



 THE COUNCIL

COMMERCIAL PROPERTY/ CASUALTY MARKET INDEX

Q2/2021



Commercial Property/Casualty Market Index

Q2/2021

EXECUTIVE SUMMARY

The following are key takeaways from The Council of Insurance Agents & Brokers' *Commercial Property/Casualty Market Report Q2 2021 (April 1 – June 30)*:

- Q2 2021 was the 15th consecutive quarter of increased premiums, with respondents reporting an average increase of 8.3% across all-sized accounts.
- Premiums increased for all lines of business for the 5th consecutive quarter, though price increases for all lines moderated in Q2 2021 compared to previous quarters. The only exception was Cyber, which recorded the highest premium increase out of all lines, 25.5%, surpassing the 17.4% increase in Umbrella by a significant margin.
- Respondents agreed a rise in ransomware attacks, combined with lackluster risk management protocols and lack of employee training, was one of the primary drivers behind the notable increase in Cyber prices.
- Underwriting tightened significantly for troubled lines like Cyber and Umbrella. Additionally, capacity contracted for both of those lines, with more than 80% of respondents reporting a decrease in capacity for Cyber, and more than 70% reporting the same for Umbrella.

PREMIUM PRICING

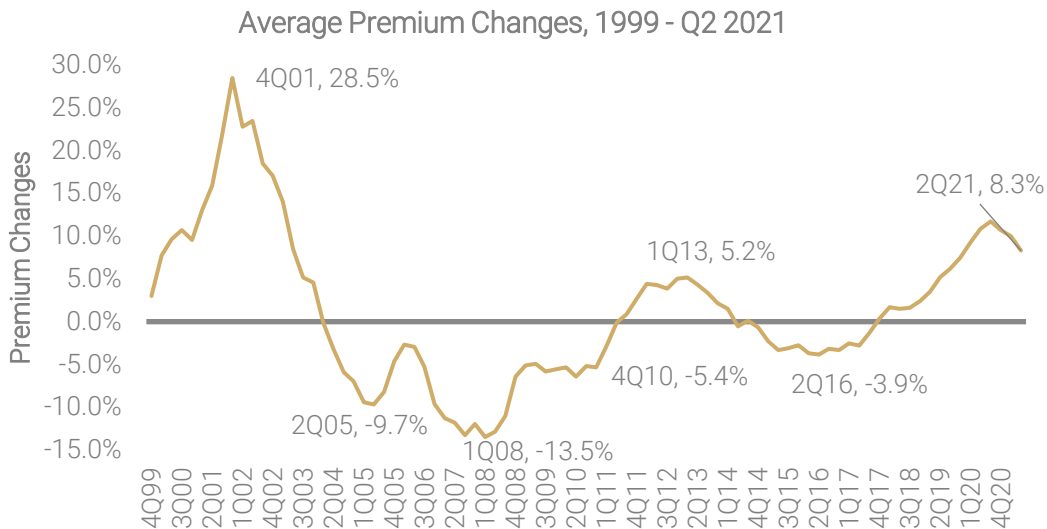
Respondents reported that premium prices increased for the 15th consecutive quarter, though the rate of these increases moderated in Q2 2021, continuing a trend that began after the peak of price increases in Q3 2020. The average price increase across all account sizes was 8.3% in Q2 2021, compared to 10% in Q1 2021.

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size			
	SMALL	MEDIUM	LARGE	AVERAGE
Second Quarter 2021	6.2%	9.4%	9.3%	8.3%
First Quarter 2021	6.3%	10.9%	12.9%	10.0%
Fourth Quarter 2020	6.7%	11.7%	13.7%	10.7%
Third Quarter 2020	7.1%	12.7%	15.3%	11.7%
Second Quarter 2020	7.3%	11.0%	14.2%	10.8%
High	20.8%	31.7%	33.0%	28.5%
High Date	4Q01	4Q01	4Q01	
Low	-10.0%	-15.0%	-15.9%	-13.6%
Low Date	1Q08	3Q07	3Q07	

Source:
The Council of Insurance Agents & Brokers

Breaking this down by account size, large accounts experienced an average increase of 9.3%, compared to 12.9% in Q1 2021, while medium accounts recorded a slightly higher increase, at 9.4%, versus 10.9% in Q1 2021, demonstrating the pace of price increases slowed in Q2 2021. Small accounts once again recorded the lowest average price increase, at 6.2%.



PREMIUM PRICING BY LINE OF BUSINESS

The average premium price increase for the five major lines was 8.1% in Q2 2021, compared to 9.6% in Q1 2021 and 10.2% in Q4 2020. Prices were still up for all lines of business in Q2 2021, including Workers' Compensation.

Cyber had the highest price increase out of all commercial lines in Q2 2021, at 25.5%, higher than Umbrella at its peak in Q3 2020 at 22.9%. Cyber was also the only line this quarter with an average increase exceeding 20%.

"Carriers continued to approach writing Cyber risk with caution in Q2 2021," said Ken A. Crerar, President/CEO of The Council. "The rapid increase in ransomware attacks highlighted the need for brokers to work with clients to develop and practice robust risk management strategies to confront the growing threat. In a world where costly

cyberattacks are becoming the norm rather than the exception, the broker is in a unique position to help clients identify vulnerabilities, find coverage and protect their firms.”

BY-LINE SECOND QUARTER 2021 RATE CHANGES RANGED FROM 0.3% TO +17.4%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Second Quarter 2021	6.8%	0.3%	9.9%	6.0%	17.4%	8.1%
First Quarter 2021	9.0%	1.0%	12.0%	6.2%	19.7%	9.6%
Fourth Quarter 2020	9.1%	0.4%	12.9%	7.3%	21.3%	10.2%
Third Quarter 2020	11.0%	1.5%	14.2%	6.7%	22.9%	11.3%
Second Quarter 2020	9.6%	0.7%	13.3%	6.8%	20.0%	10.1%
High	28.6%	24.9%	45.4%	26.0%	51.9%	35.3%
Low	-11.6%	-12.3%	-15.0%	-13.6%	-13.5%	-13.2%

Source:

The Council of Insurance Agents & Brokers

Aside from Cyber, Umbrella and Directors & Officers were the only other two lines that recorded price increases above 10% in Q2 2021, at 17.4% and 13.4%, respectively.

RATE CHANGES IN OTHER LINES

	2021	High	Low
Broker E&O	3.7%	15.4%	-4.5%
Business Interruption	6.7%	28.8%	-10.2%
Construction	6.4%	38.7%	-10.7%
Cyber	25.5%	25.5%	-1.5%
D&O Liability	13.4%	32.4%	-8.7%
Employment Practices	8.9%	21.9%	-8.1%
Flood	4.5%	8.6%	-2.7%
Marine	4.0%	4.5%	-10.6%
Medical Malpractice	5.4%	32.5%	-4.1%
Surety Bonds	1.8%	11.2%	-2.3%
Terrorism	1.9%	10.4%	-3.6%

Source:

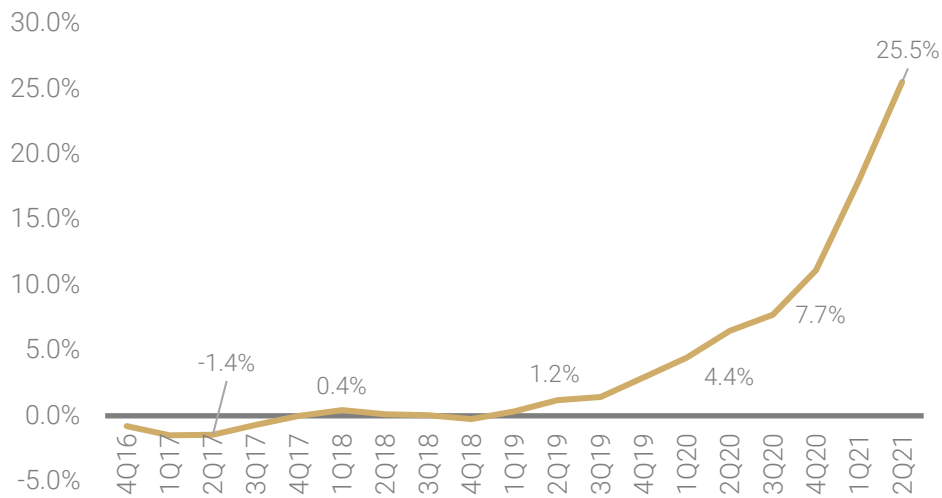
The Council of Insurance Agents & Brokers

NOTABLE LINES OF BUSINESS

CYBER

As noted previously, while prices for all other commercial lines continued to moderate in Q2 2021, Cyber prices climbed sharply, with respondents reporting an average price increase of 25.5%, compared to 18% in Q1 and 11.1% in Q4 2020. This quarter the survey fielded several questions asking what respondents believed drove the significant price increases in this space as well as how carriers explained these increases, in hopes of painting a clearer picture of the factors driving these Cyber premium increases.

Premium Change for Cyber, Q4 2016 - Q2 2021



Overwhelmingly, respondents concurred that an increase in frequency and severity of Cyber claims contributed to the line's premium increases in recent quarters—an increase that some respondents described as “alarming.” Indeed, when respondents were asked if they had clients who were reimbursed by their insurer for ransom payments after a ransomware attack, 64% of them said they did, with one respondent saying they saw “30+ [payouts] in the first half of this year alone.” And some of those who didn't clarified that their clients that suffered an attack did not purchase coverage or explained that their client was able to recover and rebuild their database without paying ransom so no claim for ransom reimbursement was pursued.

Most respondents also agreed that the recent uptick in ransomware attacks was one of the primary reasons behind the increase in claims, compounded by “poor risk management protocols” and “lack of sufficient employee training to ward off cyberattacks.”

Carrier explanations for price increases generally supported respondents' views of the situation. According to one respondent from a large Northwestern firm, carriers “all pointed to the dramatic increase in cybercrime and cyberattacks across all industries. ...Also, greater claims payouts were a major factor.” Respondents explained that the increases were even greater if the insured “did not have the right controls in place.”

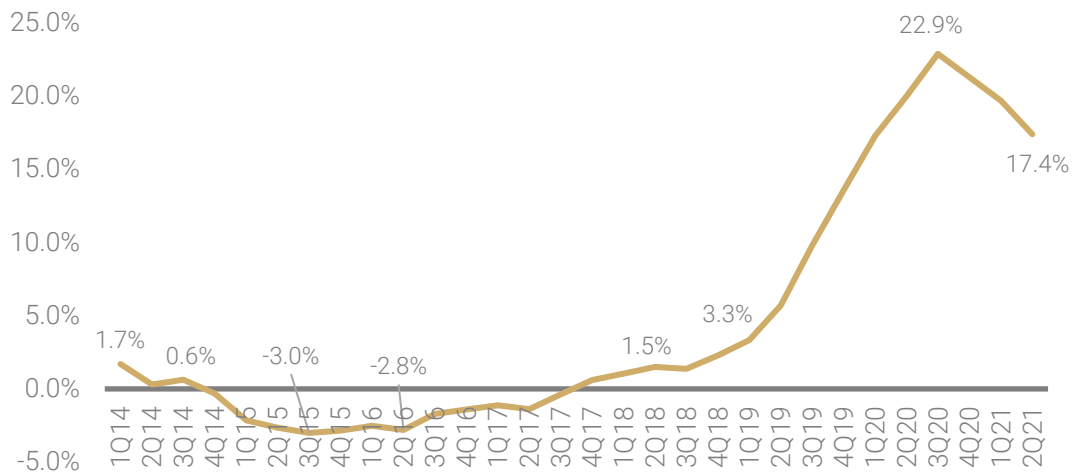
Respondents also mentioned carriers noted “more stringent state/federal/international regulatory environment” and “social engineering schemes and increased litigation costs” as justification for pricing increases.

As one respondent from a large Midwestern firm summed it up, “We have a very broad product that was overall underpriced for the scope of coverage. Now that attacks are more prevalent, particularly in the ransomware space, the carriers are paying out a lot more than they have historically and more than their previous actuarial analysis predicted so they need to get more premium for their product.”

UMBRELLA

Prices for Umbrella continued to increase in Q2 2021, with respondents reporting an average increase of 17.4%, down from 19.7% in Q1 2021.

Premium Change for Umbrella, 2014 - Q2 2021

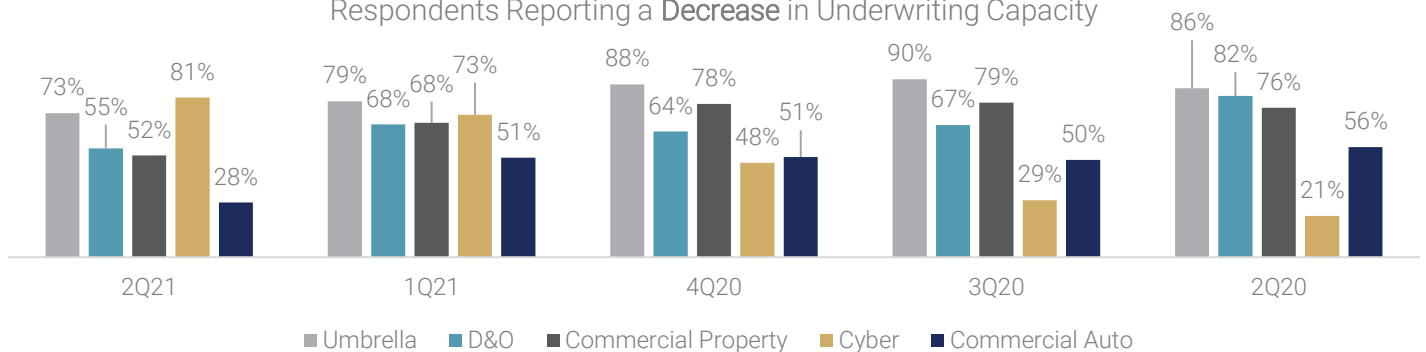


Though Cyber was the most troubled line this quarter, respondents agreed that Umbrella continued to experience issues. Respondents described “huge increases in Umbrella premiums in a shrinking market place,” and mentioned how “Umbrella Excess Liability capacity continued to drop, requiring more insurers to complete towers.” Survey results supported this claim with 73% of respondents noting a decrease in Umbrella capacity.

It is likely factors discussed at length in previous surveys—nuclear verdicts, social inflation, historical underpricing of this line—continued to drive premium increases in Umbrella this quarter. In the words of one respondent, “Excess liability increases continued and capacity was very low. Jury awards were off the charts. Social inflation was our new world.”

UNDERWRITING

Respondents Reporting a Decrease in Underwriting Capacity



UNDERWRITING BY LINE OF BUSINESS

“The most significant change in underwriting award goes to Cyber this quarter,” said one respondent from a large Northwestern firm. “Cyber carriers continued to reduce limits deployed per client from \$10M to \$5M, most are still offering \$5M. Simultaneously, retentions are being increased 100%+. ...Underwriters have made their budgets with increased rates on existing business and have little incentive to write more, thus many declinations. Excess markets are reluctant to drop down on sublimits and are charging almost the same as the primary insurer.”

Alongside cut limits and increased premiums, respondents mentioned carriers significantly increased underwriting scrutiny when it came to Cyber and were much stricter about additional risk management protocols. “Cyber insurers demanded confirmation of endpoint protection, multi-factor authentication and backup separated by air [i.e. keeping a backup of their systems physically isolated from the rest of the network],” explained one respondent from a large Southeastern firm.

As for other lines, “There have been wholesale changes in deductibles, limits, terms and conditions, renewal pricing and new business pricing across the board. Carriers were asking for significantly more historical information,” said one respondent from a midsize Southwestern firm. Said another respondent from a large Northeastern firm, “As with Q1 2021, greater scrutiny was the theme. Capacity was more carefully deployed, submissions were declined more often, and rates increased. Retentions were pushed to higher levels as claims severity remained an issue on the minds of nearly all carriers.”

Lines specifically highlighted by respondents included D&O and Commercial Property. Respondents said that “Coverage was hard to find for Commercial Property and D&O,” and noted that in some cases claims-free accounts for D&O still saw significant pricing increases. Respondents also agreed there was upward pressure on Commercial Property deductibles, such as for wind/hail.

UNDERWRITING BY ACCOUNT SIZE

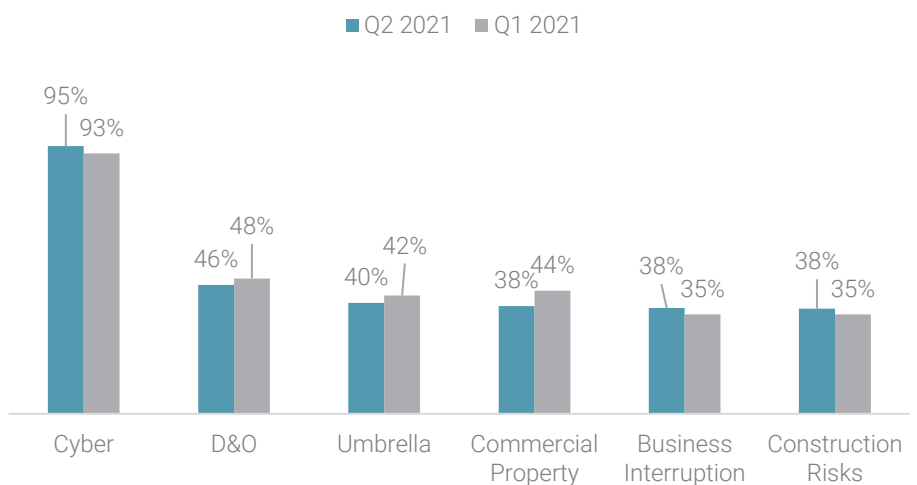
Rate increases were also a common theme across all account sizes. Respondents agreed that both medium and large accounts saw “heavy increases,” and that while small accounts saw increases, they were generally less significant than those for medium and large accounts.

Respondents also noted stricter scrutiny during underwriting, especially for medium and large accounts. “All aspects of middle market accounts, from property guidelines, motor vehicle records, and Umbrella limits were being reviewed,” said one respondent from a large Southeastern firm. And for large accounts, another respondent noted “Capacity is limited and appetite for risks was more restrictive. Many were finding it easier to decline business.”

DEMAND

As Cyber premiums increased dramatically, so too did demand for the line: 95% of respondents said there was an increase in demand for Cyber, with more than a third describing that increase as “significant.” As one respondent from a Northwestern firm explained, “As available Cyber capacity per carrier shrank, the demand from our clients is increased. ...Clients who haven't typically purchased cyber in the past were requesting coverage.” Some respondents also noted that the clients who experienced a data breach or other cyberattack and did not have Cyber coverage at the time did an about-face and requested coverage.

Respondents Reporting an Increase in Demand

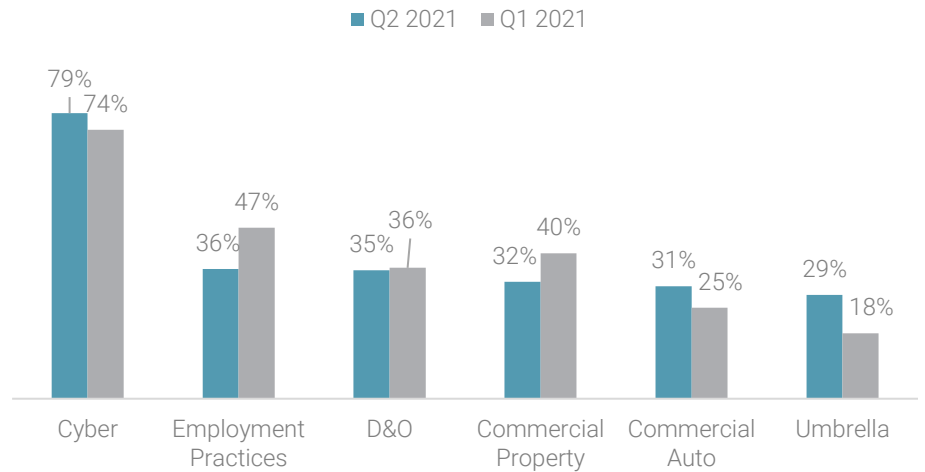


Apart from Cyber, demand for other lines remained relatively stable.

CLAIMS

Respondents Reporting an Increase in Claims

More than three-quarters (79%) of respondents said there was an increase in Cyber claims in Q2 2021, supporting respondents' assessments that the rise in claims was one of the main reasons for the rapid increase in Cyber premiums. There was also an uptick in Umbrella claims, with 29% of respondents reporting an increase in Umbrella claims in Q2 2021, compared to 18% in Q1, as seen in the chart.



Respondents tended to attribute the increase in claims to the reopening of businesses across the country.

Aside from Cyber, Umbrella, and Commercial Auto, claims for all other lines either stayed at around the same level in Q2 2021 as in Q1 2021 (e.g. D&O) or the number of respondents reporting an increase in claims fell (e.g. Employment Practices, Commercial Property).

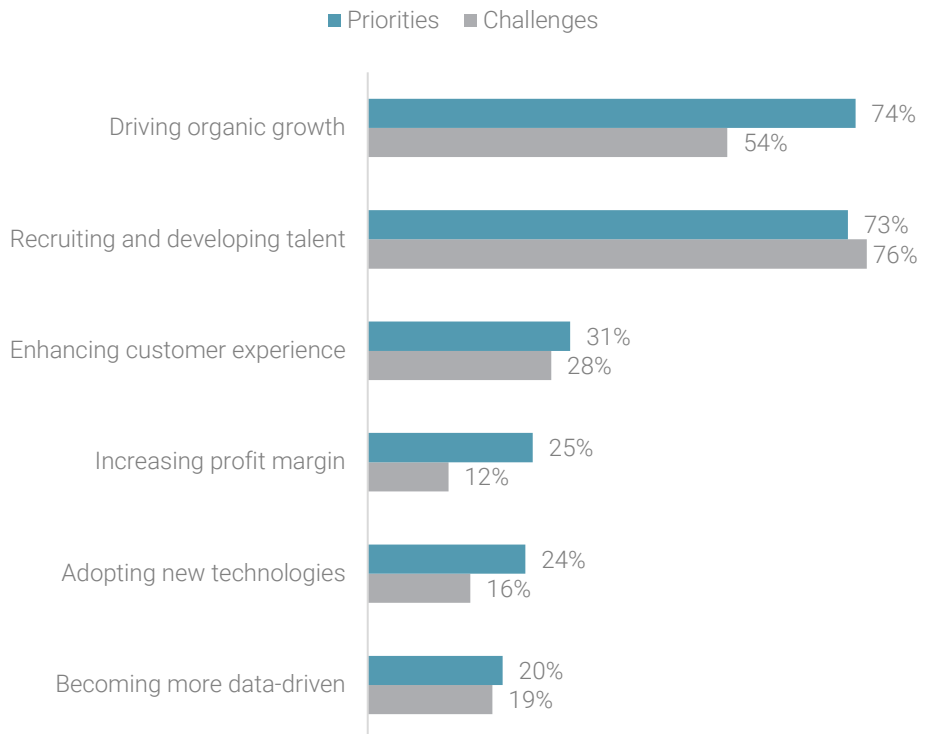
PRIORITIES AND CHALLENGES

“Driving organic growth” was again the top priority for 74% of brokers in Q2 2021, though interestingly only 54% of respondents named it as one of their top three challenges. And as usual, “recruiting and developing talent” was also a top priority for brokers this quarter, with 73% of respondents identifying it as such.

“Organic growth was difficult in 2020 for obvious reasons. These reasons continue to be a concern in 2021,” said one respondent from a large Northwestern firm. “In the past our approach was obtaining new producers and their staff in areas that would complement our current book. We recently announced we will be merging with a smaller, yet more technology driven insurance brokerage, which has a significant number of producers with a fantastic 2021 hit ratio.”

Most other respondents described pursuing similar strategies to drive organic growth, mentioning that they were “hiring good new talent, investing in technology and helping our current staff expand their books” as well as “incenting existing producers with additional commission for new growth and cross selling existing accounts,” demonstrating again how closely organic growth and talent development are intertwined.

Top Broker Priorities and Challenges for Q2 2021



Aside from those strategies, brokers said they were leaning into making things more efficient for their clients, for example by “leveraging our partners to create a more embedded buying experience for their customers.” Others said they were trying to develop a unique value proposition to differentiate themselves from other firms in order to attract clients, by “offering enhanced services not offered by most traditional agents/brokers.”

Some brokers’ strategies for recruitment also demonstrated the impact the pandemic had in changing attitudes towards working remotely. “In recruiting, we do not need for people to be in an office—they can sell and service from remote locations,” noted one respondent from a large Midwestern firm. “The talent pool has become limited in San Francisco. The pandemic and the high cost of housing has limited transplants,” explained another respondent from a large Northwestern firm. “We are opening up to the idea of people working from home and being located in other geographies.”

Nevertheless, respondents acknowledged that despite current market conditions there were still many opportunities for a firm to grow. The use of technology was a key theme in responses about future opportunities for brokers: “The brokers that invest in and adopt new technology to improve the efficiency of what they do and also improves the customer experience will be very successful in the future,” said one respondent, with another commenting that there were “Great opportunities for those that adopt technology to improve efficiencies and customer care.”

Becoming a “trusted advisor” was another key opportunity respondents identified. “Changing conditions in the economy, politics, taxes, etc. create opportunities for brokers to be able to act as a trusted advisor,” said one respondent from a large Northeastern firm. “Brokers need to remain strong advocates for their clients by telling both the underwriters AND the clients the harsh realities of the day,” said another. “We need to pursue new products that may be more tailored to specific client needs and be ready to create bespoke policies and procedures to respond to these needs.”

The Council of Insurance Agents & Brokers is the premier association for the top regional, national and international commercial insurance and employee benefits intermediaries worldwide. Council members are market leaders who annually place 85 percent of U.S. commercial property/casualty insurance premiums and administer billions of dollars in employee benefits accounts. With expansive international reach, The Council fosters industry wide relationships around the globe by engaging lawmakers, regulators and stakeholders to promote the interests of its members and the valuable role they play in the mitigation of risk for their clients. Founded in 1913, The Council is based in Washington, D.C.

**BELOW ARE THE SURVEY RESULTS FOR:
ALL REGIONS**

1. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	1.14%	2.27%	9.09%	67.05%	11.36%	4.55%	1.14%	0.00%	3.41%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	1.14%	2.27%	3.41%	46.59%	38.64%	5.68%	1.14%	0.00%	1.14%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	2.25%	3.37%	43.82%	39.33%	4.49%	1.12%	0.00%	5.62%

2. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Business interruption	0.00%	0.00%	1.15%	2.30%	17.24%	56.32%	18.39%	3.45%	0.00%	1.15%	0.00%
Broker E&O	0.00%	0.00%	0.00%	1.23%	34.57%	35.80%	12.35%	2.47%	0.00%	0.00%	13.58%
Commercial auto	0.00%	0.00%	0.00%	3.49%	10.47%	59.30%	23.26%	3.49%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	1.15%	2.30%	8.05%	42.53%	31.03%	13.79%	1.15%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	2.41%	20.48%	44.58%	26.51%	3.61%	0.00%	0.00%	2.41%
Cyber	0.00%	0.00%	0.00%	0.00%	4.65%	8.14%	27.91%	27.91%	23.26%	8.14%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	9.41%	30.59%	28.24%	24.71%	5.88%	0.00%	1.18%
Flood	0.00%	0.00%	0.00%	0.00%	43.37%	28.92%	22.89%	0.00%	0.00%	0.00%	4.82%
Employment practices	0.00%	0.00%	0.00%	0.00%	15.29%	40.00%	35.29%	7.06%	1.18%	0.00%	1.18%
General liability	0.00%	0.00%	0.00%	2.35%	15.29%	58.82%	22.35%	1.18%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	3.57%	30.95%	44.05%	13.10%	1.19%	0.00%	0.00%	7.14%
Medical malpractice	0.00%	0.00%	0.00%	1.27%	39.24%	21.52%	17.72%	6.33%	0.00%	1.97%	12.66%
Surety bonds	0.00%	0.00%	0.00%	1.27%	60.76%	24.05%	0.00%	0.00%	0.00%	1.27%	12.66%
Terrorism	0.00%	0.00%	0.00%	0.00%	72.29%	19.28%	1.20%	0.00%	0.00%	1.20%	6.02%
Umbrella	0.00%	0.00%	0.00%	0.00%	8.14%	19.77%	25.58%	33.72%	12.79%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	1.15%	32.18%	44.83%	18.39%	2.30%	0.00%	0.00%	1.15%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
NORTHEAST (CT, DE, DC, MA, ME, MD, NH, NJ, NY, PA, RI)**

1. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	8.70%	8.70%	73.91%	4.35%	0.00%	0.00%	0.00%	4.35%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	4.35%	8.70%	60.87%	26.09%	0.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	4.35%	4.35%	52.17%	21.74%	4.35%	4.35%	0.00%	8.70%

2. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Business interruption	0.00%	0.00%	4.35%	8.70%	26.09%	52.17%	8.70%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	4.35%	56.52%	26.09%	8.70%	0.00%	0.00%	0.00%	4.35%
Commercial auto	0.00%	0.00%	0.00%	8.70%	17.39%	47.83%	26.09%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	4.35%	8.70%	17.39%	39.13%	26.09%	4.35%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	8.70%	30.43%	30.43%	17.39%	8.70%	0.00%	0.00%	4.35%
Cyber	0.00%	0.00%	0.00%	0.00%	13.04%	13.04%	26.09%	17.39%	26.09%	4.35%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	21.74%	30.43%	26.09%	17.39%	4.35%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	52.17%	21.74%	21.74%	0.00%	0.00%	0.00%	4.35%
Employment practices	0.00%	0.00%	0.00%	0.00%	26.09%	34.78%	21.74%	17.39%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	4.35%	30.43%	43.48%	21.74%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	8.70%	39.13%	30.43%	13.04%	0.00%	0.00%	0.00%	8.70%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	52.17%	17.39%	13.04%	8.70%	0.00%	0.00%	8.70%
Surety bonds	0.00%	0.00%	0.00%	4.35%	65.22%	17.39%	0.00%	0.00%	0.00%	0.00%	13.04%
Terrorism	0.00%	0.00%	0.00%	0.00%	73.91%	17.39%	0.00%	0.00%	0.00%	0.00%	8.70%
Umbrella	0.00%	0.00%	0.00%	0.00%	17.39%	30.43%	13.04%	30.43%	8.70%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	43.48%	39.13%	17.39%	0.00%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
SOUTHEAST (AL, FL, GA, KY, LA, MS, NC, SC, TN, VA, WV)**

1. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	0.00%	12.50%	75.00%	12.50%	0.00%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	37.50%	50.00%	6.25%	0.00%	0.00%	6.25%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	37.50%	43.75%	12.50%	0.00%	0.00%	6.25%

2. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Business interruption	0.00%	0.00%	0.00%	0.00%	12.50%	68.75%	18.75%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	31.25%	43.75%	18.75%	0.00%	0.00%	0.00%	6.25%
Commercial auto	0.00%	0.00%	0.00%	0.00%	6.25%	75.00%	18.75%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	62.50%	37.50%	0.00%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	18.75%	50.00%	25.00%	6.65%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	12.50%	25.00%	31.25%	25.00%	6.25%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	6.25%	37.50%	25.00%	25.00%	6.25%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	33.33%	26.67%	40.00%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	12.50%	43.75%	37.50%	6.25%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	12.50%	62.50%	25.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	50.00%	43.75%	0.00%	0.00%	0.00%	0.00%	6.25%
Medical malpractice	0.00%	0.00%	0.00%	6.25%	31.25%	12.50%	31.25%	6.25%	0.00%	0.00%	12.50%
Surety bonds	0.00%	0.00%	0.00%	0.00%	66.67%	26.67%	0.00%	0.00%	0.00%	0.00%	6.67%
Terrorism	0.00%	0.00%	0.00%	0.00%	75.00%	18.75%	0.00%	0.00%	0.00%	0.00%	6.25%
Umbrella	0.00%	0.00%	0.00%	0.00%	0.00%	12.50%	31.25%	35.25%	25.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	37.50%	43.48%	18.75%	9.09%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
MIDWEST (AR, IL, IN, IA, KS, MI, MO, MN, NE, ND, SD, OH, WI)**

1. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	0.00%	12.00%	76.00%	12.00%	0.00%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	4.00%	4.00%	64.00%	28.00%	0.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	3.85%	3.85%	53.85%	34.62%	0.00%	0.00%	0.00%	3.85%

2. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Business interruption	0.00%	0.00%	0.00%	0.00%	20.83%	62.50%	12.50%	4.17%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	31.82%	50.00%	0.00%	4.55%	0.00%	0.00%	13.64%
Commercial auto	0.00%	0.00%	0.00%	4.17%	8.33%	79.17%	8.33%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	8.33%	54.17%	29.7%	8.33%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	8.70%	60.87%	30.43%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	4.17%	12.50%	41.67%	29.17%	12.50%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	8.70%	34.78%	13.04%	34.78%	4.35%	0.00%	4.35%
Flood	0.00%	0.00%	0.00%	0.00%	47.83%	34.78%	13.04%	0.00%	0.00%	0.00%	4.35%
Employment practices	0.00%	0.00%	0.00%	0.00%	8.70%	47.83%	39.13	0.00%	0.00%	0.00%	4.35%
General liability	0.00%	0.00%	0.00%	4.17%	8.33%	75.00%	12.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	4.35%	21.74%	60.87%	13.04%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	40.91%	22.73%	18.18%	4.55%	0.00%	4.55%	9.09%
Surety bonds	0.00%	0.00%	0.00%	0.00%	54.55%	31.82%	0.00%	0.00%	0.00%	4.55%	9.09%
Terrorism	0.00%	0.00%	0.00%	0.00%	77.27%	18.18%	0.00%	0.00%	0.00%	4.55%	0.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	4.17%	29.17%	29.17%	20.83%	16.67%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	4.00%	24.00%	44.00%	24.00%	0.00%	0.00%	0.00%	4.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
SOUTHWEST (SO. CA, AZ, NM, OK, TX)**

1. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	9.09%	0.00%	9.09%	45.45%	0.00%	9.09%	9.09%	0.00%	18.18%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	9.09%	0.00%	0.00%	27.27%	45.45%	9.09%	9.09%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	9.09%	36.36%	36.36%	9.09%	0.00%	0.00%	9.09%

2. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Business interruption	0.00%	0.00%	0.00%	0.00%	18.18%	27.27%	27.27%	18.18%	0.00%	9.09%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	12.50%	37.50%	12.50%	0.00%	0.00%	0.00%	37.50%
Commercial auto	0.00%	0.00%	0.00%	0.00%	18.18%	27.27%	36.36%	18.18%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	9.09%	18.18%	18.18%	45.45%	9.09%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	44.44%	22.22%	22.22%	0.00%	0.00%	0.00%	11.11%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	54.55%	18.18%	9.09%	18.18%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	0.00%	27.27%	45.45%	18.18%	9.09%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	30.00%	40.00%	20.00%	0.00%	0.00%	0.00%	10.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	27.27%	18.18%	45.45%	0.00%	9.09%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	18.18%	45.45%	27.27%	9.09%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	22.22%	33.33%	22.22%	11.11%	0.00%	0.00%	11.11%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	28.57%	28.57%	14.29%	14.29%	0.00%	0.00%	14.29%
Surety bonds	0.00%	0.00%	0.00%	0.00%	62.50%	25.00%	0.00%	0.00%	0.00%	0.00%	12.50%
Terrorism	0.00%	0.00%	0.00%	0.00%	50.00%	30.00%	10.00%	0.00%	0.00%	0.00%	10.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	18.18%	9.09%	18.18%	54.55%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	9.09%	63.64%	18.18%	9.09%	0.00%	0.00%	0.00%	0.00%

**BELOW ARE THE SURVEY RESULTS FOR:
PACIFIC NORTHWEST (NO. CA, AK, CO, HI, ID, MT, NV, OR, UT, WA, WY)**

1. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following account sizes, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch.)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not sure
Small Account (Less than \$25k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	46.15%	30.77%	23.08%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	15.38%	61.54%	23.08%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	23.08%	76.92%	0.00%	0.00%	0.00%	0.00%

2. During the second quarter of 2021 (April 1 – June 30), on average, did premiums go up or down for each of the following lines of business, compared to the first quarter of 2021 (January 1 – March 31)? (If your company has more than one branch, refer to the premium change(s) at your individual branch)

	1 Down more than 30%	2 Down 20% - 30%	3 Down 10% - 19%	4 Down 1% - 9%	5 No Change	6 Up 1% - 9%	7 Up 10% - 19%	8 Up 20% - 29%	9 Up 30% - 50%	10 Up more than 50%	N/A Not Sure
Business interruption	0.00%	0.00%	0.00%	0.00%	0.00%	61.54%	38.46%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	16.67%	16.67%	33.33%	8.33%	0.00%	0.00%	25.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	41.67%	8.33%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	23.08%	46.15%	30.77%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	8.33%	50.00%	41.67%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	8.33%	8.33%	41.67%	25.00%	16.67%	0.00%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	0.00%	16.67%	50.00%	25.00%	8.33%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	41.67%	25.00%	25.00%	0.00%	0.00%	0.00%	8.33%
Employment practices	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	41.67%	8.33%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	0.00%	63.64%	36.36%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	15.38%	46.15%	23.08%	0.00%	0.00%	0.00%	15.38%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	27.27%	36.36%	9.09%	0.00%	0.00%	0.00%	27.27%
Surety bonds	0.00%	0.00%	0.00%	0.00%	54.55%	18.18%	0.00%	0.00%	0.00%	0.00%	27.27%
Terrorism	0.00%	0.00%	0.00%	0.00%	75.00%	16.67%	0.00%	0.00%	0.00%	0.00%	8.33%
Umbrella	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	41.67%	50.00%	8.33%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	41.67%	41.67%	8.33%	8.33%	0.00%	0.00%	0.00%	0.00%

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size SMALL	MEDIUM	LARGE	AVERAGE
Second Quarter 2021	6.2%	9.4%	9.3%	8.3%
First Quarter 2020	6.3%	10.9%	12.9%	10.0%
Fourth Quarter 2020	6.7%	11.7%	13.7%	10.7%
Third Quarter 2020	7.1%	12.7%	15.3%	11.7%
Second Quarter 2020	7.3%	11.0%	14.2%	10.8%
High	20.8%	31.7%	33.0%	28.5%
High Date	4Q01	4Q01	4Q01	
Low	-10.0%	-15.0%	-15.9%	-13.6%
Low Date	1Q08	3Q07	3Q07	

Source:

The Council of Insurance Agents & Brokers

BY-LINE SECOND QUARTER 2021 RATE CHANGES RANGED FROM 0.3% TO +17.4%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Second Quarter 2021	6.8%	0.3%	9.9%	6.0%	17.4%	8.1%
First Quarter 2021	9.0%	1.0%	12.0%	6.2%	19.7%	9.6%
Fourth Quarter 2020	9.1%	0.4%	12.9%	7.3%	21.3%	10.2%
Third Quarter 2020	11.0%	1.5%	14.2%	6.7%	22.9%	11.3%
Second Quarter 2020	9.6%	0.7%	13.3%	6.8%	20.0%	10.1%
High	28.6%	24.9%	45.4%	26.0%	51.9%	35.3%
Low	-11.6%	-12.3%	-15.0%	-13.6%	-13.5%	-13.2%

Source:

The Council of Insurance Agents & Brokers

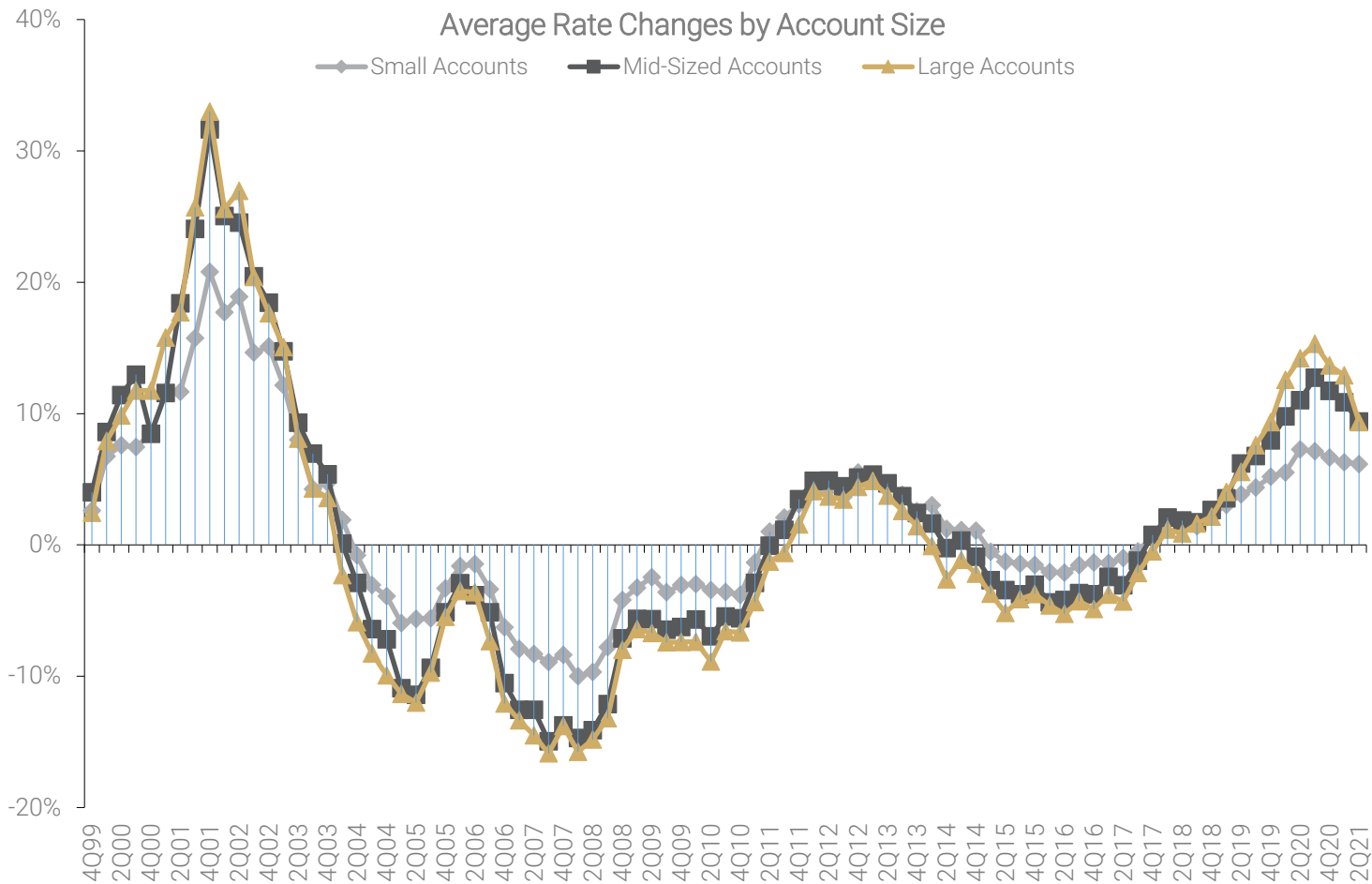
RATE CHANGES IN OTHER LINES

	2021	High	Low
Broker E&O	3.7%	15.4%	-4.5%
Business Interruption	6.7%	28.8%	-10.2%
Construction	6.4%	38.7%	-10.7%
Cyber	25.5%	25.5%	-1.5%
D&O Liability	13.4%	32.4%	-8.7%
Employment Practices	8.9%	21.9%	-8.1%
Flood	4.5%	8.6%	-2.7%
Marine	4.0%	4.5%	-10.6%
Medical Malpractice	5.4%	32.5%	-4.1%
Surety Bonds	1.8%	11.2%	-2.3%
Terrorism	1.9%	10.4%	-3.6%

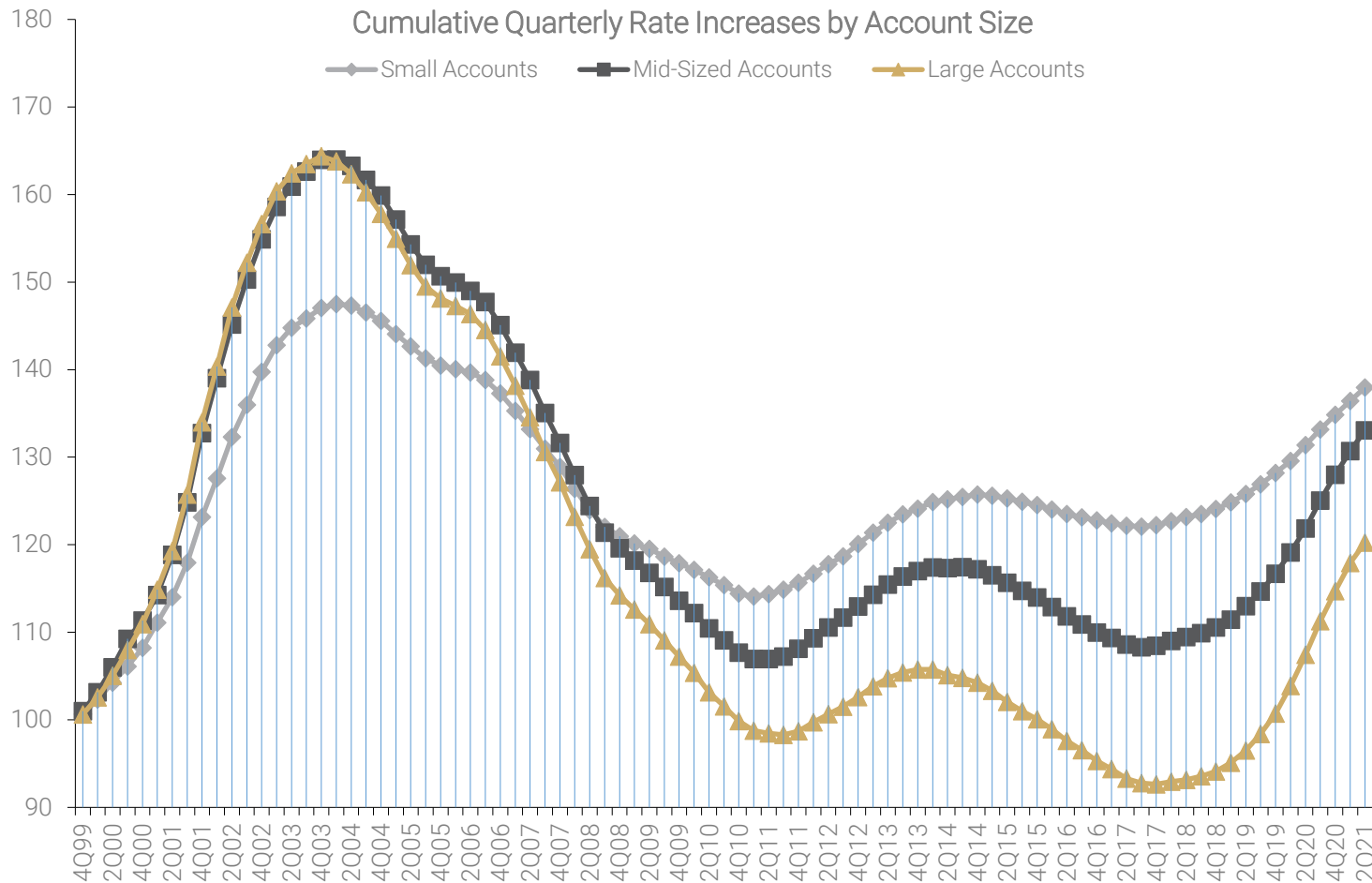
Source:

The Council of Insurance Agents & Brokers

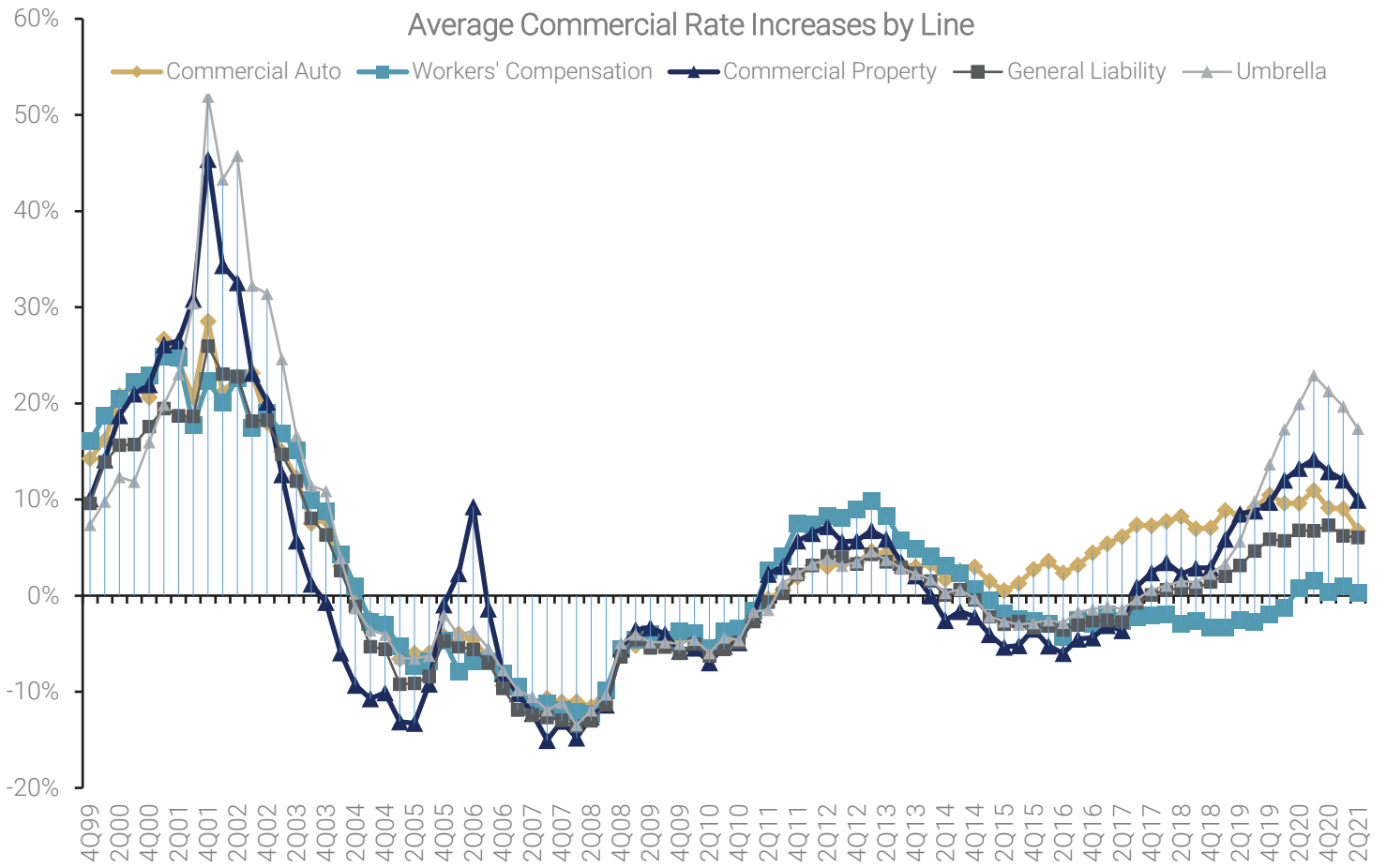
Average Rate Changes by Account Size



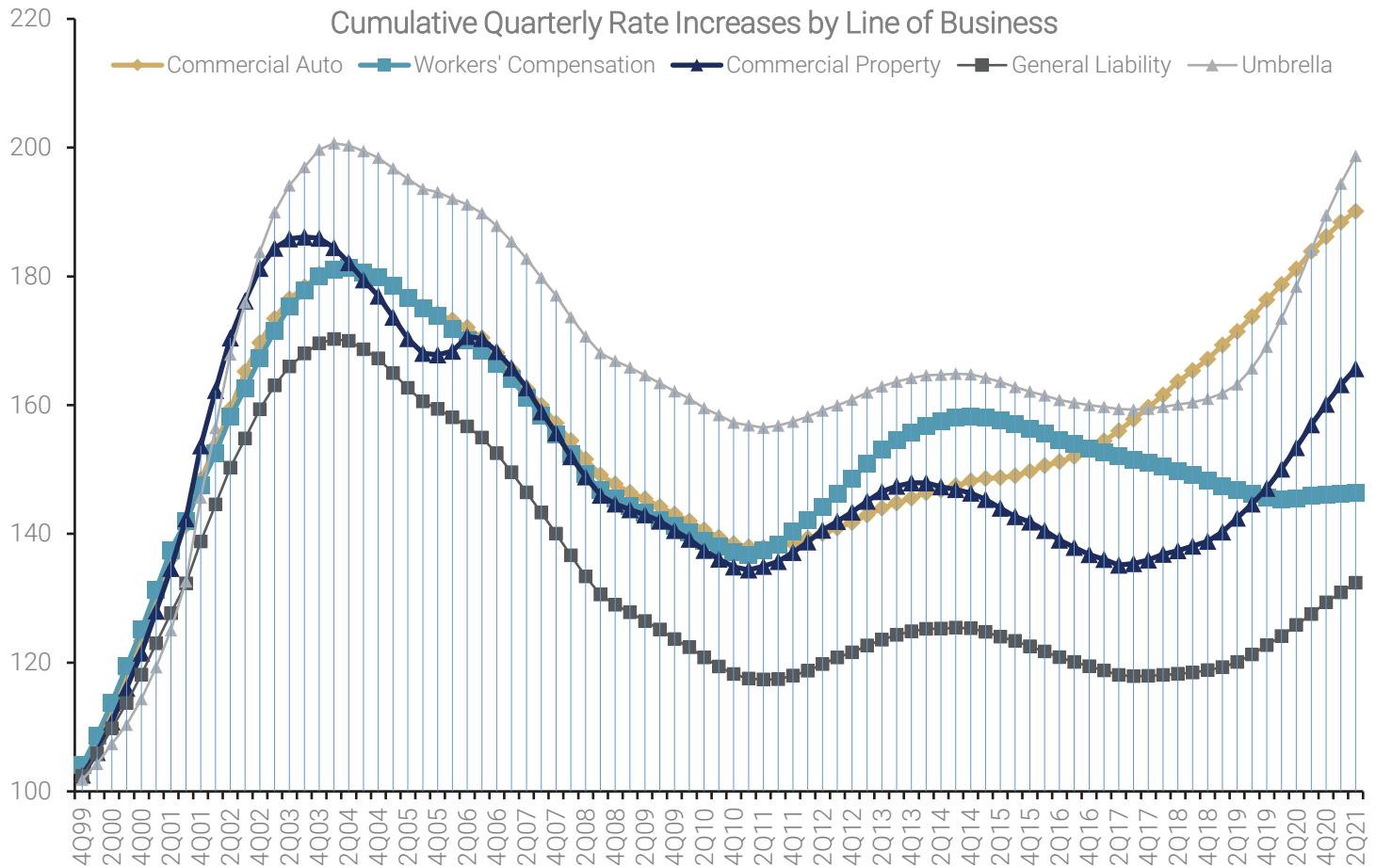
Cumulative Quarterly Rate Increases by Account Size



Average Commercial Rate Increases by Line

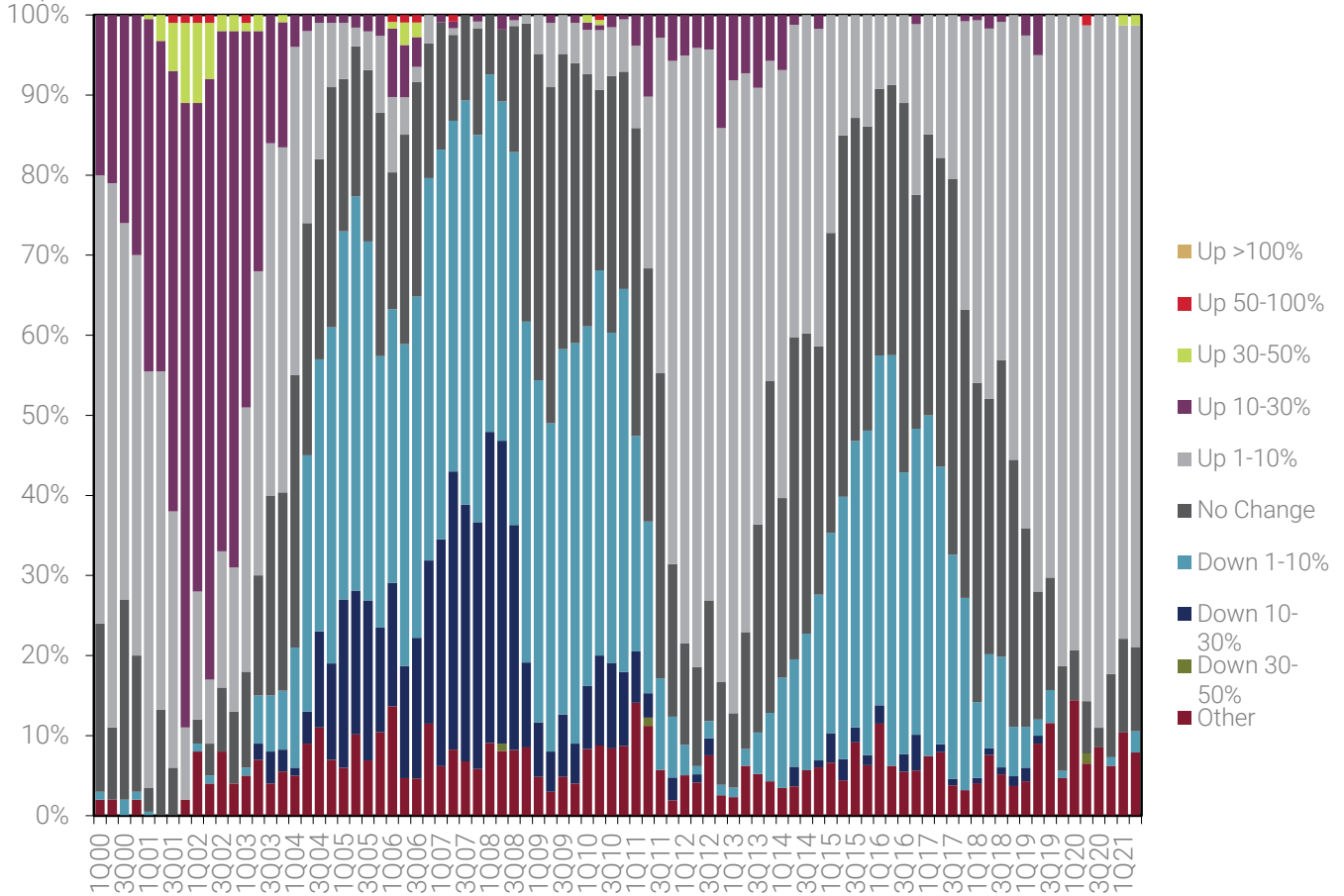


Cumulative Quarterly Rate Increases by Line of Business



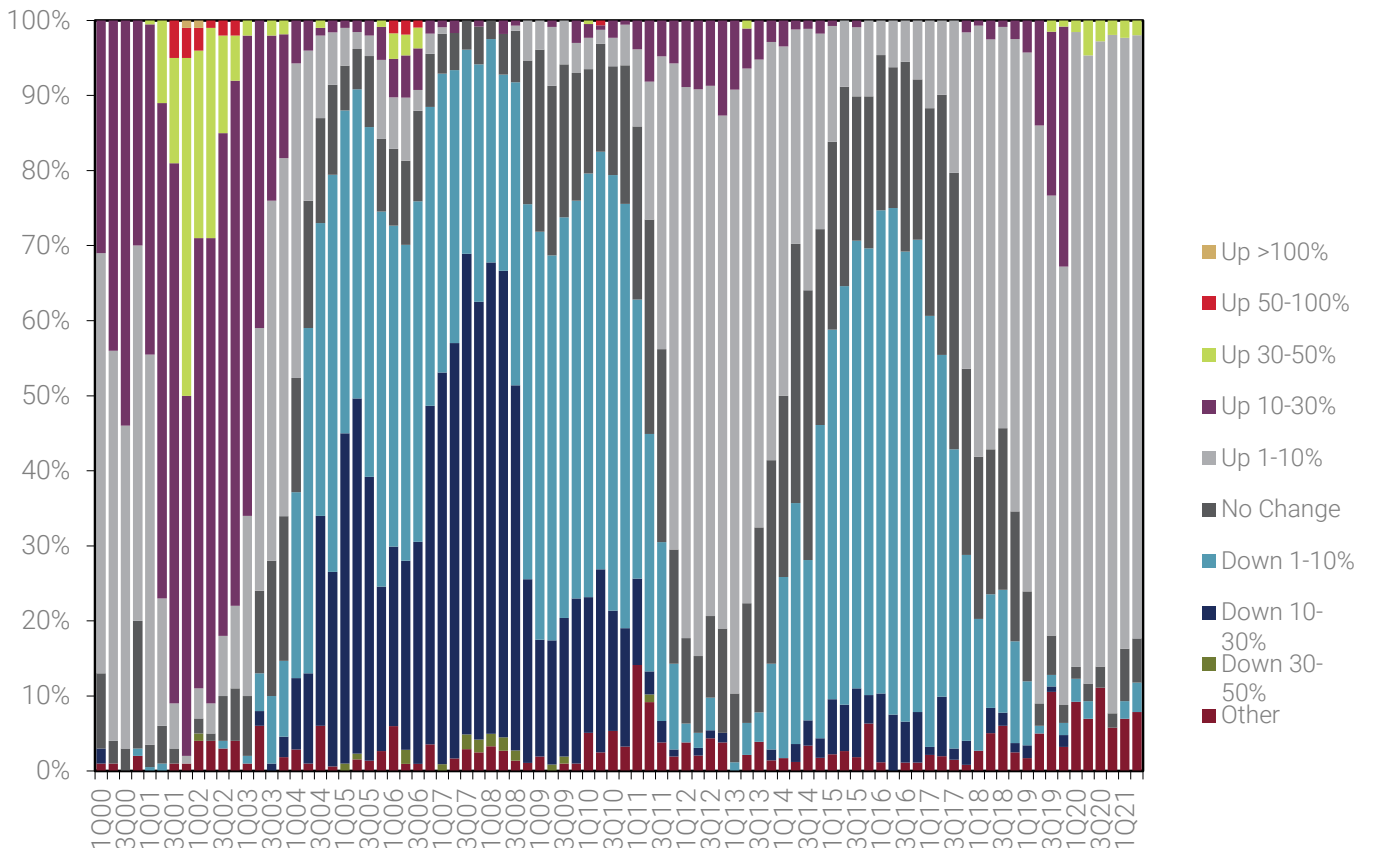
Percentage of Survey Respondents

Insurance Rate Changes, Small Commercial Accounts (Accounts generating <\$25,000 in annual commissions & fees)



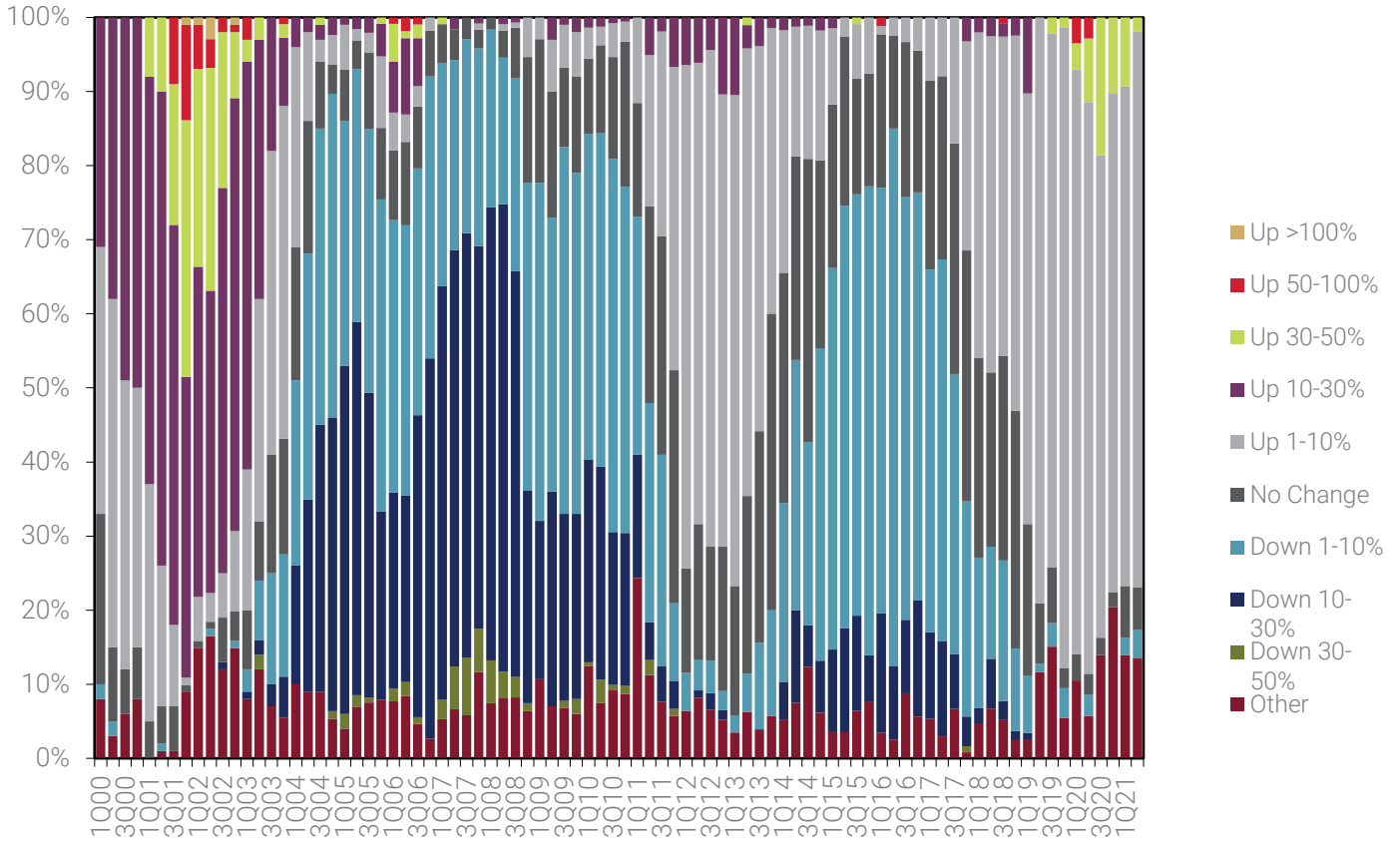
Percentage of Survey Respondents

Insurance Rate Changes, Medium Commercial Accounts (Accounts generating \$25,000-\$100,000 in annual commissions & fees)



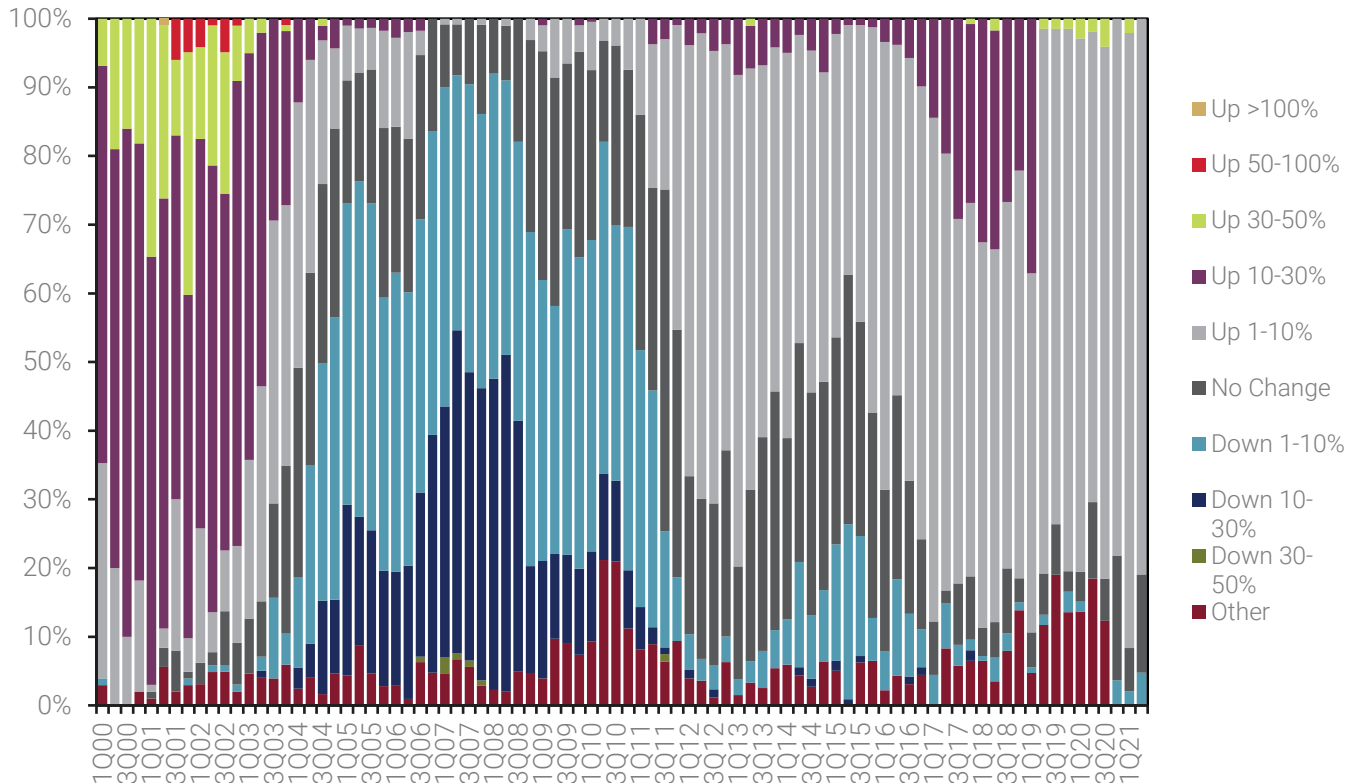
Insurance Rate Changes, Large Commercial Accounts (Accounts generating >\$100,000 in annual commissions & fees)

Percentage of Survey Respondents



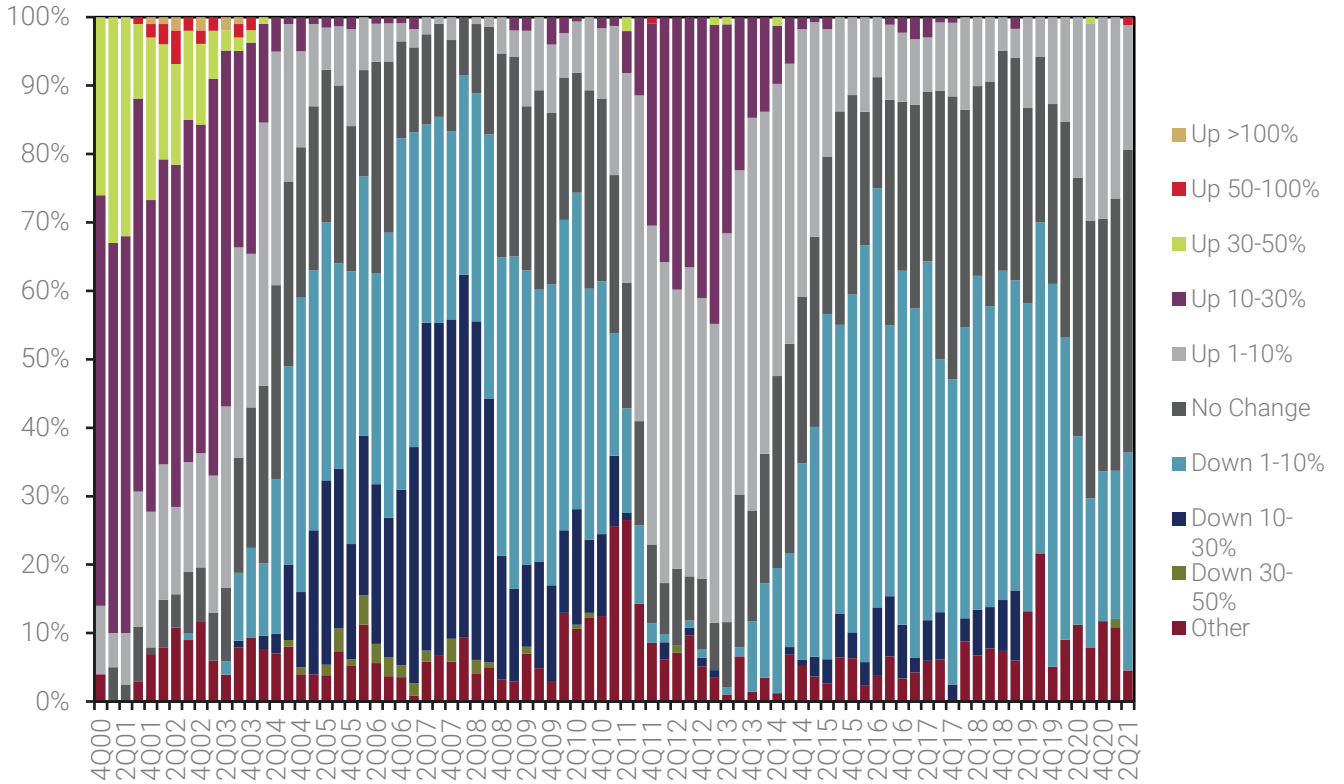
Commercial Auto Insurance Rate Changes

Percentage of Survey Respondents



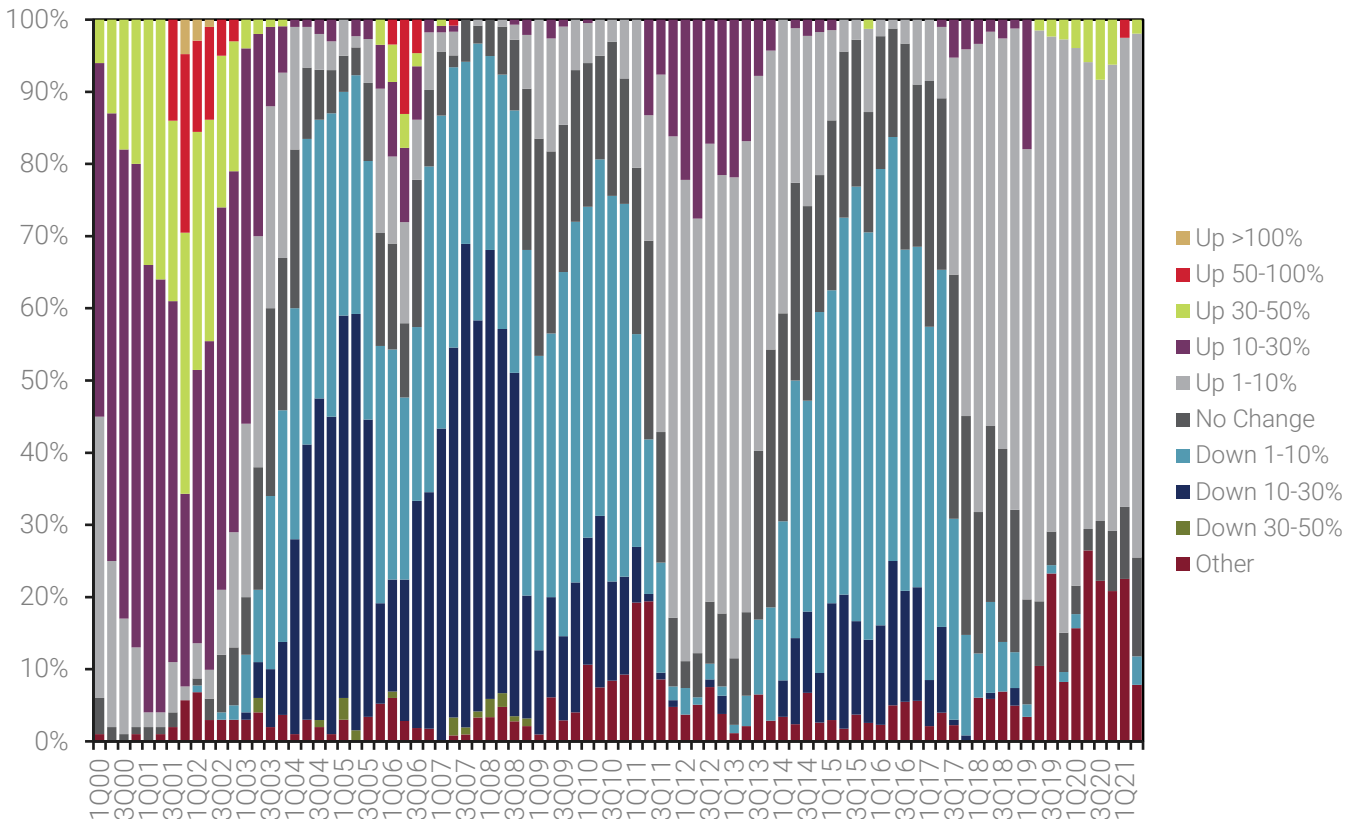
Workers' Compensation Insurance Rate Changes

Percentage of Survey Respondents



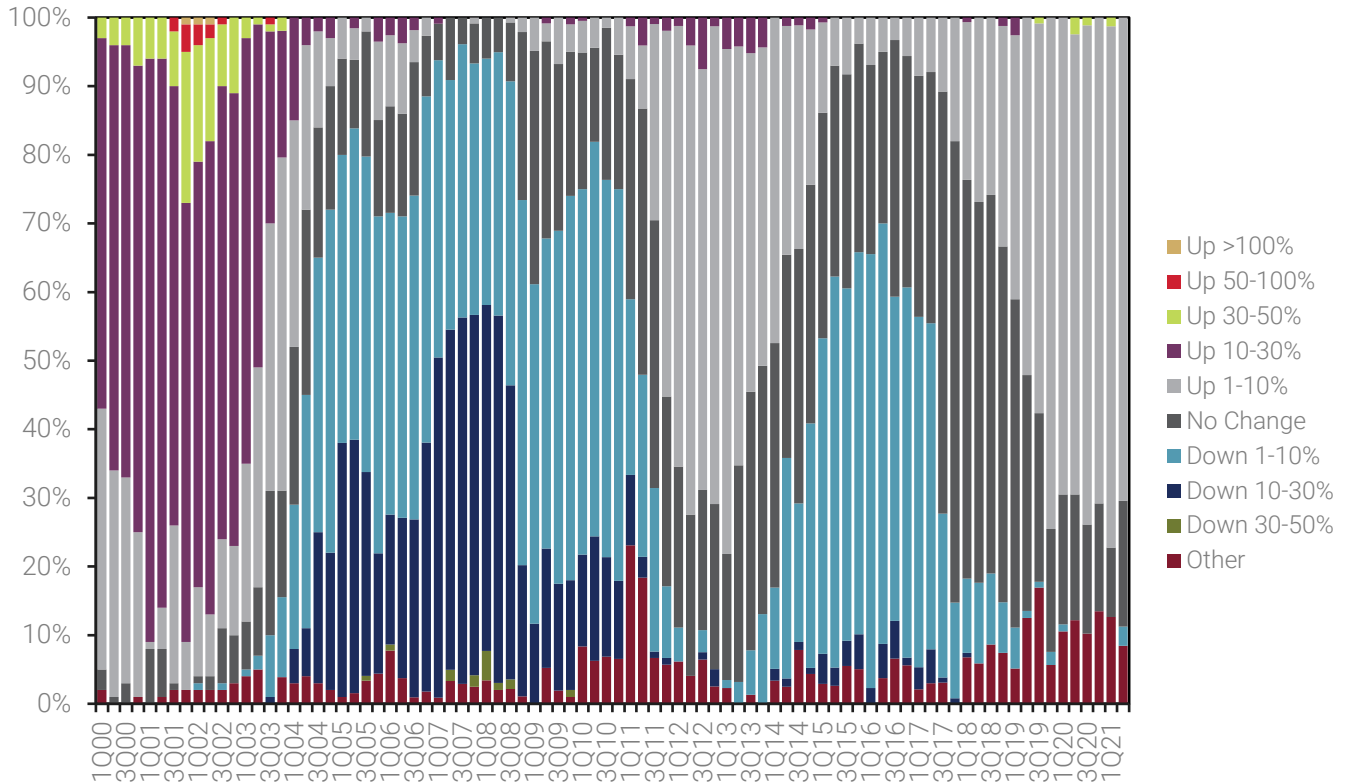
Commercial Property Insurance Rate Changes

Percentage of Survey Respondents



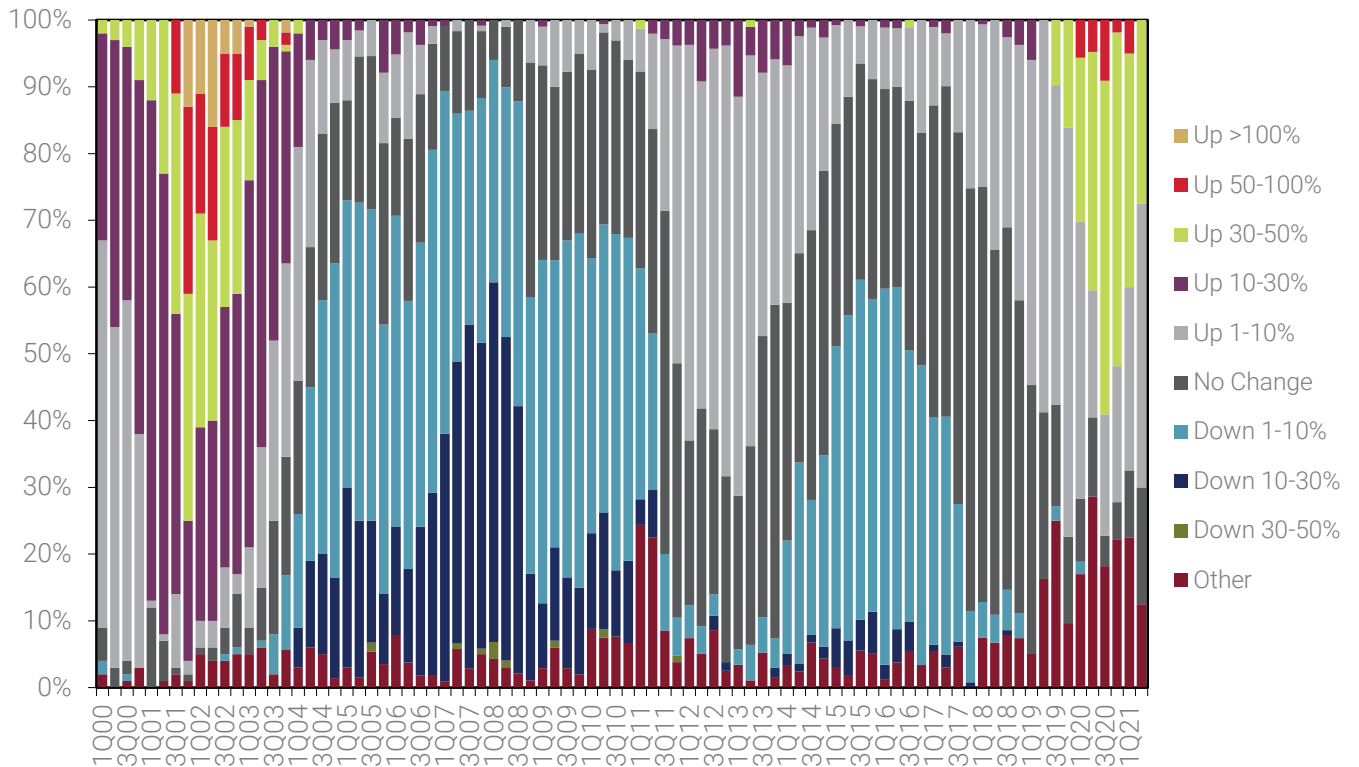
Commercial General Liability Insurance Rate Changes

Percentage of Survey Respondents



Umbrella Insurance Rate Changes

Percentage of Survey Respondents



Business Interruption Insurance Rate Changes

Percentage of Survey Respondents

