



 THE COUNCIL

COMMERCIAL PROPERTY/ CASUALTY MARKET INDEX

Q4/2021



Commercial Property/Casualty Market Index

Q4/2021

EXECUTIVE SUMMARY

The following are key takeaways from The Council of Insurance Agents & Brokers' *Commercial Property/Casualty Market Report Q4 2021 (October 1 – December 31)*:

- Premiums increased for the 17th consecutive quarter in Q4 2021, with respondents reporting an average premium increase across all account sizes of 8.7%.
- Prices increased for all lines of business, including Workers' Compensation.
- Cyber had yet another record increase in Q4 2021, at 34.3%--the first time since the post-9/11 hard market where a line of business had an increase of over 30%.
- Respondents pointed to an increased frequency and severity of Cyber claims, as well as the difficulty of quantifying cyber risk, as a reason for the significant increases.
- Much stricter underwriting requirements for Cyber business remained a theme in Q4 2021, with several respondents noting carriers wouldn't "entertain new business or renewal applications without MFA [multi-factor authentication] in place" and, depending on the account, would require other risk mitigation practices, such as "EDR [\[endpoint detection and response\]](#), adequate backups and segmentation, or employee phishing training."

PREMIUM PRICING

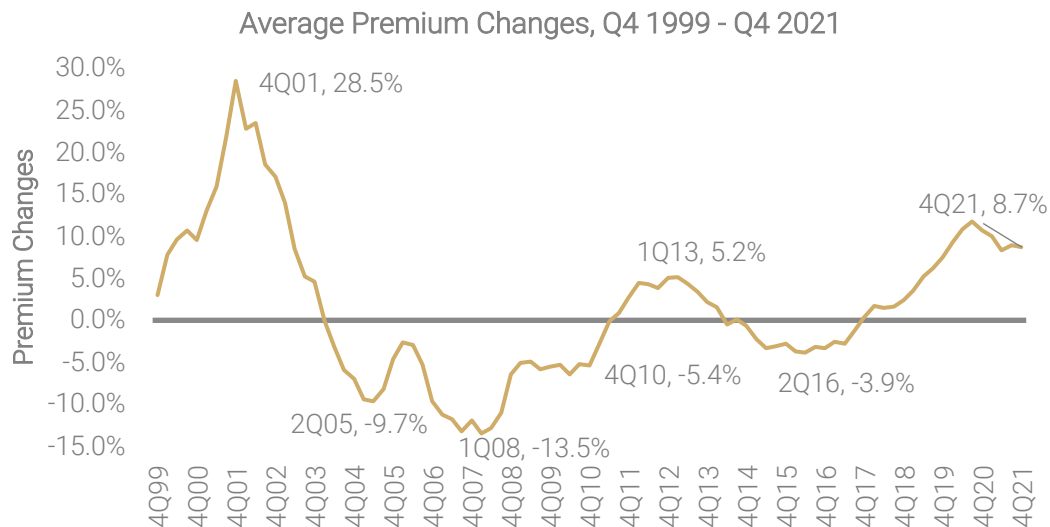
Respondents reported an average increase in premiums of 8.7% for all account sizes in Q4 2021, the 17th consecutive quarter of increased premiums.

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size			
	SMALL	MEDIUM	LARGE	AVERAGE
Fourth Quarter 2021	6.3%	10.6%	9.2%	8.7%
Third Quarter 2021	6.2%	10.1%	10.4%	8.9%
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%
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

When segmenting the data by account size, we saw that this quarter, in contrast to previous quarters, medium accounts were the most impacted by current market conditions in Q4 2021, experiencing the highest average increase in premiums, at 10.6%. Large accounts were close behind, with an average increase in premiums of 9.2%, followed by small accounts at 6.3%.



PREMIUM PRICING BY LINE OF BUSINESS

For the third consecutive quarter, the average increase in premiums across the five major lines, Business Interruption, Commercial Auto, Commercial Property, Umbrella, and Workers' Compensation, was 8.1% in Q4 2021. All other lines also saw increases this quarter.

BY-LINE FOURTH QUARTER 2021 RATE CHANGES RANGED FROM 0.3% TO +15.0%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Fourth Quarter 2021	8.0%	0.3%	10.5%	6.4%	15.0%	8.1%
Third Quarter 2021	7.4%	-0.3%	10.3%	6.3%	16.9%	8.1%
Second Quarter 2021	6.8%	0.3%	9.9%	6.0%	17.4%	8.1%
First Quarter 2020	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%
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

Cyber premiums increased sharply this quarter, with respondents reporting an average increase of 34.3% for the line. This was in stark contrast to other lines, whose increases were consistent with the previous quarter, or lower than the previous quarter.

“Cyber continued to raise alarm bells across the industry,” said Ken A. Crerar, President/CEO of The Council of Insurance Agents & Brokers. “The increase in premiums for that line continued unabated in Q4 2021, and the frequency and severity of Cyber claims continued to climb. The industry must take steps to confront this unique, constantly evolving risk.”

As with last quarter, four other lines saw premium increases in excess of 10%. Umbrella and D&O Liability, at 15.0% and 13.0%, respectively, and Employment Practices and Commercial Property at 10.6% and 10.5%, respectively. All other lines saw increases of 8% or less.

RATE CHANGES IN OTHER LINES

	4Q21	High	Low
Broker E&O	3.4%	15.4%	-4.5%
Business Interruption	6.0%	28.8%	-10.2%
Construction	6.8%	38.7%	-10.7%
Cyber	34.3%	34.3%	-1.5%
D&O Liability	13.0%	32.4%	-8.7%
Employment Practices	10.8%	21.9%	-8.1%
Flood	6.4%	8.6%	-2.7%
Marine	4.2%	4.5%	-10.6%
Medical Malpractice	5.1%	32.5%	-4.1%
Surety Bonds	1.7%	11.2%	-2.3%
Terrorism	1.0%	10.4%	-3.6%

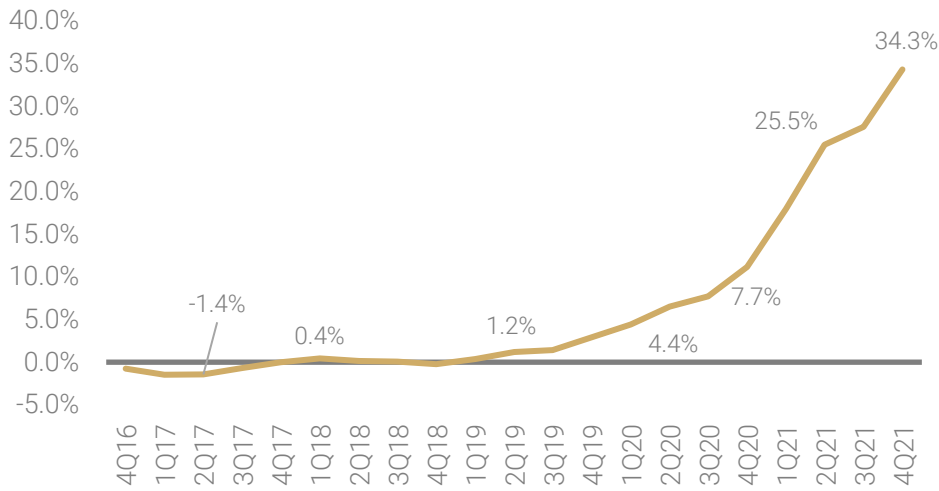
Source:
The Council of Insurance Agents & Brokers

NOTABLE LINES OF BUSINESS

CYBER

Cyber was the most troubled line of business in Q4 2021 by a significant margin, with respondents reporting an average increase of 34.3%. Notably, an increase of this magnitude has not been reported since the market fluctuations that followed 9/11. It was noted that cyberattacks can have catastrophic, far-reaching consequences on all areas of the business, which continued to pose a significant challenge for how the industry addresses this line of business.

Premium Change for Cyber, Q4 2016 - Q3 2021



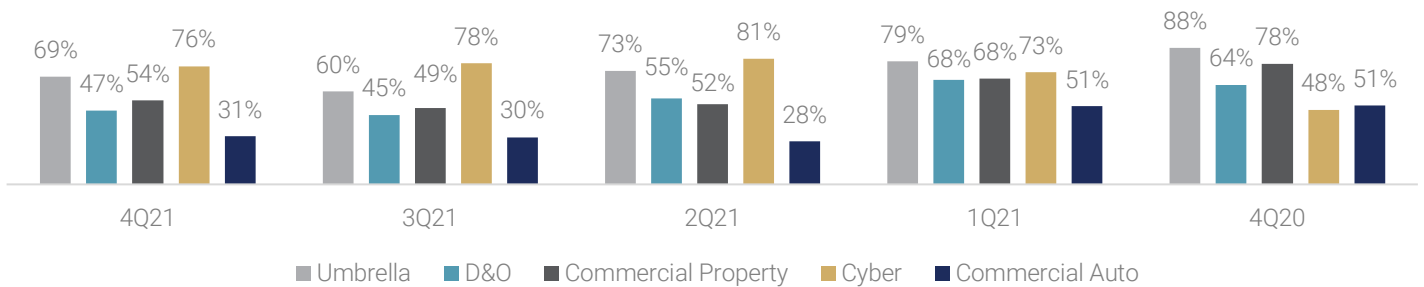
Several respondents pointed to how cyber risk was “dynamic and always evolving” as a driver for the steep increase in Cyber pricing. While costly risks from floods or other natural catastrophes can be roughly predicted for each given year, cyberattacks can happen anytime, anywhere, to anyone. “Increased reliance on technology in all industries has made it impossible to predict attacks,” said one respondent from a midsize Midwestern firm. “Sophisticated bad actors targeted smaller firms with limited defenses and resources.”

Relatedly, respondents also indicated that cyber risk profiles can be very broad, which makes quantifying the risk and pricing it appropriately very challenging. One respondent from a large Northeastern firm noted that, despite the sharp increase in the frequency and severity of Cyber claims, “Cyber was available from almost every carrier at moderate to low pricing.” In line with that, another respondent from a large Midwestern firm stated that “They [carriers] still weren’t pricing for the exposure based on the losses we were seeing.”

This historical underpricing, combined with the continued increase in severity and frequency of cyberattacks reported by many respondents, likely made a significant impact on the market.

UNDERWRITING

Respondents Reporting a Decrease in Underwriting Capacity



Across the board, respondents highlighted that underwriters were requiring stricter risk management protocols for Cyber insurance. “Requirements of the insured are at an all-time high,” said one respondent from a large Northwestern firm, explaining that insureds were often expected to have things like “MFA, EDR, PAM [\[privileged access management\]](#), email and web filtering, cyber incident response planning and testing, patch management, and cybersecurity awareness training and phishing testing.” Other respondents said similar things, emphasizing repeatedly that insureds needed to implement those risk management plans before carriers would even provide a

quote and terms.

As cyber risk management was the number one priority for underwriters, carriers also established incentives for insureds to adopt cyber risk management practices beyond simply raising prices or requiring it in order to bind the policy. As one respondent from a large Midwestern firm explained, “Cyber carriers offered self-service risk mitigation programs like best practices, sample procedures, trainings and videos. Many carriers also offered consultations with Cyber vendors or Cyber experts. Many offered discounted software solutions and some offer reimbursement for certain pre-approved vendor payments.”

Respondents also mentioned that carriers were cutting Cyber limits as well as imposing more restrictive terms and higher deductibles. “Sub limits for ransomware were common,” said one respondent from a midsize Midwestern firm.

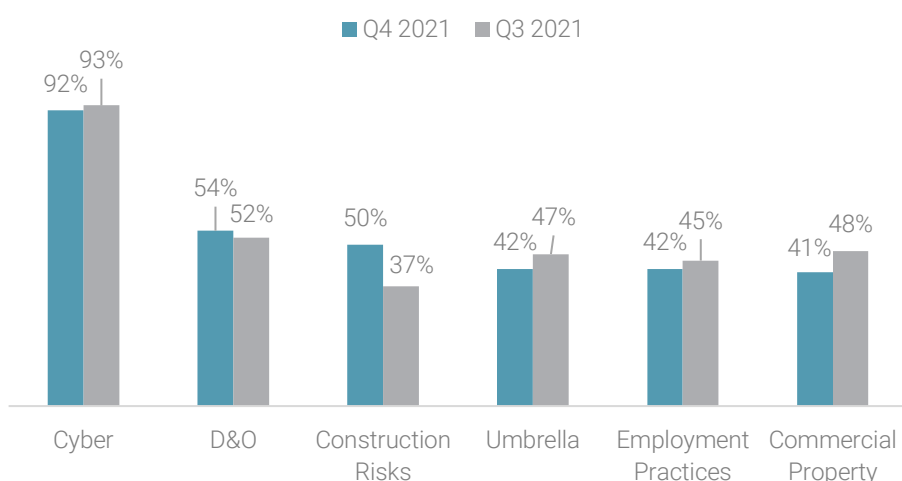
All this is interesting to note considering several brokers were also of the opinion—as discussed previously—that carriers were not pricing appropriately for Cyber exposure and were not adequately considering the risks. This suggests that the industry was still grappling with the unique risks Cyber posed in Q4 2021, and that there was more inconsistency in how these risks were underwritten by various carriers, unlike older more well-established risks like Commercial Property.

Other lines that saw notable increases in premiums in Q4 2021—Employment Practices, Umbrella, and Commercial Property—also saw similar changes in underwriting to Cyber. For Property, respondents noted “tighter terms and conditions and higher deductibles/retentions,” as well “higher attachment points” for Umbrella. One respondent from a midsize Southeastern firm noted that they were having to “having to layer most property and umbrella coverages,” and another from a midsize Midwestern firm even said that “Cyber and Property were the most challenging” lines of business to place.

COVID-19 was also still having an impact on Property underwriting. Respondents pointed to the addition of “communicable disease exclusions” for Property and said carriers would ask for “detailed Property COPE information,” including the “financial impact of COVID and vaccination policy and procedures.”

DEMAND

Respondents Reporting an Increase in Demand



“Construction projects were starting to pick up again (new development) and older projects were all being extended due to COVID delays.”

- from a large Northwestern firm

“We were starting to see increased demand for Property due to increased building replacement costs and longer periods of restoration.”

- from a large Southeastern firm

Demand for Cyber remained at an all-time high in Q4 2021, with 92% of respondents stating there had been an increase in demand. Respondents also observed a notable increase in demand for Construction Risks, with 50% of respondents saying they had seen an increase in demand for that line compared to just 37% in Q3 2021.

CLAIMS

“Increasing economic activity seemed to translate into increasing claim events.”

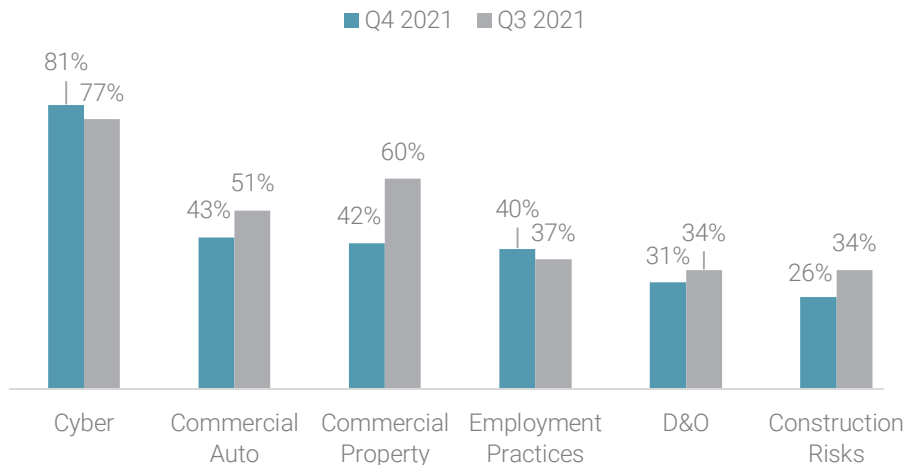
- from a large Northeastern firm

“There was more of an increase in severity than frequency.”

- from another large Northeastern firm

But for the most part, respondents agreed: “Not much change from Q3 2021.”

Respondents Reporting an Increase in Claims



Reflecting respondents' comments about the increase in both frequency and severity of Cyber claims, Cyber saw the largest increase in claims in Q4 2021, with more than 80% of respondents saying they saw an increase in claims for that line on business.

PRIORITIES AND CHALLENGES

TOP CHALLENGE/PRIORITY: RECRUITING AND DEVELOPING TALENT

- 84% of respondents said “recruiting and developing talent” was a top-three challenge
- “I have heard that 25% of the insurance workforce will be retiring in the next 5 years. That is 5% per year for the next 5 years. Even if you are doing a great job retaining your people, you are still going to have 1-5% attrition per year. That is our most pressing issue, period.” – respondent from a large Southeastern firm
- “In order to drive organic growth, we need the right people to produce the business. It’s very difficult to find people with the right cultural and skills fit; especially when you are looking to grow across multiple geographies.” – respondent from large Midwestern firm
- Respondent strategies to address this challenge:
 - Summer internship programs
 - Full-time recruiters
 - Social media outreach, job search sites

- In-person outreach at colleges and universities
- Referrals from employees, carriers, clients

TOP CHALLENGE: MAINTAINING EMPLOYEE HEALTH AND WELLNESS

- Notably, 30% of respondents said “maintaining employee health and wellness” was a top-three challenge, while only 17% said it was a top-three priority
- The importance of maintaining employee health and wellness: “Employee retention is key, as many firms are looking for talent with good wages.” – respondent from a large Midwestern firm
- “We are supporting employees through expanded benefit offerings, remote and hybrid work schedules, and more focused career training.” – respondent from a large Northeastern firm.
- “We are continuously evaluating how to keep employees while balancing the challenges of maintaining a strong culture while colleagues are working remotely.” – respondent from a large Northwestern firm

Brokers Look to the Future: Client Education and Risk Management Should be Top Priorities

From the Northeast:

“With increased underwriting scrutiny, especially with respect to Cyber coverage, we are in a position to educate our clients to help them lower the risk of experiencing a Cyber claim.”

From the Southeast:

“Opportunities exist for brokers that are willing to help clients learn how to reduce and manage risk.”

“We need to become trusted advisors rather than insurance salespeople. So much of what we are doing now requires true risk management in addition to providing quality insurance programs.”

From the Midwest:

“There is an increased specialization of insurance markets. With a hardening market, brokers will need to understand and interpret coverage and policies for clients more now than ever.”

From the Northwest:

“Employers need guidance in every facet of the business. Brokers can be a great business partner that provides that guidance and direction.”

“There’s an opportunity to embrace data and analytics to deliver better longer-term strategies.”

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 fourth quarter of 2021 (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 2021 (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%	1.72%	10.34%	65.52%	13.79%	0.00%	0.00%	1.72%	6.90%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	1.67%	6.67%	50.00%	35.00%	3.33%	1.67%	0.00%	1.67%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	8.33%	45.00%	41.67%	3.33%	0.00%	1.67%	0.00%

2. During the fourth quarter of 2021 (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 2021 (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%	16.95%	64.41%	13.56%	3.39%	0.00%	0.00%	1.69%
Broker E&O	0.00%	0.00%	0.00%	0.00%	45.28%	24.53%	11.32%	3.77%	0.00%	0.00%	15.09%
Commercial auto	0.00%	0.00%	0.00%	0.00%	6.78%	64.41%	25.42%	1.69%	1.69%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	5.08%	50.85%	33.90%	6.78%	3.39%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	21.05%	49.12%	22.81%	5.26%	0.00%	0.00%	1.75%
Cyber	0.00%	0.00%	0.00%	0.00%	3.39%	3.39%	11.86%	32.20%	30.51%	16.95%	1.69%
D&O	0.00%	0.00%	0.00%	0.00%	13.56%	30.51%	33.90%	18.64%	1.69%	1.69%	0.00%
Flood	0.00%	0.00%	0.00%	1.79%	25.00%	50.00%	7.14%	10.71%	1.79%	0.00%	3.57%
Employment practices	0.00%	0.00%	0.00%	0.00%	17.24%	39.66%	24.14%	17.24%	0.00%	1.72%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	22.03%	57.63%	16.95%	1.69%	1.69%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	42.59%	40.74%	11.11%	3.70%	0.00%	0.00%	1.85%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	40.74%	25.93%	12.96%	3.70%	3.70%	0.00%	12.96%
Surety bonds	0.00%	0.00%	0.00%	0.00%	71.15%	17.31%	3.85%	1.92%	0.00%	0.00%	5.77%
Terrorism	0.00%	0.00%	0.00%	0.00%	70.59%	17.65%	1.96%	0.00%	0.00%	0.00%	9.80%
Umbrella	0.00%	0.00%	0.00%	0.00%	8.47%	18.64%	49.15%	16.95%	6.78%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	31.03%	48.28%	15.52%	1.72%	3.45%	0.00%	0.00%	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 2021 (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 2021 (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%	10.00%	20.00%	60.00%	0.00%	0.00%	0.00%	0.00%	10.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	27.27%	36.36%	36.36%	0.00%	0.00%	0.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	9.09%	18.18%	36.36%	36.36%	0.00%	0.00%	0.00%	0.00%

2. During the fourth quarter of 2021 (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 2021 (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%	18.18%	54.55%	18.18%	0.00%	0.00%	0.00%	9.09%
Broker E&O	0.00%	0.00%	0.00%	0.00%	77.78%	0.00%	11.11%	11.11%	0.00%	0.00%	0.00%
Commercial auto	0.00%	0.00%	0.00%	0.00%	18.18%	45.45%	36.36%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	18.18%	45.45%	27.27%	9.09%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	36.36%	45.45%	9.09%	9.09%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	9.09%	9.09%	0.00%	54.55%	18.18%	9.09%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	27.27%	18.18%	36.36%	18.18%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	27.27%	45.45%	9.09%	9.09%	0.00%	0.00%	9.09%
Employment practices	0.00%	0.00%	0.00%	0.00%	18.18%	36.36%	27.27%	18.18%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	27.27%	54.55%	9.09%	9.09%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	45.45%	27.27%	18.18%	9.09%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	50.00%	10.00%	20.00%	0.00%	10.00%	0.00%	10.00%
Surety bonds	0.00%	0.00%	0.00%	0.00%	70.00%	30.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	60.00%	30.00%	0.00%	0.00%	0.00%	0.00%	10.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	18.18%	9.09%	45.45%	9.09%	18.18%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	30.00%	50.00%	20.00%	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 fourth quarter of 2021 (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 2021 (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%	16.67%	50.00%	33.33%	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%	8.33%	33.33%	58.33%	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%	8.33%	41.67%	41.67%	8.33%	0.00%	0.00%	0.00%

2. During the fourth quarter of 2021 (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 2021 (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%	9.09%	63.64%	27.27%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	36.36%	36.36%	9.09%	9.09%	0.00%	0.00%	9.09%
Commercial auto	0.00%	0.00%	0.00%	0.00%	18.18%	54.55%	27.27%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	63.64%	18.18%	18.18%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	9.09%	45.45%	36.36%	9.09%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	36.36%	18.18%	18.18%	27.27%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	18.18%	18.18%	36.36%	27.27%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	18.18%	63.64%	0.00%	18.18%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	27.27%	36.36%	27.27%	9.09%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	18.18%	54.55%	27.27%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	18.18%	72.73%	9.09%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	36.36%	45.45%	9.09%	0.00%	0.00%	0.00%	9.09%
Surety bonds	0.00%	0.00%	0.00%	0.00%	54.55%	36.36%	0.00%	0.00%	0.00%	0.00%	9.09%
Terrorism	0.00%	0.00%	0.00%	0.00%	54.55%	36.36%	0.00%	0.00%	0.00%	0.00%	9.09%
Umbrella	0.00%	0.00%	0.00%	0.00%	18.18%	0.00%	45.45%	36.36%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	18.18%	45.45%	27.27%	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 fourth quarter of 2021 (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 2021 (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%	5.56%	83.33%	5.56%	0.00%	0.00%	0.00%	5.56%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	5.56%	61.11%	33.33%	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%	5.56%	61.11%	27.78%	0.00%	0.00%	0.00%	5.56%

2. During the fourth quarter of 2021 (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 2021 (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%	5.56%	88.89%	5.56%	0.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	44.44%	22.22%	11.11%	0.00%	0.00%	0.00%	22.22%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	77.78%	16.67%	5.56%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	5.56%	61.11%	27.78%	5.56%	0.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	16.67%	66.67%	5.56%	5.56%	0.00%	0.00%	5.56%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.56%	27.78%	55.56%	11.11%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	5.56%	50.00%	27.78%	16.67%	0.00%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	27.78%	55.56%	5.56%	5.56%	5.56%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	16.67%	50.00%	16.67%	16.67%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	22.22%	66.67%	11.11%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	33.33%	50.00%	11.11%	5.56%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	33.33%	22.22%	16.67%	11.11%	5.56%	0.00%	11.11%
Surety bonds	0.00%	0.00%	0.00%	0.00%	72.22%	11.11%	5.56%	5.56%	0.00%	0.00%	5.56%
Terrorism	0.00%	0.00%	0.00%	0.00%	75.00%	12.50%	6.25%	0.00%	0.00%	0.00%	6.25%
Umbrella	0.00%	0.00%	0.00%	0.00%	0.00%	22.22%	61.11%	16.67%	0.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	38.89%	55.56%	0.00%	0.00%	5.56%	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 2021 (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 2021 (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%	50.00%	0.00%	0.00%	0.00%	25.00%	25.00%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	50.00%	0.00%	0.00%	25.00%	0.00%
Large Account (More than \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	50.00%	0.00%	25.00%	0.00%	0.00%

2. During the fourth quarter of 2021 (October 1 – December 31), on average, did premiums go up or down for each of the following lines of business, compared to the second quarter of 2021 (April 1 – June 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%	75.00%	0.00%	0.00%	25.00%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	0.00%	0.00%	0.00%	0.00%	33.33%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	75.00%	0.00%	0.00%	25.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	50.00%	25.00%	0.00%	25.00%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	0.00%	50.00%	0.00%	25.00%	0.00%
D&O	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	25.00%	25.00%	0.00%	25.00%	0.00%
Flood	0.00%	0.00%	0.00%	0.00%	50.00%	50.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Employment practices	0.00%	0.00%	0.00%	0.00%	0.00%	25.00%	25.00%	25.00%	0.00%	25.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	25.00%	25.00%	25.00%	0.00%	25.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Surety bonds	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Terrorism	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Umbrella	0.00%	0.00%	0.00%	0.00%	25.00%	0.00%	25.00%	25.00%	25.00%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	25.00%	50.00%	0.00%	0.00%	25.00%	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 fourth quarter of 2021 (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 2021 (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%	7.14%	64.29%	21.43%	0.00%	0.00%	0.00%	7.14%
Medium Account (Between \$25k to \$100k in commission and fees)	0.00%	0.00%	0.00%	0.00%	0.00%	46.67%	40.00%	13.33%	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%	60.00%	33.33%	6.67%	0.00%	0.00%	0.00%

2. During the fourth quarter of 2021 (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 2021 (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%	20.00%	60.00%	13.33%	6.67%	0.00%	0.00%	0.00%
Broker E&O	0.00%	0.00%	0.00%	0.00%	33.33%	33.33%	16.67%	0.00%	0.00%	0.00%	16.67%
Commercial auto	0.00%	0.00%	0.00%	0.00%	0.00%	66.67%	33.33%	0.00%	0.00%	0.00%	0.00%
Commercial property	0.00%	0.00%	0.00%	0.00%	0.00%	33.33%	60.00%	0.00%	6.67%	0.00%	0.00%
Construction risks	0.00%	0.00%	0.00%	0.00%	28.57%	21.43%	50.00%	0.00%	0.00%	0.00%	0.00%
Cyber	0.00%	0.00%	0.00%	0.00%	0.00%	6.67%	13.33%	26.67%	26.67%	20.00%	6.67%
D&O	0.00%	0.00%	0.00%	0.00%	6.67%	33.33%	40.00%	13.33%	6.67%	0.00%	0.00%
Flood	0.00%	0.00%	0.00%	7.14%	21.43%	35.71%	14.29%	14.29%	0.00%	0.00%	7.14%
Employment practices	0.00%	0.00%	0.00%	0.00%	14.29%	35.71%	28.57%	21.43%	0.00%	0.00%	0.00%
General liability	0.00%	0.00%	0.00%	0.00%	20.00%	60.00%	20.00%	0.00%	0.00%	0.00%	0.00%
Marine	0.00%	0.00%	0.00%	0.00%	66.67%	16.67%	8.33%	0.00%	0.00%	0.00%	8.33%
Medical malpractice	0.00%	0.00%	0.00%	0.00%	38.46%	30.77%	7.69%	0.00%	0.00%	0.00%	23.08%
Surety bonds	0.00%	0.00%	0.00%	0.00%	81.82%	0.00%	9.09%	0.00%	0.00%	0.00%	9.09%
Terrorism	0.00%	0.00%	0.00%	0.00%	83.33%	0.00%	0.00%	0.00%	0.00%	0.00%	16.67%
Umbrella	0.00%	0.00%	0.00%	0.00%	0.00%	40.00%	46.67%	6.67%	6.67%	0.00%	0.00%
Workers' compensation	0.00%	0.00%	0.00%	33.33%	40.00%	26.67%	0.00%	0.00%	0.00%	0.00%	0.00%

AVERAGE COMMERCIAL PRICING INCREASES

	By Account Size SMALL	MEDIUM	LARGE	AVERAGE
Fourth Quarter 2021	6.3%	10.6%	9.2%	8.7%
Third Quarter 2021	6.2%	10.1%	10.4%	8.9%
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%
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 2021 RATE CHANGES RANGED FROM 0.3% TO +15.0%

	COMM'L AUTO	WORKERS' COMP	COMM'L PROPERTY	GEN'L LIABILITY	UMBRELLA	AVERAGE
Fourth Quarter 2021	8.0%	0.3%	10.5%	6.4%	15.0%	8.1%
Third Quarter 2021	7.4%	-0.3%	10.3%	6.3%	16.9%	8.1%
Second Quarter 2021	6.8%	0.3%	9.9%	6.0%	17.4%	8.1%
First Quarter 20201	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%
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

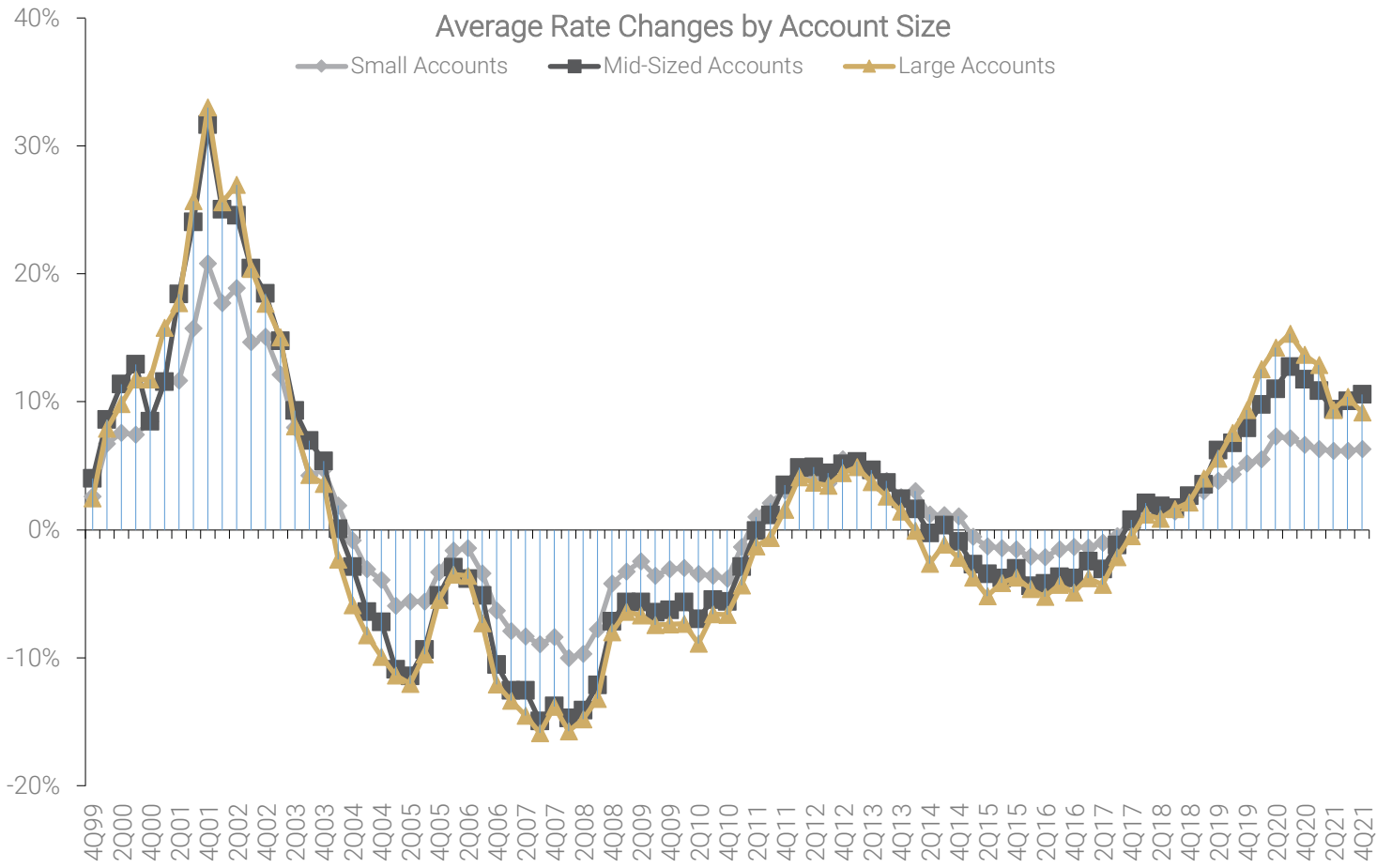
	4Q21	High	Low
Broker E&O	3.4%	15.4%	-4.5%
Business Interruption	6.0%	28.8%	-10.2%
Construction	6.8%	38.7%	-10.7%
Cyber	34.3%	34.3%	-1.5%
D&O Liability	13.0%	32.4%	-8.7%
Employment Practices	10.8%	21.9%	-8.1%
Flood	6.4%	8.6%	-2.7%
Marine	4.2%	4.5%	-10.6%
Medical Malpractice	5.1%	32.5%	-4.1%
Surety Bonds	1.7%	11.2%	-2.3%
Terrorism	1.0%	10.4%	-3.6%

Source:

The Council of Insurance Agents & Brokers

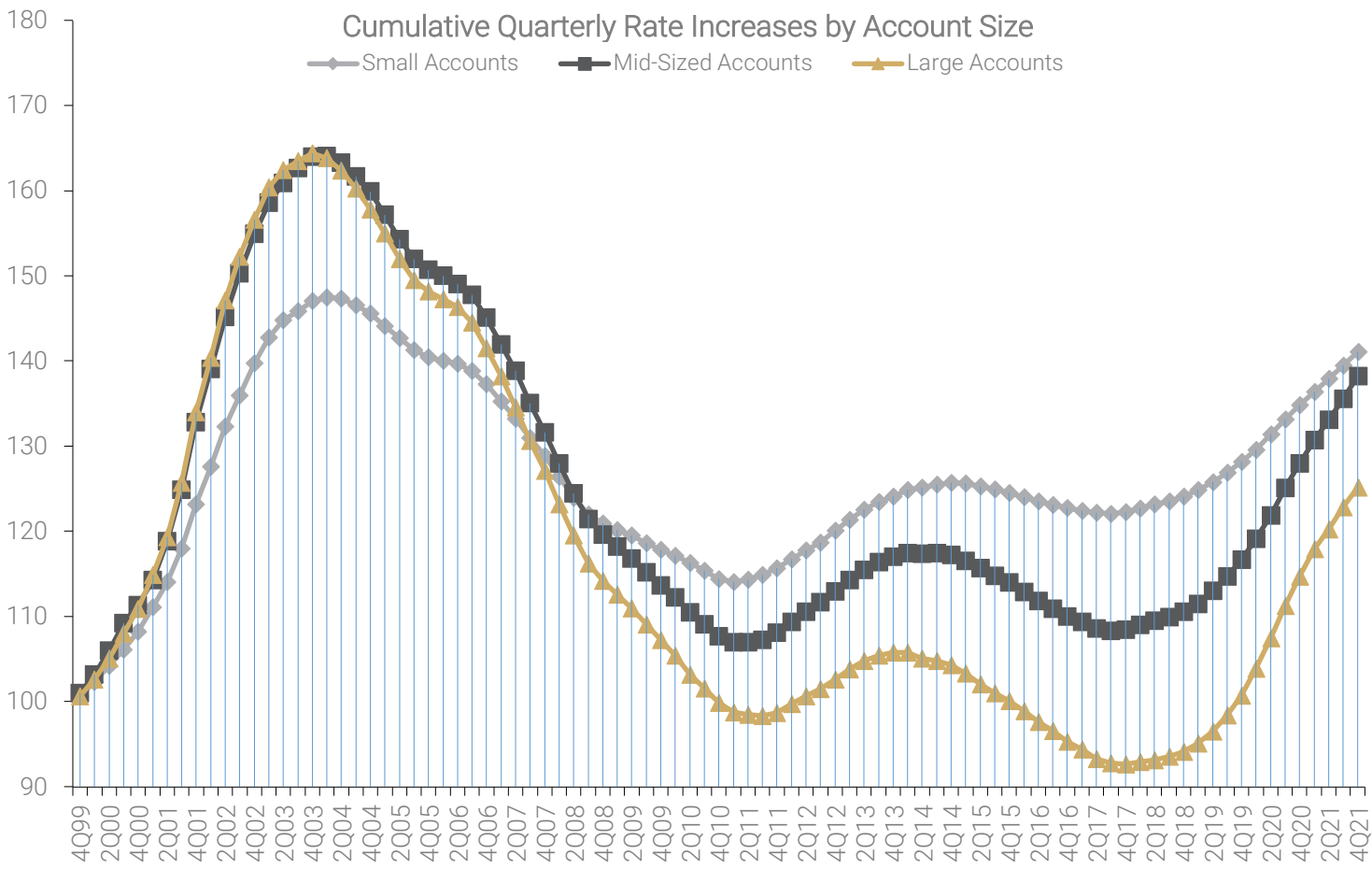
Average Rate Changes by Account Size

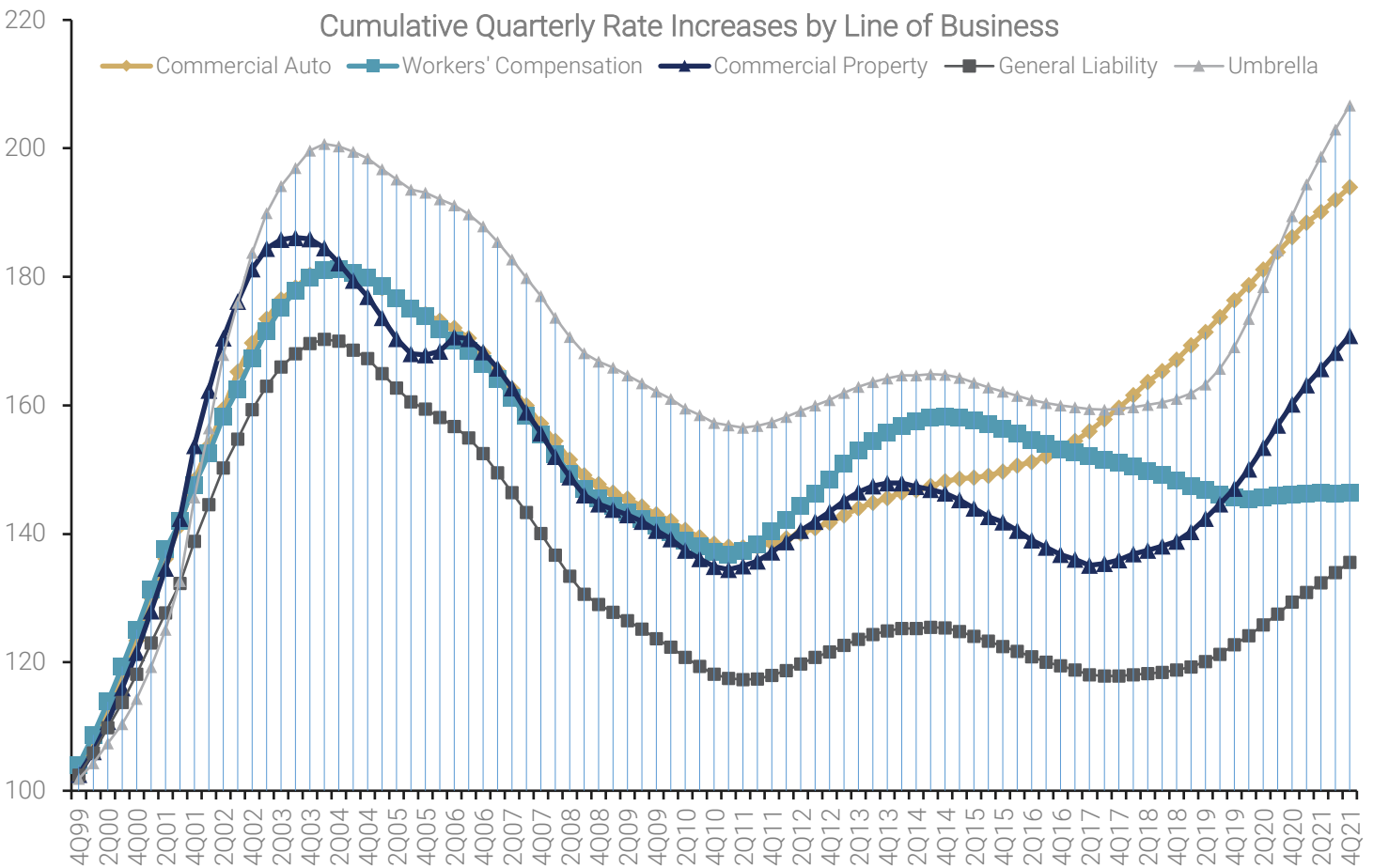
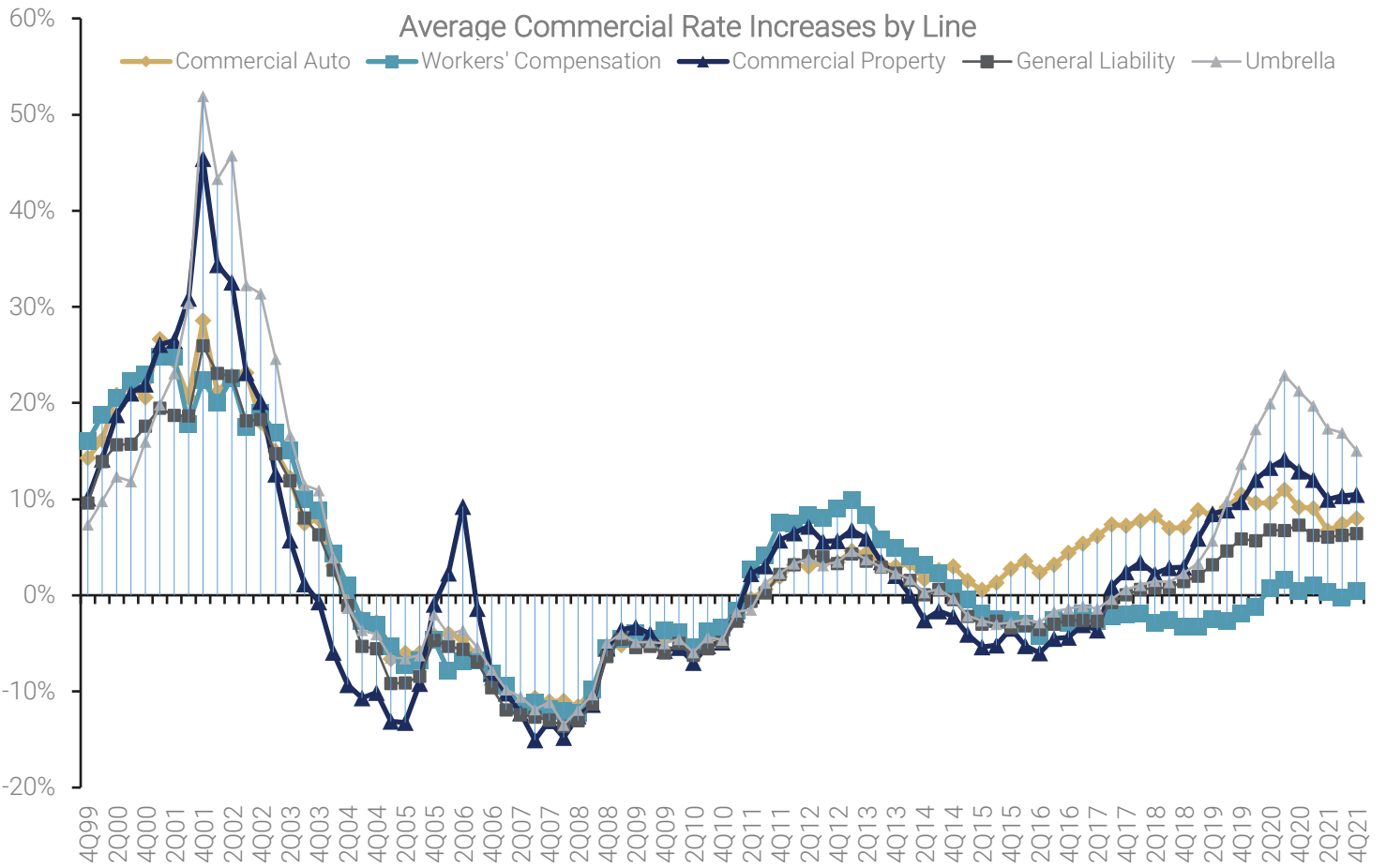
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Cumulative Quarterly Rate Increases by Account Size

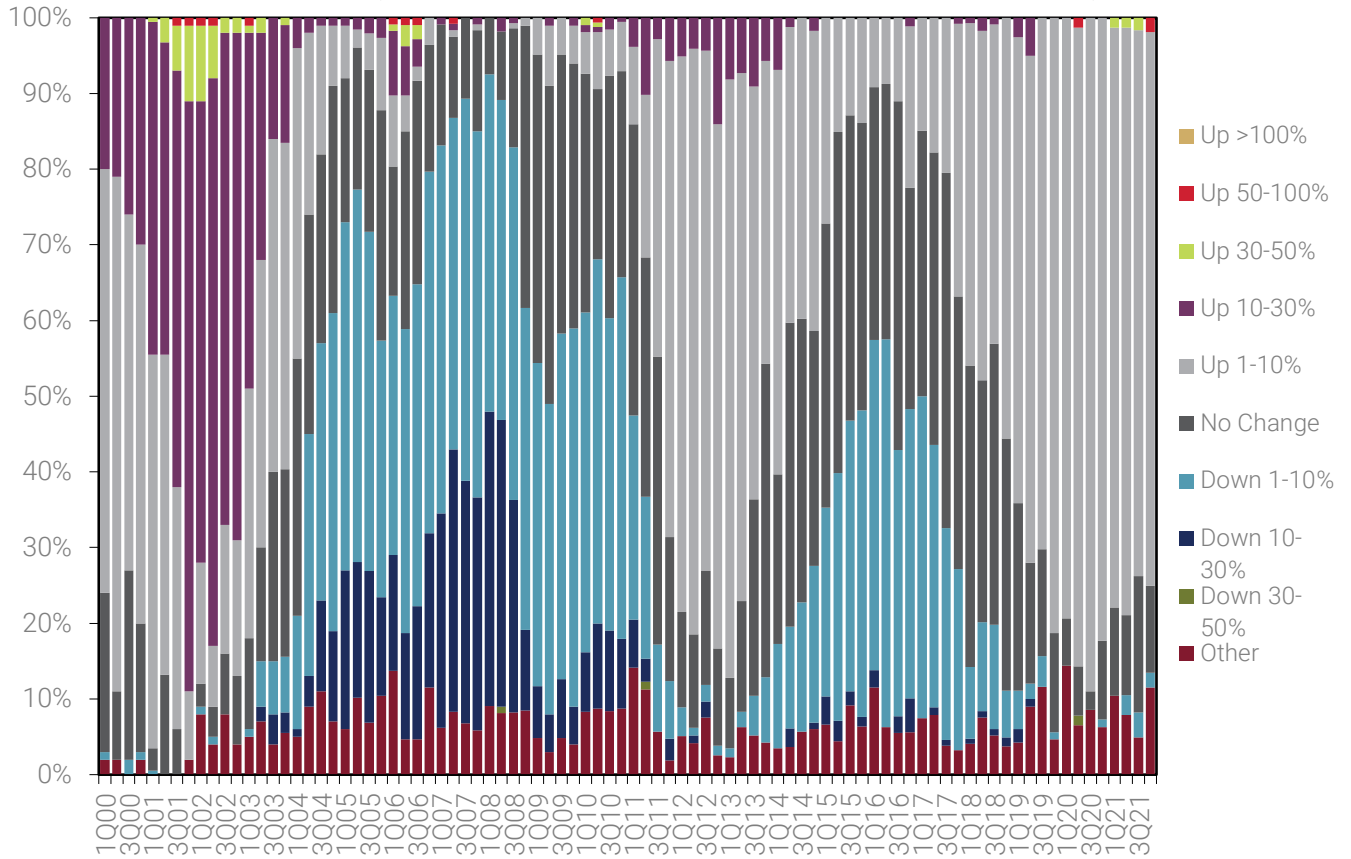
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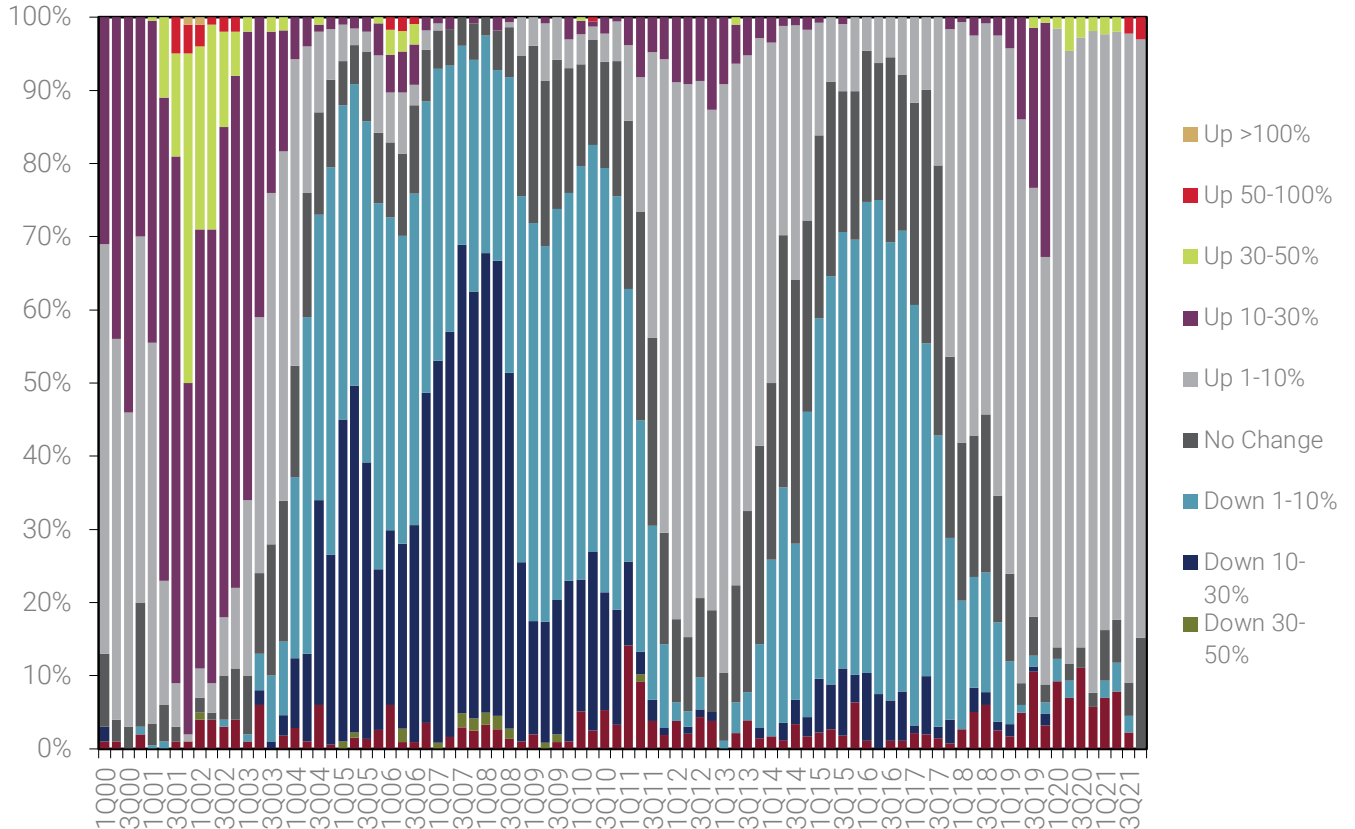
Percentage of Survey Respondents

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



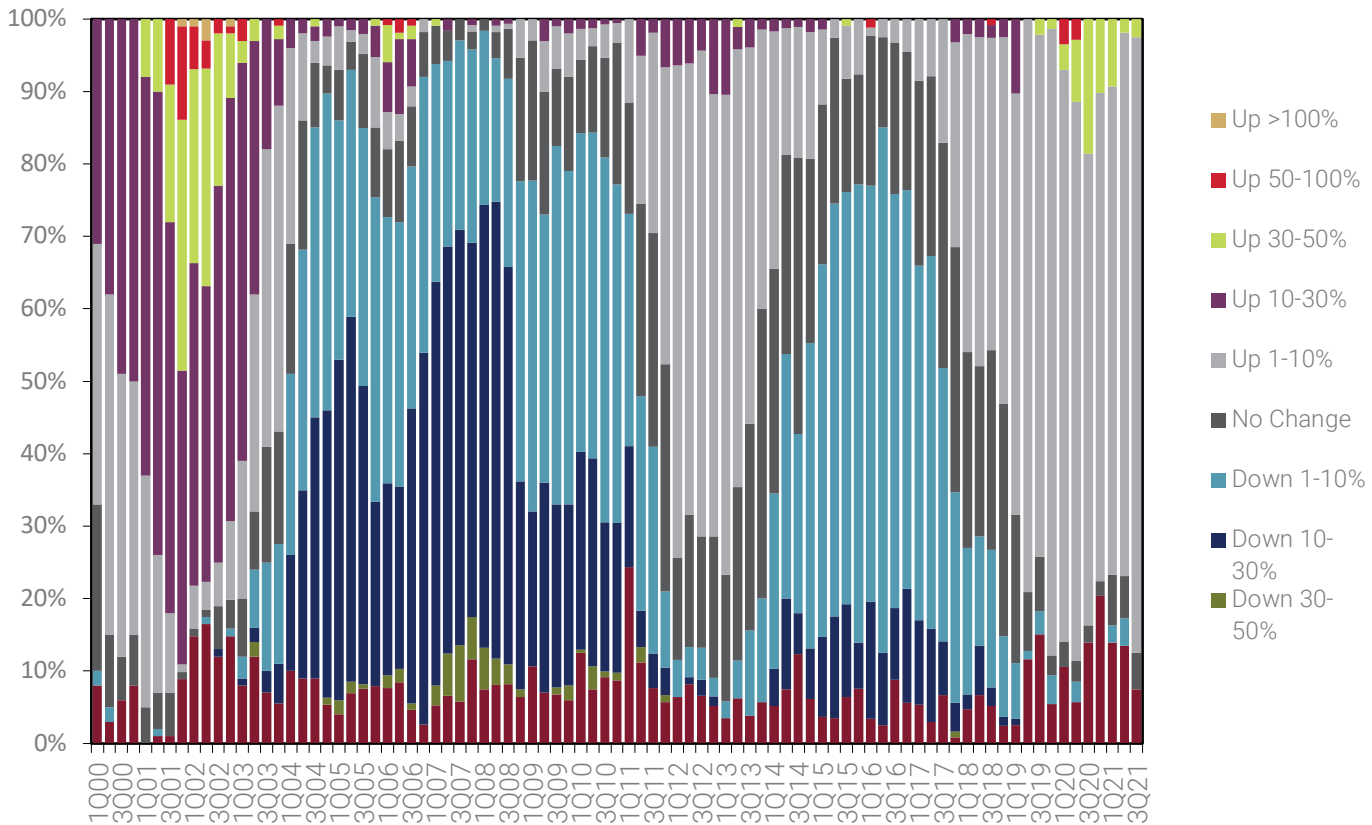
Percentage of Survey Respondents

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)

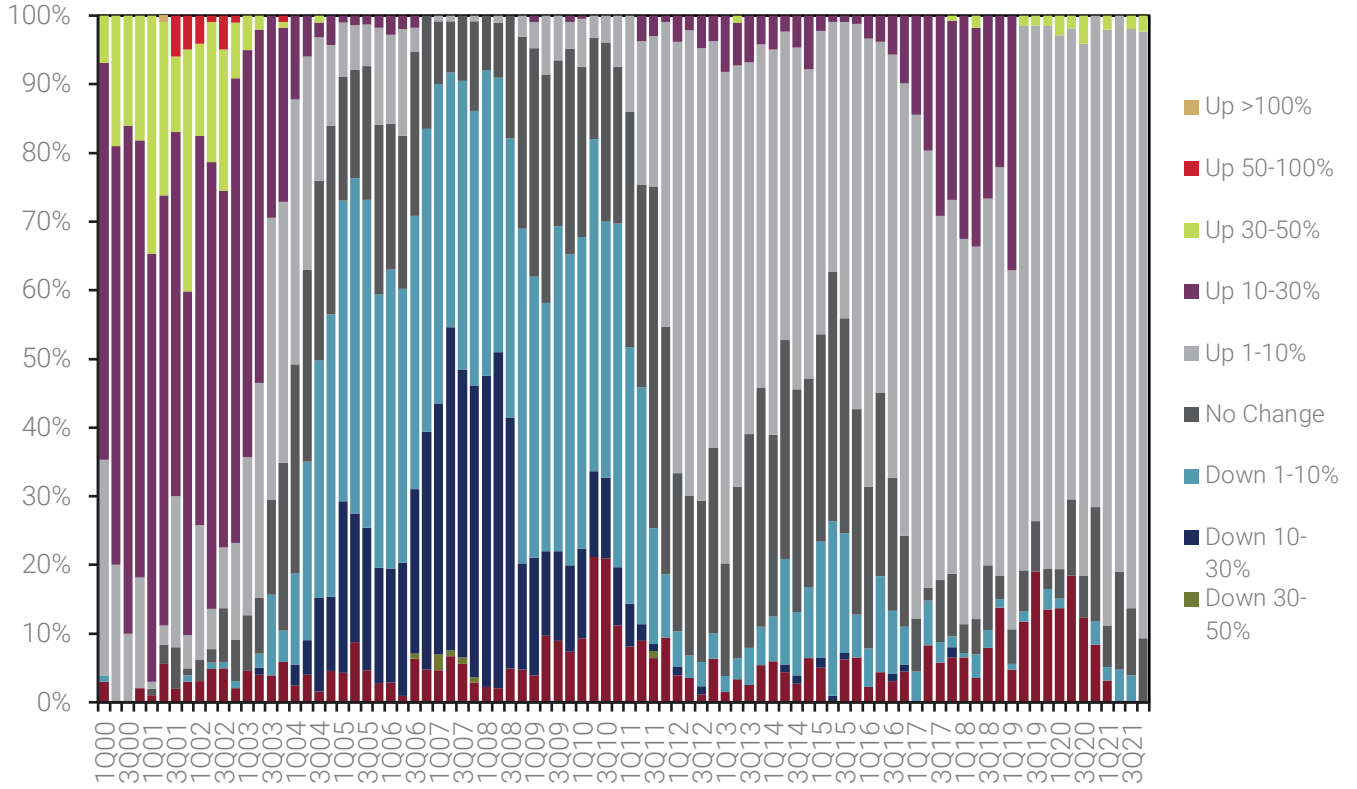
Percentage of Survey Respondents



Commercial Auto Insurance Rate Changes

Percentage of Survey Respondents

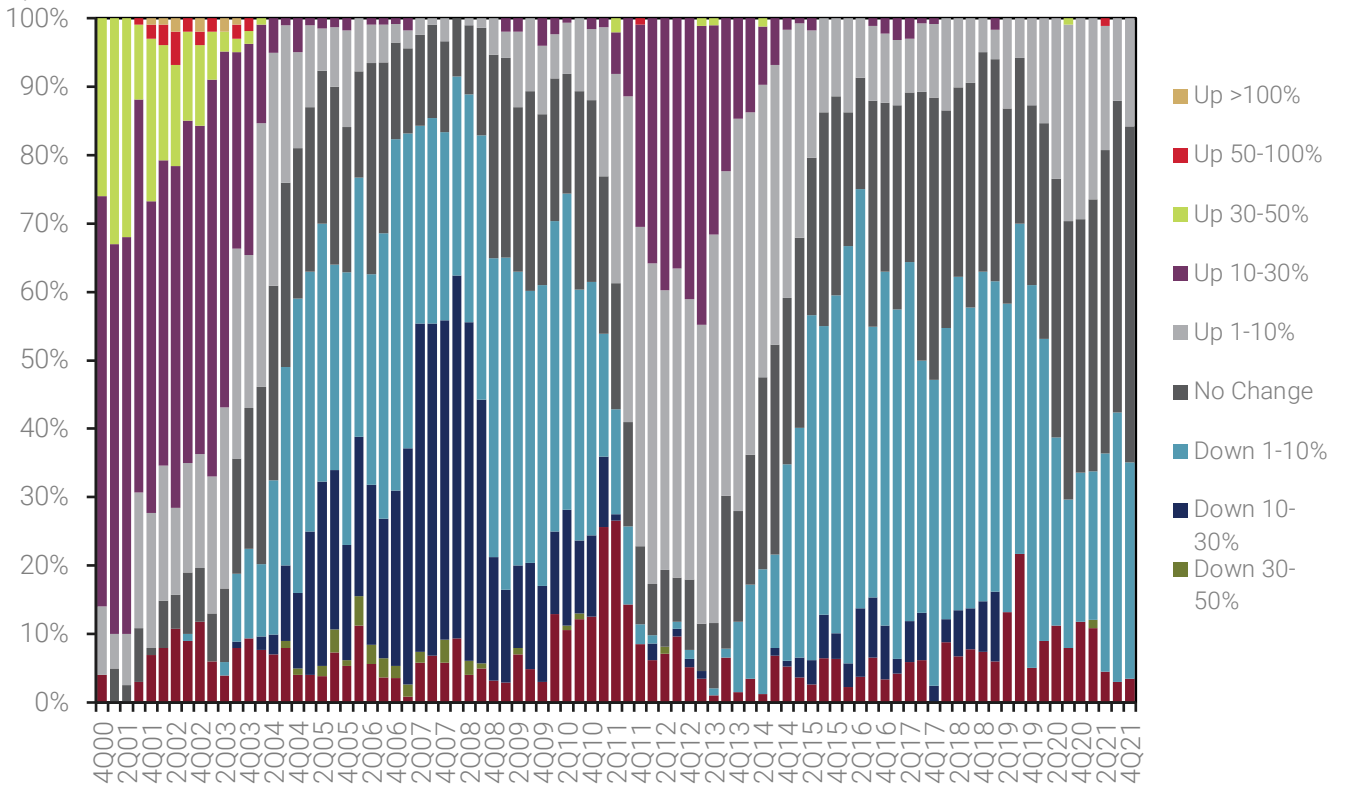
Respondents



Workers' Compensation Insurance Rate Changes

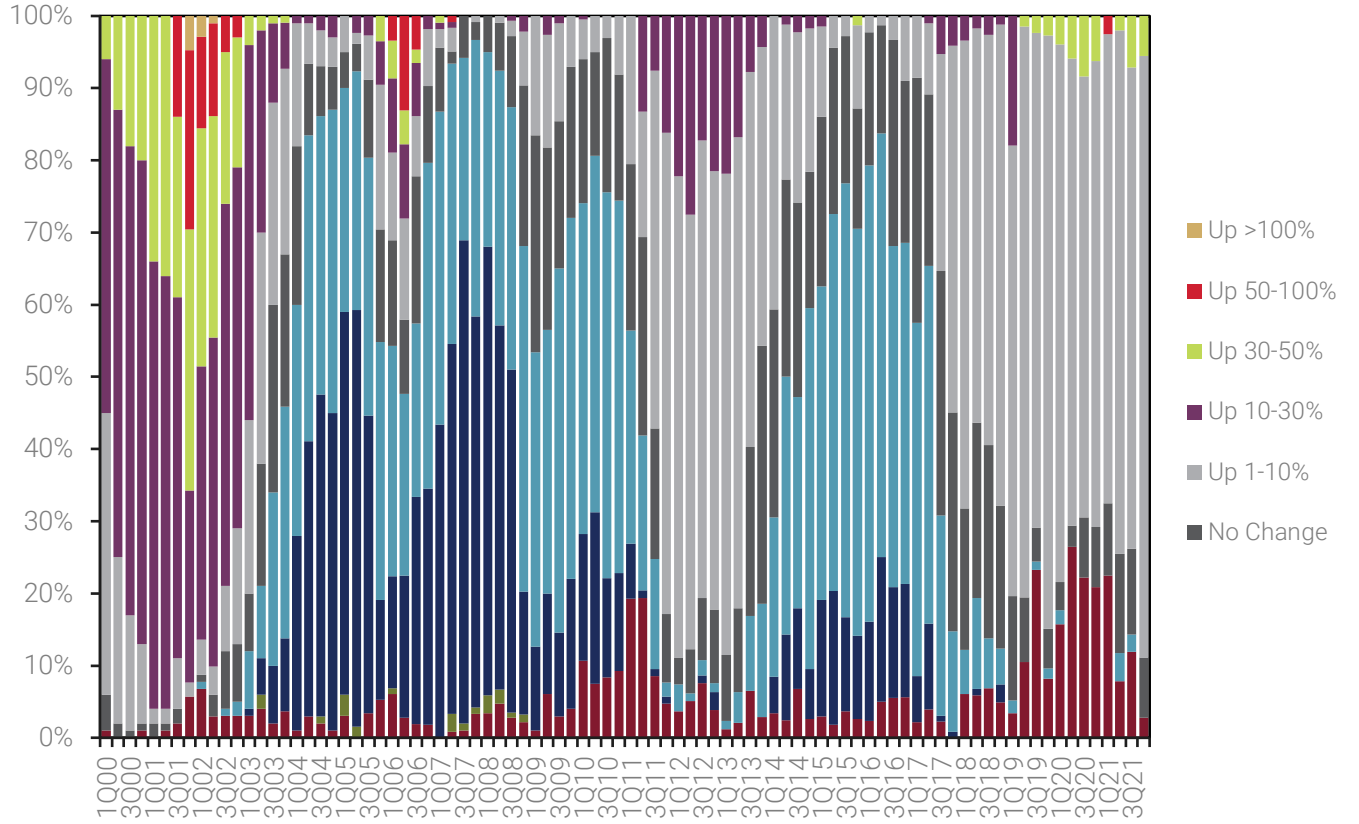
Percentage of Survey Respondents

Respondents



Commercial Property Insurance Rate Changes

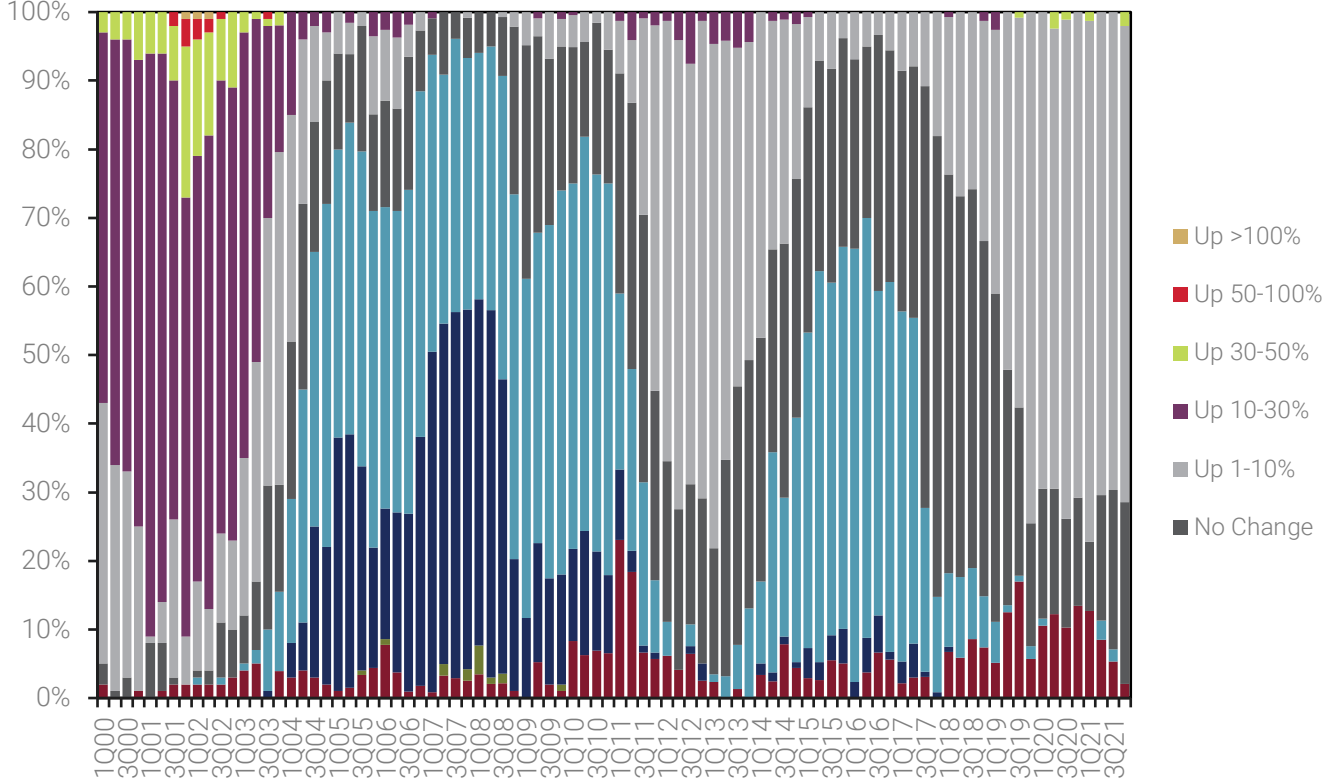
Percentage of Survey Respondents



Commercial General Liability Insurance Rate Changes

Percentage of Survey

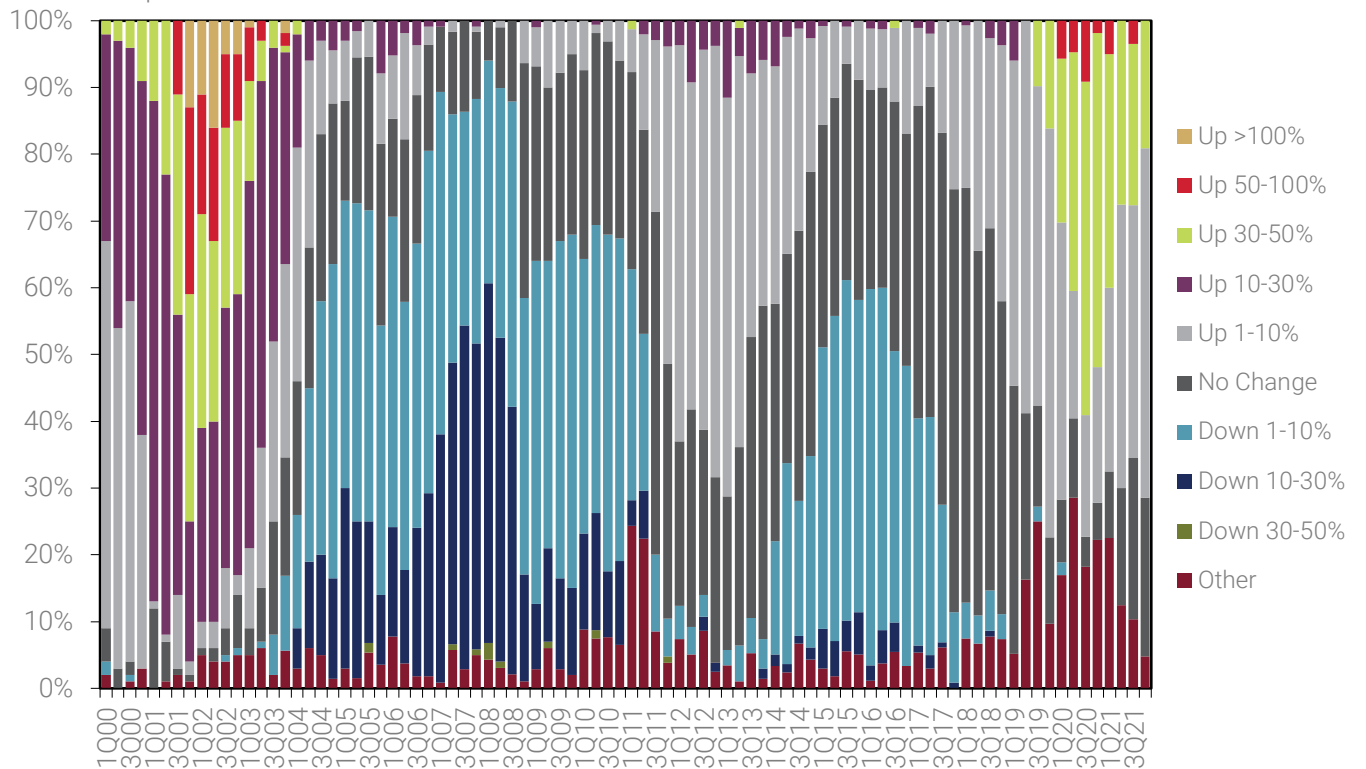
Respondents



Umbrella Insurance Rate Changes

Percentage of Survey

Respondents



Business Interruption Insurance Rate Changes

Percentage of Survey Respondents

