

GEORGE GRISHIN

A FEW THINGS DONE, or 40 years in Insurance

August 1st, 1984 – August, 2024

Dear Colleagues in Insurance, Mass Media and Shipping,

It's been a great pleasure and fun working with you for four decades in different parts of the world. I thank my wife, Katherina Grishina, for the love and support she is giving to me, I am grateful to my colleagues at Oakeshott for our mutual understanding. Especially, to Barry Pierce and Samson Akande, with whom we have been friends and partners since 1995! And to Alan Thomas for his great input in Oakeshott's work and life over the recent years.

I started my insurance and writing carrier in 1984 in the USSR, to the East from the Great Iron Curtain. I am celebrating my 40 years in insurance and writing on the other, Western, side of the New Iron Curtain. It is rather strange to find oneself at Square One four decades after I started. But these decades were probably the most wonderful in the history of insurance and shipping. A trajectory from total state control to absolute economic freedom to poverty to richness and back to rigidness (in some parts of the East) was rather instructive. I'm sure they will be studied in textbooks in half a century.

A short description of my personal trajectory might serve as one of the clues to understanding the Rise of private Insurance and Shipping in the East. Please have a look and tell me what you think.

I am looking forward to many more years of interesting work,

Yours faithfully,

George Grishin

With a great help from Katherina Grishina

Wow, what has it been?

- Forty years in insurance having flown past
like a humming-bird.

A SHORT CV

I only worked in three companies in 40 years.

1984-1991 –

Ingosstrakh Insurance, Moscow. Marine and Aviation Insurance Department. Marketing, Underwriting, Reinsurance, Claims. A PhD.

1991-1993

Black Sea & Baltic Insurance, London. All types of claims, from Motor and Life to Marine. Marine Underwriting. ACII. CIB.

1993-2024-...

Oakeshott Insurance Group, a Lloyd's of London broker.

In fact, the FIRST Lloyd's broker with origine in Eastern Europe!
All types of marine, non-marine and life insurances and reinsurances.
Marketing, underwriting, placing, claims.
Books and articles. Seminars.

Some more details.

Ingosstrakh:

I started in P&I. In 1990, in collaboration with TT Club, I helped to introduce the Road Hauliers' (CMR) Liability insurance. I also dealt with Hull & Machinery, Containers Hull, Freight Forwarders, Ports & Terminals, Aviation & Space, Marine Intermediaries' Liabilities and other types of insurances.

Black Sea & Baltic General Insurance Company:

(established in 1925, wound down in 1998).

All types of claims, from motor to life to travellers to asbestosis to agent orange to marine. Marine and Non-marine on the underwriting side.

Oakeshott Insurance:

Lots of travel, more than in BlackSea and Ingosstrakh.

We had offices in London, Kyiv, Almaty, Dénia, Valencia.

Oakeshott had worked, at least for a while, in some 30 countries.

We now cooperate with companies in 20 countries, from Guyana and Nigeria to Vietnam and Dubai.

IMPORTANT THINGS DONE

1. The Practical Side of (Re)-Insurance

A. I was helping some new private insurance companies to get established in the USSR in 1980s and in Russia and Ukraine in 1990s.

A fun fact: my friend Andrey gave me a loan to buy a Lada "the-Nineth" car. When I tried to repay it three years later, he said: "But George, don't you remember you have explained to me the basics and mechanisms of Facultative and Treaty Reinsurances? I have earned millions on that... You don't need to repay me!"

More dry facts, pardon, rather ungrammatically, I won't be using "I" or "me" much.

B. Introducing London practices into the Eastern European markets. Coinsurance in six countries starting from 1995. Follow the leader, Several and Joint Liability and similar clauses used in the region for the first time. Same, on the co-reinsurance level. Establishing Co- and Re-insurance pools. Using the London Reform Contract as a basis of a contract since 2004.

C. Introducing and explaining new types of (re)insurances into 4 national markets:

- Hull & Machinery from 1993 (only three fleets insured prior to 1993),
- P&I for River Shipping Companies (none insured as on 1990, first seminars on P&I arranged by GG in SPB in 1988 and in Petrozavodsk in 1989),
- from 1990 - CMR, Freight Forwarders, Port risks (Stevedores, Terminals, Port Authorities), Bank-Assurance and BBB (from 1995), Up-stream, Mid- and Down-

stream Oil and Gas (Ukraine, Kazakhstan, Uzbekistan from 2001), Nuclear Liability Reinsurance (Ukraine, from 2002), CAR insurance (Kazakhstan, from 2005), Energy Generation (Ukraine from 2001, North Macedonia from 2012), Extended Warranties (Ukraine, 2005), Title Insurance (Russia, 2008), D&O (Ukraine and Kazakhstan, from 2009), Cyber risks (2018), different Third Party liabilities insurances, including Professional Indemnity, Designers' Liability, Medical Malpractice, etc., etc.

C. Placing foreign risks into the Eastern European markets from 1996. Risks from Latvia, Lithuania, Greece, Cyprus, Belgium, Ukraine, Kazakhstan, Uzbekistan, Bulgaria, Romania – placed with the Russian, Ukrainian, Kazakhstan, Uzbekistan insurers.

D. Attracting new players into the Soviet, Russian, Ukrainian, Kazakhstan, Uzbekistan markets. TT Club on the 10th of January, 1990. P&I Clubs and H&M insurers in 1990s. ACE / Chubb, Partner Re, Korean Re, Hannover Re and other reinsurers in 2000s. Regional reinsurance, from Ukraine to Russia (unbelievable now, but a fact!), from Russia to Ukraine and Kazakhstan, etc. Nuclear Liability pools put to work in Russia and Ukraine.

E. Making the first steps in the practical East-West cooperation. Oakeshott's representation in Kyiv, Ukraine, was the first office of a Western / UK broker fully established in Ukraine in 2000. Other companies like Marsh, Aon, Willis learnt from Oakeshott. In 2005 Oakeshott's office became the first one to start operations in local currency, Hryvna.

F. Mutual Insurance companies established and developed on the basis of the discoveries made in 3A below.

G. Studying Off-shore companies management and administration in CIB (see 3C) got me into the Working group on Establishing the first Captive Insurance companies on the Hull & Machinery side. We had to compare legislations of Isle of Man, Luxemburg, Bermudas, etc. Shipping Companies from Russia, Latvia, Ukraine set up their captives and arranged their reinsurances with a little help from yours truly.

H. Dealing with marine and non-marine claims world-wide and training Eastern insurers to do the same. Helping to establish first surveyors' networks in the USSR and its parts from 1988.

I. Accepting trainees in Oakeshott from Kazakhstan, Ukraine, Uzbekistan, Russia. Programme "To London with Oakeshott", paying for trainees' visits London of Ukrainian insurance professionals, annually, between 2010 and 2019.

2. Insurance Legislation.

Participating in the working group for the first Law on Insurance in the USSR in 1990. Introducing Russian / Ukrainian translations of some basic terms, including Solvency margin, Technical reserves, IBNR, Insurance Supervision. Helping regulators and legislators in seven countries to understand the Western methods and approaches.

3. Insurance theory and education.

A. PhD on Insurance Companies' Financial management in Moscow, 1990. Mutual and Proprietary insurance entities studied and compared. The first thesis in Russian to analyse balance sheets of insurance companies, their profit & loss accounts, solvency, liquidity and other ratios.

A number of private insurance companies were set up on the basis of the dissertation in 1990. Analytical mechanism developed was used by the newly-established auditing and consultancy companies in the USSR, Russia, Ukraine.

B. The Associate of the Chartered Insurance Institute, London, 1992. The first ACII from Eastern Europe in the Institute's History. Curriculum and whole subjects introduced into universities courses and during Oakeshott's and third parties' seminars and conferences in 12 countries.

C. The Chartered Institute of Banking. Studies at this now defunct institution helped me to understand – and to explain to others – practical things like accounting, structure of balance sheets and P&L accounts, letters of credit, currencies futures, etc.

In fact, I had studied International Banking in Moscow Financial Institute in 1979-1984, graduating with a Master's Diploma in Economics. In 1991-1993 I learnt the same subjects, on a more practical level, at the CIB. This combination helped me to set up my own company, Oakeshott, and to help lots of companies in insurance, shipping, trade, finance, etc.

D. A chapter on Marine Insurance in the Ukrainian University insurance manual. Written in Russian and translated into Ukrainian.

E. Numerous lectures on insurance read at Russian, Ukrainian, US, Uzbekistan Universities.

F. A YouTube channel on the basics of insurance, in Russian and in English.

4. Insurance Literature and Mass Media.

A. A new simpler language style introduced in the Russian insurance literature.

B. Short introductory letters on different types of insurance published and sent since 1992.

C. Articles on insurance and shipping theory, law and practice published between 1995 and 2023.

D. The first book in Russian on Marine Insurance, 500 pages, published in 2000. One has to navigate the seas... with a policy in hand: Штурмовать далеко море... надо с полисом в руках.

A practical manual for insurance and shipping companies on P&I, H&M, War & Strikes, Charterers' P&I, Increased Value, etc. Operating mechanisms of insurance markets and Mutual Insurance Clubs explained. Standard Cover-notes and clauses published, translated and explained for the first time in the Russian-language literature.

Fun fact: it was the first and only book on insurance in Russian to be sold for the princely price of USD 100. In 2024 I saw a paper copy on sale in Internet for USD 700.

E. A compilation of my own and my colleagues' articles in a two-volumes book on Insurance, Reinsurance, English Language and Life in England. Let's have a chat: Давай с Тобой Поговорим, 2 volumes, 1,300 pages, Almaty, 2009.

F. Between 1999 and 2014 I published some 15 brochures on Insurance, Reinsurance, Shipping, English language and life in England, with articles written by myself, Katherina Grishina, Irina Ford and other good friends and colleagues of mine. They used to be quite popular in the insurance and shipping circles, those beige-coloured little pamphlets.

G. The book on Cargo and different other types of transport insurances and transport liability legislation, written in partnership with Nikolay Solonko, Ukraine. But look, you take on a rather heavy cargo: Послушай, парень, ты берешь не прежний груз. 2 volumes, 900 pages.

5. Insurance Markets education and development – Seminars and Publications.

A. Participating and arranging seminars & conferences in the USSR (Russia, Ukraine) and Bulgaria in 1985-1991. First article written in English in 1988: The study of Deviation as a Fundamental Breach of the Contract of Carriage of Goods by Sea.

B. Arranging Oakeshott's seminars & talks on marine and non-marine insurance and reinsurance and maritime law in: Murmansk, St Petersburg, Riga, Klaipeda, Tallinn, Odessa (1994-2018), Minsk, Panama, Baku, Tbilisi, Almaty, Tashkent, Bishkek, Chisinau, Archangelsk, Malmö, Samara, Rostov, Kaliningrad, Kyiv (20 seminars, 2000-2019), Lviv, Ternopil, Mariupol, Donetsk, Yalta, Tehran, Varna, Istanbul, Dushanbe, Turkmenbashi, Ashgabat, Valencia, Dénia, Barcelona, Lagos, Dubai, Abu-Dhabi, Kuala Lumpur, Hanoi, Phnom Penh, Ho Chi Minh City.

C. Organising presentations of the Eastern European markets, Oakeshott's and third parties', in 1998-2023 in London.

D. Baden-Baden Reinsurance meetings – arranging Oakeshott's Eastern European reception during 25 years. Helping Eastern insurers to achieve better understanding with their Western counterparts.

6. The English language

- A. Helping non-English speakers to understand the language spoken and written.
- B. Explaining ways of life in different countries.
- C. Typing commas for thousand times in 1 000 000 – into 1,000,000, as the Western Excel does not understand the Eastern ways with the numbers.
- D. Publishing three brochures and numerous articles on the Eastern-European insurance history and present-day situation, in English, edited by Len van der Put.

7. Culture and Travel

- A. Working as an unofficial and unpaid guide in Moscow, St Petersburg, London, Kyiv, Odessa, Valencia, Dénia, Madrid, Barcelona, Bologna.
- B. Sharing own travel and cultural experiences in GG's Travellers Club, Facebook, Telegram, a YouTube channel.
- C. Helping with quicker integration into local life by publishing articles and books on local history and culture. Books: the English Sketches and From London with... in 1999 and 2003. A book on Balkans in 2018. Four books on Spain: Dénia, Valencia, Spain, published in 5 languages between 2018 and 2024.
- D. Helping with quicker integration into local life through establishing cultural associations: the Russian insurance club in London in 1994. The House of Levante / Casa de Levante in Dénia in 2013. Supporting similar associations and meetings in London, Valencia, Madrid, Bologna.

Like I said, it's been an honour and great fun.
Thank you very much to all for your support!

Yours truly,
George Grishin
As endorsed by Katherina Grishina
1 August 2024
40 years in insurance and counting....

PS.

A few pages from my book *Here, There and...* published in 2003.

Jan '03. Half Moon Crescent, London NW9

Well, to be quite honest, I've always liked travelling. But not before moving to London back in January 1991, did I develop a true passion for the Road. The Road in the physical sense of the word, rustling under the wheels. And the Road as a mode of living..

"But how did the Road start?" asks my inner voice. Which, madly enough, I share with a few people, starting with my three daughters. Dina, now almost 18, born in Moscow and moved to London when five. Angela, an 11-years London-born claiming herself to be Russian. Katya's daughter Sveta, born 14 years ago in Homel, Belarus, and since last year confidently settling down both in Kiev and London. This multi-lingual and multi-cultural auditorium keeps on asking rather difficult questions...

Aug '84. 12, Piatnitskaya Street, Moscow

The Road started in a modest second-floor room of the only Ingosstrakh's Moscow office at that time. Hard to believe it now, when the company numbers hundreds of employees in its five offices – that eight of us sharing that crumbled office would be counting square centimetres when planning any desks moves during my next six years there...

Sergei Guliayevsky and I are sitting opposite Mikhail Safronov, a serious gentleman, yet always smiling behind his darkened glasses. Alas, the two of them are no longer with us... At that time Mr Safronov was the deputy head of OSS, a rather strangely named department – for us, newcomers. Years spent in England and France behind him - and Ingosstrakh's presidency in the future. Mr. Safronov – again, some future-un-the-past – turned out to be one of my best teachers.

Well, what does this OSS stand for? Are we future spies? That's how Allen Dulles's Office of Strategic Services, the CIA prototype in 1944, was called. The truth is much more mundane. Ingosstrakh's OSS is just a Russian acronym for Marine and Aviation Department – with one "S" lost on its way.

'84. The Birthplace of a Few Departments

Just to think about it. There are now hundreds of marine and aviation insurance specialists in our part of the world – which, for me, is limited to this sad and senseless abbreviation, the FSU countries. Meanwhile, back in '84 - only nineteen years ago - there were only two people on Ingosstrakh's aviation side. In the whole vast country! Two more – doing marine hull. One – containers. And a whole brigade of fourteen on the marine liability side, which at that moment meant P&I, i.e. Shipowners' liability insurance. Non-marine transport liability lines – road hauliers', or CMR, to start with – were yet to arrive.

Really, ours was a diverse department. A forefather of many contemporary insurance lines.

Mr Safronov smiles: "We have exactly two jobs for you. P&I and containers. The choice is all yours."

Mar '96. Pulkovo Airport, St. Petersburg. Taxi.

The main rule is, after flagging down a taxi, don't let the cabbie pick up anyone else.

What's my usual work routine? I come to a city, say, Murmansk, Klaipeda, Kiev, St. Petersburg. More recently - Almaty or Dnipropetrovsk. Through with a couple of planned appointments. Time for "cold calling". Seeing potential clients – without having phoned or faxed them in advance.

Of course, it would be nice to own a car in each city I visit... Dreams, sweet dreams! In 2002 I saw 53 cities! The reality is different. You raise a hand. A Lada or Volga, which has seen better times, screeches up to a stop. Outside the Baltics it's invariably a private car. The driver just wants to earn some butter for his bread.

After a lively haggling an acceptable price for one ride or for a whole day is determined, and off you go!

Private drivers have never let me down. Never cheated, let alone robbed. If it's a whole days' deal, they will doggedly wait at the doors. They will take shortcuts. They will never take advantage of a stranger's position.

Not this breed are the airports and railway stations cabbies. Real sharks. Best to steer clear of them... In almost all FSU cities - again, with the exception of Baltics - they are a Mafia of sorts. Fixed cartel prices, somewhat five times higher than with a private driver. I know, it's not limited to our part of the world, but...

Yes, Mafiosi of a kind – but almost always guaranteeing your safety. Yes, they will make you pay through your nose, but they'll never rob you en route. In the mid-nineties such things used to happen in Moscow – not any longer.

Well, this one probably won't rob me. But why the hell am I sharing the taxi with two other passengers?

Jan '84. Kibalchich Street, Moscow. The Moscow Financial Institute

We didn't turn up at Mr Safronov's desk by chance. No chances were taken by the Soviet system. Instead, what we had under socialism, was a compulsory assignment system. We called it "the Distributiun".

To start with, at that time one had no doubts as to whether, upon school graduation at 17, one should join a college-a.k.a.-a university, or not. It was a prerequisite for a successful carrier, be it an engineer's, party boss's or underwriter's. Virtually every serious office required what we called higher education, meaning four or five years in a university or institute.

Thank you for attention!

I'd be delighted to share more fun facts.

My own site with more tales is in the making....

George Grishin
31st July 2024