

RIMS Benchmark Book...The Live Event!

Sponsored By:



Hosted By:



About Advisen

Advisen generates, integrates, analysis and communicates unbiased, real-time insights for the global community of commercial insurance professionals. As a single source solution, Advisen helps the insurance industry to more productively drive mission-critical decisions about pricing, loss experience, underwriting, marketing, transacting or purchasing commercial insurance.

www.advisenltd.com

Are you tweeting?! @Advisen



Many Thanks to our Sponsor!



Many Thanks to our Co-Producer!



RIMS Benchmark Book...The Live Event!

<http://www.advisenltd.com/events/>

- Recording of today's webinar
- Copy of these slides

The screenshot shows the Advisen website page for the event. The header includes the Advisen logo and navigation links for Brokers, Insurers, and Risk Professionals. The main content area features the event title, date (July 16, 2014 at 11am EDT), and a description of the webinar. A list of panelists is provided, including Bobby Bowden, Wesley Dupont, Steve Truona, Michael Liebowitz, and Jim Blinn. A 'Register' button is visible. The footer contains contact information and a list of services offered by Advisen.

Today's Moderator



Jim Blinn

Executive Vice President and Principal
Advisen Ltd.

RIMS Benchmark Book

Available for pre-order:

<http://rims.org/book>

New! With information on:

- **14 Industries + Canada**
- **6 Insurance Coverages**
- **MSCAd Large Loss Cases for each industry**



RIMS Benchmark Survey™

- Benchmark limits, deductibles/retentions, Total Cost of Risk, and other metrics
 - By industry
 - By line of business
 - Canada
- Major industry events
 - Legislation
 - Regulation
 - Litigation
- Analyze 6 coverages
 - Major Insurers
 - Limits purchased & Deductibles/Retentions Assumed

Total Cost of Risk

2013 Cost of Risk per \$1,000 of Revenue

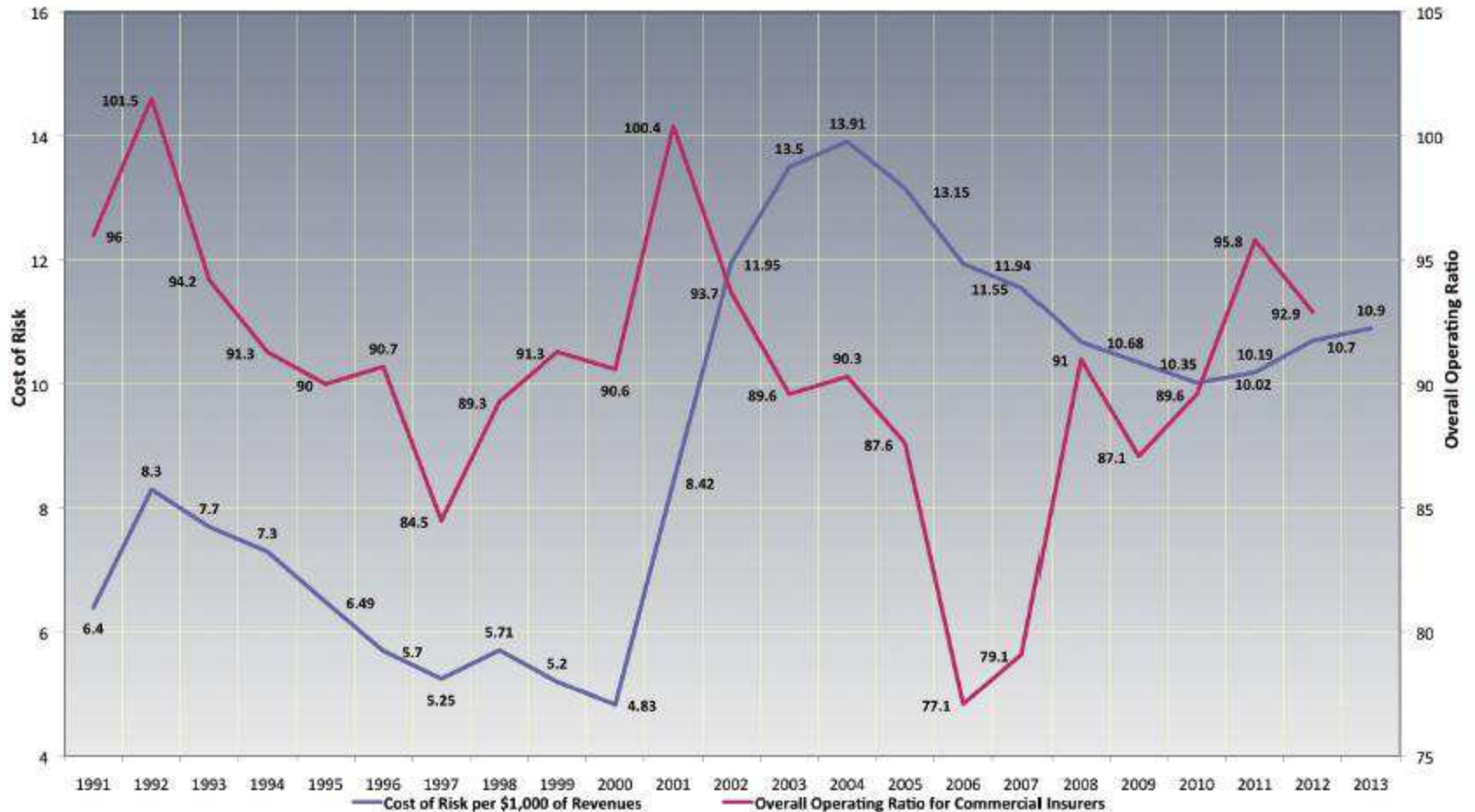
Less than or equal to 1B	First Quartile	Median	Third Quartile	Average	Market Basket
Domestic Property Premiums	0.76	1.47	3.62	5.02	4.58
Foreign Property Premiums	0.02	0.02	0.09	0.22	0.05
Total Property Premiums	0.73	1.56	3.84	5.18	4.27
Property Retained Losses	0.00	0.00	0.08	0.32	0.26
Total Property Costs	0.73	1.62	4.42	5.26	4.53
General & Products Liability Premiums	0.30	0.72	1.76	1.79	1.35
Automobile Liability Premiums	0.04	0.24	0.57	0.94	0.44
International/Foreign Liability Premiums	0.01	0.03	0.07	0.18	0.05
Pollution/Environmental Liability Premiums	0.03	0.04	0.31	0.35	0.37
Umbrella/Excess Premiums	0.31	0.72	1.51	3.24	1.49
Total Liability Premiums	0.40	1.73	4.02	5.18	3.83
Liability Retained Losses	0.00	0.05	0.47	0.40	0.24
Total Liability Costs	0.47	1.88	4.22	5.35	4.07
Directors & Officers Liability Premiums	0.19	0.44	0.99	1.52	1.03
Public Officials Liability Premiums	0.21	0.28	0.42	0.56	0.04
Employment Practices Liability Premiums	0.09	0.17	0.37	0.42	0.13
Fiduciary Liability Premiums	0.02	0.05	0.11	0.14	0.06
Total Management Liability Costs	0.22	0.51	1.18	1.48	1.29
Excess Workers Compensation Premiums	0.15	0.36	0.75	0.71	0.13
Primary Workers Compensation Premiums	0.52	1.17	2.70	2.53	2.12
Total Workers Compensation Premiums	0.41	1.01	2.44	2.28	2.28
Workers Compensation Retained Losses	0.15	1.12	2.19	3.54	0.75
Total Workers Compensation Costs	0.50	1.49	3.35	3.75	3.03
Bankers Professional Liability Premiums	0.55	0.57	0.73	0.58	0.01
Educator Professional Liability Premiums	0.93	1.07	1.67	1.31	0.04
Total Professional Liability Costs	0.06	0.32	1.02	1.73	0.41
Managed Care Organization Premiums	0.04	0.77	1.68	1.38	0.03
Medical Malpractice - Other Premiums	0.03	0.09	0.18	1.21	0.01
Total Medical Malpractice Costs	0.05	0.15	1.07	2.27	0.17
Crime Premiums	0.03	0.05	0.11	0.32	0.23
Bankers Blanket Bond Premiums	0.15	0.26	0.38	0.64	0.02
Total Fidelity, Surety & Crime Costs	0.03	0.05	0.13	0.33	0.26
Ocean Marine - Cargo Premiums	0.03	0.05	0.20	0.14	0.01
Total Marine & Aviation Costs	0.03	0.08	0.27	1.23	0.32
Total Financial & Political Risk Costs	0.01	0.01	0.02	0.03	0.01
Total Premiums + Retained Losses	4.12	7.21	12.87	14.49	14.49
Costs for Outside Services	0.20	0.37	0.90	1.05	0.43
Risk Management Department Costs	0.33	0.63	1.65	2.41	1.44
Total Administrative Costs	0.24	0.54	1.37	1.65	1.87
Total Cost of Risk	4.77	7.55	13.42	16.36	16.36

2013 Cost of Risk per \$1,000 of Revenue

Greater than 1B	First Quartile	Median	Third Quartile	Average	Market Basket
Domestic Property Premiums	0.25	0.57	0.98	1.01	0.79
Foreign Property Premiums	0.02	0.05	0.21	0.20	0.01
Total Property Premiums	0.26	0.59	1.12	1.08	0.96
Property Retained Losses	0.00	0.17	1.45	1.16	0.50
Total Property Costs	0.27	0.62	1.15	1.37	1.46
General & Products Liability Premiums	0.02	0.05	0.14	0.14	0.10
Automobile Liability Premiums	0.01	0.03	0.08	0.08	0.06
International/Foreign Liability Premiums	0.00	0.02	0.06	0.07	0.03
Pollution/Environmental Liability Premiums	0.00	0.01	0.06	0.04	0.01
Umbrella/Excess Premiums	0.07	0.18	0.48	0.46	0.39
Total Liability Premiums	0.15	0.36	0.78	0.66	0.66
Liability Retained Losses	0.01	0.19	0.97	1.27	0.78
Total Liability Costs	0.17	0.50	1.29	1.06	1.44
Directors & Officers Liability Premiums	0.08	0.18	0.32	0.27	0.21
Public Officials Liability Premiums	0.08	0.08	0.08	0.08	0.00
Employment Practices Liability Premiums	0.02	0.05	0.07	0.06	0.02
Fiduciary Liability Premiums	0.01	0.02	0.04	0.03	0.02
Total Management Liability Costs	0.09	0.22	0.41	0.34	0.29
Excess Workers Compensation Premiums	0.02	0.04	0.17	0.12	0.03
Primary Workers Compensation Premiums	0.07	0.17	0.37	0.29	0.20
Total Workers Compensation Premiums	0.09	0.20	0.36	0.31	0.44
Workers Compensation Retained Losses	0.26	1.06	2.29	1.66	0.43
Total Workers Compensation Costs	0.14	0.35	1.43	1.05	1.27
Bankers Professional Liability Premiums	0.24	0.41	0.49	0.42	0.01
Educator Professional Liability Premiums	0.07	0.12	0.16	0.13	0.00
Total Professional Liability Costs	0.01	0.07	0.25	0.27	0.11
Managed Care Organization Premiums	0.09	0.24	0.33	0.50	0.02
Medical Malpractice - Other Premiums	0.01	0.06	0.72	0.37	0.01
Total Medical Malpractice Costs	0.02	0.2	0.61	1.03	0.10
Crime Premiums	0.01	0.01	0.02	0.03	0.02
Bankers Blanket Bond Premiums	0.02	0.06	0.09	0.07	0.00
Total Fidelity, Surety & Crime Costs	0.01	0.01	0.03	0.03	0.03
Ocean Marine - Cargo Premiums	0.01	0.02	0.05	0.06	0.02
Total Marine & Aviation Costs	0.01	0.02	0.05	0.14	0.10
Total Financial & Political Risk Costs	0.00	0.00	0.00	0.01	0.00
Total Premiums + Retained Losses	1.16	2.52	4.85	4.69	4.69
Costs for Outside Services	0.04	0.11	0.23	0.20	0.16
Risk Management Department Costs	0.05	0.15	0.27	0.44	0.19
Total Administrative Costs	0.04	0.15	0.30	0.32	0.35
Total Cost of Risk	1.27	2.74	5.22	5.04	5.04

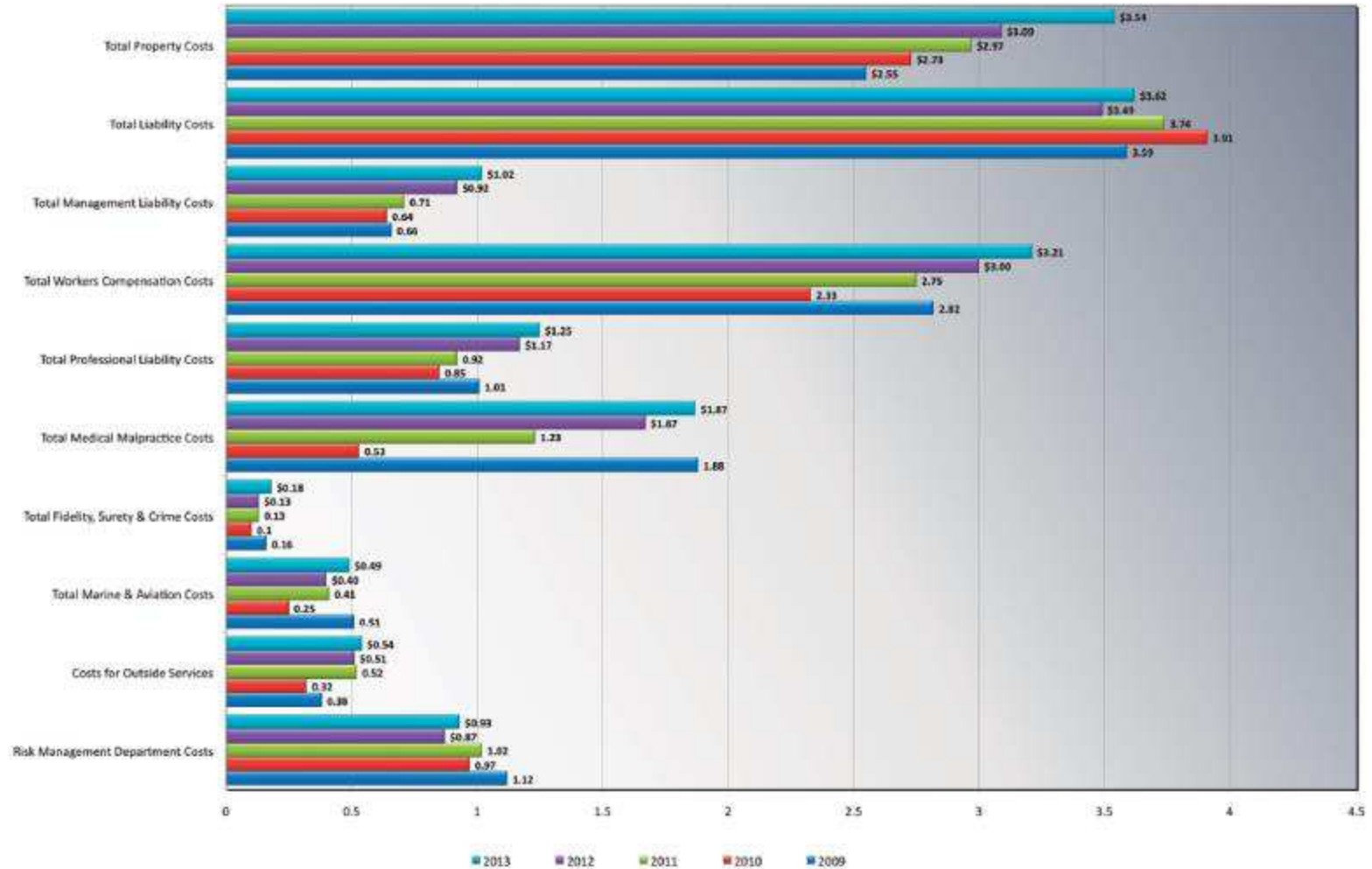
- Premiums
- Retained losses
- Outside services
- RM department costs

Cost of Risk vs Operating Ratio

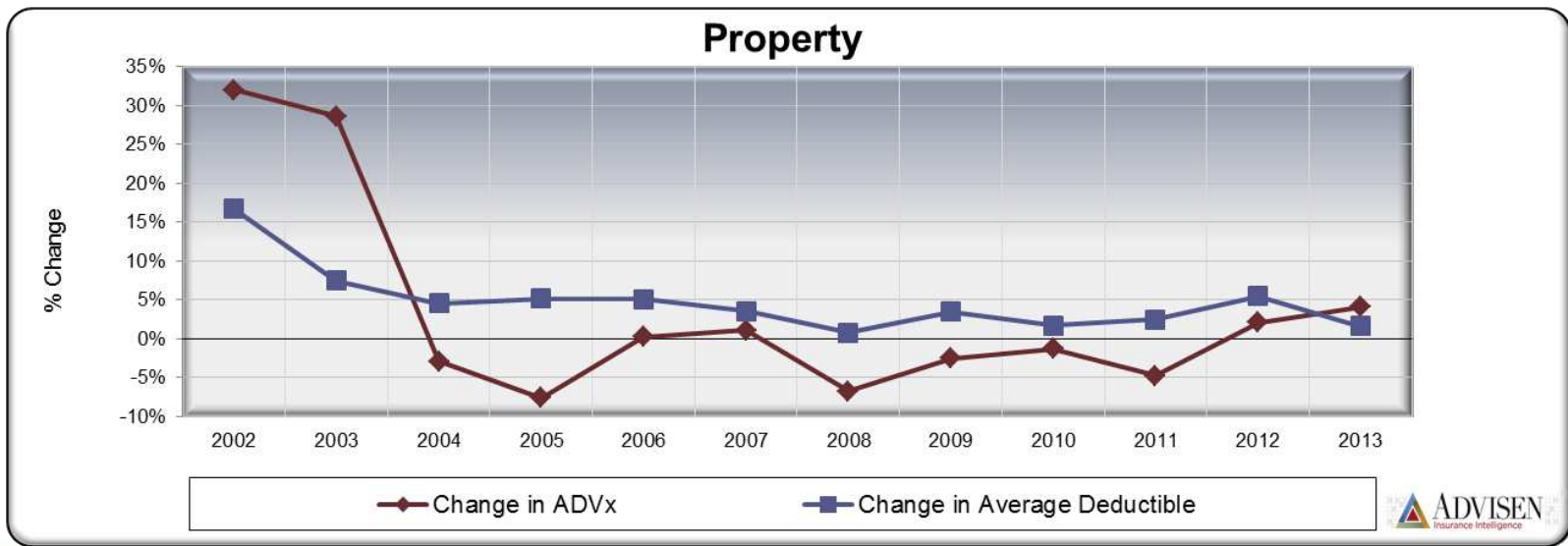


Cost of Risk Components by Year

Exhibit 3: 2009-2013 Components of the Cost of Risk per \$1,000 of Revenues

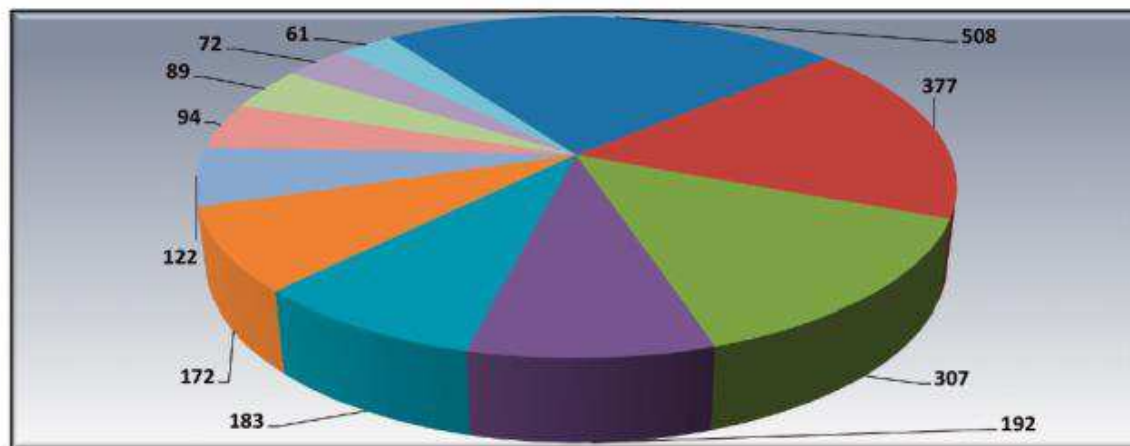


Retentions vs Price Changes

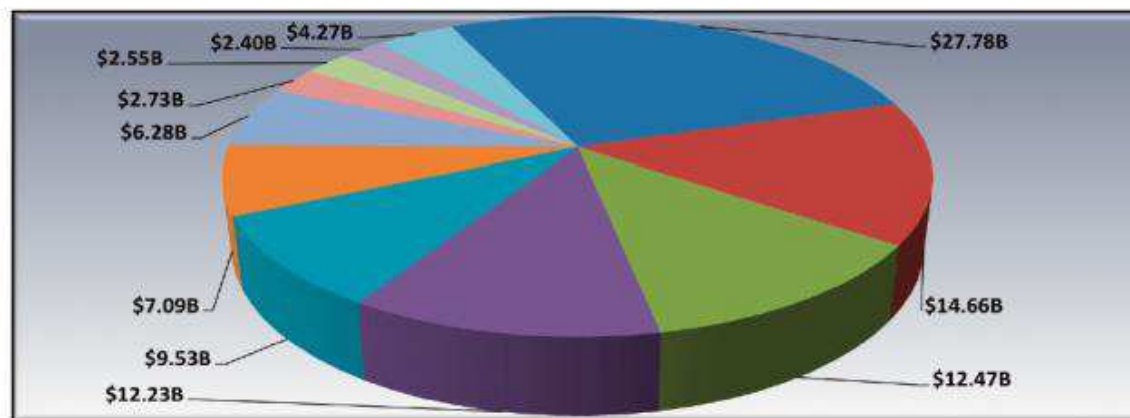


Large Losses

Total # of Listed Cases for 2013



Total \$ Amount for Listed Cases 2013



Today's Panelists



Wesley Dupont

Executive Vice President & General Counsel

Allied World



Bobby Bowden

Executive Vice President, Chief Marketing Officer, U.S.
Branch Network and Business Development

Allied World

Today's Panelists



Steve Truono

Vice President, Global Risk Management

Starwood Hotels



Michael Liebowitz

Senior Director, Insurance and Enterprise Risk
Management

New York University

Risk Managers renewals million
Market market Brokers
Risk Insurance insights
State retention premiums
RIMS CFOs Benchmark per rate
soft strategies limits Cost hard capacity Survey Buyers trends
appetite

Subscribe to the Advisen Risk Network

- The Advisen Risk Network gives members immediate access to the latest risk-related content enabling them to **integrate risk into business initiatives to drive growth and profitability**.
- The Risk Network links risk beyond hazards to a **360-degree risk framework** including **financial, strategic and operational risks**.
- Members will enjoy the following network benefits:
 - Access to Advisen's proprietary data
 - Leverage Advisen's domain expertise for exclusive news and analysis
 - Exclusive networking opportunities within niche communities
- Learn more via - <http://www.advisenltd.com/networks/risk/>

Many Thanks to our Sponsor!



Many Thanks to our Speakers!



Wesley Dupont

Allied World



Bobby Bowden

Allied World



Steve Truono

Starwood Hotels



Michael Liebowitz

New York University

RIMS Benchmark Book...The Live Event!

<http://www.advisenltd.com/events/>

- Recording of today's webinar
- Copy of these slides

The screenshot shows the Advisen website page for the 'RIMS Benchmark Book...The Live Event'. The page features the Advisen logo at the top left, navigation menus for News, Networks, Events, Research, Reports, Analytics Products, Solutions, and About Advisen. The main content area includes the event title, date (July 16, 2014 at 11am EDT), a description of the webinar, a list of panelists (Bobby Bowden, Wesley Dupont, Steve Truona, Michael Liebowitz, and Jim Blinn), and a 'Register' button. There are also contact information sections for Sales & General Information, Customer Support, and Advertisers or Sponsors. The footer contains copyright information and a list of services offered by Advisen.

Upcoming Advisen Webinars

Visit <http://www.advisenltd.com/events/webinars/> for the 2014 webinar schedule

Cyber Sanity: Innovative Approaches to Data Security

Tuesday, July 22, 2014 at 11am EDT

Register via: <http://www.advisenltd.com/events/webinars/2014/07/22/cyber-sanity-innovative-approaches-data-security/>

Quarterly D&O Claims Trends: Q2

Thursday, July 24, 2014 at 11am EDT

Register via: <http://www.advisenltd.com/events/webinars/2014/07/14/quarterly-claims-trends-q2/>

Upcoming Advisen Conferences

Visit <http://www.advisenltd.com/events/conferences/> for the 2014 conference schedule

Management Liability Insights Conference, New York

Tuesday, September 23, 2014 at 8am EDT

Register via: <http://www.advisenltd.com/events/conferences/2014/09/23/management-liability-insights-conference-new-york/>

Cyber Risk Insights Conference, New York

Tuesday, October 28, 2014 at 8am EDT

Register via: <http://www.advisenltd.com/events/conferences/2014/10/28/cyber-risk-insights-conference-new-york/>

Contact Us

Advisen Ltd.

1430 Broadway

8th Floor

New York, NY 10018

<http://www.advisenltd.com/>

Phone: +1.212.897.4800

advisenevents@advisen.com

Are you tweeting?! @Advisen

