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Reinsurance Interest Group

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Reinsurance Encounters

Editor's Comments

by Richard G. Waterman, CPCU, ARe

Richard G. Waterman, CPCU, ARe is president of Northwest Reinsurance Inc., a Minnesota-based management consulting firm specializing in the fields of insurance, reinsurance, and alternative dispute resolution. In addition to working with both ceding and assuming companies in his consulting practice, he has served as an arbitrator or umpire on more than 130 panels to resolve industry disputes, as well as a neutral mediator, facilitator, and fact-finder assisting parties to work out differences in a confidential setting. Waterman has been a member of the CPCU Society since 1978 and has served on the Reinsurance Interest Group Committee for more than ten years.

The CPCU Society Annual Meeting and Seminars convened in Washington, D. C. this year. It was a place to be among more than 2,000 industry leaders and fellow CPCUs attending professional development education programs. In addition, **Joan Lunden,** former host of ABC's *Good Morning America*, gave the keynote address at the CPCU Conferment Ceremony while **General Stanley McChrystal,** former commander of United States and international forces in Afghanistan, shared leadership lessons emphasizing management strategy and teamwork during his General Session keynote address.

In accordance with long standing tradition, the Reinsurance Interest Group presented its acclaimed "Reinsurance: State of the Art" seminar again this year. **Frank Nutter,** President of the Reinsurance Association of America moderated a panel of industry professionals comprised of **Pina Albo,** President at Munich America Reinsurance; **Tom Ruane, CPCU,** President at Security Mutual Insurance Company; **Tim Olson, CPCU,** President at Arch Reinsurance Company and **Jay Woods,** North America Regional Leader at Towers Watson. The session provided a stimulating and informative panel discussion that spanned a wide-ranging spectrum of recent industry developments, emerging trends and the future outlook for profitable opportunities in the reinsurance business.

The Reinsurance Interest Group also presented another educational seminar this year, "Demystifying Reinsurance for Insurance Professionals" led by **Marsha Cohen, CPCU,** Senior Vice President and Director of Education at the Reinsurance Association of America and a member of the Reinsurance Interest Group. The seminar was developed to explain the purpose, uses and structure of property and casualty reinsurance as well as the different types of traditional reinsurance transactions.

Next year the CPCU Annual Meeting and Seminars will be October 26-29, 2013 in New Orleans. We hope you will join us and take advantage of career-building education programs, continuing education credits and networking opportunities by attending the Annual Meeting. The Reinsurance Committee is already planning for next year's state of the art presentations.

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What's in This Issue?

Editor's Comments

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This edition of *Reinsurance Encounters* contains three informative and interesting articles. The first is titled "Construction Defect Claims and General Liability Policies" by **William Mekrut,** an attorney with Murphy & Riley in Boston. Construction defect claims often involve complex breach of contract claims, insurance coverage disputes and a mixture of personal injury, property damage and lost economic expectations. Since reinsurers' are often involved in paying construction defect claims, this article will help us understand the coverage issues that must be considered when dealing with construction defect and faulty workmanship claims.

Next is a thought-provoking article by **Andrew Boris,** an attorney with Tressler LLP in Chicago, concerning the doctrine of collateral estoppel in reinsurance arbitrations. Collateral estoppel is a legal doctrine that precludes parties from relitigating claims and issues in a subsequent proceeding already adjudicated in a prior proceeding. The doctrine serves to promote judicial economy, prevent unnecessary litigation, and preserve the finality of adjudicated decisions and awards. In some instances, collateral estoppel has been considered in arbitration proceedings; however, Andrew Boris explains the many hurdles that make collateral estoppel difficult to apply in the context of reinsurance arbitration.

And finally, you will especially enjoy reading "From Lederhosen to Pinstripe—A Bavarian Girl in London City" by **Birgit Vosper, CPCU,** a regional claims Manager at Chartis Europe based in London. It is an enchanting article about the experiences of a young German lawyer who journeyed from Munich to London for career opportunities in the reinsurance industry.

We welcome your comments, letters to the editor and we especially solicit your articles. Your input provides an invaluable foundation and content for future editions of *Reinsurance Encounters*. ■

Construction Defect Claims and General Liability Policies

by William P. Mekrut, JD

William P. Mekrut, JD, is a senior associate at the law firm Murphy & Riley, P.C. in Boston, Massachusetts. He represents insurers in coverage litigation and provides coverage opinions for insurers. He also defends insureds in litigation as insurance defense counsel. He can be contacted at WMekrut@MurphyRiley.com.

The following fact pattern is (unfortunately) fairly familiar: an owner hires a contractor to perform work, and the owner alleges that all or part of the work is performed improperly. There are two basic types of damage that an insured contractor's allegedly faulty or improper work may cause: 1) damage to the work that the insured contractor was performing or to ongoing work (requiring that the work be repaired or replaced) or 2) damage to some other property owned by the property owner or by a third party. Many contractors carry general liability insurance coverage, but depending upon the damage alleged and the manner in which it was alleged to have occurred, the policy may not cover the loss.

One basic coverage issue that has been litigated frequently is whether, at the threshold level, property damage is caused by an "occurrence," as that term is defined in most standard general liability policies and interpreted by law. Generally, this involves wrestling over whether the damage at issue can reasonably be considered an accident. Many courts have held that a need to repair or replace part of an insured's own work because of poor workmanship is not an accident. On the other hand, most courts now hold that if an insured's poor workmanship leads to damage to other parts of the property, such as when a leaky roof damages personal property inside the house, the damage may be considered an accident.

Assuming that the damage is caused by an occurrence, litigation also typically ensues over whether one of the enumerated coverage exclusions, colloquially referred to as the business risk exclusions, excludes coverage for the claim. Most general liability policies exclude coverage for damage to the insured's own work and products—business risks that are within the insured's ability to control. These exclusions further the purpose of general liability coverage, whose purpose courts and commentators have articulated is to protect the insured from the claims of injury or damage to others, but not to insure against the economic loss sustained by the insured due to repairing or replacing its own defective work or products.[1] Thus, one of the business risk exclusions commonly found in general liability policies is an exclusion for property damage to "your work" or to "your product."

Whether a construction defect claim is based upon a covered occurrence is sometimes analyzed in terms of the fundamental premise for all types of insurance: fortuity. The basic insurance grant for the typical commercial general liability insurance policy provides that the insurer "will pay those sums that the insured becomes legally obligated to pay as damages because of 'bodily injury' or 'property damage' to which this insurance applies."[2] That grant of insurance is then qualified as applying only to claims for bodily injury or property damage caused by an occurrence. General liability policies usually specifically define the term "occurrence," and while different policies may use varying language, most policies essentially define occurrence as an accident. That makes sense: insurance policies fundamentally cover risks or fortuitous events, not certainties or events that, at the time the policy is issued, have already occurred or that are known or expected to occur. This is the basic premise of fortuity, upon which all insurance depends.

If the consequences of a contractor's shoddy or incompetent work can fairly be characterized as an accident and thus as an occurrence, the occurrence would trigger the initial grant of coverage. The coverage may or may not be excluded

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Construction Defect Claims and General Liability Policies

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by one or several of the business risk exclusions. Usually, clearing that first hurdle is significant because it affects the burden of proof in coverage lawsuits. An insured usually has the burden of initially proving that a claim is a covered occurrence, and insurers usually have the burden of proving the application of the business risk or other types of exclusions.

From a public policy perspective, having an expectation that all claims for faulty or defective work constitute a covered occurrence could affect the commercial and economic dynamic between owner and contractor. A contractor would have less incentive to perform high quality work because any claim for damage caused by poor performance would, at least at the threshold occurrence level, be covered. An owner would also have less interest in vetting contractors because ultimately anything done poorly would be repaired or replaced by the contractor's liability insurer. That dynamic would arguably turn general liability coverage into a type of performance bond, as some courts and commentators have contended, and have the effect of guaranteeing the work of the contractor. The eventual problem that might develop in this paradigm is that the fundamental premise of insurance—fortuity—may be called into question. An accident is something that is not expected to occur, but that might occur, which is why liability policies usually base the initial grant of coverage on the occurrence of an accident. Liability insurance is supposed to be a good faith wager between the insurer and insured that particular kinds of accidents resulting in bodily injury or property damage may or may not occur during the policy period. Performing work in a hasty, slipshod, or otherwise improper manner will likely result in a poor work product, and the obligation to bear the expense of repairing or redoing sloppy, inadequate work should not rest with the contractor's liability insurer. Such liability is not the result of a fair wager.

Some courts and commentators have opined that improper work that causes damage to the contractor's work or to ongoing work is not an accident at all and thus fails to trigger the initial grant of coverage. This line of reasoning invokes the commercial and economic nature of the relationship between an owner and a contractor: a contractor who fails to perform work in a good and workmanlike manner has breached his or her contract and thus should make the owner whole in the commercial marketplace. As a remedy, an owner might, for example, refuse to pay, request that the contractor return to repair or replace the poor work, pay another contractor to come in and repair or replace the first contractor's shoddy work, or simply decline to ever hire that contractor again. This line of reasoning also invokes the concept of fortuity: a contractor has control over the quality of his work, and if he or she performs work poorly or in a hasty or slipshod manner, the contractor might expect that his or her work will need to be repaired or replaced. Expected damage is not fortuitous.

Because there must be an occurrence that is a fortuitous, accidental event that causes damage for there to be coverage, the existence of coverage also naturally involves an analysis of the type of damage alleged. For example, if a contractor does a poor job building a wooden deck, and as a result the deck needs to be repaired or replaced, this would not likely constitute an accident that would trigger the initial grant of coverage. Damage of this type is damage to the contractor's own work. If the contractor performs work on the wooden deck poorly, and as a result, the deck falls over onto an automobile and damages it, liability for

the damage to the automobile would likely be considered caused by an occurrence (accident), triggering the initial grant of coverage. This is an example of damage to other property.

Some courts bypass the question of whether the damage is an occurrence altogether and rely instead on the business risk exclusions to determine coverage.[3] Courts do so partly because among the business risk exclusions is the exclusion for damage to your work or your product that typically excludes coverage for damage to the work being performed by the contractor. As courts and commentators have noted, the business risk exclusions were drafted for the same reasons that generally support the argument that poor workmanship resulting in damage to a contractor's own work is not a covered occurrence. When a claim for damage fits squarely within an exclusionary clause that precludes coverage for the claim, such as the your work exclusion, many courts decide the issue based exclusively on the applicability of the exclusion rather than addressing the threshold question of whether there was a covered occurrence.

Other courts have directly addressed whether alleged damage is a covered occurrence, and jurisdictions across the country have decided the issue differently. For example, some courts have held that the damage to work caused by allegedly faulty workmanship is not an occurrence, holding that faulty workmanship is not itself an occurrence, but that it can lead to an occurrence if property other than the insured's work is damaged[4] or holding that (1) faulty workmanship is not property damage because general liability policies are intended to protect against claims for damage to property of others, not to pay the costs associated with repairing or replacing the insured's defective work and products, and (2) faulty workmanship is not an occurrence because failure of workmanship does not involve the fortuity required to constitute an accident.[5] Other courts have held that damage to work caused by allegedly faulty workmanship constitutes an occurrence, holding that faulty workmanship may constitute an accident and thus an occurrence depending on the facts[6] or holding that faulty workmanship that is neither intended nor expected from the standpoint of the contractor can constitute an accident and thus an occurrence under standard general liability policies.[7] Each of the cases cited in this article contains an interesting discussion about whether a construction defect claim is an occurrence and the policy rationale behind business risk exclusions.

Because this issue is treated differently across the country, the coverage analysis for claims of damage caused by faulty workmanship and construction defects depends upon the law of the controlling jurisdiction. The result will also, obviously, depend on the specific facts of the case and the damage alleged. For that reason, in some cases a determination of coverage for a claim of damage caused by faulty workmanship cannot be made until discovery takes place, or in pre-suit matters, until investigation is done. In such cases, insurers should be inclined to defend the claim under a reservation of rights until the nature of the claim, the damage, and their effect on coverage become clear. By the same token, it may be clear from the inception of a claim that there is no coverage, particularly in situations in which the claim exclusively alleges that an insured contractor's faulty or defective work caused damage to the very work being performed by the contractor.

A clear understanding of the coverage issues that must be considered when dealing with construction defect and faulty workmanship claims will help insurance professionals to analyze exposure accurately and communicate effectively with insureds and coverage counsel. Understanding these issues will also help the insurance claims professional react to developments potentially affecting coverage as a claim matures because the existence of coverage may depend on the facts developed after the initial presentation of the claim, through internal investigation by claims handlers, and/or through discovery conducted by defense counsel once the claim is in suit. ■

Endnotes

1 See *Commerce Ins. Co. v. Betty Caplette Builders,* 420 Mass. 87, 92 (1995).

2 See CG 00 01 10 01.

3 See *Am. Home Assurance Co. v. AGM Marine Contractor's*, 467 F.3d 810 (1st Cir. 2006).

4 See *Town & Country Property, L.L.C v. Amerisure Insurance Company,* 2011 Ala. LEXIS 183, *16-17 (Alabama, 2011).

5 See *Friel Home Constr. v. Probuilders Spec. Ins. Co.*, 2009 U.S. Dist. LEXIS 121775, *12-17 (D. Mass., 2009).

6 See *Sheehan Const. Co. v. Continental Cas. Co.,* 935 N.E. 2d 160, 171-72 (Ind. 2010).

7 See *U.S. Fire Ins. Co. v. J.S.U.B, Inc.,* 979 So. 2d 871, 891 (Fla. 2007).

We Have to Do This Again—Can We Use Collateral Estoppel in Reinsurance Arbitrations?

Andrew S. Boris, J.D.

Andrew S. Boris is a partner in the Chicago office of Tressler LLP. His practice is focused on litigation and arbitration of insurance coverage and reinsurance matters throughout the country, including general coverage, professional liability, environmental, and asbestos cases. Questions and responses to this article are welcome at aboris@tresslerllp.com.

Reinsurance claims professionals are often presented with a dilemma: having to repeatedly arbitrate what appears to be the same issue or issues with the same parties concerning the same reinsurance contract.

Sometimes this means arbitrating an issue that has been addressed in some form with the same opposing party (likely involving a different billing), or it may mean arbitrating the same issue with a new party (under the same reinsurance treaty). Nonetheless, it raises the question of whether inclusion of a reinsurance arbitration clause (at least for purposes of this question) defeats the goals of efficient and quick resolution of disputes between the contracting parties.

Reinsurance professionals often question whether legal principles, such as collateral estoppel, would help reduce what some see as unnecessary and duplicative litigation and arbitration. Because of the makeup of the reinsurance arbitration process, the application of collateral estoppel is somewhat limited in this context.

Collateral estoppel is a legal concept intended to bar the re-litigation of issues that were previously addressed in a case under specified circumstances. The general concept is fairly straightforward: if a court decides an issue of fact or law that is relevant to its decision, the same parties cannot litigate that same issue in a different case.

The concept of collateral estoppel provides many valuable benefits. First, it promotes efficiency. Second, through efficiency, it helps to lower costs for litigants and of the judicial system. Third, it helps to protect the victorious party from re-litigating an issue that the losing party refuses to let go. For many, the legal concept of collateral estoppel embodies the traditional, or foundational, principles that also theoretically support the use of arbitration to address disputes in the reinsurance world—i.e., promoting a fair and efficient resolution of a dispute, allowing the parties to focus on the business of reinsurance.

For those who seek to have collateral estoppel most firmly applied in the reinsurance setting, there are many hurdles. While its concept seems clear enough, collateral estoppel is not so easily applied. First, reinsurance arbitrations are usually confidential. Thus, absent a subsequent motion to confirm or challenge the arbitration award, the only entities (in theory) that know of the arbitration award are the parties involved in the arbitration. Moreover, it is not uncommon for the parties themselves, via the confidentially order for an initial arbitration, to restrict the use of the award before an arbitration panel in any subsequent proceedings, essentially making it unavailable to anyone other than the parties.

Second, although the same general claim issue may be in question for two or more billings (i.e., number of occurrences, late notice, etc.), the facts related to the presentation of the claim and billings could be quite different. For instance, there may be two or more different underlying insureds for the billings, the people handling or involved in the claims process could be different, and/or the information exchanged between parties for the claims may have been different. In addition, the initial arbitration panel charged with addressing the claim issues likely made interim decisions regarding the scope of available discovery that one could argue affected the panel's

decision making that led to the final award. These interim decisions may never occur—or may be decided differently—in a second arbitration addressing the same issue. These sometimes subtle, but distinct, potential changes with respect to information and discovery decisions would likely be important to a court deciding whether collateral estoppel should apply. Complicating matters further is the use of nonreasoned awards, which essentially remove the arbitration panel's reasoning for its ultimate decision. Without knowing the reasoning or explanation of the arbitration panel, a court may be hesitant to apply collateral estoppel in a subsequent arbitration.

There are additional arguments as to why collateral estoppel is not applied (or raised) more often. For instance, the inclusion of an "honorable engagement" clause can be used as an argument opposing application of collateral estoppel, as the clause relieves arbitrators from following the strict rules of law. Thus, they would arguably have no obligation to follow decisions made by a prior arbitration panel. In addition, one might reason that the parties contracted to have all of their individual disputes addressed by an arbitration panel—not to have panels apply one decision repeatedly.

Importantly, despite the multitude of reasons why collateral estoppel might not be applied in the reinsurance setting, parties must consider whether a particular circumstance merits an argument for collateral estoppel. Given an appropriate factual scenario (which would mean a great similarity between at least two claims/billings), collateral estoppel is a viable consideration. Of interest, parties also agree in certain cases to have arbitration panels review and consider prior arbitration rulings to determine the prior ruling's reach and effect on new or repeating claims.

In the end, collateral estoppel is excellent in concept but is somewhat difficult to apply to the world of reinsurance arbitrations. Nonetheless, if the right facts present themselves, a party may wish to argue that it should not need to fight the same battle repeatedly. ■

From Lederhosen to Pinstripe—A Bavarian Girl in London City

by Birgit Vosper, CPCU

Birgit Vosper, CPCU, is a German lawyer working as technical regional claims manager at Chartis Europe, based in London. Working in the insurance industry since 2002, she has worked at GE Frankona Re, Munich Re, and BritInsurance. She has been based in London since 2009.

Growing up in the down-home and stable environment of Munich, Germany, I never really had an experience abroad—a fact that more than once made HR staff raise their eyebrows in job interviews. I had felt neither the urge nor the need to seek opportunities outside of my hometown. On the contrary, I am very much in love with Munich, its lifestyle and its working environment. I guess there is nowhere else in the world where you will find similarly secure and laid-back conditions. No one loses their heads or their jobs, and whilst we sometimes work from 7 a.m. to 8 p.m., there are still always 30 days of holiday plus flexi days entitlements to make up for that! These days, the insurance industry in Munich is still alive and kicking with major players like Allianz, ERGO and Munich Re. However, subsequent to the 2006 takeover of GE Frankona Re by Swiss Re, which had already absorbed the late Bavarian Re in 2001, the local opportunities are shrinking. As London undoubtedly is a key city when it comes to finance and insurance, I decided I wanted to indulge myself in the "city" vibe.

The fact is, London City rocks! The area between the Tube Stations Bank, Monument, Tower Hill and Liverpool Street is like a never-ending family reunion. I am barely able to walk more than 10 steps without running into somebody I know. Walking down the street, I put on a friendly face, knowing whomever I meet might tomorrow be a client, colleague, or worse, boss. In Germany, you only ever get a new boss if the previous one retires (or dies). In London, line managers sometimes get replaced like light bulbs. And they are certainly not always energy efficient!

After a couple of months in London, I already felt very much settled in, and I was getting my lunch from one of the take-away places in Leadenhall Market, which all of a sudden appear around noon; walking back to eat in front of the Aviva building sitting on the stairs; enjoying the view of the Gherkin; and greeting at least three people on that short five-minute walk. The small world of insurance in this enormous city London freaks me out and makes me feel at home at the same time, but that is what a family is all about, isn't it?

While in Germany, I had a single office or shared it with another person at the most; in London, there are open-plan offices. So instead of being locked away and only ever seeing my colleagues when I make the effort to visit them, here in London, I am sitting at my desk with my teammates only one desk length away from me every day. Even if we don't want to, we get to know each other very well. I have lived and breathed every second of my office neighbour's wife's pregnancy, and that was a long nine months!

Getting along with each other does improve work life. Therefore, when recruiting, whilst senior management certainly do look into qualifications, fitting into the existing team is key. Also, companies spend a lot of money on their staff's social events, like Pub Quiz Nights, Christmas Parties, "get togethers," away days and other parties. These events are, in fact, crucial for establishing a friendly relationship with team members and a good chance for a chat. Although we sit close to each other, due to the workload, most of the time there is not much chance (or space) for private conversations, and therefore what I know about my colleagues is what I have learned by involuntarily (or not) overhearing their private phone calls.

Traditionally, the "London Market" was very much broker driven, so men in suits carrying multicoloured files around or

refreshing themselves standing outside a pub in Leadenhall Market were common scenes. These days, brokers keep up with the times—they no longer carry their files under their arms, but instead use handy carrying cases, making the city look like an airport. However, even tradition has to keep pace with progress, regulatory requirements and administration, and therefore more and more paper files find their way into electronic depositories, gradually deleting brokers from the street picture. Maybe it is a coincidence, but this development seems to be accompanied by various pubs and wine-bar chains going bust.

London is a fashion catwalk for the latest shirts and suits of local designers, which basically means that everybody is wearing the same sort of dark suit and multi-coloured shirt plus matching tie. If you want to be individual, shop abroad, accessorize or, well, wear denim. Being colour blind or just not fashion conscious is not a problem in London. One of my childhood memories is about my mum laying out a shirt-tie-suit combination for my dad every morning to make sure it matched (looking good—another topic, well, it was the 1970s after all). In London, a shirt comes with a tie and cufflinks in a set, so in case you get comments, always blame the seller. Within this blissful security, some companies, however, have tried to spice it up and recently introduced "dressing down Fridays" on which you can wear "smart casual" clothes if not seeing clients.

Wikipedia defines smart casual as:

"A loosely defined dress code, casual, yet 'smart' enough to conform to the particular standards of certain Western social groups. It has been suggested that smart casual for men consists of dress trousers—some, but not all definitions may allow chinos—a long-sleeve dress shirt (tie optional), leather loafers or dressy slip-ons, dress socks, a belt, and, if appropriate, a sport coat or blazer. For women, it consists of slacks or a skirt (long or short), a blouse or turtleneck, a fashionable belt, a jacket, a vest, or a sweater coordinated to the outfit, hosiery or socks with boots, flats (leather, suede, or fabric) or mid-heel shoes. Women may also wear jewellery, such as earrings that complement their overall outfit, at least. This category demands a pulled-together, harmonious, complete look with colours, fabrics, shoes, and accessories, for both men and women. Formality is subjective, and in some places, the above would describe 'casual' with smart casual requiring a jacket and tie."

Right. Having experienced some of these casual Fridays, my only comment is while colleagues have to love each other no matter what, we should only dress down when not seeing clients!

Victory Gate, Munich, Germany.

In the London Market, I am forced to live with the tides—cricket season is from May to September, and rugby is from September to May. Bonuses are paid in April, and at that time, I see new suits, handbags and jewellery; hear stories about new kitchens, updated living room decorations, and summer holidays being booked; or witness the very, very, very grumpy faces of people quickly rushing into the entrances of job agencies.

In June, people in London dress up for Ascot and the horses; in December, they dress up for the Christmas parties, and the reindeer. January and November are dry months, and that is not referring to the amount of rain there is in this country. That means people try to give their livers a little bit of rest before and after the Christmas Challenge Champagne. It certainly wouldn't be the London Market if people were not trying to make an event out of it. November is actually "Movember" when the guys let their beards grow. The kick-off of the overall "drink less, eat healthy, lose weight" movement in

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From Lederhosen to Pinstripe—A Bavarian Girl in London City

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January is a mass weighing session. Both of these events are sponsored for charity. Overall, the whole year is filled with events and entertainment. Whoever thinks insurance is boring, well, come and work here!

Oh, that reminds me—work.

A typical working day in Munich looks like this: Get up any time because in Germany we work flexitime. Get dressed; commute into work in clean, empty and on-time public transport. Arrive at the office, clock in, greet the receptionist and one or two colleagues on the way to the office. Switch on the PC, get a coffee out of the department kitchen, and start working. After a couple of phone calls, a couple of internal meetings, and a few emails, it is lunchtime. Lunch is in the company's canteen, commonly referred to as the "Casino" (please don't ask me why; maybe because the food is a risk). Lunch is usually 30 minutes, and after a quick coffee, it is time to work again. An afternoon might include a chat with the person from the office next door, someone comes in and empties the bins, quick walk to the printer, and an afternoon coffee with a colleague. After writing a memo and watering the plants, it is time to go home.

A working day in London is like this: After a stressful commute in an overcrowded, hot and delayed tube or train, arrive at the office at 9 a.m. Show the receptionist the company pass, greet every colleague on your way to your desk. Have a quick chat with the team, switch on the PC, tell the colleague who offers to get hot drinks for everyone from the chill-out zone whether you want coffee or tea, and start work. After a couple of phone calls, a couple of internal meetings, a few emails, brokers come in, peers from competitors visit, a couple market meetings, a trip to Lloyds, and a quick chat with someone you met on your way to Lloyds, it is lunchtime in the market. Lunch is usually 90 minutes, and after a quick beer, it is time to work again. An afternoon might include a chat with the person sitting next to you, a quick walk to the printer, and an afternoon beer with a lawyer. After filing and tidying the desk, it is time to meet friends for a drink after work.

London Bridge, London.

I don't know which scenario is the better one; actually, it depends on my mental and physical state du jour. The London setting is certainly more communicative and face-to-face than the Munich one. But it is what you make of it.

London has changed me—of course it has. I now drink my tea with milk; my liver is slightly more challenged than before; I say things like "that drives me potty;" my New Year's resolution is to swear less; I own more suits and less casual clothes; as long as it is not raining, the weather is great; I find cricket fascinating; I start to find the queen less fascinating; I bet on horses; I recognize an Essex accent; and I go into every Bavarian pub in London I can find! ■

New Reinsurance Interest Group Committee Members

(From right to left) **Steve McElhiney, CPCU, MBA, ARe, AIAF,** presenting awards to **Tim Foy, CPCU, ARe,** and **Chuck Haake, CPCU, ARe,** in recognition of their service as Committee Co-Chairs.

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Get Exposed

We're always looking for quality article content for the Reinsurance Interest Group newsletter. If you or someone you know has knowledge in a given insurance area that could be shared with other insurance professionals, we're interested in talking with you.

Don't worry about not being a journalism major. We have folks who can arrange and edit the content to publication-ready status. Here are some benefits of being a contributing writer to *Reinsurance Encounters*:

- Sharing knowledge with other insurance professionals
- Gaining exposure as a thought leader or authority on a given subject
- Expanding your networking base
- Overall career development

To jump on this opportunity, please email either Wade E. Sheeler, CPCU, CIC, at wsheeler@gmrc.com or Richard G. Waterman, CPCU, ARe, at northwest_re@msn.com.

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