

OTC Markets Advisor Insights Podcast

Arthur J. Gallagher & Co. Season 4 | Episode 1

OTC Markets Group: From OTC Markets' global headquarters in New York City, you are listening to Advisor Insights, where we feature professionals that will address the issues that affect the small-cap companies that trade on the OTC Markets. Joining us today is Pierre Woozevelt Area Vice President of AJG Welcome Pierre

Pierre Woozevelt: Hi happy Monday thank you for having me.

OTC Markets Group: Nice to have you on our podcast. So before we get started I Just like to ask our guests can you tell us a little bit or our listeners a little bit about yourself and how Gallagher came to fruition.

Pierre Woozevelt: Yes, um, so my name is Pierre Roosevelt I am an area vice president here at Gallagher. Gallagher is one of the top insurance broker consultants in the world. A little bit over \$7000000000 in revenue was founded in 1927. 30000 employees globally. Ah, we currently service over 150 offices or countries. Um, and we have I would say a little bit over 800 locations. We're built of 27 different practices.

I've been in the insurance industry for a little bit over eight years prior to the insurance I was in a global technology role. I was in charge of Europe as well as central south america markets. Ah, in that technology role. We were providing cloud-based security solutions Msp managed service providing solutions co-location mppls point-to-point connectivities some ethical hacking and penetrates ethical hacking pen testing against ah public facing domains as well as vulnerability scanning. From there I was recruited into the insurance industry to help bridge the gap between traditional markets and the evolution of technology. So for example, Fifteen twenty years ago there was no such thing as fintech or ed tech or food tech. But as we're starting to see the evolution of technology. We're starting to see traditional markets adapt technology to help accelerate and grow their own product offerings. And there was a need of understanding developing. Frontend some backend stack and how that correlates with risk management. So I was brought on board to help bridge the gap between traditional markets and technology.

OTC Markets Group: Got It. You gave a very good brief overview of Gallagher before but I guess my question right now is who is Gallagher?

Pierre Woozevelt: Yeah, so Gallagher is a insurance broker consultant. The core is risk transfer products or

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insurance placements which can be ah from directors and officers liability tech errors and emissions crime and specie these are all risk. And we help with the placement of those risk transfer products for our clients to help protect the balance sheet but set aside from our core our core focus which is insurance placement. We also have a variety of consulting services. We look from a holistic standpoint. We look. Outside of just the insurance placements. We also want to explore where can we help enhance the balance sheets what ideals and strategies can we provide to our clients that will help align with their outcomes their desired outcomes within the next 3 to 5, 3 to 5 years

OTC Markets Group: And so for our small cap and micro-cap companies that do trade on the otc markets. What are some challenges that they may face regarding D&O insurance or Cyber insurance?

Pierre Woozevelt: So some of the challenges I've seen in my experience is that sticker shock when you're transitioning from private D&O and now you're looking at listing onto an exchange like otc markets where at times I feel that the clients readiness are them being prepared is ah inadequate. So the process of understanding the transition from private to public. There seems to be a disconnect or are a misunderstanding. Of the exposures how the exposures are now magnified when you are a publicly traded company. So our goal is to help remediate some of those issues or some of those pain points 1 with educating so we want to educate our clients whenever we have a client that's private. Our prospective client that's private that's looking to list on exchange like Otc Markets we want to be able to educate them on the exposures the corporate governance. What to expect? The cost that they're going to experience. And also help with the due diligence process. So again just being a true consultant and invested into their into their desired outcome their goal so they receive a ah much more positive ah positive experience so just helping with the public readiness. Ah, them being listed on to ah exchange where now Retail consumers now have access and they can purchase small equity or shares into their company itself.

OTC Markets Group: Now I did ask about D&O Insurance and Cyber Insurance I think all our listeners know what D&O insurance is but can you talk a little bit more about Cyber insurance.

Pierre Woozevelt: Yeah, so with cyber we are now seeing a hardened market with regards to cyber. You do have your cyber liability which provides which provides coverage for ransomware breach. Cost for any type of leak of pii which is personal identification information or ph so with the landscape due to covid where a lot of the employees and companies now went to this work from home environment. We started to see an increase in phishing attacks, Ddos attacks and your cyber provides coverage for that now because of the increased frequency we are now in

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a hearted market where the severity and frequency of claims have increased so now we are seeing challenges. Where there's an increase focused on how cyber controls are being managed by the c-suite and also in return we're also starting to see care Mark claims come about. So basically there's a correlation now between D&O and cyber if there is a breach. On the cyber side and it is deemed that the D&Os directors and officers of a company were negligent on how they managed the cyber data or they were privy to poor controls and they did nothing to respond.

We are now seeing a correlation of claims come We're now starting to see ah a care Mark claim translate on the D&O side due to poor cyber controls, so we are starting to see a correlation and we're also starting to see increased focus with regulatory bodies. Um, one most nobi safeguard rules. Ah typically you're able to. Just quote unquote say yes we are doing some type of vulnerability scanning. We are actively monitoring our cyber controls previously. This was okay as a verbal communication or verbal acknowledgement. Now we are starting to see that that there is a requirement for it to be written and documented. Um, the need for third parties to be contracted and have a audit report or vulnerability scanning, a ethical hacking or penetration of the network itself. They want to see that this is now being documented. To basically hold the c-suite accountable for possible poor controls. So where Gallagher becomes a differentiator is we have these services in-house so Gallagher we have a cybersecurity risk team that's based out of the u k. We do in-house provide our clients with vulnerability scanning active monitoring um pen testing any type of pci ds dss service. Um offerings. Ah that made that may be needed Gallagher is capable of doing services for our clients.

OTC Markets Group: And so what are some key differentiators between Gallagher and you know other D&O insurance providers?

Pierre Woozevelt: So I would say our consulting approach or holistic approach and our due diligence. Um, just using as much data as possible to help our clients make a informed decision. Um, Also the preparation. Um and our capabilities of providing. Are guiding our clients are pointing them in the right direction to make sure that they're achieving their desired outcome and less mistakes or less errors on their end so just leveraging our expertise leveraging our relationships and providing that network to our clients as well too. Helps for a much more enhanced robust approach whenever a company is looking to list from a D perspective.

OTC Markets Group: Got it all right Pierre well thank you very much for joining us today. It's been excellent and very educational, especially for me to learn about specifically cyber insurance. In this case, um, you can find. Gallagher on the premium provider directory but Pierre are there any other ways where people can contact you if they'd like to speak to you or learn more about your services?

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Pierre Woozevelt: Ah, yes, Matt you can find me on LinkedIn. Ah Pierre Woozevelt I think I'm the only one that was that should come up if you type my name into the ah to the LinkedIn search I am active on Twitter as well too Pierre Woozevelt. There shouldn't be that many. Ah, um, names that pull up on that search. But as you mentioned before we are on the premium directory so feel free to go to the premium directory you can go through you can go to ajg.com or search Gallagher and we would come up as well too.

OTC Markets Group: All right Pierre once again, thank you very much for joining us today on our podcast.

Pierre Woozevelt: Thank you Matt appreciate the time.

**This is an autogenerated transcript and may contain typos.*