



 THE COUNCIL

COMMERCIAL PROPERTY/ CASUALTY MARKET INDEX

Q4/2022



Commercial Property/Casualty Market Index

Q4/2022

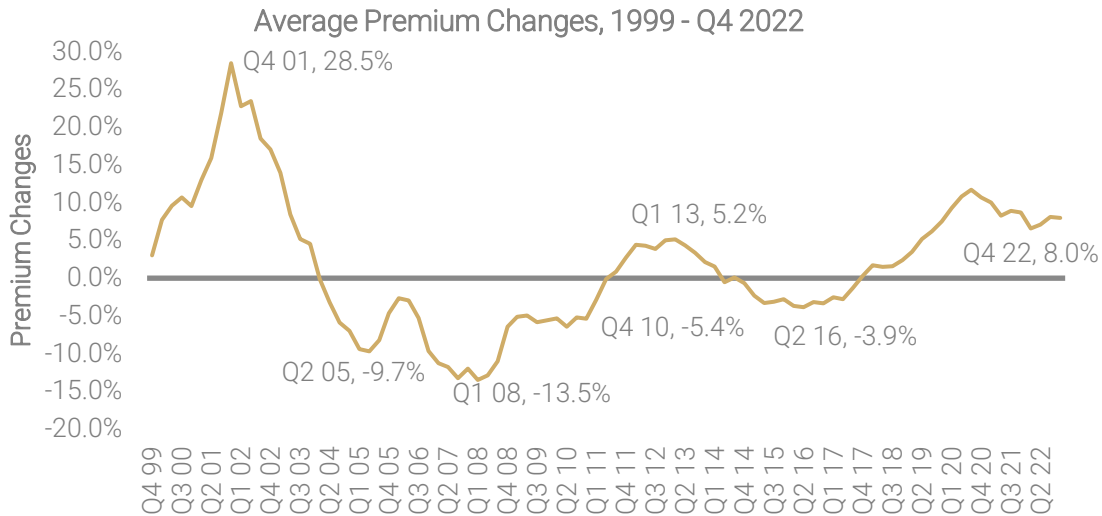
EXECUTIVE SUMMARY

The following are key takeaways from The Council of Insurance Agents & Brokers' Commercial Property/Casualty Market Report Q4 2022 (October 1 – December 31):

- Premiums increased for the 21st consecutive quarter in Q4 2022, with respondents reporting an average premium increase across all account sizes of 8.0%, down slightly from 8.1% in Q3 2022.
- Premium increases continued to stabilize across most lines. Most recorded a lower average premium increase in Q4 than in Q3 2022. Workers compensation premiums once again decreased in Q4, at an average of -1.1%.
- Umbrella premiums increased an average of 9.6% in Q4 2022, ending a 12-consecutive-quarter streak of double-digit increases. The rate at which cyber premiums increased continued to moderate this quarter, with an average premium increase of 15.0%, down from 20.0% in Q3, 26.8% in Q2, and 27.5% in Q1 2022.
- Despite these signs of relief, 85% of respondents reported that the top client concern in Q4 2022 was “future premium increase”; 67% of them said “high current premium” was top of mind for their clients.
- One line that did not experience pricing increase moderation was commercial property. Premiums in this line increased sharply in Q4 2022 at an average of 16.0%, compared to 11.2% in Q3 and 8.3% in Q2. This was the first time in 7 quarters that a line of business other than cyber experienced the highest average increase.
- Inflation's effects on property valuations and building replacement costs, as well as increased claims due to natural catastrophes were the primary drivers for commercial property's difficulties, according to respondents. These factors in turn led to further difficulties with underwriting, including significant restrictions on capacity—89% of respondents reported a reduction of commercial property capacity.
- Brokers were focused on enhancing the customer experience this quarter, with 45% of respondents identifying it as a top priority. Typical responses included bringing in technology to help clients easily access the information they need, simplifying the insurance process as much as possible, and implementing additional services to add value, such as assistance with loss control or compliance.

PREMIUM PRICING

Q4 2022 results showed similar trends to Q3 2022—while there were signs of premium pricing moderation, premiums nevertheless continued to climb, though not as rapidly as in 2020 and 2021. Some brokers also reported seeing tighter terms and increased scrutiny, with carriers requesting additional data when reviewing applications.



KEY NUMBERS AT A GLANCE

- **8.0%:** average premium increase across all account sizes, down slightly from 8.1% in Q3 2022
- **21:** number of consecutive quarters of increased premiums for all account sizes
- **9.1%:** average premium increase for large accounts, higher than both small (6.5%) and medium (8.3%)

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size			AVERAGE
	SMALL	MEDIUM	LARGE	
Fourth Quarter 2022	6.5%	8.3%	9.1%	8.0%
Third Quarter 2022	6.5%	9.0%	8.8%	8.1%
Second Quarter 2022	6.4%	7.3%	7.5%	7.1%
First Quarter 2022	6.4%	7.3%	6.2%	6.6%
Fourth Quarter 2021	6.3%	10.6%	9.2%	8.7%
High	20.8%	31.7%	33.0%	28.5%
<i>High Date</i>	<i>4Q01</i>	<i>4Q01</i>	<i>4Q01</i>	
Low	-10.0%	-15.0%	-15.9%	-13.6%
<i>Low Date</i>	<i>1Q08</i>	<i>3Q07</i>	<i>3Q07</i>	

Source:
The Council of Insurance Agents & Brokers

PREMIUM PRICING BY LINE OF BUSINESS

Signs of moderation were clearer across the various lines of business, with the majority recording average increases lower than in Q3 2022. Even cyber and umbrella showed undeniable evidence of relief—the average increase in umbrella premiums dipped below 10% for the first time in twelve quarters, and while the average cyber increase was still high, at 15.0%, it was a notable decrease from 20.0% in Q3, 26.8% in Q2, and 27.5% in Q1 2022.

“Workers compensation prices continued to soften, often absorbing increases in other lines,” said one respondent from a large Southeastern firm. Results from the survey bore that out, showing that workers compensation prices decreased further in Q4 2022, at -1.1%, down from -0.7% in Q3 2022. There have been murmurs of long COVID possibly affecting workers compensation—a report from the New York State Insurance Fund in January 2023 showed that one-third of workers in New York’s workers compensation program suffered from long COVID after being infected with COVID-19—but whether that will become anything concrete remains to be seen.

KEY NUMBERS AT A GLANCE

- **7.4%:** average premium increase across all lines of business
- **22:** number of consecutive quarters of premium increases for all lines of business except workers compensation
- **16%:** average commercial property premium increase—the highest of all lines

BY-LINE FOURTH QUARTER 2022 RATE CHANGES RANGED FROM -1.1% TO +16.0%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Fourth Quarter 2022	7.3%	-1.1%	16.0%	4.9%	9.6%	7.4%
Third Quarter 2022	7.6%	-0.7%	11.2%	5.7%	11.3%	7.0%
Second Quarter 2022	7.2%	-1.2%	8.3%	4.7%	11.3%	6.1%
First Quarter 2022	5.9%	-0.5%	8.6%	3.9%	10.5%	5.7%
Fourth Quarter 2021	8.0%	0.3%	10.5%	6.4%	15.0%	8.1%
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

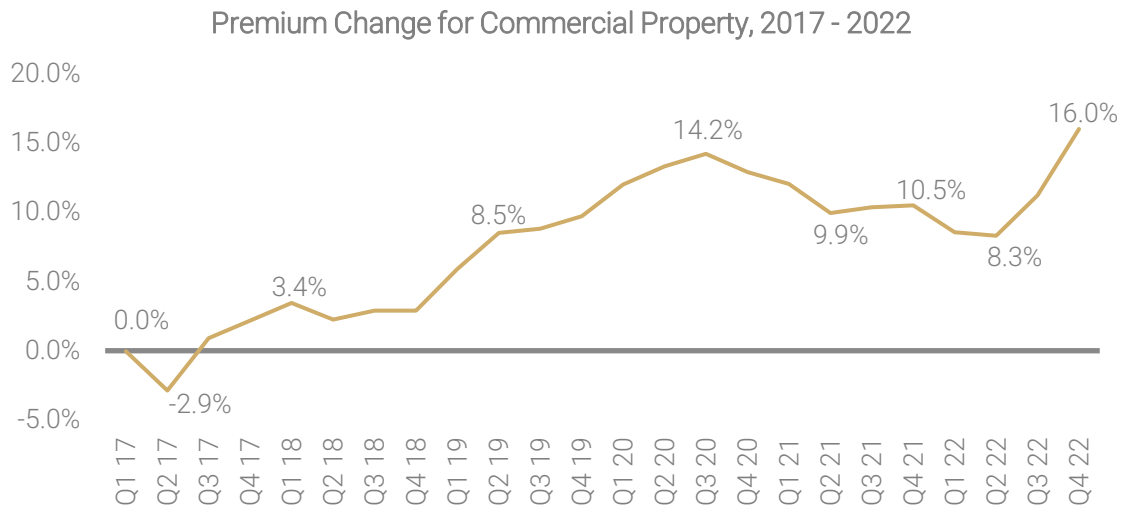
	4Q22	High	Low
Broker E&O	3.3%	15.4%	-4.5%
Business Interruption	6.7%	28.8%	-10.2%
Construction	5.4%	38.7%	-10.7%
Cyber	15.0%	34.3%	-1.5%
D&O Liability	4.4%	32.4%	-8.7%
Employment Practices	4.2%	21.9%	-8.1%
Flood	5.1%	8.6%	-2.7%
Marine	2.8%	4.5%	-10.6%
Medical Malpractice	4.3%	32.5%	-4.1%
Surety Bonds	1.6%	11.2%	-2.3%
Terrorism	1.8%	10.4%	-3.6%

Source:
The Council of Insurance Agents & Brokers

NOTABLE LINE OF BUSINESS: COMMERCIAL PROPERTY

No relief in sight between inflation and natural catastrophes

Commercial property premiums increased by an average of 16.0% in Q4 2022, which was the highest increase of all lines of business, including cyber. This marks the first time in seven quarters a line other than cyber experienced the highest increase. Respondents were clear this quarter that inflation was one of the main factors, if not the main factor, behind the sharp increase in commercial property premiums. Of respondents, 93% stated that inflation was affecting key market trends such as pricing and underwriting, and an overwhelming majority (73%) of those respondents mentioned that property specifically had been affected.



“Insurance to value [ITV] was the key discussion item on property,” said one respondent from a midsize Northeastern firm, identifying one of the main ways inflation can influence property premiums. With costs going up across the board, that in turn increases the amount that would theoretically have to be paid out by an insurer to replace or rebuild damaged property. And as a result, “valuations were the biggest driver of pricing increases,” noted one respondent from a midsize Southwestern firm.

Carrier focus on valuations also led to more challenges with underwriting. “Underwriters required higher deductibles, higher pricing, and more restrictive terms on property risks, using much more ‘layering’ on property risks of any size,” explained one respondent from a midsize Southeastern firm. “The carriers mandated increases on building values, especially if the values have not been increased recently,” said a respondent from a large Northeastern firm, noting carriers “used tools to estimate values and mandated the values be put in place at renewal.”

Respondents also attributed difficulties with commercial property to natural catastrophes. “Property continued to be challenging on the heels of another significant hurricane and many [severe convective storm] events in Midwest,” said one respondent from a large Southwestern firm. “Deductibles were being pushed harder in all areas.” Other respondents also pointed to the increased deductibles, “especially for wind (including for non-coastal),” as well as other requirements, like “cosmetic roof endorsements and [actual cash value] endorsements for roofs over a specified age.”

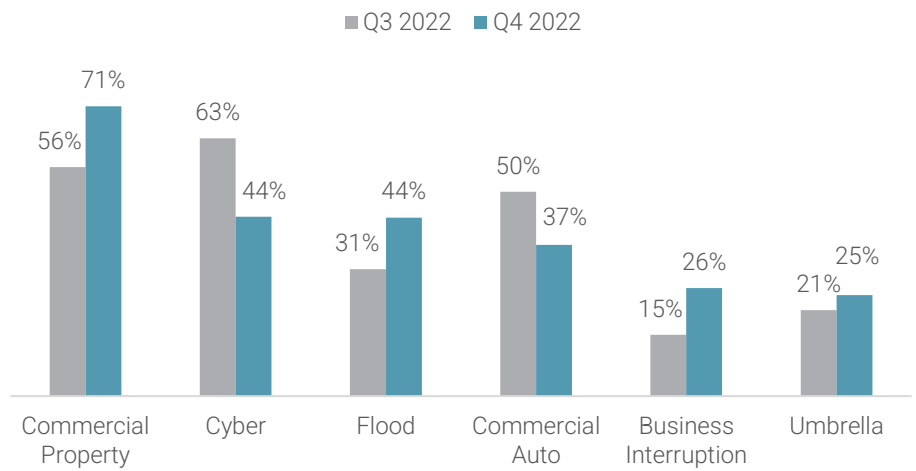
In sum, “CAT property was extremely difficult in all aspects of the underwriting process,” said a respondent from a large Northeastern firm. And the reported carrier caution when it came to commercial property risks was demonstrated clearly by survey results: 89% of respondents said they had seen a reduction in commercial property capacity in Q4 2022—with 30% of those respondents describing the decrease as “significant.”

Claims data from this quarter was linked with natural catastrophe.

Reports of commercial property and flood claims both increased again this quarter. Commercial property stood out, with 71% of respondents reporting an increase in claims, up from 29% at the beginning of 2022.

Multiple respondents attributed this increase in commercial property claims to Hurricane Ian. One respondent said the increased flood claims stemmed from “CAT events in SE,” which may possibly be Ian or the final hurricane of the season, Nicole.

Respondents reporting an increase in claims



ESG NOT YET EMERGING IN CLAIMS

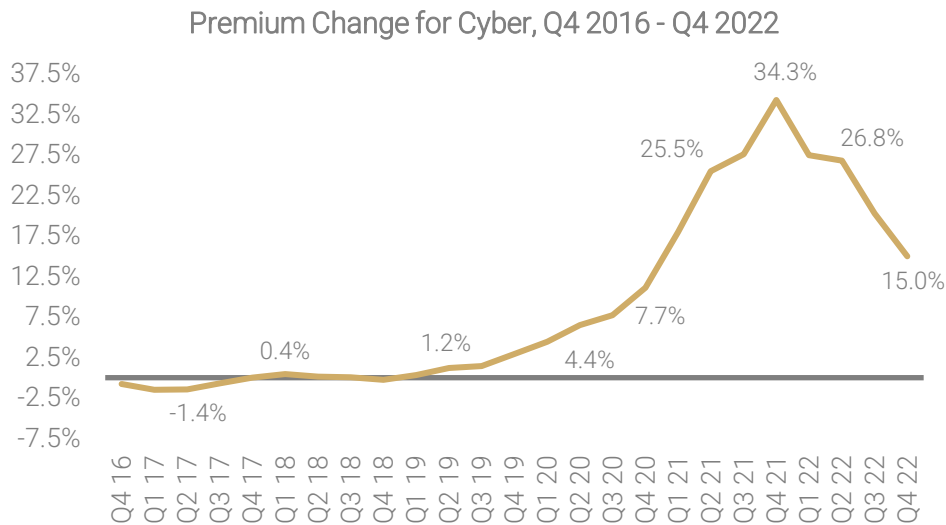
Governments around the globe are continuing to focus on ESG (environmental, social, governance) issues related to business. Recent regulatory action includes the global ESG reporting regulation, led by the Corporate Sustainability Reporting Directive in the European Union, the U.S. Securities and Exchange Commission’s human capital management disclosure rule and its proposed climate disclosure rule.

Has this focus affected the industry yet? This quarter, we asked respondents whether they had seen any change in the number of D&O claims related to ESG in Q4 2022, and 92% of them said they had seen no change at all. One respondent from a midsize Southeastern firm did comment they expected to see “similar issues from ESG as we had with cyber related D&O claims in the recent past,” but otherwise ESG does not seem to have translated to any claim impacts at present.

NOTABLE LINE OF BUSINESS: CYBER

Premium pricing difficulties eased

For the first time in six quarters, the average increase in premiums for cyber fell below 20%, coming in at 15.0% in Q4 2022. While still high, this increase was noticeably down from the line's peak of 34.3% at the end of 2021, suggesting the line may have begun to stabilize in Q4 or even Q3, when some respondents first commented on the possibility of some premium pricing relief.



One possible factor behind the recent smaller increases is reduced cyber claims activity. According to survey results, the number of respondents reporting an increase in cyber claims has fallen almost 20% from the previous quarter, and nearly 30% from the beginning of the year.

Cyber premium pricing relief may also be related to the historical underpricing of this line, discussed in particular in the Q4 2021 survey. Then, respondents pointed out that despite the rapidly increasing frequency and severity of cyber claims, carriers were still generally offering cyber coverages at low to moderate prices, and may not have been pricing properly for the cyber risk faced by many businesses. It could be that after several quarters of sharp increases, premiums may have reached or may be about to reach a more appropriate level for the potential losses, which can be sizable.

Otherwise, carriers maintained their strict underwriting and risk management requirements when it came to this line of business. "Underwriters continued to increase their underwriting questions with respect to cyber hygiene," said one respondent from a large Northeastern firm. "The detail required in the applications has become very cumbersome for clients to complete." According to another respondent from the Northeast, underwriters also "held to requirements of insureds deploying MFA, implementing patching strategies, etc."

PRIORITIES AND CHALLENGES

Renewed focus on enhancing customer experience

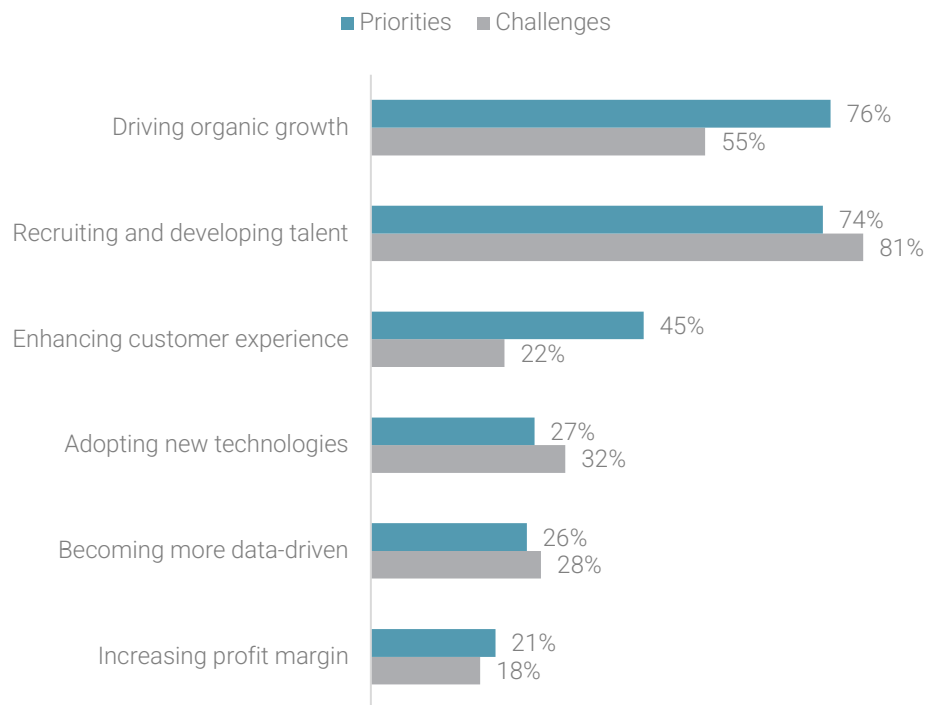
“Driving organic growth” and “recruiting and developing talent” remained top priorities and challenges for brokers in Q4 2022. Interestingly, only 55% of brokers identified “driving organic growth” as one of their top challenges, compared to 76% naming it as a top priority. Reflecting that, results from the Reagan Consulting Q4 2022 Growth & Profitability Survey showed that the median organic growth of agents and brokers was 10.2%, matching the highest organic growth rate of any quarter in the 15-year history of the survey. The record revenue growth may be driven by current market conditions, including increased premiums and inflationary pressures.

On the other hand, 81% said “recruiting and developing talent” was a top challenge (compared to 74% naming it as a top priority). “Finding talent is the most difficult it has been in at least a decade,” said one respondent from a midsize Southwestern firm. “Hybrid work continues to pose a challenge for training as we continue to adapt to more online training opportunities.” Another respondent from a large Midwestern firm noted it was “very difficult to find people with the right cultural and skills fit, especially when you are looking to grow across multiple geographies.”

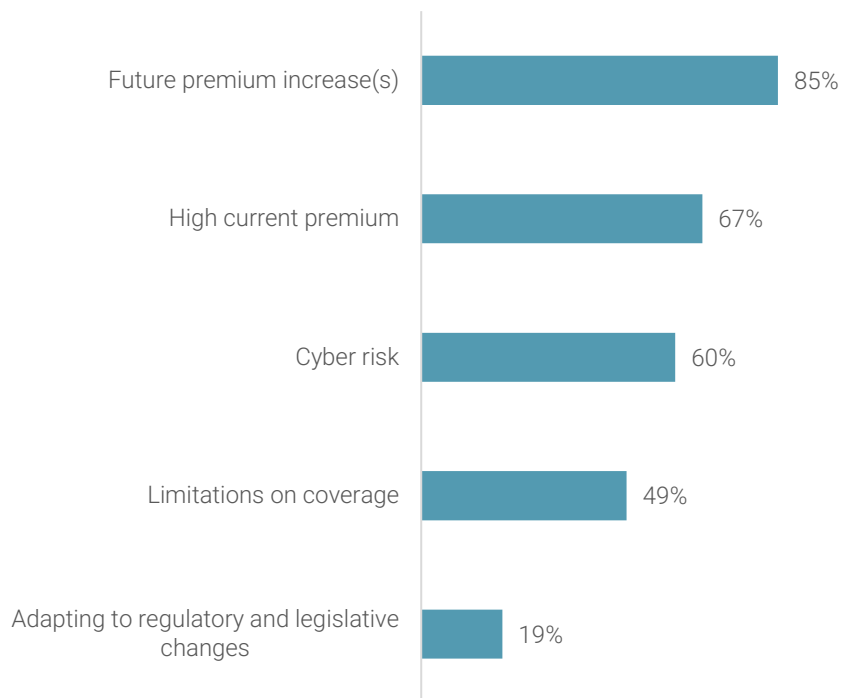
But respondents acknowledged the necessity of continued recruitment efforts, no matter the challenges. “The industry continues to see more retirement and not an equal number entering the industry at younger ages,” said one respondent from a Midwestern firm. “Making time to develop succession candidates needs to become a core competency for our success,” noted a respondent from a large Southwestern firm.

Nearly half (45%) of brokers identified “enhancing customer experience” as a top priority this quarter, suggesting increased focus on this issue, since in past quarters this has typically been a top priority for only 20%-25% of respondents. This increased focus may be related to the top two client concerns this quarter: “future premium increase” and “high current premium.” Since brokers tend to have to deliver premium

Top Broker Priorities and Challenges in Q4 2022



Respondents reporting top client concerns



increases to clients, smoothing the client experience as much as possible can be paramount. In line with that, education was a key part of respondents' efforts to better the client experience and differentiate themselves from the competition. "We have the opportunity to educate our clients on what is happening in the marketplace and to prepare them for the ever-changing coverage and premium implications of this 'interesting' insurance market," said one respondent from a large Northeastern firm.

Besides education, respondents intend to enhance the customer experience by:

- Using technology to make their information readily available 24/7
- Implementing additional payment methods
- Streamlining the application and renewal processes through platforms that allow for data compilation, pre-filled applications, etc.
- Hiring specific service personnel to focus on the client experience and delivery of resources
- Investing in providing additional services for clients such as assistance with risk management, regulatory compliance, and loss control efforts

As another respondent from the Northeast said, "There is no better time in our industry to provide our clients with the advice and service to assist them in navigating the uncertain times ahead."

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.

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

1. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following account sizes, compared to the third quarter of 2022 (July 1 – September 30)? (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%	1.27%	12.66%	64.56%	15.19%	2.53%	1.27%	0.00%	2.53%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	2.56%	1.28%	60.26%	32.05%	1.28%	1.28%	0.00%	1.28%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	1.28%	2.56%	55.13%	32.05%	5.13%	1.28%	0.00%	2.56%

2. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	45.07%	35.21%	8.45%	2.82%	0.00%	0.00%	8.45%
Broker E&O	0.00%	0.00%	0.00%	0.00%	16.00%	52.00%	28.00%	1.33%	0.00%	0.00%	2.67%
Commercial auto	0.00%	1.30%	0.00%	0.00%	6.49%	64.94%	23.38%	2.60%	1.30%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	28.95%	42.11%	19.74%	7.89%	1.32%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	25.68%	54.05%	16.22%	2.70%	0.00%	0.00%	1.35%
Cyber	0.00%	0.00%	1.30%	3.90%	9.09%	22.08%	33.77%	23.38%	2.60%	3.90%	0.00%
D&O	1.30%	1.30%	1.30%	3.90%	20.78%	53.25%	15.58%	1.30%	1.30%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	3.95%	39.47%	43.42%	10.53%	1.32%	1.32%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	32.43%	44.59%	12.16%	1.35%	2.70%	0.00%	6.76%
General liability	0.00%	0.00%	0.00%	0.00%	31.17%	57.14%	9.09%	1.30%	1.30%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	4.23%	40.85%	46.48%	4.23%	1.41%	0.00%	0.00%	2.82%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	48.61%	34.72%	8.33%	2.78%	0.00%	1.39%	4.17%
Surety bonds	0.00%	0.00%	0.00%	1.39%	79.17%	16.67%	0.00%	0.00%	0.00%	1.39%	1.39%
Terrorism	0.00%	0.00%	0.00%	0.00%	78.57%	11.43%	2.86%	0.00%	0.00%	1.43%	5.71%
Umbrella	0.00%	0.00%	0.00%	2.56%	11.54%	42.31%	35.90%	3.85%	3.85%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	1.30%	51.95%	36.36%	7.79%	0.00%	1.30%	0.00%	1.30%	0.00%

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

1. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	79.17%	20.83%	0.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	4.17%	66.67%	25.00%	4.17%	0.00%	0.00%	0.00%

2. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	13.04%	56.52%	26.09%	0.00%	0.00%	0.00%	4.35%
Broker E&O	0.00%	0.00%	0.00%	0.00%	40.91%	45.45%	4.55%	4.55%	0.00%	0.00%	4.55%
Commercial auto	0.00%	4.17%	0.00%	0.00%	12.50%	45.83%	33.33%	4.17%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	41.67%	33.33%	20.83%	0.00%	4.17%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	30.43%	52.17%	17.39%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	4.17%	0.00%	8.33%	33.33%	33.33%	12.50%	4.17%	4.17%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	30.43%	69.57%	0.00%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	30.43%	52.17%	8.70%	0.00%	0.00%	0.00%	8.70%
Employment practices	0.00%	0.00%	0.00%	4.35%	34.78%	52.17%	8.70%	0.00%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	29.17%	58.33%	8.33%	4.17%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	4.76%	38.10%	47.62%	0.00%	4.76%	0.00%	0.00%	4.76%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	60.87%	26.09%	4.35%	4.35%	0.00%	0.00%	4.35%
Surety bonds	0.00%	0.00%	0.00%	0.00%	90.91%	9.09%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	90.00%	5.00%	0.00%	0.00%	0.00%	0.00%	5.00%
Umbrella	0.00%	0.00%	0.00%	4.17%	25.00%	25.00%	33.33%	12.50%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	4.17%	58.33%	33.33%	0.00%	0.00%	0.00%	0.00%	4.17%	0.00%

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

1. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	19.05%	57.14%	19.05%	4.76%	0.00%	0.00%	0.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	4.76%	0.00%	47.62%	47.62%	0.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	4.76%	52.38%	33.33%	9.52%	0.00%	0.00%	0.00%

2. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	19.05%	47.62%	33.33%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	57.89%	21.05%	15.79%	5.26%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	4.76%	71.43%	23.81%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	23.81%	47.62%	14.29%	14.29%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	28.57%	47.62%	23.81%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	9.52%	0.00%	23.81%	28.57%	28.57%	4.76%	4.76%	0.00%
D&O	4.76%	0.00%	0.00%	0.00%	19.05%	52.38%	23.81%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	38.10%	42.86%	14.29%	0.00%	4.76%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	4.76%	52.38%	38.10%	4.76%	0.00%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	33.33%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	55.00%	40.00%	5.00%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	47.37%	42.11%	5.26%	0.00%	0.00%	5.26%	0.00%
Surety bonds	0.00%	0.00%	0.00%	0.00%	90.00%	5.00%	0.00%	0.00%	0.00%	5.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	80.95%	9.52%	4.76%	0.00%	0.00%	4.76%	0.00%
Umbrella	0.00%	0.00%	0.00%	4.76%	9.52%	42.86%	33.33%	0.00%	9.52%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	57.14%	38.10%	4.76%	0.00%	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 fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	5.00%	15.00%	60.00%	15.00%	0.00%	0.00%	0.00%	5.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	5.00%	5.00%	65.00%	20.00%	0.00%	0.00%	0.00%	5.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	5.00%	0.00%	55.00%	30.00%	0.00%	0.00%	0.00%	10.00%

2. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	27.78%	50.00%	22.22%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	50.00%	33.33%	5.56%	0.00%	0.00%	0.00%	11.11%
Commercial auto	0.00%	0.00%	0.00%	0.00%	5.26%	84.21%	10.53%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	16.67%	50.00%	33.33%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	11.11%	72.22%	11.11%	5.56%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	5.56%	5.56%	22.22%	27.78%	38.89%	0.00%	0.00%	0.00%
D&O	0.00%	0.00%	5.26%	5.26%	21.05%	47.37%	21.05%	0.00%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	29.41%	64.71%	0.00%	0.00%	0.00%	0.00%	5.88%
Employment practices	0.00%	0.00%	0.00%	0.00%	47.37%	36.84%	15.79%	0.00%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	36.84%	57.89%	5.26%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	5.56%	33.33%	55.56%	5.56%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	33.33%	50.00%	11.11%	5.56%	0.00%	0.00%	0.00%
Surety bonds	0.00%	0.00%	0.00%	5.56%	66.67%	27.78%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	70.59%	17.65%	5.88%	0.00%	0.00%	0.00%	5.88%
Umbrella	0.00%	0.00%	0.00%	0.00%	0.00%	73.68%	26.32%	0.00%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	52.63%	36.84%	10.53%	0.00%	0.00%	0.00%	0.00%	0.00%

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

1. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	57.14%	14.29%	0.00%	14.29%	0.00%	14.29%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	28.57%	57.14%	0.00%	14.29%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	28.57%	57.14%	0.00%	14.29%	0.00%	0.00%

2. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	42.86%	42.86%	14.29%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	33.33%	50.00%	0.00%	0.00%	0.00%	0.00%	16.67%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	42.86%	42.86%	0.00%	14.29%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	14.29%	42.86%	14.29%	28.57%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	16.67%	16.67%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	28.57%	0.00%	42.86%	14.29%	0.00%	14.29%	0.00%
D&O	0.00%	0.00%	0.00%	14.29%	0.00%	57.14%	14.29%	0.00%	14.29%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	14.29%	0.00%	57.14%	0.00%	14.29%	0.00%	14.29%
Employment practices	0.00%	0.00%	0.00%	14.29%	0.00%	57.14%	14.29%	0.00%	14.29%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	14.29%	42.86%	28.57%	0.00%	14.29%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	16.67%	33.33%	16.67%	16.67%	0.00%	0.00%	0.00%	16.67%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	50.00%	16.67%	16.67%	0.00%	0.00%	0.00%	16.67%
Surety bonds	0.00%	0.00%	0.00%	0.00%	66.67%	16.67%	0.00%	0.00%	0.00%	0.00%	16.67%
Terrorism	0.00%	0.00%	0.00%	0.00%	66.67%	16.67%	0.00%	0.00%	0.00%	0.00%	16.67%
Umbrella	0.00%	0.00%	0.00%	0.00%	0.00%	42.86%	42.86%	0.00%	14.29%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	28.57%	42.86%	14.29%	0.00%	14.29%	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 fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	71.43%	14.29%	14.29%	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%	50.00%	33.33%	16.67%	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%	50.00%	33.33%	16.67%	0.00%	0.00%	0.00%

2. During the fourth quarter of 2022 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the third quarter of 2022 (July 1 – September 30)? (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%	66.67%	16.67%	0.00%	0.00%	0.00%	16.67%
Broker E&O	0.00%	0.00%	0.00%	0.00%	16.67%	33.33%	16.67%	0.00%	0.00%	0.00%	33.33%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	83.33%	0.00%	16.67%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	33.33%	0.00%	16.67%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	33.33%	50.00%	0.00%	0.00%	0.00%	0.00%	16.67%
Cyber	0.00%	0.00%	0.00%	0.00%	28.57%	0.00%	57.14%	14.29%	0.00%	0.00%	0.00%
D&O	0.00%	14.29%	0.00%	14.29%	14.29%	14.29%	28.57%	14.29%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	50.00%	16.67%	0.00%	16.67%	0.00%	0.00%	16.67%
Employment practices	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	16.67%	16.67%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	33.33%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	33.33%	66.67%	0.00%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	50.00%	16.67%	16.67%	0.00%	0.00%	0.00%	16.67%
Surety bonds	0.00%	0.00%	0.00%	0.00%	50.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	66.67%	16.67%	0.00%	0.00%	0.00%	0.00%	16.67%
Umbrella	0.00%	0.00%	0.00%	0.00%	14.29%	14.29%	71.43%	0.00%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	33.33%	33.33%	33.33%	0.00%	0.00%	0.00%	0.00%	0.00%

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size SMALL	MEDIUM	LARGE	AVERAGE
Fourth Quarter 2022	6.5%	8.3%	9.1%	8.0%
Third Quarter 2022	6.5%	9.0%	8.8%	8.1%
Second Quarter 2022	6.4%	7.3%	7.5%	7.1%
First Quarter 2022	6.4%	7.3%	6.2%	6.6%
Fourth Quarter 2021	6.3%	10.6%	9.2%	8.7%
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 FOURTH QUARTER 2022 RATE CHANGES RANGED FROM -1.1% TO +16.0%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Fourth Quarter 2022	7.3%	-1.1%	16.0%	4.9%	9.6%	7.4%
Third Quarter 2022	7.6%	-0.7%	11.2%	5.7%	11.3%	7.0%
Second Quarter 2022	7.2%	-1.2%	8.3%	4.7%	11.3%	6.1%
First Quarter 2022	5.9%	-0.5%	8.6%	3.9%	10.5%	5.7%
Fourth Quarter 2021	8.0%	0.3%	10.5%	6.4%	15.0%	8.1%
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

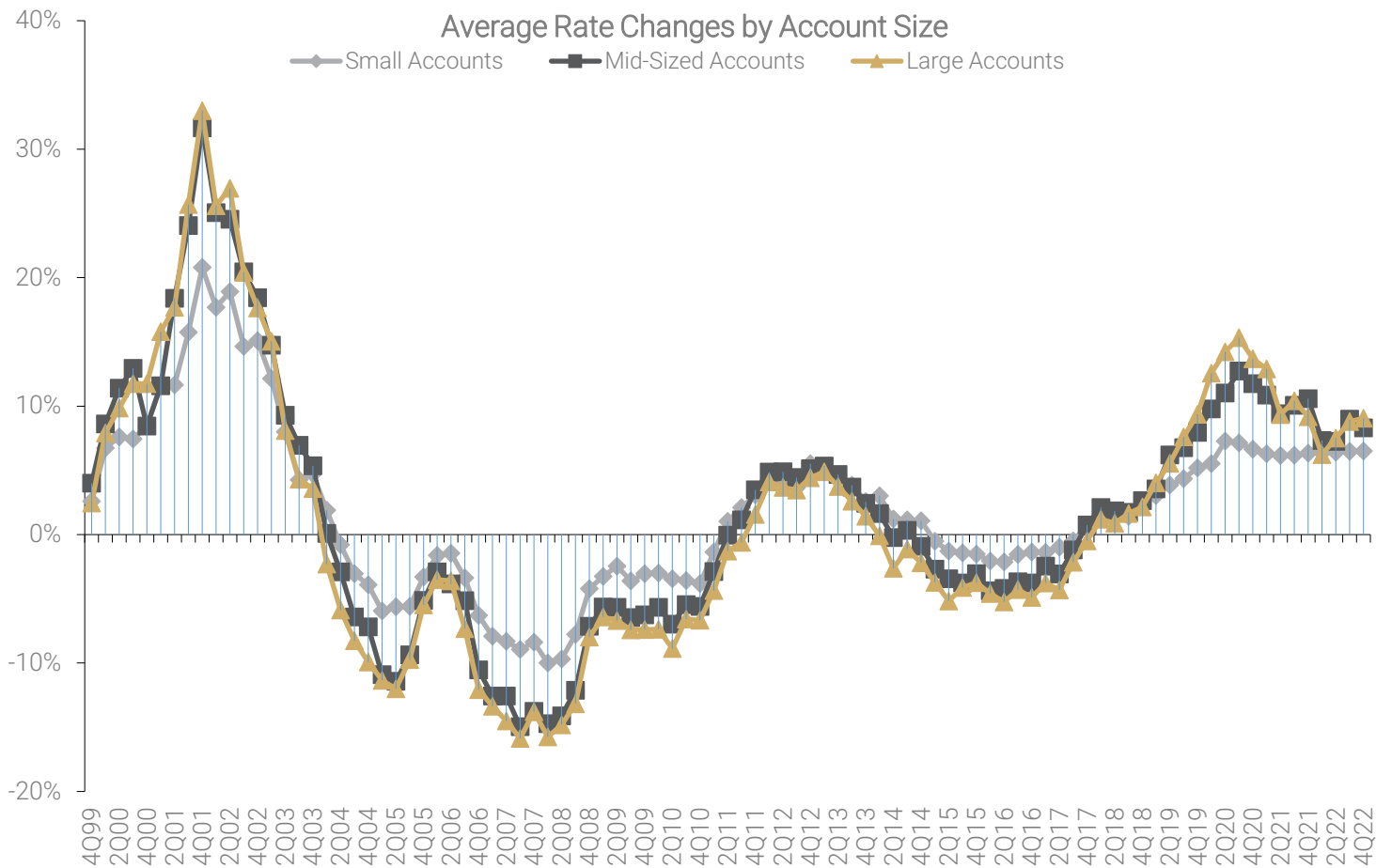
RATE CHANGES IN OTHER LINES

	4Q22	High	Low
Broker E&O	3.3%	15.4%	-4.5%
Business Interruption	6.7%	28.8%	-10.2%
Construction	5.4%	38.7%	-10.7%
Cyber	15.0%	34.3%	-1.5%
D&O Liability	4.4%	32.4%	-8.7%
Employment Practices	4.2%	21.9%	-8.1%
Flood	5.1%	8.6%	-2.7%
Marine	2.8%	4.5%	-10.6%
Medical Malpractice	4.3%	32.5%	-4.1%
Surety Bonds	1.6%	11.2%	-2.3%
Terrorism	1.8%	10.4%	-3.6%

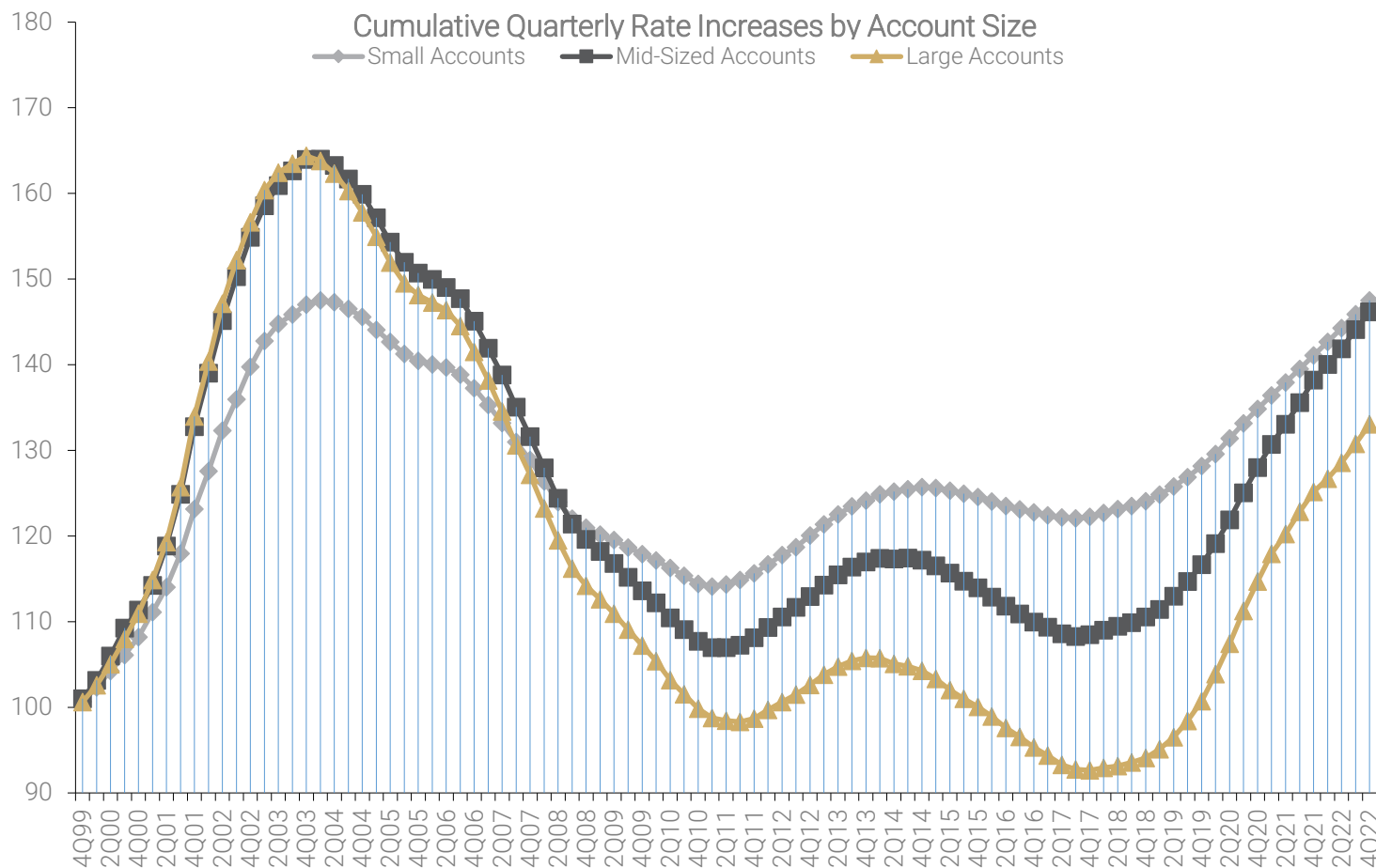
Source:

The Council of Insurance Agents & Brokers

Average Rate Changes by Account Size

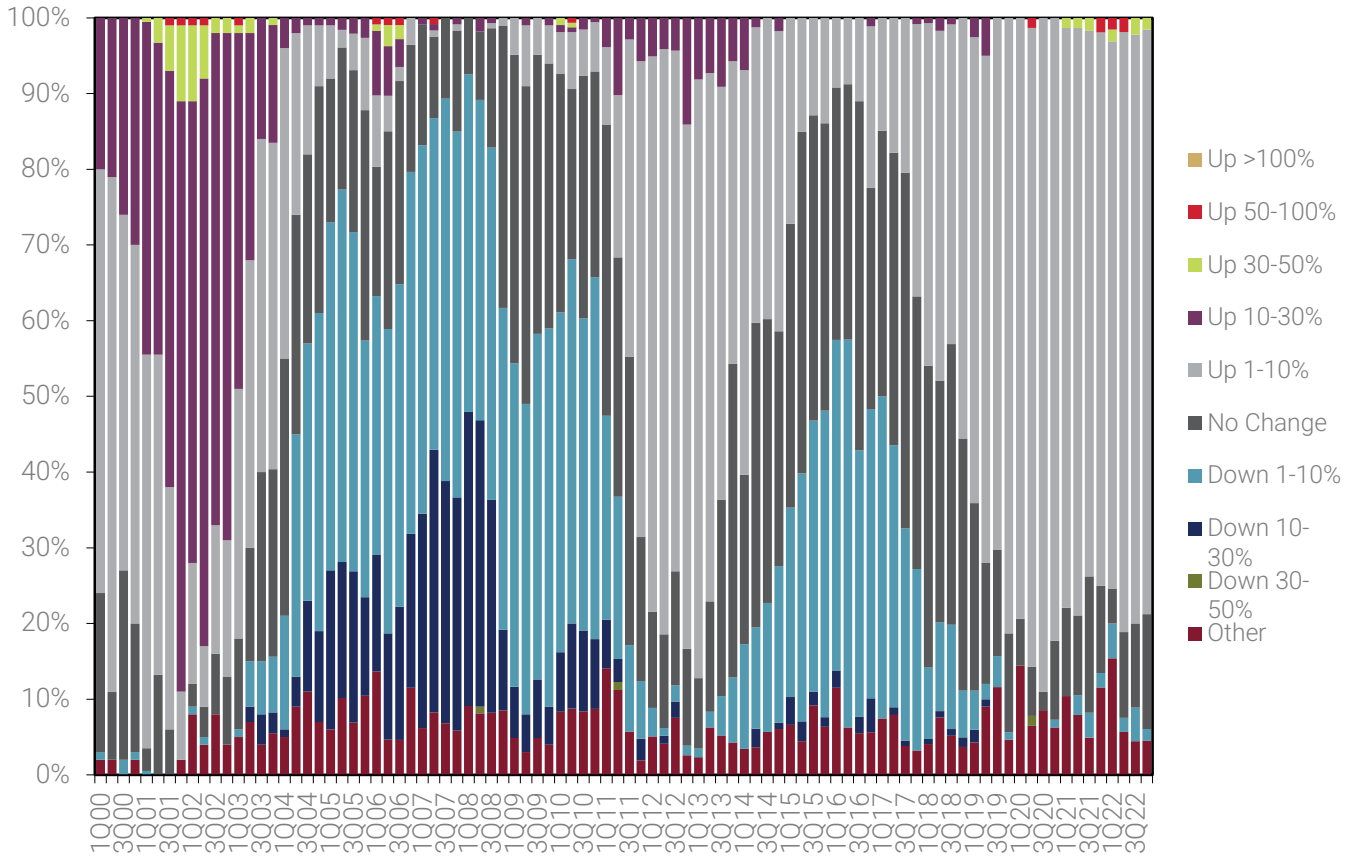


Cumulative Quarterly Rate Increases by Account Size



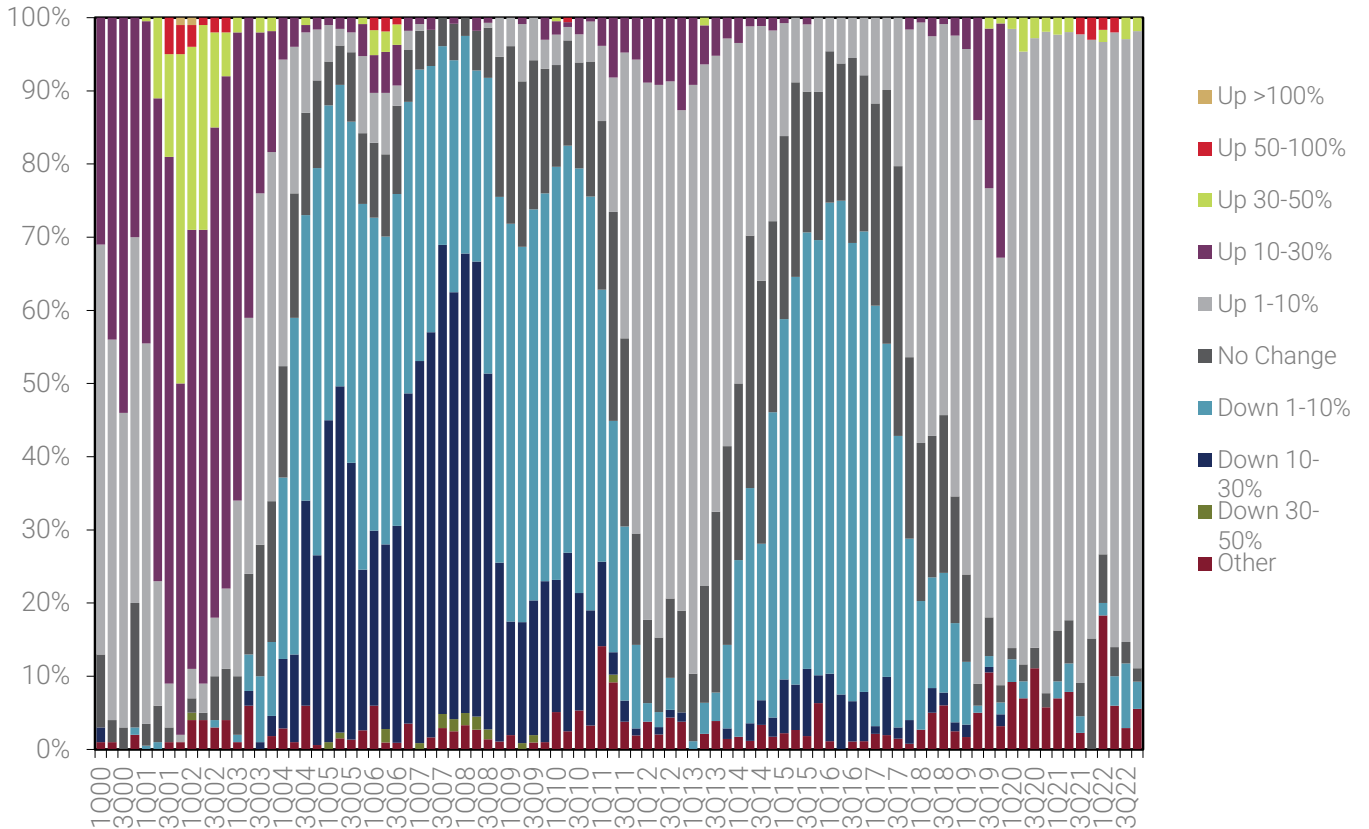
Percentage of Survey Respondents

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



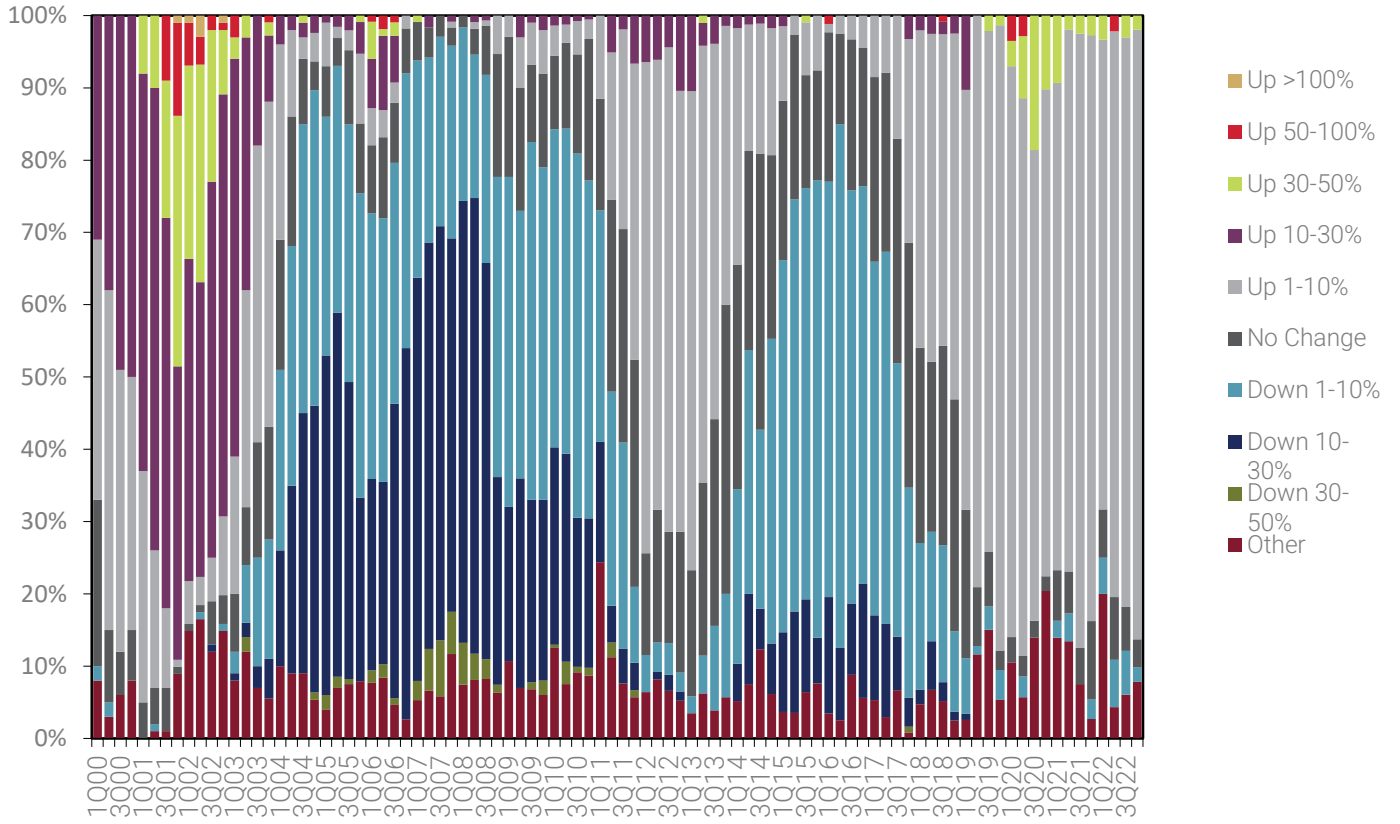
Percentage of Survey Respondents

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

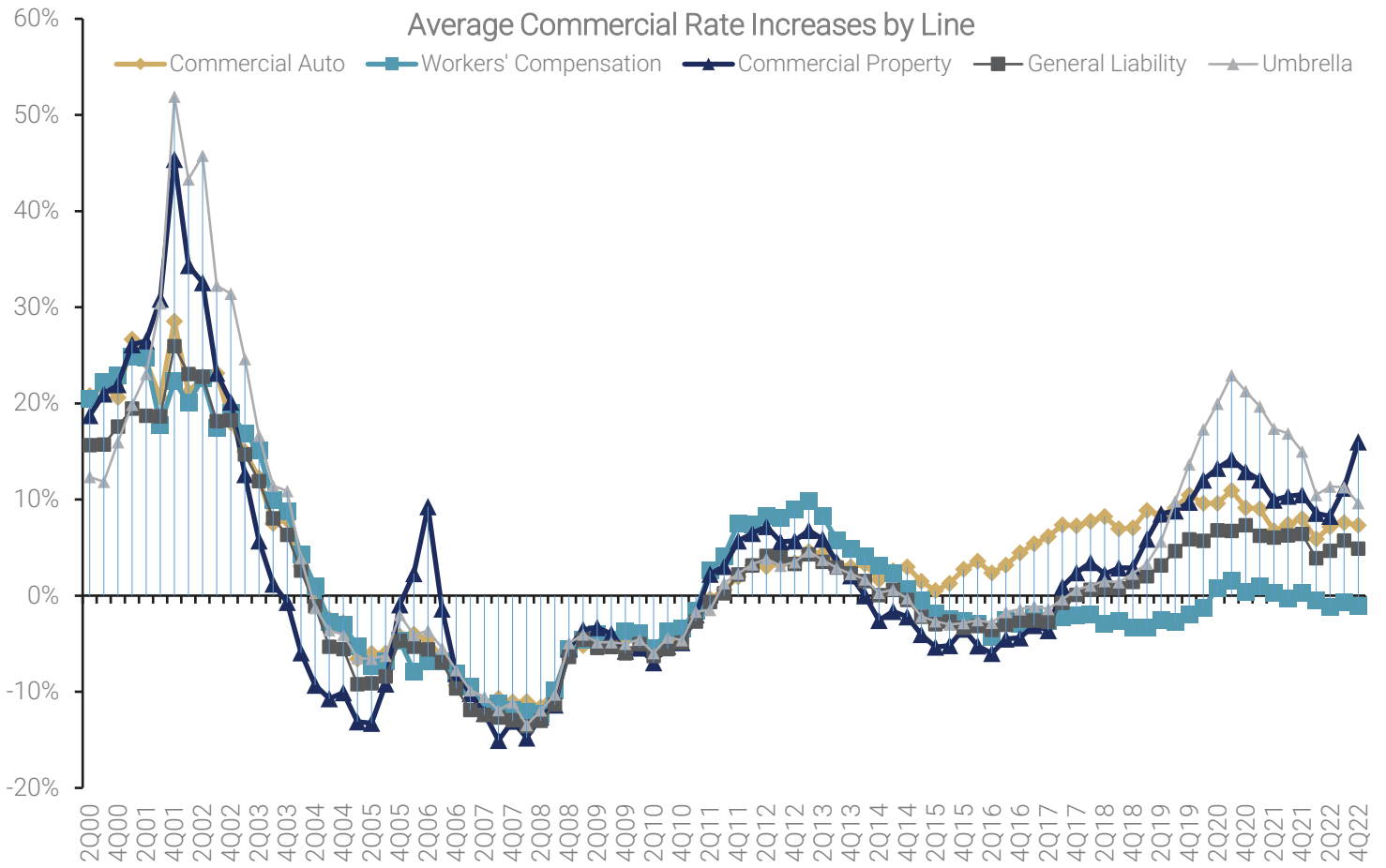


Insurance Rate Changes, Large Commercial Accounts (Accounts generating >\$100,000 in annual commissions & fees)

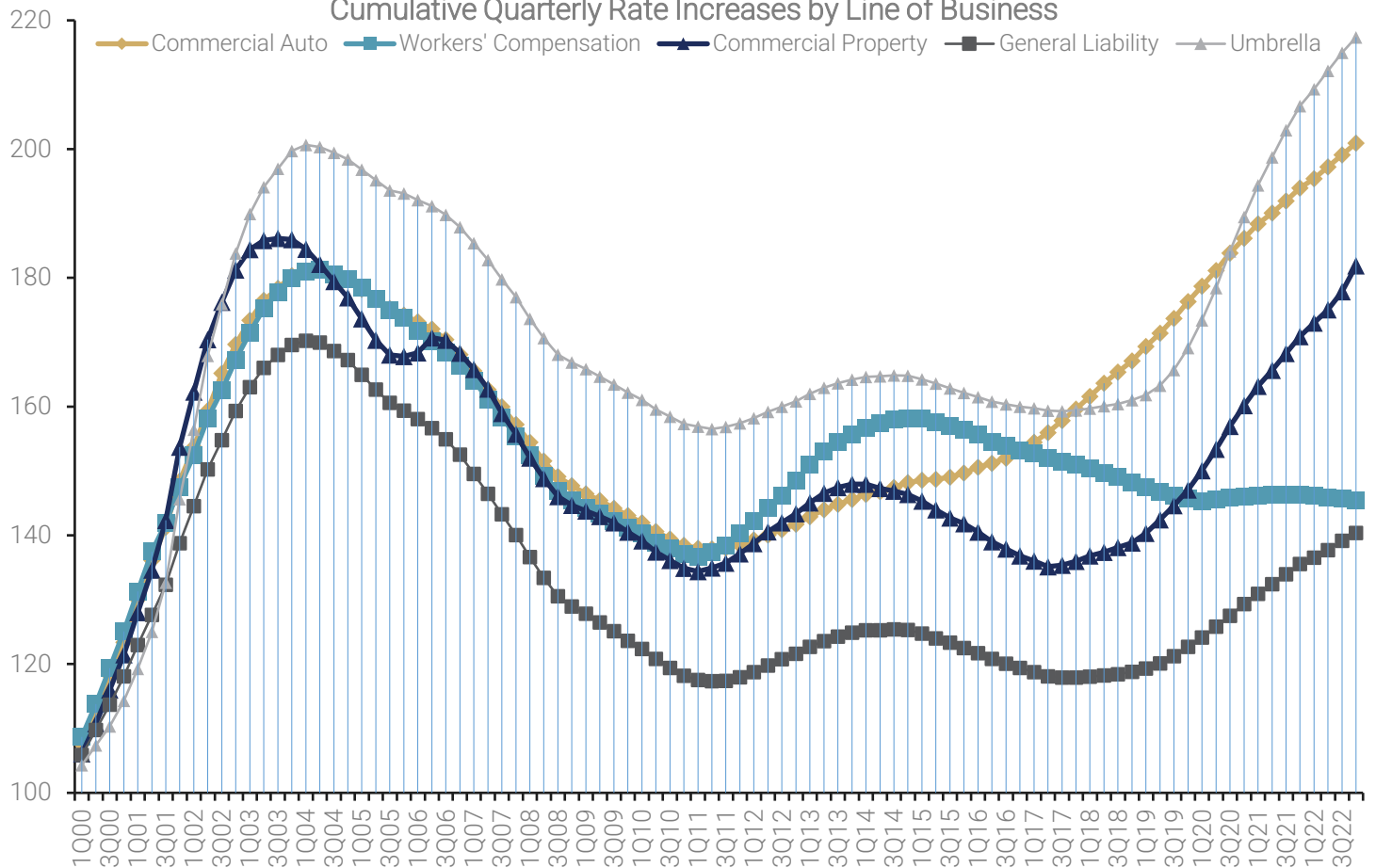
Percentage of Survey Respondents



Average Commercial Rate Increases by Line

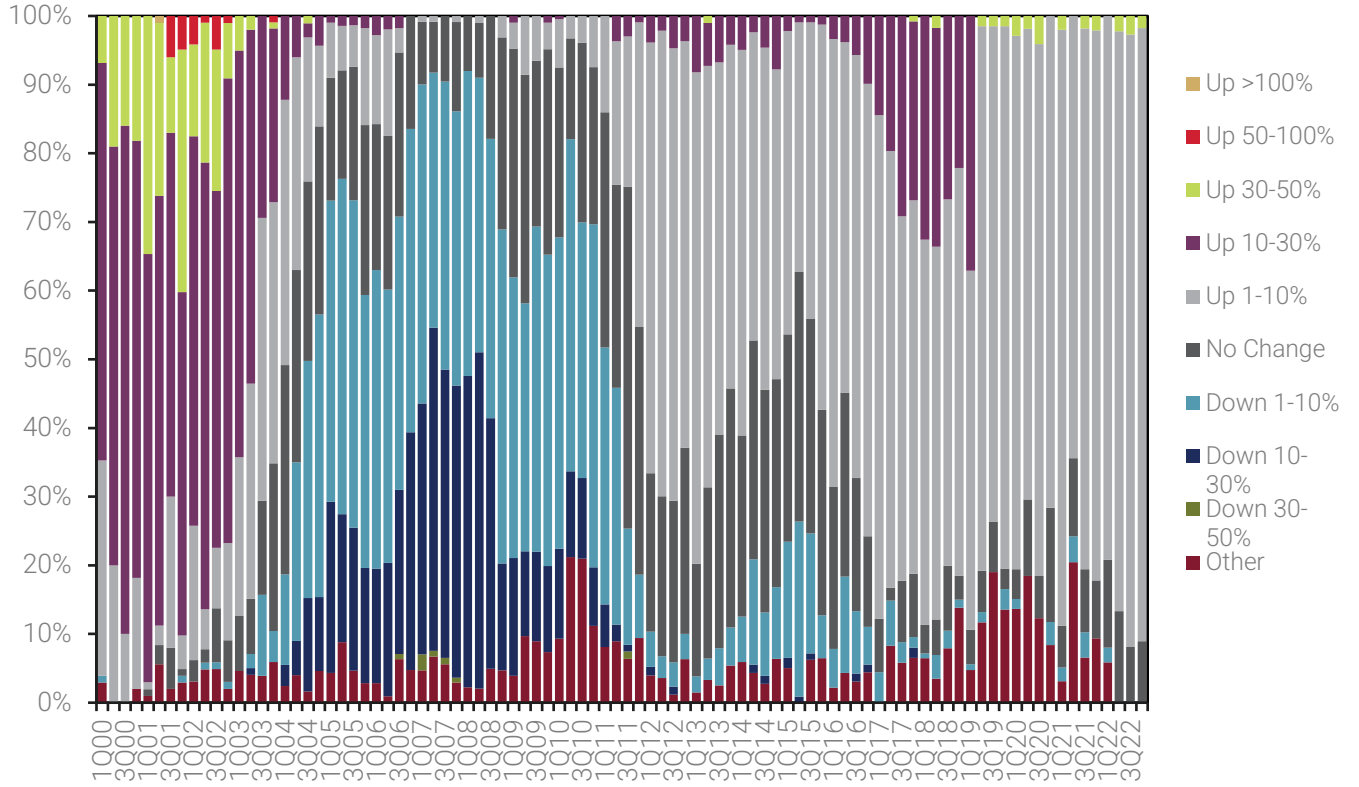


Cumulative Quarterly Rate Increases by Line of Business



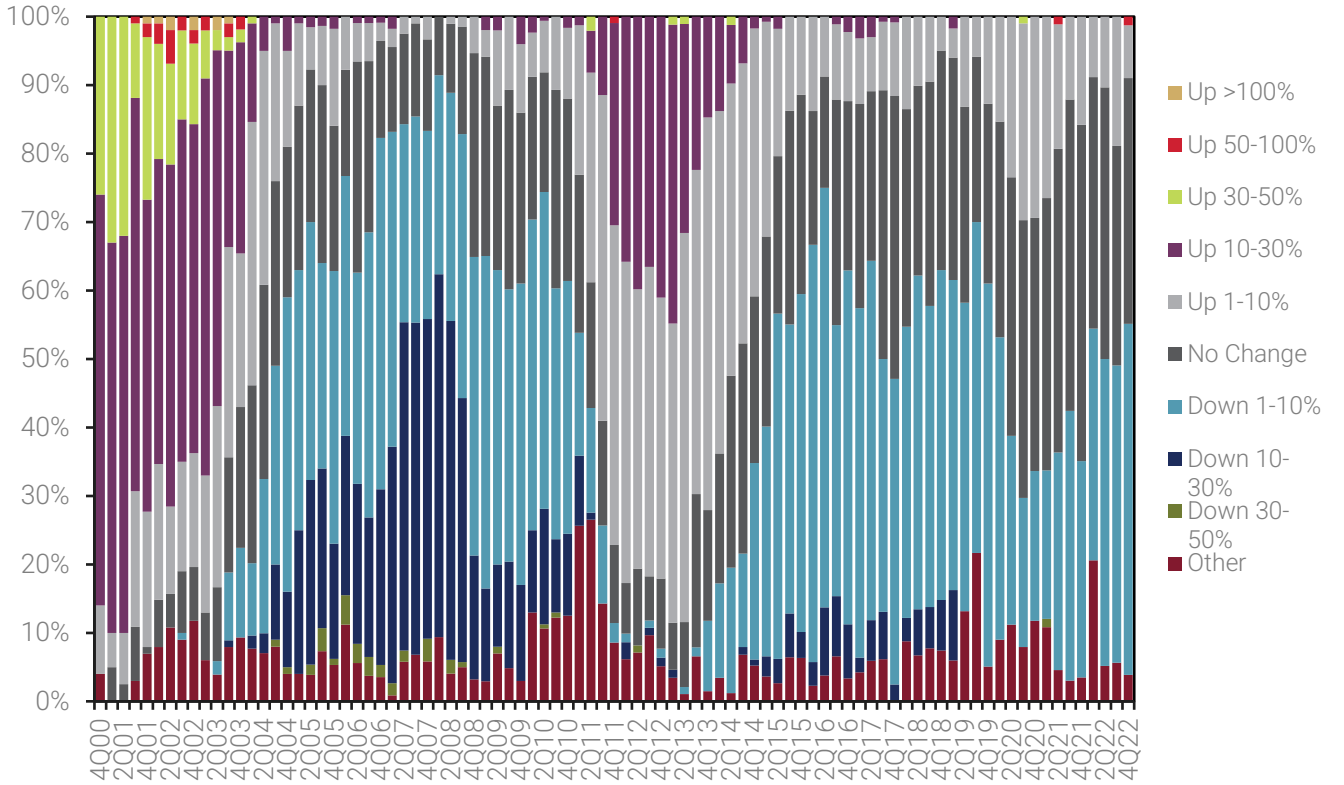
Commercial Auto Insurance Rate Changes

Percentage of Survey Respondents



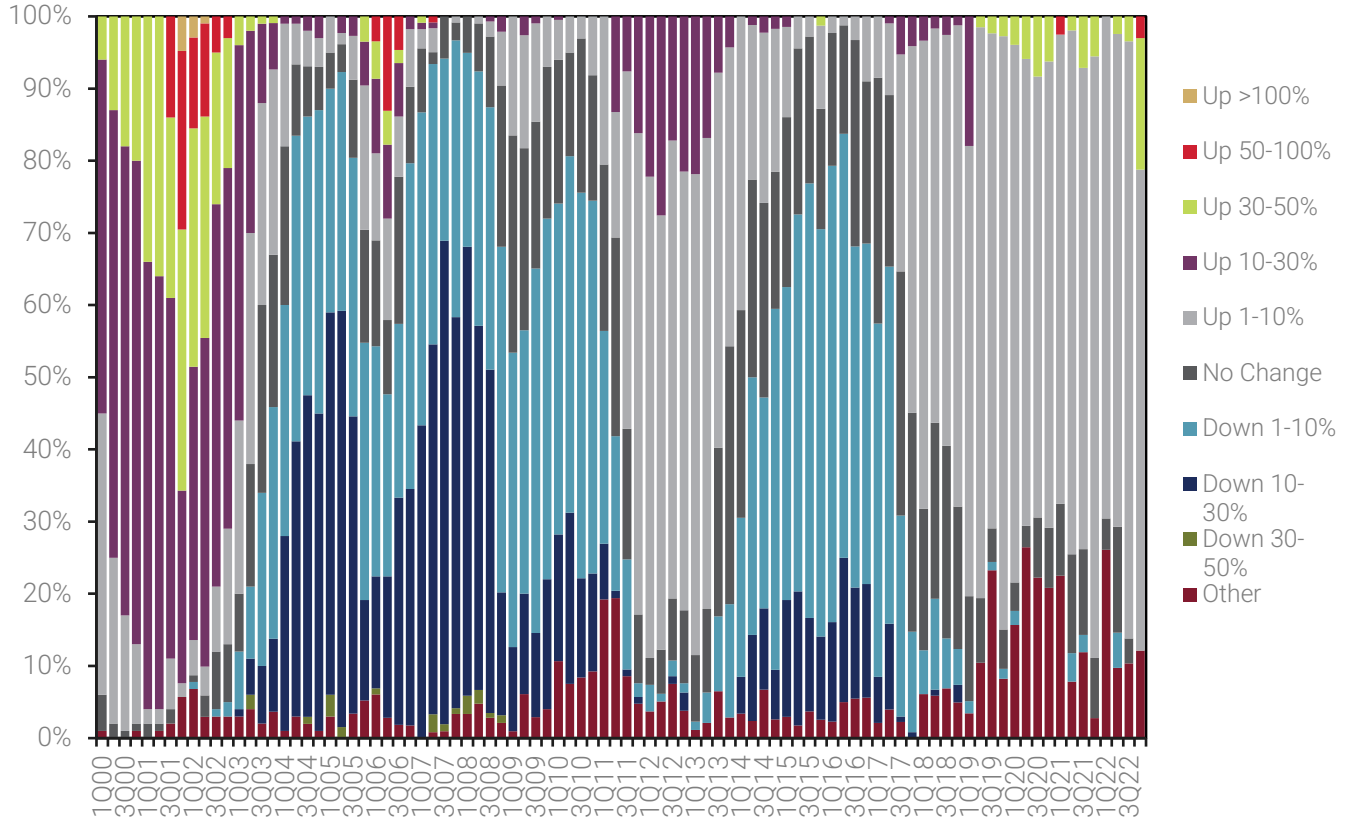
Workers Compensation Insurance Rate Changes

Percentage of Survey Respondents



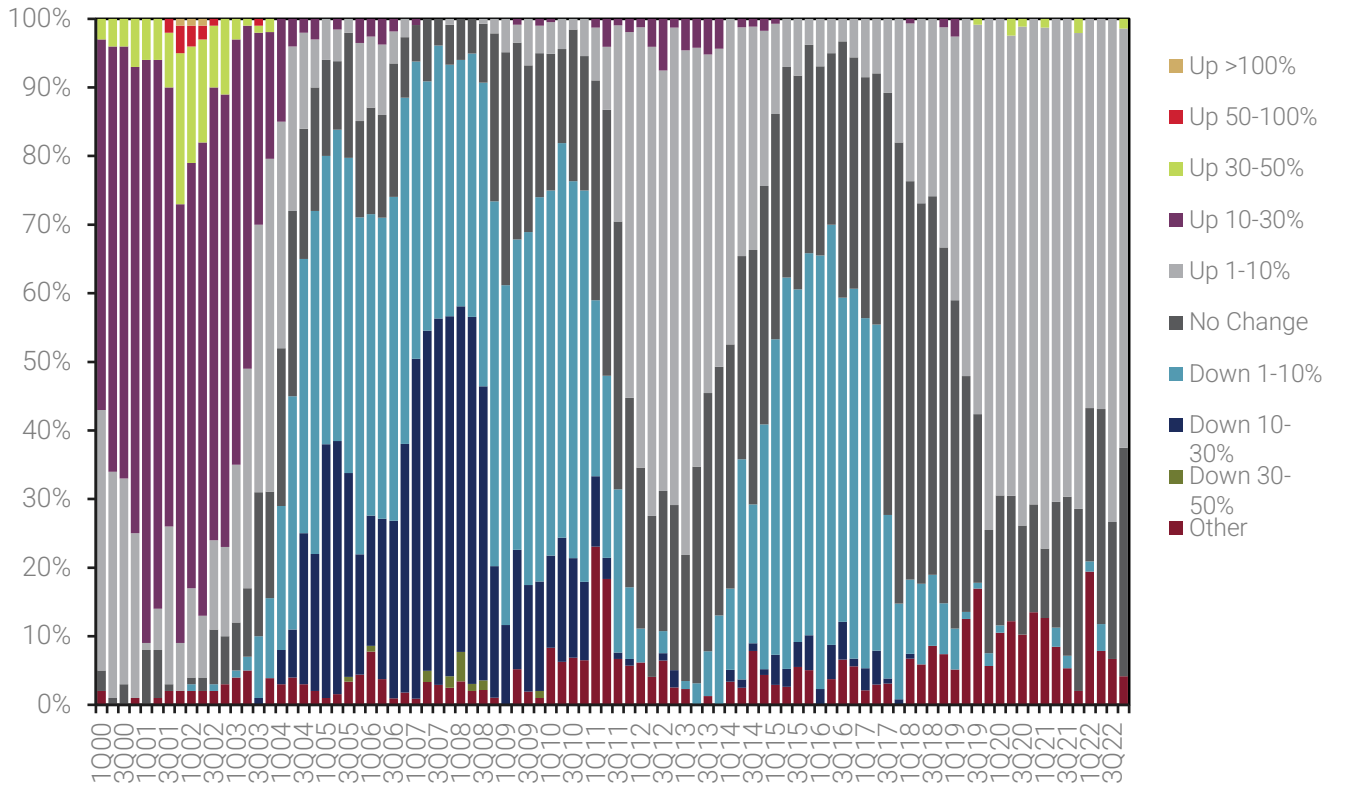
Commercial Property Insurance Rate Changes

Percentage of Survey Respondents

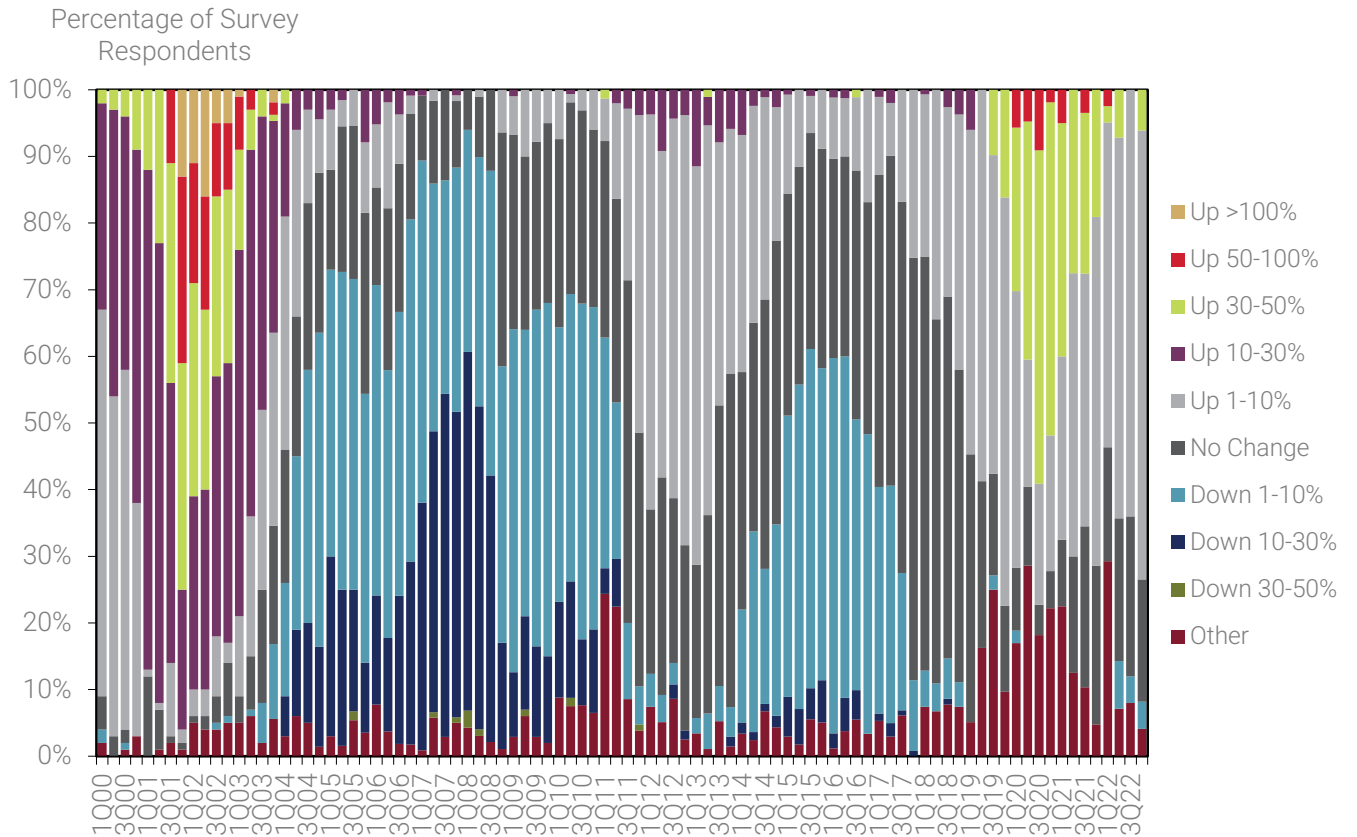


Commercial General Liability Insurance Rate Changes

Percentage of Survey Respondents



Umbrella Insurance Rate Changes



Business Interruption Insurance Rate Changes

