

# Passing The Torch

**Vermont's outgoing captive king, Len Crouse, talks about the joys of retirement—golf and grandkids—and his outlook on the state's new captive leadership.**

*The Vermont captive industry blossomed into the leading domestic domicile for captive insurance companies during the lengthy*

*tenure of Leonard D. Crouse as the deputy commissioner of the state's Captive Insurance Division. When Crouse retires in June,*

*David Provost, an assistant chief examiner in the division with 18 years of private and regulatory captive experience, will take his place. Risk & Insurance® Associate Editor Erin Gazica spoke with Crouse about what he's achieved in nearly two decades, his hopes for the future of the division and his plans for retirement.*



**LEN CROUSE** (left) reviews a document with Vermont Gov. James Douglas. Crouse, a career regulator, came to Vermont in 1990 from Massachusetts. In June he is retiring as the deputy commissioner of Vermont's Captive Insurance Division. David F. Provost, former assistant chief examiner, will take his place.

**Erin Gazica: How does it feel to be retiring after 18 years?**

**Len Crouse:** It feels good. I feel good about my decision to retire. I've spent close to 40 years in the regulatory fields, working every day and I just think that being able to retire I'm going to have more time to golf and see my grandkids. I'm looking forward to it. I will probably stay in the industry in some capacity, not full time, but I'd like to do something, probably hook up with somebody somewhere down the line, stay busy but, again, not on a full-time basis. But I think it was the right decision. I think it was time

to move on and pass the torch to somebody else. I feel good about it.

**EG: What has changed in the Vermont captive industry during your tenure?**

**LC:** Basically, the size of our industry. When I came here 18 years ago, I think we had 186 licensed captive insurance companies and as far as licensed captives, we've given out well over 800 licenses to this date. It's been busy. Probably the biggest change is the department. When I came we had four people. Now there's a staff of 28 people just in our captive division, so the growth

there has been phenomenal. We've been able to do that with the support and help of the legislature and the governor's office and other people who support our industry. As I've always said, you've got to keep on top of what you're doing. You can't fall behind, so by having the staff and the people available when we need them to support our growth, it's just helped immensely. It's been a great success.

**EG: What accomplishment are you most proud of?**

**LC:** I guess what I'm most proud of here is building the staff that we have here in Vermont. I think the staff that we've put together here is second to none as a regulatory staff. They have loads of experience. They all come from the captive industry. They're all CPAs or CFEs, they run the whole gamut. The depth is unbelievable. The gentleman who is taking my place, Dave Provost, basically was No. 3 in the pecking order here, but then again, Dave wanted the job and he was well qualified to take the job. I couldn't be happier that they chose Dave Provost to replace me. Dave has got 20 years experience in the business, he's worked with some major brokers, major management companies—Marsh, AIG, so on and so forth. So again, the depth and the experience we have is phenomenal, so I guess you'd have to say that's one of the things that I look back upon that I feel proud about.

**A Unique Industry Demands a Targeted Focus.**



Over the past two decades, Johnson Lambert & Co. LLP has demonstrated a commitment to meeting the specific needs of the insurance industry. From our newest professionals to our partners, we possess a unique depth of expertise to serve your organization.

- Financial Statement Audit
- Internal Control Review
- Tax Compliance
- Tax Planning & Consultation

**EG: With you leaving, and Derick White, former director of Captive Insurance, departing not long ago, Vermont is entering a new era of leadership. What's the future of Vermont's captives?**

**LC:** The outlook is very positive. Derick did leave, and we had Peter Raymond, who was the director of our financial examinations section, take over Derick's position as director. Pete has 20 years experience in this business. He's been with us 18 years in this department. So we're not going to skip a beat by having Pete move into Derick's position, nor should we skip any beats by having Dave take over my position. They all have the right regulatory attitude, the pro-

**JOHNSON LAMBERT & CO. LLP**

CPAs AND CONSULTANTS

(802) 383-4800 Burlington, VT  
 Jprescott@jlco.com or Mwelch@jlco.com  
 www.jlco.com

Burlington, VT  
 Charleston, SC  
 Jacksonville, FL  
 Raleigh, NC  
 Red Bank, NJ  
 Falls Church, VA



**“I THINK WE’VE SET THE STRUCTURE HERE AND IT WILL CONTINUE, IT WILL BE BUILT UPON. IF NOTHING ELSE, IT WILL BE STRENGTHENED. CHANGE IS NOT BAD, CHANGE IS GOOD SOMETIMES.”**

—Len Crouse, outgoing deputy commissioner, Captive Insurance Division

business attitude, and those things are important in this market.

**EG: Do you have any bits of wisdom to impart before you leave?**

LC: No. I mean, I don’t know if there will be management changes, but that will be up to Dave. I think we’ve set the structure here and it will continue, it will be built upon. If nothing else, it will be strengthened. Change is not bad, change is good sometimes. Who knows? I think going forward the staff that’s here now is more than qualified to run this department.

**EG: What will you miss when you leave?**

LC: I’ll miss the people. I think often about licensing 600 captives in my tenure here and as you know, one of our requirements is that every company come up and meet with us here. Meet with me personally and talk about what they want to do. And it’s an average of two or three people in every single meeting, so you can do the math. The people I’ve met over the years are from Fortune 50 companies to small companies. It’s been wonderful, the friendships and the relationships that I’ve built up over the years. I



**GOLFERS TAKE** some practice shots before teeing off in the 7th Annual Baniak-Kenneson Invitational Scratch & Duff Golf Outing that coincided with the annual conference of the Vermont Captive Insurance Association in Burlington, Vt. last August.

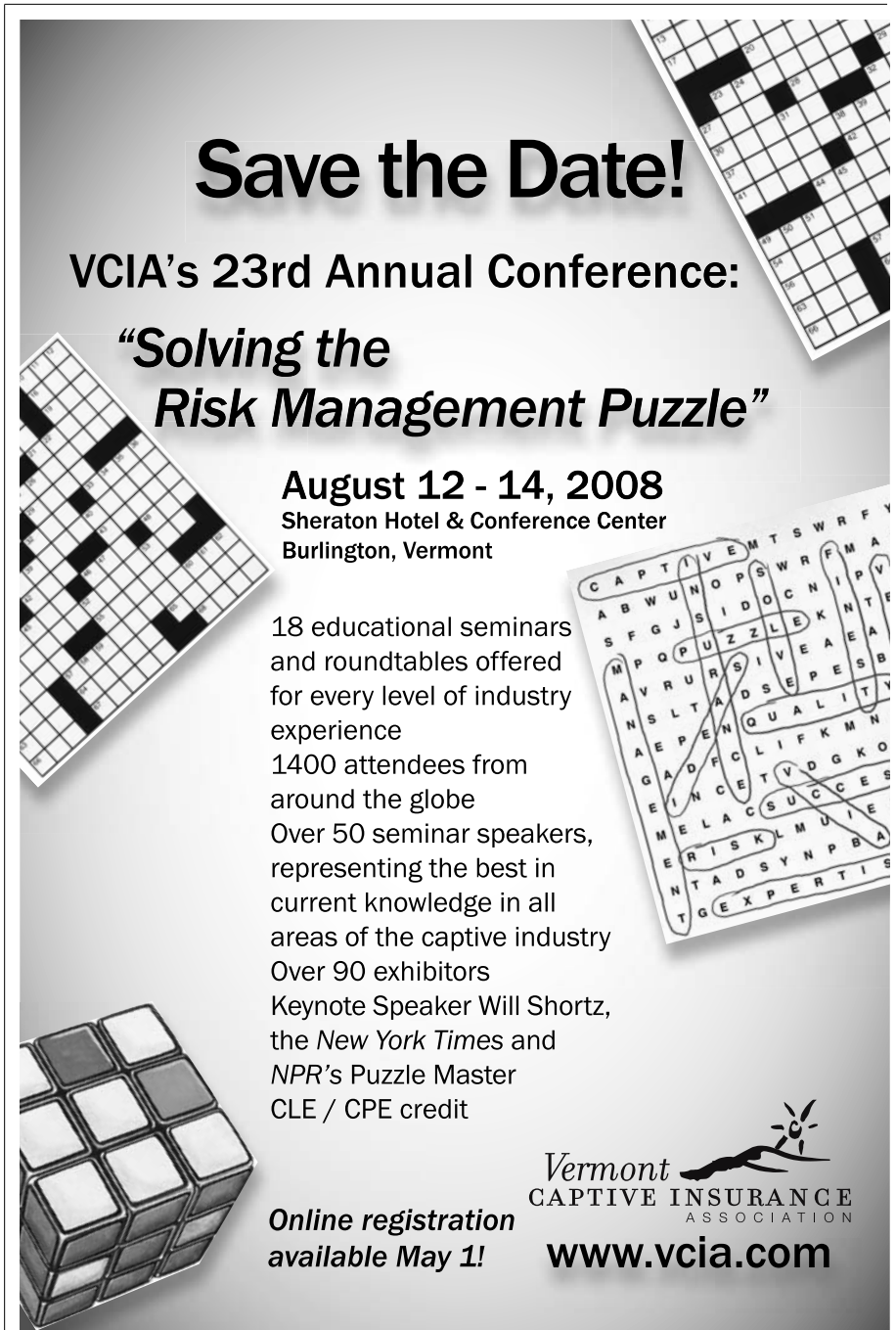
hope it will continue and we’ll be able to touch base and see these folks at

various functions and conferences.

**EG: What won’t you miss?**

LC: I’m not going to miss the 8-to-5 stuff. I’ll be able to sleep a little later, play more golf and spend more time with my grandkids. I just think it’s time, but you know, I’m excited about retirement too. I’m excited about maybe doing some new things and just changing my lifestyle a little bit.

**ERIN GAZICA** is associate editor of Risk & Insurance®. She can be reached at [egazica@lrp.com](mailto:egazica@lrp.com).



# Save the Date!

## VCIA’s 23rd Annual Conference:

### “Solving the Risk Management Puzzle”

**August 12 - 14, 2008**  
 Sheraton Hotel & Conference Center  
 Burlington, Vermont

18 educational seminars and roundtables offered for every level of industry experience  
 1400 attendees from around the globe  
 Over 50 seminar speakers, representing the best in current knowledge in all areas of the captive industry  
 Over 90 exhibitors  
 Keynote Speaker Will Shortz, the *New York Times* and NPR’s Puzzle Master  
 CLE / CPE credit

**Online registration available May 1!**

Vermont CAPTIVE INSURANCE ASSOCIATION  
[www.vcia.com](http://www.vcia.com)

COURTESY OF USA RISK GROUP