

Roxanne Mitchell

President, surplus lines
XL Group P.L.C.
Chicago
Age: 58

Since joining XL Group P.L.C. in 2011, Roxanne Mitchell has overseen five major surplus lines of business and has transformed the company's wholesale distribution network. As Chicago-based president of surplus lines, Ms. Mitchell has built out the New York-based insurer's excess and surplus lines capabilities to include property, railroad, wholesale umbrella and excess auto coverages, along with its general liability surplus lines platform. Ms. Mitchell is founder and executive sponsor of a mentor program in XL's North America property/casualty unit and participates in XL's Women's Networking Group.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?

Be true to yourself. Be direct, open and honest. My mentor gave me that probably about 30 years ago. It carries you through in the business. No matter what, a person in the mirror doesn't lie back to you in the morning.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?

Growing the business. We've spent the past 16 months setting up some new business lines and also fixing one of the lines that was there before. We needed to fix it; we needed to underwrite it to bring it to profitability. Now the next challenge will be to take these new lines that we've established and grow them to the next level. ... It's (time) to move it forward in 2013 and grow those lines of business. The strategy is to capitalize on our relationships with the brokers and our knowledge in the industry.

WHAT'S YOUR SECRET VICE?

An Absolut martini with blue cheese olives. Just one, though.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?

I went to college to be a teacher, and I taught high school for two years before I entered the insurance world. I didn't realize that skill … has taken me through my insurance career. In the management world, you are always teaching or should be. When people ask me what keeps me up at night, like we ask our clients all the time, it's the human capital. We have great kids coming in from college or coming up through the ranks and people have to be there. They can't learn the insurance through the book. I love taking kids out of college and teaching them underwriting … and different things about being a manager.

Magdalena Nawloka

Chief financial officer
Generali Poland
Warsaw, Poland
Age: 41

Magdalena Nawloka assumed the position of chief financial officer at Generali Poland, a unit of Italian insurer Assicurazioni Generali, S.p.A., at the beginning of 2011. Her responsibilities include managing the financial risk of the organization, overseeing the accounting department, implementing financial control procedures and financial planning. She also is responsible for the insurer's risk management functions and Solvency II implementation. Her industry career began in 2002 when she joined Polish insurer PZU Group and quickly moved up the corporate ladder to become a vice president and member of the board. Ms. Nawloka worked as a strategic adviser for Eureko Insurance Group in Romania and Russia from 2009-2011 and as a member of the nonexecutive board of PZU Ukraine. A graduate of Cracow University of Economics, she holds a master's degree in foreign trade and a law degree.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Insurance is a part of the financial sector. To understand risk assessment and complicated financial investment products, you have to think in a structured and logical way and have strong analytical skills. So, in short, my advice would be to learn math.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
In both the life and property/casualty sectors, implementation of new capital requirements under the Solvency II rules will be a challenge. In life business, there is growing pressure to balance the demand for payment of higher commissions with the need for more transparency and ensuring that clients have adequate financial protection. In nonlife business, the impact of climate change will be a challenge. The devastation left by Superstorm Sandy on the East Coast of the United States is a recent example. Over the long term, challenges will be posed by the aging of society and the decreasing efficiency of pension and health care systems.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
To achieve true work/life balance. While I have achieved a lot in the pension and insurance sectors, I'm still career building. ... At the same time, I would like to spend more time with my family, maybe take a long trip with my husband and sons to explore the United States from coast to coast.

Janet Pane

Managing director of placement operations
Willis North America Inc.
New York
Age: 47

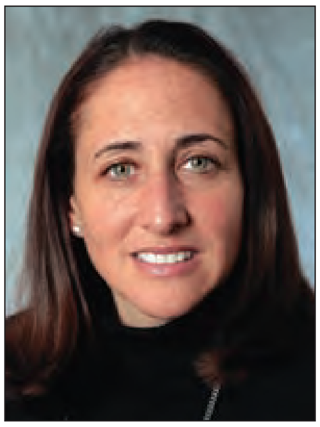
In her role at Willis North America Inc., Janet Pane oversees the placement activities of the company's roughly $14 billion of insurance premium and manages its network of 450 retail business placement professionals. She graduated with a degree in performing arts from the American Musical and Dramatic Academy in New York and spent several years on tour with professional theater companies. Her experience in theater has been invaluable to her growth as a senior manager in the insurance industry, according to her colleagues.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
The best advice I ever received was from my mother, and it applies to life in general as easily as it applies to business. She told me how important it is to make good choices about who you invest your time with. For me, finding a partner in business who's thinking about my needs and my goals while I'm considering how best to help them achieve theirs is the foundation of forging healthy relationships.

WHAT'S THE BEST-KEPT SECRET ABOUT THE INSURANCE INDUSTRY?
So many companies in this industry offer the opportunity to work in exchange programs, domestically or internationally. Most people think all you're doing in insurance is handling claims and placing policies, but we have such a diversity and range of roles available in this industry.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
Without a doubt, it'll be improving our technology platforms and increasing our ability to produce powerful analytics. Being able to capture data in a more centralized way, and then using that intelligence to create more timely and innovative solutions for our clients is huge, and it's our No. 1 priority. The company that can do that best will be the most successful, and it's a challenge for our entire industry.

WHAT DO YOU DO TO RELIEVE STRESS?
I like to go on long runs, preferably on the beach — and for me, there's nothing that relieves my stress faster than the sound of the ocean.



Meredith Schnur

Senior vice president, professional risk group
Wells Fargo Insurance Services USA Inc.
Madison, N.J.
Age: 40

Meredith Schnur established Wells Fargo Insurance Services USA Inc.'s technology, privacy and network risk practice in 2007, growing it to more than $2 million in commissions and fees. She also helped organize the first NetDiligence Conference in 2010, co-chaired it during its second year, and co-authored a network security and privacy claims study sponsored by the organization in 2012. She came to Wells Fargo as a result of its acquisition of Wachovia in 2009. Before that, she worked for Palmer & Cay L.L.C., which Wachovia acquired in 2003. She also worked as an underwriter at American International Group Inc., Chubb Corp. and Royal Insurance Co.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Persistence: Don't be afraid to raise your hand. Find a mentor, and find a mentor early. There is a lot of opportunity for women, and you can't be afraid to raise your hand for something and you've got to be persistent. I wish I had a mentor early on.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
Technology, network and privacy are evolving every day. Nobody knows what the future brings. Therefore, litigation is changing and evolving. The major challenge is we don't have a crystal ball. Unlike with property insurance, you can't forecast out. We're starting to get statistical analysis, but it's current, and it could change tomorrow.

WHAT DO YOU DO TO RELIEVE STRESS?
I exercise. I like to run and ski. In fact, I ran around the neighborhood after Superstorm Sandy. I don't need an hour in the gym. That would be nice, but I've got two little kids. But if I get 30 or 40 minutes in, it helps my mood and it helps me think clearer.

WHAT'S YOUR SECRET VICE?
It's (an exercise routine) called the Bar Method. I'm addicted to it. I'm in the middle of a hurricane with no power, and I had to take a class this morning.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
My social skills. I was always very organized and scholastic. But that's so expected. My social skills helped because insurance is such a people business. I'm a work-hard, play-hard personality. It was a very unexpected aid.

Peggy Scott

Executive vice president, chief operating officer and chief financial officer
Blue Cross Blue Shield of Louisiana
Baton Rouge, La.
Age: 60

It did not take Peggy Scott long to distinguish herself as a singular talent in accounting and corporate management. She was promoted to full partner and office managing partner after just 10 years with Deloitte L.L.P., making her the first woman in the company's 114-year history to head one of its U.S. offices. In addition to her duties at Blue Cross Blue Shield, Ms. Scott has served as an adjunct professor at Tulane University, an editorial adviser to the Journal of Accountancy and board president of the Dean's Advisory Council at Louisiana State University's E.J. Ourso College of Business.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
Get an education, and continuously build on that education. Don't just get a college degree and let that be that. As times change and as the industry changes, you're going to need to keep up with technology, changes in the leadership space and in the general business space. You need to evolve with the industry, rather than just assume that you'll be set for life with an entry-level degree.

WHAT'S THE BEST-KEPT SECRET ABOUT WORKING IN THE INSURANCE INDUSTRY?
Our industry is being turned on its head by the health care reform, and that represents a tremendous business opportunity for people with all different kinds of skill sets. Whether your background is in product development, direct sales, financial management or a number of other fields, these are all talents and abilities that might not have been as appreciated in our industry a few years ago but will absolutely be needed going forward.

WHAT DO YOU DO TO RELIEVE STRESS?
I'm teased around the office from time to time about my optimistic attitude, but it's something I do make an effort to maintain because I think it does relieve stress.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
I've never understood it, but I've been told throughout my career that I have an ability to motivate people to perform at an extremely high level and dedicate extra time to their jobs without actually asking them to do it. They tell me that there's something about my enthusiasm for what I do that motivates people to rise above expectations. People have been telling me that for 20 years.

Maria Yao

Executive vice president, HR business process outsourcing
Aon Hewitt
Lincolnshire, Ill.
Age: 43

In her 18 years at Aon Hewitt, Maria Yao has helped to develop and implement an operations strategy to optimize the company's human resources business process outsourcing services. She developed and implemented an operations strategy to refocus on core competencies — workforce administration, payroll, employee benefits, and human resource information technology.

WHAT ADVICE WOULD YOU GIVE TO WOMEN ENTERING THIS FIELD?
Changing the roster of mentors has been critical for me. Also, you should take advantage of the opportunities presented, especially those that you think are going to stretch your capabilities. I also tell folks that I mentor you need to let your results speak for themselves. Those results are going to define you and your accomplishments.

WHAT'S THE BEST ADVICE YOU'VE RECEIVED IN YOUR LIFE?
Best advice was to do something that really engages you. And do it with people you trust, so you know you are putting your best out there.

WHAT'S THE BEST-KEPT SECRET ABOUT WORKING IN THE INSURANCE INDUSTRY?
The best-kept secret is that this is an exciting place to work. If you would talk to the average person, perhaps coming out of college, looking for a job, you'd say, I'm in the HR-outsourcing industry. Maybe that doesn't sound so exciting. But the things we do touch people every day.

WHAT'S THE NEXT MAJOR CHALLENGE IN YOUR BUSINESS SECTOR?
In the HR-BPO sector, things are changing quite a bit. As things evolve, we have to make sure that as new technologies or new approaches or applications are coming out that we stay in lockstep or two steps ahead. As those innovations and new technologies emerge, we need to be able to turn on a dime and change our model. Still, that has to be balanced with some things we have learned over the past decade — you can't be all things to all people. As fast as the market is evolving, you have to be smart enough to know where to place your bets.

WHAT DO YOU DO TO RELIEVE STRESS?
I like to travel with family, which sometimes can be relaxing and sometimes stressful. My job has me on the road a lot, so if I can get an opportunity to travel with my family and spend some down time with them, that's great. The best is if I can travel and hit a winery and a golf course at the same time.

WHAT SKILL HAS BEEN AN UNEXPECTED AID TO YOUR CAREER?
I grew up in a small town, in a tight-knit community. You had to make relationships and care and feed those relationships in that small community. You would either be in the in or out crowd. Relationship building was something I had to learn at a pretty young age. In our space, client relationships are everything. You can deliver the best service ever, but if you really haven't honed your relationship, given it the proper care and feeding, you really are just a service provider.

WHAT'S AT THE TOP OF YOUR BUCKET LIST?
Six months ago, I probably would have said it was to go back to China. I had taken a family trip there several years ago with my father, but it went all too fast. However, my 12-year-old niece called a few weeks ago and said she really wanted to go to Paris with me. The fact that I have a 12-year-old niece who is interested in going to a foreign country — not just the fun stuff but learning about a country, too — is exciting to me, too. Anything I can do with her is generally at the top of my list.

SRM implementation guide released

RIMS publication helps organizations develop framework

The Risk & Insurance Management Society Inc. last week released an implementation guide for organizations looking to start strategic risk management programs.

The publication, "RIMS Strategic Risk Management Implementation Guide," aims to assist organizations as they design, develop and implement a strategic risk management framework, New York-based RIMS said in a statement.

Developed by members of RIMS' SRM development council, the 68-page guide also offers best practices from global organizations that have successfully adapted SRM into their programs.

"There is no single best way to do strategic risk management," Carol Fox, director of strategic and enterprise risk practice at RIMS, said in the statement.

"Taking the first step and thinking about risk in a predictive and strategic way will not only protect the value of an organization, it will proactively help create and capture value — all in alignment with its objectives," she said in the statement.

RIMS said the intended outcome for users of the guide is to boost an organization's risk management capabilities, drive value-based decision-making across the organization and to recast risks to realize opportunities.

The guide, which costs $99 for RIMS members and $199 for nonmembers, is available online at *www.RIMS.org/RIMStore*.

— By Mike Tsikoudakis

BI webinars focus on new technology

Technology advances that have exposed many organizations' cyber-related vulnerabilities are the subject of two upcoming *Business Insurance* webinars.

From an increase in the use of personal smartphones to the changing workforce, the live webinars will tackle risks stemming from this evolution of how businesses are being run.

Sponsored by Zurich Insurance Co. Ltd., the Dec. 5 webcast, "Minimizing Privacy and Security Risks Resulting from Employee Use of Personal Electronic Devices at Work," will examine the pros and cons of allowing employees to use their personal smartphones or tablets for work.

Presenters addressing these issues will include Philip L. Gordon, a Denver-based shareholder of Littler Mendelson P.C. and chairman of the law firm's privacy and data protection practice group; Phil Mayes, London-based senior vice president in the global technology and privacy practice of Lockton Cos. L.L.P.; and Peter S. Vogel, a Dallas-based partner at Gardere Wynne Sewell L.L.P.

On Dec. 11, social media policies, satellite employees and an aging workforce are the topics that will be covered in the *Business Insurance* webinar "Emerging Risks in the Workplace and How to Identify and Manage Them."

Also sponsored by Zurich, the live webinar will focus on recognizing these potential issues and effectively addressing them.

Presenters speaking on these issues include Seymour Adler, New York-based partner at Aon Hewitt; Marc Mandelman, New York-based senior counsel at Proskauer Rose L.L.P.; and Judith R. Sands, Raleigh, N.C.-based risk management consultant and manager at Duke Raleigh Hospital.

Both 60-minute webinars will include a question-and-answer session.

To register, visit *www.businessinsurance.com/webinars*.

UP CLOSE
COMINGS & GOINGS

MARK NIEBUHR

NEW JOB TITLE: Sacramento, Calif.-based senior vice president for the captive and alternative risk consulting group for Cedar City, Utah-based Leavitt Group.

PREVIOUS POSITION: Sacramento-based vice president, business insurance at Leavitt Group.

LOOKING FORWARD TO: It's an exciting opportunity for best-in-class companies – companies that have established a strong business culture, have predictability in their loss patterns and are looking to break away from traditional insurance programs – to achieve greater net cash flow through alternative program designs.

GOALS FOR NEW POSITION: In industry segments, capturing best-in-class privately held accounts that are recognized for their quality and their sustainability.

CHALLENGES FACING INDUSTRY: The challenges are getting to the decision-makers, into the C-suite, and developing a rapport to develop a trust-based relationship.

BEST THING ABOUT A BAD ECONOMY: Opportunity to create a profit center from an ordinary cost for business. People are looking with greater interest and concern at any opportunity to improve their net cash flow. We can reorganize their risk management programs. It's made this project a bright spot in this difficult time. It's a solution ... at a time when everyone is looking for ways to improve their bottom line.

FIRST EXPERIENCE IN JOB MARKET: I started with a large commercial insurer – Royal Insurance Group – in a marketing position.

ADVICE: My advice would be to specialize. Find a niche where you can become an expert. Setting yourself apart is good for competition.

HOBBIES: Outdoor activities. I like to hunt, fly fish, (and) ski. I do martial arts and swim.

FAVORITE BOOK: "Tipping Point: How Little Things Can Make a Big Difference" by Malcolm Gladwell. It's a different way of looking at opportunities and understanding human nature.

FAVORITE MEAL: Sushi.

ON A SATURDAY AFTERNOON: This time of year, I am hopefully hunting.

Comings&Goings

VISIT ***www.businessinsurance.com/ComingsandGoings*** for a full list of this week's personnel moves and promotions. Check our website daily for additional postings and sign up for the weekly email.

TO SUBMIT ITEMS

Business Insurance would like to report on senior-level changes at commercial insurance companies and service providers. Please send news and photos of recently promoted, hired or appointed senior-level executives to:

Anna Gaynor
Business Insurance
150 N. Michigan Ave.
Chicago, Ill. 60601-7524
agaynor@businessinsurance.com

POSTING THIS WEEK

BROKERS
- Marsh Inc.
- Smith Brothers Insurance Inc.
- Willis North America Inc.
- AmWINS Group Inc.

INSURERS
- Medical Mutual of Ohio
- Aspen Risk Management Ltd.
- Catlin Group Ltd.

Vance: Harassment ruling expected

CONTINUED FROM PAGE 3

some definition that wasn't forthcoming, either," Mr. Eastman said.

But, many legal experts doubt the high court will fully adopt the 7th Circuit's approach.

"Neither side really advocated" the 7th Circuit standard, said Andrew J. Rosenman, a partner with Mayer Brown L.L.P. in Chicago.

"My gut sense is the judges understood that the 7th Circuit opinion seemed to be too drastic in that it ignored the realities of the workplace," said Michael W. Foreman, University Park, Pa.-based director of Pennsylvania State University's Civil Rights Appellate Clinic, who submitted an amicus brief supporting Ms. Vance.

Pandora's box?

Gerald L. Maatman Jr., a partner at Seyfarth Shaw L.L.P. in Chicago, said that while it will be a close vote, he expects "the wing of the court that has interpreted civil rights law expansively … is going to win out on this issue."

However, Wendy M. Lazerson, a partner at Sidley Austin L.L.P. in Palo Alto, Calif., said, "There seemed to be some skepticism among the more conservative judges, clearly, with regard to opening a Pandora's box of having to do fact-finding in every situation to determine whether or not an individual has the kind of meaningful authority" to be considered a supervisor. "Maybe they'll come up with something that's somewhere in between" the EEOC's position and the 7th Circuit's, she said.

"I think there's going to be a compromise," either "by watering down the 7th Circuit test or by having the employer demonstrate the harasser has actual authority to act on the employer's behalf," said Philip M. Berkowitz, a shareholder with Littler Mendelson P.C. in New York.

"I'd love to have them adopt" the 2nd Circuit standard, said Daniel R. Ortiz, director of the Supreme Court Litigation Clinic at the University of Virginia School of Law in Charlottesville, Va., who argued the case before the Supreme Court on Ms. Vance's behalf.

"I think there's a good chance of it, but it's a hard case," he said. "It's a pretty murky crystal ball," he said.

Meanwhile, Lawrence Peikes, a partner at Wiggin & Dana L.L.P. in Stamford, Conn., said that while he expects the court to provide some indication of the parameters in defining who is a supervisor, there still will be "some element of grayness, no matter what" the court rules on the issue.

U.S. appeals courts split on definition of supervisor

"The key question is: What is a supervisor?" said Mark A. Addington, an attorney with PCT Law Group P.L.L.C. in Jacksonville, Fla., discussing oral arguments the U.S. Supreme Court heard last week in a food service worker's suit against Ball State University.

Federal appeals courts essentially have split into two camps on the issue.

The 1st U.S. Circuit Court of Appeals and the 8th U.S. Circuit Court of Appeals adopted the relatively stringent definition proposed by the 7th U.S. Circuit Court of Appeals when it ruled on *Maetta Vance v. Ball State University et al.* in 2011. However, the 4th U.S. Circuit Court of Appeals and 9th U.S. Circuit Court of Appeals have adopted a looser definition proposed by the 2nd U.S. Circuit Court of Appeals in its 2003 ruling in *Yasharay Mack v. Otis Elevator Co. et al.*

In *Vance*, the sole African-American in the Muncie, Ind.-based university's banquet and catering department alleged racial harassment and retaliation by someone she identified as a supervisor. However, the 7th Circuit dismissed the case and held that a supervisor is someone with the power to hire, fire, demote, promote, transfer or discipline an employee.

"We have not joined other circuits in holding that the authority to direct an employee's daily activates establishes supervisory status under Title VII" of the Civil Rights Act of 1964, the 7th Circuit ruled.

In *Mack*, the African-American elevator mechanic's helper accused Farmington, Conn.-based Otis of subjecting her to a hostile work environment because of harassment by the "mechanic in charge."

A three-judge 2nd Circuit panel held that James Connolly's authority over the woman "bestowed upon him by Otis, enabled him, or materially augmented his ability, to impose a hostile work environment on her." Based on two 1998 Supreme Court rulings — *Burlington Industries Inc. v. Kimberly Ellerth* and *Beth Ann Faragher v. City of Boca Raton* — "Connolly was therefore Mack's supervisor for purposes of Title VII analysis," the 2nd Circuit ruled.

The 2nd Circuit also cited Equal Employment Opportunity Commission enforcement guidelines that say a supervisor is someone who "has the authority to undertake or recommend tangible employment decisions affecting the employee" or "the authority to direct the employee's daily work activities."

By Judy Greenwald

Webinar: Mitigating construction risks

CONTINUED FROM PAGE 4

a different interpretation of what insurance should cover versus the last one."

Typically, insurers underwrite each state individually. Not only can specific laws differ, but courts also can interpret those laws in different ways. From an insurance perspective, Mr. Becker said he believes over-communicating with a broker or insurer before even making a bid is much better than finding yourself in trouble later.

Dan Sielicki, director of risk management at Baker Concrete Construction Inc., took Mr. Becker's advice a step further. "I strongly recommend you use many resources around you to gather information and conduct research about operating in a new geographic location, especially one that's in a different state or country," Mr. Sielicki said. "The financial result of a mistake could be expensive," he said. "Arm yourself with knowledge and avoid learning by experience."

Mr. Ruff

Speaker Randolph Ruff, a shareholder and head of the construction law practice at Ogletree Deakins Nash Smoak & Stewart P.C., said he finds that contractors usually make mistakes in the same areas: lien and bond laws, contractor licensing requirements, organized labor issues, local government requirements, unauthorized practice of law and indemnity.

Matt Dunning, associate editor at *Business Insurance*, moderated a question-and-answer session during the webinar, sponsored by Zurich Insurance. The free webinar is available at *www.businessinsurance.com/webinars*.

Whistle-blower: Laws up stakes for employers

CONTINUED FROM PAGE 3

"It's become a huge industry for the plaintiffs bar," said Michael E. Clark, special counsel with Duane Morris L.L.P. in Houston. "You're looking at having, potentially, plaintiffs' lawyers directing employees to grab documents … and, if the government gets involved, subpoenas and search warrants. It's a parade of horribles for companies."

"It would not be surprising to see an upsurge in the number of claims that whistle-blowers are filing, now that the government has incentivized those reports with monetary benefits," said Andrew T. Wise, a member of Miller & Chevalier Chartered in Washington.

"It's a significant question for companies, particularly because the whistle-blowers are not required to notify the company before they bring it to the SEC, so the company doesn't have an opportunity" to either fix the problem if there is one or explain why if there is not a problem, said Thomas O. Gorman, a partner with Dorsey & Whitney L.L.P. in Washington.

BLOOMBERG

President Obama signed the Dodd-Frank Wall Street Reform and Consumer Protection Act in 2010. Provisions include whistle-blower rewards.

Steven J. Pearlman, a partner with Proskauer Rose L.L.P. in Chicago, said whistle-blower complaints are "one of the most troubling issues" confronting employers because, while these cases pose a financial risk, "many employers have an even greater concern on the reputational risks these cases pose to them, and those risks are enormous."

Jacob S. Frenkel, an attorney with Shulman Roberts Gandal Pordy & Ecker P.A. in Potomac, Md., said if a whistle-blower goes outside to report a complaint rather than using internal processes, it is a business disruption and leaves the company without "the opportunity to get the credit that it deserves for the appropriate compliance response."

Remove the fear

A corporate culture that encourages reporting is the most effective way to encourage workers to report issues internally, legal experts say.

"You have to instill that culture from the ground all the way to the top in the C-suite, so that everybody gets the message, 'We take this very seriously,'" Mr. Clark said. And follow up complaints and provide feedback as to what the company is doing "so it doesn't look like a whitewash," he said.

Robert D. Rose, a partner with Sheppard Mullin Richter & Hampton L.L.P. in San Diego, said, "A lot of people become whistle-blowers reluctantly because no one listens to them, because they feel they will be punished if they speak up."

Firms need a corporate culture that removes "some of the intimidation and fear" that occurs when an employee raises an issue, said W. Gregory Valenza, managing partner at Shaw Valenza L.L.P. in San Francisco.

"Employees in general want to feel that they can talk to you," said Jordan Eth, a partner with Morrison Foerster L.L.P. in San Francisco. "But if they feel frustrated, they don't see an outlet" and are discouraged, and "that could push someone" into becoming a whistle-blower, he said.

"Employers need to view whistle-blowers as assets rather than as Benedict Arnolds," Mr. Pearlman said.

While companies should see whistle-blowers as acting in the company's best interests, that is "a different mentality than what we've seen for decades," he said.

Experts say that with the right culture in place, companies can encourage whistle-blowers to report their complaints internally by using appropriate procedures and processes, including anonymous hot lines, appointing a member of management to handle complaints and effective training.

Walter: Opportunities to fill in gaps if terror backstop not renewed

CONTINUED FROM PAGE 3

have played, especially the small and middle-market technology sector. It's growing in the economy, and we have a lot of expertise in it. We wrote one of the first technology E&O policies in the marketplace, and we've been doing it as long as anybody.

You hear a lot of the buzz about privacy and data. We're playing there, too, … but I think broadly we see a lot of growth there because we have a great form and we know how to underwrite that class well. We have a lot of expertise in it.

The second area in E&O is sort of the targeted professions. Think of all the new economy professions as opposed to the classic E&O areas that are lawyers, accountants and doctors and things like that. Anything that's sort of new economy — consultant, emerging education, all those kinds of areas. We know them very well.

Lastly, health care: We have a health care practice that's been very successful, and we think it's going to continue to grow. We see generally that health care's continuing to be a standout in the economy, and so there continues to be increased demand there and the expertise is valued.

Those are the three E&O areas where we really expect to see growth. The other area that we're really pushing is our programs area. We have binding authority in the marketplace, and we think we're pretty decent in selecting underwriting talent with the right managing general agents and managing general underwriters.

Q: Hiscox has been a longtime player in the stand-alone terrorism insurance market. Are you concerned the broader terrorism insurance market will suffer major dislocations, if Congress fails to reauthorize the terrorism insurance backstop that's slated to expire in 2014?

Take this with a grain of salt, but if I could predict what Washington was going to do, I would quit my job and do something lucrative with that information. To be honest, we're ready, if and when. In the current budget talks, it would not surprise me if it was one of the things that's going. Although some of the activity of late — especially what's going on in Libya and Israel — has brought some national focus back to the issue of terrorism.

But if they don't renew it, as far as we're concerned I think broadly it helps us more than it hurts us. There's always the issue of the stand-alone market and the bundling and what happens to that, but just broadly speaking, there's enough of the market out there that's currently covered by the backstop that suddenly finds itself without cover that people who are expert and have the appetite, I think, will benefit.

Public Notices

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LEGAL NOTICE

IN THE MATTER OF THE REHABILITATION OF PROFESSIONAL LIABILITY INSURANCE COMPANY OF AMERICA

Supreme Court of the State of New York, County of New York/ Index No. 400986/2010

NOTICE

Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York ("Superintendent") hereby gives notice that he has applied to the Court by order to show cause ("Order to Show Cause") for an order: (1) converting the extant rehabilitation proceeding ("Rehabilitation") pertaining to Professional Liability Insurance Company of America ("PLICA") to a liquidation proceeding; (2) appointing the Superintendent and his successors in office as liquidator of PLICA ("Liquidator"); (3) vesting title to all of PLICA's property, contracts and rights of action with the Liquidator; (4) making a declaration that PLICA is insolvent pursuant to Insurance Law § 7432(a); (5) continuing and granting the injunctions provided for by the Court's order, dated April 28, 2010 and entered April 30, 2010 ("Rehabilitation Order"); (6) granting injunctions, in addition to the aforementioned injunctions previously granted in the Rehabilitation Order, permanently enjoining and restraining all parties from commencing or prosecuting any actions or proceedings, or efforts to collect on debts or judgments, against PLICA, the Liquidator or the New York Liquidation Bureau ("NYLB"), the Liquidator's or the NYLB's present or former employees, attorneys, or agents with respect to this proceeding or the discharge of their duties under Insurance Law Article 74; (7) staying further proceedings in any pending claims adjudication proceedings that were, or could have been, brought pursuant to this Court's Order Approving the Procedure for the Rehabilitator's Adjudication of Claims, filed August 17, 2011; (8) vesting all rights in PLICA's contracts and agreements, including all leases, tax agreements, insurance policies and employment contracts, however described, with the Liquidator, unless the Liquidator expressly terminates such contracts or agreements, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of termination; (9) requiring that any bank, savings and loan association, other financial institution or any other entity or person, which has on deposit or in its possession, custody or control any of PLICA's funds, accounts or assets shall immediately, upon the Liquidator's request and direction: (a) turn over custody and control of such funds, accounts or assets to the Liquidator or his designees, (b) transfer title of such funds, accounts or assets to the Liquidator or his designees, (c) change the name of such accounts to the name of the Liquidator, (d) transfer funds from such bank, savings and loan association or other financial institution to a bank, savings and loan association or other financial institution designated by the Liquidator, and/or (e) take any other action necessary for the proper conduct of the liquidation proceeding; (10) requiring that all persons and entities having any property and/or information, including, but not limited to, insurance policies, claims files (electronic or paper), software programs and/or bank records owned by, belonging to or relating to PLICA shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator; (11) requiring that all persons and entities providing claims processing services, data processing services, electronic records retention services or other information technology services to PLICA shall maintain and preserve all information relating in any way to PLICA, wherever located, including, but not limited to, all documents, data, electronic files and records, computer equipment (e.g., servers and printers), software programs and software licenses owned by PLICA ("Information"), and are directed, upon the Liquidator's request, to promptly submit all such Information to the Liquidator or his designees for examination and copying; (12) authorizing, permitting and allowing the Liquidator to sell, assign or transfer any and all stocks, bonds, or other securities, and any real or other property of PLICA at market price or at the best price obtainable at private sale, at such times and upon such terms and conditions as, in his discretion, he deems is in the best interest of the creditors of PLICA, and to take such steps as may be necessary to effect and carry out such sales, transfers and assignments; (13) authorizing the Liquidator to pay the actual and necessary administrative costs and expenses of PLICA out of the assets of PLICA; and (14) granting such other and further relief as the Court may deem just and proper.

The Order to Show Cause recognizes that the permanent injunctions provided for in the Rehabilitation Order remain in effect, including the injunctive provision enjoining and restraining all persons from commencing or prosecuting any actions, lawsuits, or proceedings against PLICA, the Rehabilitator, or the NYLB, its employees, attorneys or agents.

A submission date is scheduled on the Order to Show Cause at the Motion Submission Part on the 5th day of February, 2013 ("Return Date") at the courthouse located at 60 Centre Street, Room 130, in the County, City and State of New York.

If you wish to object to the petition, you must serve your objections and all supporting documentation ("Answering Papers") upon the Superintendent so as to be received by the Superintendent at least twenty-one (21) days prior to the Return Date and by submitting copies of the Answering Papers, with affidavits of service on the Superintendent, to the Court, at the courthouse located at 60 Centre Street, Room 130, in the County, City and State of New York, twenty-one (21) days prior the Return Date. Service of Answering Papers on the Superintendent shall be made by hand delivery, overnight mail or first class mail at the following addresses:

Superintendent of Financial Services of the State of New York, c/o Attorney General Eric T. Schneiderman
Office of the Attorney General, 120 Broadway, New York, NY 10271-0332
Attn: David Holgado, Assistant Attorney General ;
New York Liquidation Bureau, 110 William Street, New York, NY 10038, Attn.: General Counsel

This Notice, the Order to Show Cause and the papers upon which the Order to Show Cause has been granted is posted on the internet web page maintained by the NYLB at http://www.nylb.org.

Requests for further information should be directed to the NYLB at 212-341-6560

Dated: New York, New York
November 28, 2012

Benjamin M. Lawsky
Superintendent of Financial Services of the State of New York

LEGAL NOTICE

To all persons or entities interested in the affairs of
FRONTIER INSURANCE COMPANY

Notice is Hereby Given:

I. Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York ("Superintendent"), has been appointed by order of the Supreme Court of the State of New York, Albany County ("Court"), entered November 16, 2012 (the "Liquidation Order"), as the liquidator (the "Liquidator") of Frontier Insurance Company ("Frontier") and, as such, has been: (i) vested with all powers and authority expressed or implied under New York Insurance Law ("Insurance Law") Article 74, in addition to the powers and authority set forth in the Liquidation Order; (ii) vested with title to all of Frontier's property, contracts and rights of action as of the date of entry of the Liquidation Order; and (iii) directed to liquidate Frontier's business and affairs in accordance with Insurance Law Article 74. The Liquidator has, under Insurance Law Article 74, appointed Michael J. Casey, Acting Special Deputy Superintendent (the "Acting Special Deputy") as his agent to liquidate the business of Frontier. The Acting Special Deputy carries out his duties through the New York Liquidation Bureau, 110 William Street, New York, New York 10038.

II. The Liquidator may deal with the property and business of Frontier in its name or in the name of the Liquidator.

III. All persons are permanently enjoined and restrained from: (i) transacting Frontier's business; (ii) wasting or disposing of Frontier's property; (iii) interfering with the Superintendent as Liquidator in the possession, control or management of Frontier's property or in the discharge of his duties; (iv) commencing or prosecuting any actions, lawsuits, or proceedings against Frontier or the Superintendent as Liquidator; and (v) obtaining preferences, judgments, attachments or other liens or making levy against Frontier's property or any part thereof.

IV. All parties are permanently enjoined and restrained from commencing or prosecuting any actions or proceedings, or efforts to collect on debts or judgments, against Frontier, the Liquidator or the New York Liquidation Bureau, their present or former employees or attorneys, with respect to this proceeding or the discharge of their duties under Insurance Law Article 74 in relation to Frontier or this proceeding.

V. The injunctions and restraints set forth in paragraphs 5 and 6 of the Liquidation Order shall not apply to applications brought before this Court or actions or proceedings commenced or prosecuted with the prior approval of this Court.

VI. All parties to actions, lawsuits and special or other proceedings in which Frontier is obligated to defend a party pursuant to an insurance policy, bond, contract or otherwise are enjoined and restrained from proceeding with any applications for judgment or proceedings on settlement or judgment and the making of all liens, levies or other efforts to execute or collect on debts or judgments for a period of 90 days from the date of entry of the Liquidation Order.

VII. All persons who have first-party or New York Comprehensive Automobile Insurance Reparation Act (No Fault) policyholder loss claims against Frontier are enjoined and restrained from presenting and filing claims with the Liquidator for a period of 90 days from the date of entry of the Liquidation Order.

VIII. The Liquidator is vested with all of Frontier's rights under all its contracts and agreements, including all leases, tax agreements, insurance policies and employment contracts, however described, unless the Liquidator expressly terminates such contracts or agreements, in which case all liability under such contracts or agreements shall cease and be fixed as of the date of termination.

IX. Any bank, savings and loan association, other financial institution or any other entity or person, which has on deposit or in its possession, custody or control any of Frontier's funds, accounts or assets shall immediately, upon the Liquidator's request and direction: (i) turn over custody and control of such funds, accounts or assets to the Liquidator; (ii) transfer title of such funds, accounts or assets to the Liquidator; (iii) change the name of such accounts to the name of the Liquidator; (iv) transfer funds from such bank, savings and loan association or other financial institution to a bank, savings and loan association or other financial institution designated by the Liquidator; or (v) take any other action necessary for the proper conduct of the liquidation proceeding.

X. All persons or entities having any property and/or information, including, but not limited to, insurance policies, claims files (electronic or paper), software programs, and/or bank records owned by, belonging to or relating to Frontier, shall preserve such property and/or information and immediately, upon the Liquidator's request and direction, assign, transfer, turn over and deliver such property and/or information to the Liquidator.

XI. The Liquidator is authorized, permitted and allowed to sell, assign or transfer any and all stocks, bonds or other securities, and any other personal property of Frontier at market price or at the best price obtainable at private sale, at such times and upon such terms and conditions as, in his discretion, he deems is in the best interest of the creditors of Frontier, and to take such steps as may be necessary to effect and carry out such sales, transfers and assignments.

XII. In the event that the Liquidator shall seek to sell, assign or transfer any real property of Frontier, enter into any agreement with either of Frontier Insurance Group, LLC or Lancer Financial Group, Inc. and/or otherwise sell or dispose of assets for Frontier exceeding $2,500.00 in value, such sale, assignment, disposition, transfer, or the effectiveness of such agreement shall be subject to the approval of the Court; such approval shall be sought by motion of the Liquidator to the Court upon notice to counsel for those individuals and entities that submitted answering papers pursuant to the Order to Show Cause.

XIII. As set forth in Insurance Law Section 7433(b)(2), the Liquidator shall, within thirty days after the last day set for filing claims, make a list of all persons whose name appears on the books and records of the company as policyholders or claimants; each person whose name appears upon such list shall be deemed to have duly filed a proof of claim prior to the last day set for the filing of claims.

XIV. Subject to the provision of Insurance Law Section 7433(b)(2) referred to above, in accordance with Insurance Law Section 7432(b), all persons who may have claims against Frontier shall present the same to the Liquidator at the offices of the New York Liquidation Bureau, 110 William Street, New York, New York, 10038, Attn.: Creditor and Ancillary Operations Division, within four months of the date of entry of the Liquidation Order, and proofs of claim (as described in Insurance Law Section 7433(a)(1)) may be filed subsequent to the date specified in Insurance Law Section 7432(b), but, no such claim shall share in the distribution of the assets until all allowed claims, proofs of which were filed (or deemed filed pursuant to Insurance Law Section 7433(b)(2)) before such specified date, have been paid in full with interest.

XV. The Liquidator is authorized to pay actual and necessary administrative costs and expenses of Frontier out the assets of Frontier.

XVI. If, within the rehabilitation proceeding that has been converted into a liquidation proceeding, a claim was previously adjudicated and allowed, such claim shall be an allowed claim for the purposes of the liquidation proceeding without further filing or proceeding.

XVII. The Interim Procedure Order and all appointments made thereunder shall remain in effect.

XVIII. Any person who has a cause of action against an insured of Frontier under a liability insurance policy issued by Frontier, shall have the right to file a claim in the proceeding, even though the claim is contingent, and such claim may be allowed in accordance with Article 74 of the Insurance Law.

XIX. Under the direction of the Court any distribution of assets, including payment in respect of claims, shall be in accordance with the priorities set forth in Insurance Law Article 74.

XX. The Liquidator may at any time make further application to the Court for such further and different relief as he sees fit.

XXI. The Court shall retain jurisdiction over this matter for all purposes.

XXII. All communications relating to Frontier and to the liquidation thereof should be addressed to: New York Liquidation Bureau, 110 William Street, New York, New York 10038, Attn.: Creditor and Ancillary Operations Division, (212) 341-6560

BENJAMIN M. LAWSKY
Superintendent of Financial Services
of the State of New York as Liquidator
of Frontier Insurance Company

MICHAEL J. CASEY
Acting Special Deputy Superintendent
and Agent for the Superintendent as Liquidator
of Frontier Insurance Company

LEGAL NOTICE

NEW YORK LIQUIDATION BUREAU
110 WILLIAM STREET
NEW YORK, NEW YORK 10038
(212) 341-6755

To all persons or entities interested in the affairs of

FIRST SEALORD SURETY, INC.

Notice Is Hereby Given:

I. Benjamin M. Lawsky, Superintendent of Financial Services of the State of New York, has been appointed by an order (the "Order"), of the Supreme Court of the State of New York, Albany County ("Court"), entered November 14, 2012, as the ancillary receiver (the "Ancillary Receiver") of First Sealord Surety, Inc. ("First Sealord") and, as such, has been: (i) authorized and directed to immediately take possession of First Sealord's property and recover such other assets of First Sealord that are located in the State of New York; (ii) vested with all powers and authority expressed or implied under Insurance Law Article 74, in addition to the powers and authority set forth in this Order; and (iii) authorized to pay such claims against First Sealord, or its policyholders, that are covered by the New York Property/Casualty Insurance Security Fund. The Ancillary Receiver has, pursuant to Insurance Law Article 74, appointed Michael J. Casey, Acting Special Deputy Superintendent of Insurance (the "Acting Special Deputy") as his agent to carry out his duties as Ancillary Receiver. The Acting Special Deputy carries out his duties through the New York Liquidation Bureau, 110 William Street, New York, New York 10038.

II. The officers, directors, shareholders, trustees, depositories, policyholders, agents, servants, attorneys, managers and employees of First Sealord and all other persons are permanently enjoined and restrained from: (i) transacting First Sealord's business; (ii) wasting or disposing of the property or assets of First Sealord that are located in the State of New York; (iii) interfering with the Ancillary Receiver in the possession, control or management of First Sealord's property or in the discharge of his duties.

III. The Ancillary Receiver may deal with the property and business of First Sealord in its name or in the name of the Ancillary Receiver.

IV. All persons are permanently enjoined and restrained from commencing or prosecuting any actions, lawsuits or proceedings against First Sealord, the Ancillary Receiver or the New York Liquidation Bureau, its employees, attorneys or agents, with respect to this proceeding or in the discharge of their duties under Insurance Law Article 74.

V. All persons are permanently enjoined and restrained from obtaining preferences, judgments, attachments or other liens, or making any levy against First Sealord's property located in the State of New York or any part thereof.

VI. All parties to actions, lawsuits and special or other proceedings, which First Sealord, its policyholders or insureds, are obligated to defend a party or to provide a defense of any matter against an insured pursuant to an insurance policy, bond, contract or otherwise, are enjoined and restrained from proceeding with any discovery, court proceedings or other litigation tasks or procedures, including, but not limited to, conferences, trials, applications for judgment or proceedings on settlement or judgment, for a period of 180 days from the date of entry of the Order.

VII. All persons or entities having property and/or information belonging or relating to First Sealord that are located in the State of New York, including, but not limited to, insurance policies, underwriting data, claims files (electronic or paper) and/or software programs owned by, belonging to or relating to First Sealord shall preserve them and, upon the Ancillary Receiver's request, are directed to immediately assign, transfer, turn over and deliver such property and/or information to the Ancillary Receiver.

VIII. Immunity is extended to the Superintendent as Ancillary Receiver of First Sealord and his successors in office and their agents and employees for any cause of action of any nature against them, individually or jointly, for any act or omission when acting in good faith, in accordance with the orders of this Court, or in the performance of their duties pursuant to Article 74.

IX. First Sealord's license to do business in the State of New York is hereby revoked.

X. The Ancillary Receiver may at any time make further application to the Court for such further and different relief as he sees fit.

XI. All communications relating to First Sealord and to the Ancillary Receivership Proceeding thereof should be addressed to:

New York Liquidation Bureau
110 William Street, 15th Floor
New York, New York 10038
Attn: William Schmidt – WSchmidt@nylb.org

BENJAMIN M. LAWSKY
Superintendent of Financial Services of the State of New York as Ancillary Receiver of First Sealord Surety, Inc.

MICHAEL J. CASEY
Acting Special Deputy Superintendent and Agent for the Superintendent as Ancillary Receiver of First Sealord Surety, Inc.

Arbitration: High court ruling enforces clauses

CONTINUED FROM PAGE 4

declare their noncompete agreements invalid. The state court dismissed the complaint, but the Oklahoma Supreme Court held in 2011 that the noncompete agreements were "void and unenforceable as against Oklahoma's public policy," according to court records.

"The Oklahoma Supreme Court declared that its decision rests on adequate and independent state grounds," the U.S. Supreme Court said in its ruling, which affirmed its stance that federal law prevails on the issue. "The Oklahoma Supreme Court's decision disregards this court's precedents on the" Federal Arbitration Act, the high court ruled.

"Attacks on the validity of the contract, as distinct from attacks on the validity of the arbitration clause itself" should be resolved by the arbitrator, the U.S. Supreme Court said in remanding the case to the Oklahoma Supreme Court.

> 'If someone attacks the agreement ... then the employer certainly can ... insist that the arbitrator decide the contract validity issue rather than the court.'
>
> Henry D. Lederman, Littler Mendelson P.C.

Michael A. Warner Jr., a partner with law firm Franczek Radelet P.C. in Chicago, said the ruling will be particularly helpful in states — most notably California — that may be less favorably inclined to enforce noncompete agreements.

Henry D. Lederman, a shareholder with Littler Mendelson P.C. in Walnut Creek, Calif., said that as a result of this ruling, "if someone attacks the agreement in which the clause is contained ... then the employer certainly can rely on its right to insist that the arbitrator decide the contract validity issue rather than the court."

However, Kenneth J. Vanko, a member of Clingen Callow & McLean L.L.C. in Wheaton, Ill., said the Supreme Court ruling does leave open the possibility of litigation if there is a problem with the arbitration clause itself, such as if the employee did not consent to it.

Nitro-Lift Technologies contracts with oil and gas well operators for production-enhancing services.

BLOOMBERG

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Industry: Fiscal cliff concern for P/C insurers

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we must avoid at all costs going over the fiscal cliff," Ms. Pusey said.

Most of the concerns that brokers have are the same as those of the broader business community, said Joel Wood, senior vice president of government affairs with the Council of Insurance Agents & Brokers in Washington. But for brokers, a fall over the fiscal cliff could have implications for merger and acquisition activity even before the fall happens, he said.

"If the capital gains rate goes up next year, the value of firms being sold goes down," Mr. Wood said.

"I don't think this necessarily means a flood of M&A activity at the end of the year," he said, adding that M&A activity is going on now. "I think if the rates do rise, there may be something of a stall for some M&A activity for a time."

"We look at the fiscal cliff from a small business perspective," said Ryan Young, senior director of federal affairs for the Alexandria, Va.-based Independent Insurance Agents & Brokers of America. "Two-thirds of our members are organized as pass-through entities and pay taxes at the individual rate. Obviously, allowing the rates to expire would increase taxes on all of our small-business membership."

Mr. Young said the members are concerned about allowing the estate tax to revert to the old, higher rates. "Our main worry is that you're going to see a lot of family businesses unable to pass down the business to the next generation because they would have to liquidate the business to pay the taxes," he said.

Various concerns

Insurers as well as producers are concerned about the cliff, although for different reasons, experts say.

"It's part of a broader concern about the economic condition of the country," said Howard Mills, director and chief adviser at the insurance industry group at Deloitte & Touche USA L.L.P. in New York. He called the cliff "an acute challenge."

"The fiscal cliff is a significant issue for property/casualty insurers," in terms of taxes and the economy as a whole, said Karen Wells, co-head of insurance advisory services for Towers Watson & Co. in New York.

For property/casualty insurers, "capital gains tax is an important consideration. However, many of them do tend to hold securities for the lifetime of the investment," Ms. Wells said. "Another consideration is, with a potential increase in corporate capital gains taxes, the U.S. runs the risk of pushing more insurance companies to consider offshore domiciles."

Of particular concern is what Congress might do if there's a failure to reach an agreement, Mr. Mills said. He said Congress could consider changes to the industry's tax treatment, and that insurers worry "that a well-capitalized property/casualty industry might be seen as a source of revenue."

"Our fear is less based on the fact that we're insurance companies and more on the impact it could have on the overall economy," said Jim Grande, senior vice president in the Washington office of the National Association of Mutual Insurance Cos. The combination of tax hikes and spending cuts would "push us back into recession," he said.

But for the insurance industry, "some of the bigger concerns will come in the phase that follows the fiscal cliff, which is major tax reform," said Mr. Grande. He said there seems to be agreement that efforts will be made to broaden the tax base, and "that essentially means that every current exemption is on the table." Lawmakers "will be looking at how they tax our reserves," at the tax threshold for insurers on municipal bonds and at "a host of other taxes," he said.

"Tax reform could have potentially far more sweeping effects in the longer run," said Robert Hartwig, president of the Insurance Information Institute Inc. in New York. "That certainly was the case with the last major tax reform in 1986."

"Tax reform is a concern for insurance companies. However, most insurance companies believe that is something outside of their control, whereas underwriting is something they can control," Towers Watson's Ms. Wells said. "We're seeing them focus more on underwriting than on the potential and completely unknown impact of tax reform."

WHAT IS THE FISCAL CLIFF?

The fiscal cliff is a combination of tax increases and government spending cuts that will occur automatically on Jan. 1, 2013, if Congress and the White House do not agree on a way to avert it. The situation arose because Congress could not agree on a deficit reduction plan last year. Among other things, if there is no agreement, the highest marginal income tax rate would revert to 39.5% from the current 35%; the temporary FICA payroll tax reduction would expire and increase the rate to 6.2% from 4.2%; and taxes on estates, capital gains and dividends would increase. At the same time, federal spending would be cut. The Congressional Budget Office projects that the combination of higher taxes and reduced spending in the name of deficit reduction would dramatically slow economic growth in 2013 to 0.5% from a projected 4.4% and could lead to another recession.

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Brokers: USI, Alliant deals signal M&A trend

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John Wicher, principal at John Wicher & Associates in San Francisco, agreed that the deals were widely anticipated. "The only question regarding USI and Alliant was who, not when," he said. "GS Capital Partners and Blackstone had been in these positions for over five years and it was time."

Mr. Cunningham said many private equity firms are flush with capital that needs to be invested and are feeling the heat from their investors to generate healthy returns. "Investors don't commit capital to private equity firms to get T-bill-sized returns," he said of the minimal yields.

Moreover, improving economic conditions have made insurance brokerages increasingly enviable acquisition targets, said Julie Herman, associate director at Standard & Poor's Rating Services Inc. in New York.

"It's a modestly favorable economic picture for the brokers now as compared to a few years ago when the rate environment was impacting brokers negatively," she said. "That trend has switched to neutral to slightly positive depending on the area they focus on."

This improved economic and market climate, coupled with the expected boost in demand for employee benefits consulting in light of the U.S. Patient Protection and Affordable Care Act, means that sellers may be able to extract a premium from buyers, Mr. Cunningham said. "The multiple that USI sold at, which was north of four times revenue, is a pretty big premium," he said. "However, if I'm a buyer, even if I do have to pay a premium, I seem to have bought on a rising tide."

Mr. Wicher said the high valuations attached to brokers being acquired augured well for more private equity backed deals going forward.

"Private equity is a meaningful and growing factor behind what has become a mini surge in mid-market transactions," he said. "It is also interesting to note that, in these two transactions, one might assume that a larger valuation was achieved in a private transaction as compared to an IPO."

Mr. Ballentine said economic and market conditions aside, insurance brokerages offer a compelling value proposition to prospective buyers. Insurance brokers have a relatively stable business with steady cash flow through good and bad economies, he said, adding that brokerages are not required to hold a lot of capital to satisfy a regulator as an insurance company would. Moreover, insurance brokerages do not have a lot of the inherent risks like other types of financial institutions, such as bad investments or underwriting.

LET'S MAKE A DEAL

Faced with looming deadlines for debt facilities, several privately held brokers were acquired either by private equity firms or competitors, or opted to refinance their loans in 2012.

- **Alliant Insurance Services Inc.: Acquired by private equity firm Kohlberg Kravis Roberts & Co. L.P. in November for an undisclosed sum.**
- **AmWINS Group Inc.: Wholesale insurance brokerage agreed to a $1.3 billion recapitalization with private equity firm New Mountain Capital L.L.C. in April.**
- **Arrowhead General Insurance Agency Inc.: Acquired in January by Brown & Brown Inc. in a transaction valued at $395 million.**
- **Crump Group Inc.: Property/ casualty and life divisions acquired by BB&T Corp. in April for $570 million in cash.**
- **USI Holdings Corp.: Acquired by private equity firm Onex Corp. for $2.3 billion in November.**
- **Hub International Ltd.: In April and May extended its senior secured bank credit facilities originally set to mature in 2013-14 until 2016-17.**

Sources: Moody's Investor Service Inc., Business Insurance archives

Benefits: Fiscal cliff talks target retirement benefits

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"It is absolutely clear that tax expenditures for retirement savings will be looked at in connection with tax reform," said Anne Waidmann, a director with PricewaterhouseCoopers L.L.P. in Washington.

"Retirement plans definitely are on lawmakers' radar," said Alan Glickstein, a senior retirement consultant with Towers Watson & Co. in Dallas.

"As part of tax reform, I don't think anything is off the table," said Alison Borland, retirement solutions leader with Aon Hewitt in Lincolnshire, Ill.

Retirement plans are in congressional crosshairs for one basic reason: the tax-deductible contributions made to the plans cost the government tens of billions of dollars a year in reduced tax revenues.

Most vulnerable to the congressional hunt for revenues will be the amount of contributions employees can make to 401(k) plans. Under current law, employees — regardless of their income — can contribute up to $17,000 a year to 401(k) plans in 2012, with that maximum increasing to $17,500 next year.

In addition, employees age 50 and older can make up to $5,500 in annual catch-up contributions to the plans.

Reducing those maximum pre-tax contributions would increase employees' taxable incomes and, with that, increase the amount of taxes they pay.

While such a step would raise revenues and reduce the federal deficit, benefits lobbyists say such an approach would be counter-productive.

"You are cutting off your nose to spite your face. It would backfire later on," said Lynn Dudley, senior vice president-policy with the American Benefits Council in Washington.

If contribution limits are cut, employees will have less savings at retirement, putting more pressure on financially stressed federal programs, such as Social Security.

Employer plans have a double value, Ms. Dudley said. "When the money comes out, it is taxable and it is reduces the need for public programs," she said.

Ms. Dudley also said tax expenditure figures don't take into account that when 401(k) plan participants receive distributions, such as at retirement, that money is fully taxable.

Whether lawmakers will take an ax to employer retirement plans isn't known, but there is precedent for such action.

In 1986, as part of legislation that ultimately became the Tax Reform Act of 1986, lawmakers slashed to $7,000 from $30,000 the maximum annual contribution employees could make to 401(k) plans.

They also tightened non-discrimination tests on 401(k) plans, effectively reducing how much higher-paid employees could contribute to the plans.

Lawmakers targeted retirement plans in other ways. The 1986 tax law ended the ability of higher-paid employees covered in employer plans to also contribute to individual retirement accounts, imposed a 10% excise tax on surpluses employers recovered after they terminated overfunded pension plans, and reduced the number of years employees had to participate in a retirement plan before fully vesting in the benefits they had earned.

But some of those cutbacks were partly reversed by lawmakers. For example, in 2001 — a time of big federal budget surpluses — Congress passed legislation boosting maximum 401(k) plan contributions, and other changes, such as increasing the amount of employee compensation that could be counted in calculating pension benefits, that enabled retirement plans to provide richer benefits.

Lawmakers this time around could aim their deficit reduction arrows in other benefits areas as well. For example, lawmakers have been discussing a gradual increase to the age in which individuals are eligible for Medicare, now 65.

Such a change would affect employers in two ways: For employers without retiree health care plans, more employees would stay on the job longer, increasing their health care costs. For those with retiree health care plans, a higher Medicare eligibility age would lengthen the time their employer plans — not Medicare — would be the primary payer of retired workers' health care claims.

inBrief

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Rates to rise for professional lines

Insurance professionals expect management liability and professional lines rates to increase up to 10% in 2013 and are concerned with expanding regulatory and compliance costs, according to Torus Insurance Holdings Ltd. Demand for media liability policies addressing social media exposures from small to medium-size companies also is expected to increase. Eighty-seven percent of the respondents, which included 105 risk managers, insurers, agents and brokers, expect management liability and professional lines pricing to increase in 2013.

Defendant added to Van Gilder complaint

The former CEO of an oil and gas company was charged last week with leaking insider trading information to certain investors, according to the Securities and Exchanges Commission. Roger Parker, who served as chairman and CEO of Delta Petroleum Corp. from 2005 to 2009, allegedly provided to a select group of close friends, including former Van Gilder Insurance Corp. CEO Michael Van Gilder, advance details of the company's plans to sell one-third of its controlling interest to a private investment firm.

Noted

Leslie Kramerich has rejoined the **Pension Benefit Guaranty Corp.** to serve as the agency's deputy chief policy officer. ... The **Association of Bermuda Insurers and Reinsurers** has elected its new officers. Mike McGavick, CEO of XL Group P.L.C., has been elected chair of the board of directors; Neill Currie, CEO of RenaissanceRe Holdings Ltd., was elected as first deputy chair; Stephen Catlin, chief executive of Catlin Group Ltd., was elected second deputy chair.

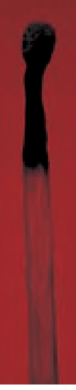
CON MAN'S ARSON PLAN GOES UP IN FLAMES

An alleged inclination for immolation has come back to burn a New Hampshire homeowner.

Philip Rudolph, 50, of Franklin, N.H., has been accused of insurance fraud and arson after allegedly trying to burn down his house twice in one day – and succeeding once. He was arraigned in court last week after flames consumed his house on Nov 15.

Apparently following the dictum of "if at first you don't succeed, try, try again," authorities say Mr. Rudolph set a fire that consumed the two-story, three bedroom home at 4:15 p.m., only five hours after firefighters had extinguished a blaze in the home's basement.

After a preliminary determination of arson by fire investigators, Mr. Rudolph was charged with arson, insurance fraud and reckless conduct and is now being held on $50,000 cash bail.



CONTRIBUTING: Matt Dunning, Judy Greenwald, Bill Kenealy, Mike Tsikoudakis

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AP PHOTO

Actor Tyler Perry attends the Los Angeles premiere of "Alex Cross" at the ArcLight Cinerama dome.

'Good Deed' gets punished in lawsuit over plot lifting

The frenetic pace with which Tyler Perry churns out his movies, television shows and stage plays allegedly has made it hard for him to remember which ideas are actually his.

Author Terri Donald has accused Mr. Perry of lifting the plot to his 2012 movie "Good Deeds" from her 2007 book "Bad Apples Can Be Good Fruit," according to a lawsuit filed last week in the U.S. District Court for the Eastern District of Pennsylvania.

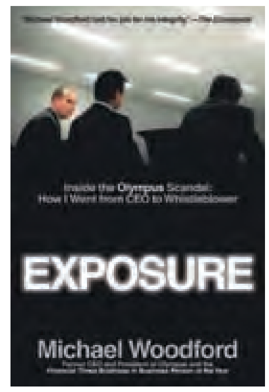
Ms. Donald is seeking $225,000 in damages, along with a court order forcing the film's distributors to include a credit for her book in the opening and closing titles.

The film, which was released in February, was one of Mr. Perry's most successful films to date, earning more than $35 million in theaters.

CAMERA FIRM WHISTLE-BLOWER SPIES NEW ROLE IN FILM INDUSTRY

In what seems to be a weird mixture of truth and fiction, the former CEO-turned whistle-blower of Japanese firm Olympus Corp. is reportedly close to signing a movie deal with a British film production company run by the sons of spy thriller author John le Carré.

Michael Woodford was fired in October 2011 by the camera and medical equipment maker after asking about deals that led to the company and three of its former executives pleading guilty to charges related to a $1.7 billion accounting cover-up, according to news reports. Mr. Woodford, who had worked at Olympus for more than 30 years, was fired just two weeks after becoming CEO.



Mr. Woodford's book about his experiences, "Exposure: Inside the Olympus Scandal," is scheduled to be released in the United Kingdom this week.

Reuters has reported that Mr. Woodford has been talking to The Ink Factory, which is run by Simon and Stephen Cornwell, sons of David Cornwell, who is more widely known as spy novelist John le Carré.

The Cornwells already have good experience with producing films about espionage: About half of their work is based on their father's classics. Mr. Woodford's book about his experiences, "Exposure: Inside the Olympus Scandal" is scheduled to be released in the United Kingdom this week, according to Reuters.

Mr. Woodford, meanwhile, said he has no strong feelings about who should play his part — although he said that Colin Firth would need to do something about his full head of hair, and put on a businessman's pot belly to pull off the role.

UNSAVORY PHONE BOOK CATEGORY HAS RESTAURANT SUING FOR DEFAMATION

A restaurant in Bozeman, Mont., listed in the "animal carcass removal" section of the Yellow Pages settled a defamation lawsuit against Dex Media Inc. after being the butt of a joke on the Tonight Show with Jay Leno.

Big Sky Beverage Inc., which does business as Bar 3 Bar-B-Q, in 2011 filed a lawsuit against the Cary, N.C.-based print and interactive marketing company after a sales representative allegedly published an ad for the restaurant under the heading "animal carcass removal" in its 2009-2010 telephone directory, according to court documents.

The unfortunate placement of the ad was allegedly the result of the sales representative deliberately publishing the ad under the heading after Bar 3 Bar-B-Q declined his sales pitch, according to the suit, which was field in U.S. District Court.

Late-night television host Jay Leno featured a 15-second bit about the advertisement that year that allegedly caused business to drop.

"This ad is in a great many Bozeman homes and businesses and will be for a number of years," according to the lawsuit. "The ad was the punch line on national TV and went viral in online social media. Bar 3 Bar-B-Q continues to suffer damage to its reputation, branding and good will and continues to suffer a loss of business."

This month, both parties reached a settlement agreement for undisclosed terms in which the deal would include payment to Bar 3 Bar-B-Q, according to news reports.

Bar 3 Bar-B-Q and Dex Media did not return media calls for comment.

Under such a heading, the restaurant's only competition would be the local Roadkill Café.