

IAC NEWSLETTER

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INSURANCE
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Plans Are On The Way For The 42nd Annual Caribbean Insurance Conference

The Caribbean Insurance Conference is one of the premier forums for the insurance industry, bringing together high-level executives from leading organizations worldwide. Participants represent a variety of sectors, including Reinsurance, Insurance, Health Care, Software, Regulatory Authorities, and many others.

The conference provides an excellent opportunity to meet and discuss various issues affecting the insurance industry, it's a great networking experience and a perfect place to forge new partnerships.

Renowned speakers and panelists will lead us in informative and engaging sessions and discussions.

If you haven't registered yet, now is the time!

Top News

Caribbean Insurance
Conference 2024

Grand Fiesta Americana
Coral Beach, Cancun, Mexico

Theme:

“Beyond Policies – Insurance
in the Digital Age”



Sponsorship Packages and
Exhibit Spaces Available

01/07

IAC NEWS



Regional News

JN Life Strengthens Share of Life Insurance Market

Source: Loop News Jamaica - March 11, 2024

JN Life Insurance Company Limited says it strengthened its share of the life insurance sector in 2023 while recording creditable performances across its business lines.

Delivering remarks at the company's 2023 Staff Awards ceremony dubbed the Golden Triumph Awards Gala at the Spanish Court Hotel on March 1, Managing Director of the JN Financial Group, Curtis Martin, revealed that despite challenges in economic conditions, the company's share of the individual life market increased more than threefold over its 2021 share and more than doubled its 2022 stake.

The company also increased its share of group life insurance, while its pension business- the JN Individual Retirement Scheme- also achieved a staggering 261 per cent of its annual pension contributions target.

Drawing an analogy to the biblical tale of 'David and Goliath', Mr. Martin told JN Life team members: "At 10 years old, you may be young, but it is clear you mean business. JN Life, like David, has been flexing its muscles, bringing its best to battle by cleverly using what it has to its advantage."

He hailed the company as an exemplar of the ONE JN spirit, as it leveraged the JN network to expand its reach and innovate.

Further underscoring the company's performance, the General Manager of JN Life, Hugh Reid, explained that in 2023, the sales team broke its individual life historical sales record three times, similar to 2022, with a significant percentage of sales being generated as a result of the relationship with JN Bank.

Reid shared that JN Life also set three new historical records in pension contributions. "Those accomplishments were due to the efforts of all team members, and I want to pay tribute to the members of staff for the extraordinary accomplishments they achieved last year. We are on track to have a very successful and profitable year," Reid disclosed.

Martin also highlighted that by capitalising on its synergies with member companies of the JN Group, JN Life has also been able to deliver new and creative products. "You have leveraged the mutual funds offerings of JN Fund Managers to launch in 2022 what I believe is the most innovative, viable and inclusive product the market has seen in a long time- the JN Life Vest term life insurance- which has allowed so many to afford life insurance and also invest," he pointed out.

He added that opportunities to further improve the experience of members will be achieved via the ONE JN Passport. The app, available for download in the Google Play Store and App Store, allows for easy onboarding and access to products and services offered by companies within the JN Financial Group.

Othneil Blagrove, JN Life's Senior Manager for Sales and Marketing, highlighted that the company has also been leveraging its people for success. He revealed that nine agents from the company last year qualified for the Million Dollar Roundtable (MDRT), the premier worldwide association of financial and insurance professionals.

Entry into the MDRT is reserved for the top 10 per cent of professionals in the global industry. The team of Shanalee Givans, Deon Graveney, Kinesha Hamilton, Winsome Atkinson, Koishena Dawkins, Schamona Diah, Jacqueline James, Sanya Malcolm and Nyoka Johnson will be attending the annual MDRT International Conference in Vancouver, British Columbia, Canada in June. "We are so happy for them. They contributed a whole lot to our success last year," Blagrove commented as he commended the women on their singular achievement.

Crediting the company's overall success last year also to the support received from broker partners, the JN Group and its other member companies, Blagrove said JN Life remains committed to maximising its resources and leveraging the ONE JN synergy to drive the business of the company and other members of the JN Financial Group forward in 2024 and beyond.



Regional News

Redefine Cybersecurity Training for SMEs

Source: Daily Nation - March 21, 2024
Author: Roger Nicholls - Information Technology Technician, Consultant
Founder and CEO, Digital Networking Solutions

In today's digital age, small and medium-sized enterprises (SMEs) face more daunting threats. Cyberattacks, particularly those involving phishing emails, pose significant risks, resulting in data breaches and financial losses.

The prevalence of phishing attacks remains high, leaving SMEs vulnerable. Some information technology (IT) professionals, including myself, propose a paradigm shift in which employees are viewed as the solution rather than a problem.

The traditional methods of combating phishing attacks appear to have failed, as threat actors continue to exploit vulnerabilities, leaving SMEs to deal with the consequences.

Alternatives start with reshaping the narrative around cybersecurity awareness training. SMEs can empower their employees by offering tailored training programmes that provide them with the knowledge and skills they need to effectively identify and thwart phishing attempts.

It entails educating them on the psychology of phishing attacks, understanding the tactics used by threat actors, and instilling a sense of responsibility for protecting sensitive information. By instilling a cybersecurity culture, SMEs can build a collective defence mechanism that significantly reduces the risk of falling victim to phishing scams.



Implementing email filter solutions, multi-factor authentication, and security awareness platforms can add an extra layer of defence against phishing attempts. These not only assist in detecting and mitigating threats, but also empower employees to take proactive steps to protect the organization's digital assets.

Small and medium-sized businesses can also benefit from community collaboration and knowledge sharing. With the right combination of education, technology, and collaboration, SMEs can turn the tide against cybercrime and safeguard their businesses for years to come.



International News

State Farm General's Credit Rating Downgraded

AM Best has knocked down the insurer's Financial Strength Rating due to "weak" balance sheet strength

Source: Insurance Business Magazine - 28th March 2024

By Ryan Smith

AM Best has downgraded its Financial Strength Rating (FSR) and Long-Term Issuer Credit Rating (Long-Term ICR) for State Farm General Insurance Company.

The ratings agency announced that it has lowered State Farm General's FSR from A (excellent) to B (fair) and its Long-Term ICR from "a" (excellent) to "bb+" (fair). The rating agency has also revised its outlook for the insurer's FSR from stable to negative. AM Best's outlook for State Farm General's Long-Term ICR is also negative.

The revised ratings "reflect State Farm General's balance sheet strength, which AM Best assesses as weak, as well as its marginal operating performance, neutral business profile and appropriate enterprise risk management (ERM)," the ratings agency said.

AM Best said the downgrades reflect "continued deterioration" in the insurer's policyholder surplus as of Dec. 31, which drove a corresponding drop in overall risk-adjusted capitalization and "weakening balance sheet metrics."

A significant driver of that decline was a sharp increase in claims severity impacting State Farm General's umbrella and commercial multi-peril lines, AM Best said.

"The continuation of the negative outlook on the Long-Term ICR reflects the uncertainty of the company's ability to stabilize and strengthen its risk-adjusted capitalization given ongoing challenges regarding profitability and internal capital generation, trending adverse reserve development occurring on prior accident years, and the challenging regulatory environment within California's marketplace that have constrained the ability of State Farm General (as well as industry peers) to increase premium rates in a timely fashion," AM Best said. "While management is taking corrective actions to stabilize its balance sheet strength, these actions will need time to gain positive traction over the intermediate term."

State Farm General recently announced its intention to pull out of 72,000 California insurance policies, a decision driven by factors including inflation, the increasing frequency of natural disasters, and regulatory burdens.



Source: Atlas Magazine - March 22, 2024

AXA Climate, the AXA Group entity dedicated to climate change, has developed a digital platform aimed at supporting the evolution and sustainability of agri-food activities.

Called "Altitude Agriculture", the new solution relies on scientific data from the Intergovernmental Panel on Climate Change (IPCC) to quantify the climate risk and its impact on agricultural production by 2030 and 2050. This tool can be used to diagnose risks based on customer-specific data, such as soil and crop typology.

"Altitude Agriculture" can also be used to anticipate water requirements, measure the impact of water stress and climatic hazards on yields, test different adaptation scenarios and implement the necessary control measures, among other things.

International News

Will the 'Titanic' Law Help Cut Insurance Losses in Baltimore Tragedy?

Century old decision could help out Brittanica P&I

A law from the 1850s, spurred about by a historic tragedy, could just be the life preserver a British insurer needs following the recent Baltimore bridge incident.

The insurance aspect of the incident is under scrutiny, with approximately 90% of global maritime cargo being insured through entities associated with the International Group of Protection and Indemnity Clubs. The Dali's insurance coverage is raising questions about the extent of the protection and the role of negligence or mechanical failure in the accident.

The aftermath of the collision has also brought attention to the complexities of maritime insurance and liability, especially in determining responsibility and coverage for the damages incurred. Legal proceedings under the 1851 law are anticipated, potentially influencing the handling of claims and insurance payouts.

Several experts have already weighed in on the potential cost of the disaster, with some comparing it to the Costa Concordia's sinking off the coast of Italy in 2012, an event that drove a marine insurance loss of \$1.5 billion.



Source: Insurance Business Magazine
By [Kenneth Araullo](#) - March 27, 2024

Legal analysts indicate that Singapore-based Grace Ocean, owner of the ship that collided with the structure, and its insurer Brittanica P&I, might mitigate its financial liability using a relatively unknown law from the 19th century. This legislation, which was notably employed by Titanic's owners to limit financial losses following its 1912 disaster, could play a crucial role in the current situation.

The incident, resulting in significant disruption to the eastern US transportation system and potential fatalities, has placed the vessel's owner in a precarious legal situation.

The ship, named Dali and chartered by shipping behemoth Maersk for its voyage, could be looking at damage claims soaring into the hundreds of millions of dollars due to the chaos and destruction caused.

The Edge Malaysia reports that the legal battles are expected to involve various parties, including the bridge's operator and relatives of six individuals who are feared to have perished following the collision in the Patapsco River. Experts suggest that the stationary nature of the bridge means liability is likely to rest with Grace Ocean.

The 1851 maritime law could significantly reduce the financial burden on Grace Ocean by limiting its liability to the post-accident value of the vessel and any freight revenue it generated, according to Martin Davies, director of Tulane University's Maritime Law Center. This potential relief could mean the difference between tens of millions of dollars in liability versus the total amount of damage claims.



Reinsurance News

Increasing Demand for Audit Coverage of AI-Related Risks

Source: March 25, 2024 - Author: Beth Musselwhite

According to a survey conducted by Gartner, the rapid growth and usage of generative artificial intelligence (GenAI) has led to a significant surge in the demand for comprehensive audit coverage of AI-related risks.

In August 2023, Gartner surveyed 102 chief audit executives (CAEs) to assess the importance of providing assurance across 35 different risks. Among the top six risks likely to receive increased audit coverage, three were AI-related: AI-enabled cyberthreats, AI control failures, and unreliable outputs from AI models.

Thomas Teravainen, a research specialist at Gartner, highlights, “there are a range of AI-related risks that organisations face from control failures and unreliable outputs to advanced cyberthreats. Half of the top six risks with the greatest increase in audit coverage are AI-related.”

Teravainen points out that Gartner’s findings reveal a lack of confidence among internal auditors in effectively managing AI risks. He explains, “No more than 11% of respondents rating one of the aforementioned three top AI-related risks as very important considered themselves very confident in providing assurance over it.”

This lack of confidence stems from the fact that GenAI applications introduce a wide range of new and heightened risks for data security, privacy, intellectual property protection, copyright infringement, and the trustworthiness of outputs.

Nonetheless, addressing these AI-related risks has become more critical than ever for companies to shield themselves from reputational harm or potential legal repercussions.

“However, with CEOs and CFOs rating AI as the technology that will most significantly impact their organisations in the next three years, continued gaps in confidence will undermine CAEs’ ability to meet stakeholder expectations,” Teravainen concludes.



Reinsurance News

Guy Carpenter Hires Bermuda Market Exec Ben Savill as CEO of Pacific

*Source: Artemis
March 25, 2024 - Author: Steve Evans*

Global reinsurance broker Guy Carpenter has announced the hiring of well-known Bermuda market senior underwriting leader Ben Savill as its new CEO of Pacific.

Savill had worked in the Bermuda reinsurance market for almost two decades, having moved to the island while working at Amlin.

He began his career in London for that company, eventually becoming the Head of North America Treaty Reinsurance in Bermuda and had an 18 year career with what became MS Amlin.

Savill then joined Fidelis in Bermuda and became its Group Chief Underwriting Officer and CEO of what was Fidelis Insurance.

After that, Savill joined Convex as its Chief Underwriting Officer for the Bermuda operation.

Savill relocated to Australia in recent months and will now be located in Sydney for Guy Carpenter, as its new CEO of Pacific, effective April 1st.

In the role, Savill will report to Tony Gallagher, CEO of Guy Carpenter Asia Pacific.

He will be charged with leading Guy Carpenter's reinsurance broking operations in the Pacific region, while also playing a crucial role in the broker's growth strategy, helping to address the needs of clients in the Pacific region.

With Savill's move, Jeff Saper, who had been Guy Carpenter's CEO for the Pacific region since 2019, moves to take on the role of Head of GC Fac, Asia Pacific, and will relocate to Hong Kong, succeeding Luc Morement, who becomes Regional Sales Leader, Asia Pacific. These positions will be effective from 1 July, 2024.

Tony Gallagher commented, "With our enhanced team and strong regional footprint, we are well positioned to deliver best-in-class solutions and support clients across Asia Pacific. I am pleased to welcome Ben to Guy Carpenter and would like to thank Jeff for all his efforts in transforming the Pacific business since 2019."

Savill added, "The Pacific region faces a number of specific reinsurance risks, including heightened natural catastrophe exposures, local regulation, and varying economic headwinds. I look forward to being part of the journey in supporting Guy Carpenter's clients and shaping its future growth strategy in Pacific."