



DEREK W. FREIHAUT, FCAS, MAAA

Principal and Consulting Actuary | Bloomington, Illinois



Derek advises multiple self-insured, captive and insurance companies on various matters, including rate setting and financial reporting of unpaid claims liabilities. He works with accounting firms on internal audits of numerous insurance companies and assists audit firms, insurance companies and reinsurance companies with determining risk transfer in reinsurance contracts consistent with FASB 113 and SSAP 62.

Derek has served several government entities on matters relating to setting rates and estimating unpaid claims liabilities, as well as regulatory review of rate filings and financial examinations. He routinely presents to boards of directors and financial reporting executive committees.

He has considerable experience in assignments involving loss reserving, funding studies, loss cost projections, captive feasibility studies, risk distribution analyses and personal and commercial lines ratemaking.

Derek is also a co-developer of the expected adverse deviation (EAD) method of determining and quantifying risk transfer and served on the American Academy of Actuaries (AAA) Board of Directors.

- ★ Qualified Actuary per the National Association of Insurance Commissioners (NAIC)
- ★ Qualified to sign statements of actuarial opinion per the AAA

YEARS OF EXPERIENCE

23

EDUCATION

Rose-Hulman Institute of Technology, 2002
B.S. Mathematics, Economics

CERTIFICATIONS

Casualty Actuarial Society (CAS), Fellow, 2006
AAA, Member, 2006

THOUGHT LEADERSHIP HIGHLIGHTS

"Statements of Actuarial Opinion at Year-End," Pinnacle
APEX Webinar, January 2022 – 2025

"Risk Distribution — Expected Adverse Deviation (EAD) Case
Studies," Captive.com, October 2024

"Coffee Klatch for Opinion Writers," Casualty Loss Reserve
Seminar (CLRS), September 2022, September 2023,
September 2024

"Expected Adverse Deviation," Best's Review, Issues &
Answers, July 2024

"Risk Distribution: Actuaries Leading the Way," Pinnacle
APEX Webinar, April 2024

"301: What Captives Need to Know about Inflation," Captive
Insurance Companies Association (CICA), March 2024

"Actuaries and Auditors," Cayman Captive Forum, December
2023

"Reserving for the Rest of Us: Understanding Actuarial
Analyses," The National Comp 2023 Conference,
September 2023

"Maximizing the Value of Your Actuarial Report and
Opinion," CLRS, September 2019 – September 2023

"Impact of Inflation on Your Captive," Vermont Captive
Insurance Association (VCIA) Annual Conference, August
2023

"Impact of Inflation," Best's Review, Issues & Answers, July 2023

"State of the Florida Homeowners Market," Pinnacle APEX
Webinar, November 2017 – 2022

"Understanding Your Actuarial Report: A Guide for Non-
Actuaries," The National Comp 2022 Conference,
October 2022

"Communication is the Key to Successful Collateral
Negotiations," The National Comp 2022 Conference,
October 2022

“Risk Transfer and Risk Distribution – An Actuary’s Perspective,” VCIA Annual Conference, August 2022

“Expected Adverse Deviation as a Measure of Risk Distribution,” Variance, November 2021

“Actuarial Perspectives on Risk Distribution for Captives,” SIIA’s National Conference and Expo, October 2021

“Determining Risk Distribution,” Best’s Review, Issues & Answers, August 2021

“Captive Formation: An Actuary’s Point of View,” Pinnacle Blog, May 2021

“Risk Distribution,” Best’s Review, Issues & Answers, April 2018

“Expected Adverse Development as a Measure of Risk Distribution,” Pinnacle APEX Webinar, March 2018

“Estimating Liabilities for Losses and Loss Adjustment Expenses,” Insurance Accounting and Systems Association (IASA) Property & Casualty Insurance Accounting Textbook – 9th Edition, Chapter 5, 2016

“A Case for Peer Review,” Best’s Review, Issues & Answers, January 2016

“Communication is Key to Successful Collateral Negotiations,” Pinnacle Actuarial Resources Monograph Program, January 2015

“Loss Reserves: The IRS’ Kryptonite or Gold Mine?” Inside Medical Liability, Third Quarter 2014

“Pinnacle of Success,” Best’s Review, Issues & Answers, August 2013

“Common Pitfalls and Practical Considerations in Risk Transfer Analysis,” CAS E-Forum, Spring 2009

“Actuarial Details of Risk Transfer Come to the Forefront,” The Interpreter, 2009

EXPERT TESTIMONY

Riverview-Trenton Railroad Company and Central Transport, LLC	2018
---	------

APPOINTED ACTUARY

A. Central Insurance Company	2013 – Present
American Integrity Insurance Company of Florida, Inc.	2019 – 2020
Cherokee Insurance Company	2021 – Present
Consolidated National Insurance Company	2022 – Present
Consolidated Specialty Insurance Company	2022 – 2023
Diamond Insurance Company	2021 – Present
Edison Insurance Company	2016 – Present
Employers’ Fire Insurance Company	2014
Enumclaw Property and Casualty Insurance Company	2014 – Present
Everspan Indemnity Insurance Company	2021 – Present
Everspan Insurance Company	2021 – Present
FBAlliance Insurance Company	2016 – Present
FBAlliance Insurance, Inc.	2016 – Present
Fidelity Fire & Casualty Company	2014
First Protective Insurance Company	2014 – Present
Florida Peninsula Insurance Company	2016 – Present
Forge Insurance Company (formerly Amalgamated Casualty Insurance Company)	2019 – Present
Frontline Insurance Unlimited Company	2015 – Present
Galen Insurance Company	2013 – 2016
Governmental Interinsurance Exchange	2014
Grand River Insurance Company	2023 – Present

Greenwood Insurance Company	2022 – Present
Insurance Placement Facility of Pennsylvania	2021 – Present
Lawyers Mutual Insurance Company of Kentucky	2014 – Present
Mutual of Enumclaw Insurance Company	2014 – Present
National Direct Insurance Company	2019 – 2023
National Fire and Casualty Company	2014
Nevada General Insurance Company	2014 – 2015
New York Central Mutual Fire Insurance Company	2013 – Present
One Beacon America Insurance Company	2014
One Beacon Insurance Company	2014
Openly Insurance Company	2023
Ovation Homeowners Insurance Exchange	2024 – Present
PEMCO Mutual Insurance Company	2015 – Present
Potomac Insurance Company	2014
Providence Washington Insurance Company	2022 – Present
Spinnaker Insurance Company	2015 – 2022
Spinnaker Specialty Insurance Company	2022
Underwriters at Lloyd's, London Admitted in the State of Illinois	2012 – Present
Wisconsin Health Care Liability Insurance Plan	2019 – Present
Workers Compensation Exchange	2022 – Present

EMPLOYMENT HISTORY

Pinnacle Actuarial Resources, Inc.	2006 – Present
State Farm Insurance	2002 – 2006

PAST PROFESSIONAL VOLUNTEERISM

AAA

Board of Directors	2022 – 2025
Committee on Property and Liability Financial Reporting (COPLFR)	
Chair	2020 – 2022
Vice Chair	2019 – 2020
Member	2015 – 2019

CAS

CAS University Liaison Committee	2015 – 2022
Education Policy Committee	
Chairperson	2011 – 2014
Vice Chairperson	2011
Member	2011, 2014 – 2018
Syllabus Committee	2006 – 2014