



**Gallagher**

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# GLOBAL REAL ESTATE AND HOSPITALITY MARKET UPDATE

**NOVEMBER 2022**



# Preparing for 2023

As the real estate sector continues to recover from the pandemic, owners, operators and developers face an uncertain macroeconomic outlook amid global recession concerns, changing needs of investors, tenants, and employees, and increasing pressures around Environmental, Social and Governance (ESG).

Throughout 2022, the aggregate insurance marketplace started to show signs of stabilization. While the numbers for Q3 2022 are still being finalized, data from the Council of Insurance Agents and Brokers shows that Q2 2022 marks the 19th consecutive quarter of rate increases.<sup>14</sup>

The devastation brought on by events like Hurricane Ian, Australian South East Queensland Flooding, and European wildfire, windstorm, and hail losses seems to have dashed any hope that a downward trend will appear into 2023.

In the property marketplace recent reports suggest that there will be a significant deficit in reinsurance catastrophe capacity, lowering any hopes for a global reversal of property rate hikes.<sup>17</sup> In addition, adequate replacement cost valuations or insurance to value (ITV) is mission critical for all property underwriters. Their focus on ITV has only intensified throughout 2022 and we expect that all insureds, regardless of size or geography, will feel this push from underwriters come December 31 and January 1 renewals. This time around, ITV concerns are expected to include calls for updated rent rolls in addition to building valuations.

The casualty insurance marketplace seems to have retired the massive knee-jerk reaction increases that were so common during the height of the pandemic. However, the market is highly loss sensitive.

Certain asset classes and geographies may experience flat to high single-digit increases in primary general liability lines while other loss-prone asset classes and geographies will still see mid to high double-digit rate increases. Accounts with severity losses like assault and battery claims or claims resulting from fatalities will see the largest increases.

Management liability lines of coverage remain as one of the few bright pockets of the marketplace. The Directors & Officers liability marketplace saw 20+ new entrants who were attracted by the heightened rate activity. This has led to increased competition, and most insureds with clean loss history could see decreases or flat renewals, especially in the excess layers. However, the increased focus on ESG means that management decisions face increased scrutiny.

Finally, rate increases for cyber liability may have seen their peak. Underwriters continue to focus on cybersecurity controls including required multifactor authentication for all remote access, 100% endpoint detection, and hard copy segmented backups as a few examples. Insureds with clean loss history, best-in-class controls, and who have already experienced significant rate increases, may find that flat renewals or even rate decreases are possible. Insureds that don't meet these new underwriting requirements will still be unable to secure full coverage.

A considerable amount of the pricing insureds receive is a function of the marketplace, but insureds who optimize variables within their control will receive superior outcomes when navigating their own renewal process. The real estate sector is evolving, and our industry will continue to adapt to support the real estate and hospitality clients that serve businesses and consumers around the globe.



# UNDERSTANDING THE FACTS

## CONTROLLABLE VARIABLES

### 1 SUBMITTED REPLACEMENT COST VALUATIONS— INADEQUATE VALUATION WILL LEAD TO:

- Actual cash value endorsements
- Occurrence limit of liability endorsements
- Margin clauses
- Increased premiums

### 2 CARRIER PROPERTY RISK ENGINEERING

- Zero tolerance for incomplete risk engineering recommendation by underwriters
- Noncompliance could result in an inability to secure quotes or non-renewals

### 3 MORE HISTORY, BIGGER PICTURE

- Some underwriters seeking as much as 10 years of umbrella/GL loss runs, no longer five to seven
- Offer more information to better control the narrative surrounding your risk profile, transparency is key

## MARKET CONDITIONS

### 1 “SECONDARY” PERILS DRIVING LOSSES

- Wildfires, severe convective storms (hail, tornadoes) occurring in greater frequency and severity
- Percentage wind hail/deductibles are now the standard
- Water damage deductibles rising regardless of loss history, mid/high-rise buildings expect \$100,000+

### 2 SPECIALTY MGA PROGRAMS

- Insureds exiting a specialty program for the standard market should expect sticker shock

### 3 HEIGHTENED ATTACHMENT POINTS FOR UMBRELLA

- \$2 million USD attachment for multifamily risks becoming more common
- Litigation financing continues to drive attritional losses

# CYBER

Taking a proactive approach to cyber risk is critical to secure cyber coverage in an increasingly challenging insurance market. Cyber insurance underwriters are focusing on:

<b>Employee training</b>	<b>Access controls</b>
<b>Email hygiene</b>	<b>Detection and duplication</b>
<b>Patch management</b>	<b>Breach response planning</b>
<b>Multifactor authentication (MFA) and virtual private networks (VPN)</b>	

It comes as no shock that as ransomware losses persist, underwriters are increasing premiums and raising deductibles. All insureds should be prepared for rate increases. For those lacking proper cyber risk management practice, full coverage for extortion demands may prove impossible to secure at any price.

For more detailed information on cybersecurity controls being required by underwriters, download our [Cybersecurity Controls Checklist](#). This report reviews the most important questions cyber insurance underwriters are asking and provides remediation advice you can put into practice to position your organization in the most positive light when requesting cyber coverage.

Gallagher's Cyber practice is an in-house team that can assist your organization with the following:

**Cybersecurity auditing:** We offer implementation and accreditation for Cyber Essentials, Cyber Essentials Plus and IASME, and readiness and implementation for ISO 27001.

**Security testing:** Using penetration testing and vulnerability scanning, we reveal your business's vulnerability to cyber threats.

**Cybersecurity awareness:** To train your teams, we teach cyber security basics, and crime and phishing awareness.

**Cyber services:** We conduct phishing simulation campaigns to test employees' response to a phishing email, and we provide data breach project management.

To learn more about these resources, please visit: <https://www.ajg.com/us/cyber-risk-management/> or contact us at [CyberRM@ajg.com](mailto:CyberRM@ajg.com)

# United States

## PROPERTY

In the insurance supply chain, the policyholder is the end user of coverage offered by a primary insurer. Primary insurers purchase reinsurance to cover years of exceptionally large losses that exceed a predetermined amount. In recent years, those large losses no longer seem exceptional, but rather common. As primary insurers are forced to draw upon reinsurance agreements, the costs are passed down to policyholders.

2017 marked a turning point in the marketplace when hurricanes Harvey (August 17th), Irma (August 30th), and Maria (September 16th) made landfall in rapid succession resulting in \$92 billion in insured losses.<sup>1</sup>

- Prior to 2017 [Verisk](#) reported that the five-year average insured losses from natural catastrophes were \$47 billion.
- The same report details that since 2017, the five-year average for losses from natural catastrophes has doubled to \$100 billion per year.

In addition to higher costs of coverage, these huge losses have led to retrenchment by reinsurers and a reduction in property CAT capacity.

- An AM Best study<sup>3</sup> found that reinsurers paid \$194.2 million in 2018, \$513.1 million in 2019, \$769.1 million in 2020, and \$1.03 billion in 2021 to Florida personal property insurers alone. As losses rise, the price must go up or capacity must come down.
- Retrenchment from reinsurers has put a tight squeeze on capacity, and ABC News<sup>4</sup> reports that before Hurricane Ian made landfall more than 12 insurers in the state of Florida had shut their doors. This was due to an inability to secure reinsurance.
- Verisk<sup>2</sup> models released in June put the 2022 tally at \$123 billion for the global average annual loss estimate.

In past years, some mid-sized insureds were able to seek shelter from turbulent market conditions in super regional carriers who avoid writing business in heavy CAT-exposed areas like Florida or California. However, reinsurers work with a vast array of primary insurers and as they continue their retrenchment on the heels of these massive losses, primary insurers in all geographies are feeling the sting.

Insureds should expect to see property rate increases accelerating compared to prior quarters. CAT capacity will further tighten for named storm exposed assets along the Gulf Coast, especially for particularly wood frame habitational risks. We expect carriers to continue to push seasonal wind/hail deductibles of 2% with some even pushing 3% to 5%.

## HURRICANE IAN

The following numbers are preliminary estimates of insured losses from catastrophic risk modelers. As reported by Verisk, the average insured losses from natural catastrophes over the past 5 years is \$100 billion.<sup>2</sup> At the time of writing, the average estimate for Hurricane Ian is equal to \$60 billion. Hurricane Ian is already expected to exceed half of the \$100 billion average annual loss in a single event.

An RMS update on October 5, 2022 notes that Ian has the potential to be “one of the largest, if not the largest” insured catastrophe losses in U.S. history.<sup>5</sup>

ORGANIZATION	ESTIMATE (BNS)	DATE
Verisk	\$57	10/3/2022
CareLogic	\$53	10/7/2022
Fitch Ratings	\$40	9/29/2022
RMS (Wind Only)	\$74	10/7/2022
Stonybrook	\$75	10/10/2022
Karen Clark & Co.	\$63	9/30/2022
<b>Average</b>	<b>\$60</b>	



## CASUALTY

It is too early to say that the casualty market seems to have turned a new leaf, but a return to rational underwriting seems plausible. At the height of the COVID-19 pandemic, high double-digit rate increases on general liability, primary umbrella lines and excess liability lines were commonplace. As these market conditions wane, we expect most insureds to receive rate increases in the flat to +9% range. Increases in the excess liability lines appear to be restricted to the first \$25 million in limit. As we move up to higher layers we see additional competition for renewals.

For urban geographies, underwriters have turned a keen eye to crime scores. Three to five years ago, these seemed to be all but absent from the underwriting process. In the post-COVID-19 world, underwriters of urban-based assets have put new stress on this metric as well as the application of assault and battery exclusions.

## MANAGEMENT LIABILITY

The days when COVID-19 dominated the headlines seem to be nearly behind us, as the CDC just announced it will no longer keep a log of country-by-country travel advisories. In a similar fashion, some of the panic associated with the possibility of COVID-19-related management liability claims has also subsided.

New market entrants attracted by the heightened rate activity have thrust capacity into the marketplace, putting downward pressure on rates. Many executive leaders are now focusing on how to meet their firms' ESG (Environmental, Social and Corporate Governance) and DEI (Diversity, Equity and Inclusion) goals rather than COVID damage control. This will come with its own set of challenges. Real estate firms should take note of the following market trends.

### 1. DIRECTORS & OFFICERS LIABILITY

- Our Management Liability practice recently noted:<sup>10</sup>
  - » Reduced securities class action frequency, with a significant drop in merger-objection (M-O) cases, but also the numbers for core (non-M&A) securities cases are down;
  - » Core case dismissal rates continuing at nearly a 50% pace, and close to 90% dismissals for the more recent M-O cases;
  - » Many carriers have privately acknowledged improved loss ratios and new strategies for growth;

### 2. EMPLOYMENT PRACTICES LIABILITY

- We are seeing a leveling off of rates after years of increases for most insureds. However, we are still observing increased retentions especially in high-risk states such as California and New York.

### 3. CRIME

- Social Engineering losses have kept the pedal down on crime insurance rates. Most crime policies will sublimit this cover, and underwriters are beginning to request specific controls to offer terms at all.

# United Kingdom

## PROPERTY

In the United Kingdom, we expect to see property rates continue their upward trend on the back of nearly three years of significant rate correction. Policy premiums and rates continue to be plagued by supply chain troubles, increased cost of building materials and pressure from the Russian invasion of Ukraine.

It is crucial that insureds maintain their annual uplifts to ensure adequate sums of insured values. We recommend engaging a professional third-party appraisal and valuation firm to help determine the proper reinstatement valuation of assets. Insureds who have failed to keep pace with annual uplifts will find themselves significantly underinsured.

This multitude of factors has put additional pressure on the capacity that insurers are willing to offer. In turn, many of the placements we observe that were previously single-carrier placements are now spread across multiple insurers. The European flood losses from the summer of 2021 have been compounded by more multi-billion dollar losses with this year's windstorms in the United Kingdom and Continental Europe. Underwriters are keenly focused on flood risks, and insureds should expect that increased deductibles and/or flood exclusions are now commonplace.

- Losses from windstorms Dudley, Eunice and Franklin have most recently been pegged at £3.36bn.
- Further compounding losses from secondary perils are the wildfires across Continental Europe. The European Forest Fires Information System (EFFIS) reports<sup>11</sup> that fires have consumed more than 660,000 hectares as of August. This has doubled the average annual damaged area of 318,484 hectares for the period 2006 to 2021.

## LIABILITY

In the liability arena, we expect that insureds in the United Kingdom will see modest single-digit rate increases primarily driven by claims inflation. Insurers have communicated that they will evaluate insureds on a case-by-case basis. Businesses experiencing greater increases are those with poor loss history or risk management practices that do not align with the carriers' criteria for best-in-class.

## MANAGEMENT LIABILITY

When it comes to management liability, the cost of living crisis in the UK has put some carriers on alert. In H2, we have observed some insurers lessening their appetite for management liability exposures amid further market uncertainty. However, as some capacity is returning to the marketplace and offering higher limits, this has resulted in downward pressure on rates post-COVID. We expect that insolvency exclusions will remain on some policies.

## BUILDING SAFETY ACT 2022

The Building Safety Act 2022, a new piece of legislation in the UK, will protect many leaseholders from the cost to remove unsafe cladding on their buildings. With this legislation it will be illegal for freeholders to pass on the cost of historical building repair works or the removal of cladding to any of their leaseholders, including non-qualifying leaseholders, if they are due to or are linked to the building's developer. Where a developer cannot be held responsible and the building owner is not required to meet the costs in full, leaseholders with non-cladding related issues will also be protected by a cap on how much they can pay for these costs.

# Caribbean

## PROPERTY

Price increases are still common across the region, especially in scenarios that require facultative reinsurance capacity. This is particularly true for northern Caribbean islands with increased windstorm exposure. The Insurer recently reported<sup>12</sup> that in some segments of the facultative reinsurance market, excess-of-loss coverage “couldn’t be secured at any price” and that the “supply-demand imbalance is such that conditions are even harder than in the aftermath of 9/11.” The overall reduction in natural catastrophe capacity has continued as reinsurers move away from lower-level layers in some Caribbean countries. Reinsurers will continue to closely analyze cedants’ actions in response to inflation and movements in exposure.

## MANAGEMENT LIABILITY

The management liability sector of the market is still processing the fallout from COVID-19. Given the size of the hospitality sector in the Caribbean and its reliance on tourism and travel, insolvency is a major concern for D&O insurers. Some insurers have left the market for Caribbean D&O risks altogether due to tighter regulations surrounding financial solvency imposed by Lloyd’s syndicates. This has resulted in reduced appetite and capacity as well as the imposition of minimum attachment points for certain risks.





# Canada

## PROPERTY

Prior to Hurricane Ian, the marketplace continued to see rate increases but at a moderating pace compared to last year's renewals. Ian has thrown all of that into question as we wait for the final loss costs to be added up and the resulting market response. Renewal terms on reinsurance treaties were already a major determining factor for primary insurer rates, and pricing and Ian will likely exacerbate those results.

Underwriter focus on adequate insurance to value (ITV) should be the main concern for all Canadian real estate insureds. Given the current inflationary environment, which thus far has shown no signs of slowing down, and the strains on supply chains, the cost to rebuild a building with like-kind and quality materials continues to rise. In order to ensure best-in-class submissions and superior renewal results, we recommend engaging early with risk engineering professionals and appraisal companies. Understanding the true present-day replacement cost value and getting ahead of or addressing property risk engineering recommendations from underwriters will be crucial for the renewal process.

## CASUALTY

The environment for casualty in Canada is seeing loss costs trending upward. This inflation of the cost of a claim is pushing rates and premiums up. Underwriters and actuarial teams are considering that claims are not closing as quickly as they once did. A claim that happens today could take 3-5 years or longer to develop. This increases the reserves carriers must set aside and reduces the capital available to deploy limits. Nuclear verdicts are becoming a reality.

## MANAGEMENT LIABILITY

The past few years have seen inverse movement between rates and limits. The limits offered to insureds have come down while rates have simultaneously risen. As many other geographic markets have noted, new market entrants are driving increased capacity, and therefore pricing competition. Insureds with clean loss history could see flat renewals and in some cases decreases. This is especially true in higher layers of the excess cover.

# New Zealand

## MACRO MARKET TRENDS

The primary characteristics of a hard market are typically defined by three characteristics: increasing premiums and/or rates, shrinking capacity and tightening terms and conditions. In New Zealand, we have observed increasing premiums against the backdrop of decreased capacity. Claims originating from climate-related disasters have been at the epicenter of these tough market conditions along with a struggling economic environment burdened by global inflationary trends, and a lack of investment income.

It would seem that around the globe, most property markets are experiencing property rate increases. New Zealand is no different. As losses are calculated from the massive destruction wrought by Hurricane Ian, reinsurers around the world are holding their breath. U.S. based CAT Modeler RMS has said that Ian has the potential to be “one of the largest, if not the largest” insured catastrophe losses in U.S. history. This will no doubt trigger reinsurance agreements and could bring a halt to easing rate increases we have experienced as reinsurers reevaluate the terms they offer to primary insurers during January 1 renewals.

## BEST PRACTICES FOR INSUREDS

Insureds who are preparing for the next round of renewals should be prepared for a continuation of rate increases. However, the following strategies to the renewal process can help insureds outperform the broader marketplace.

### Adequate Insurance to Value

Insureds who keep up-to-date with valuations for buildings, machinery and equipment, and rent rolls will be looked at more favorably than those who roll over old values year after year. PropertyCasualty360<sup>13</sup> reports that commercial insurers process nearly 100 million submissions each year, increased submission flow like this is especially prevalent during periods of difficult market conditions. Insured can differentiate themselves from the competition with adequate values and supporting methodology by which the values were obtained. We recommend that insureds who have not kept up with valuations enlist the assistance of a third-party appraiser.

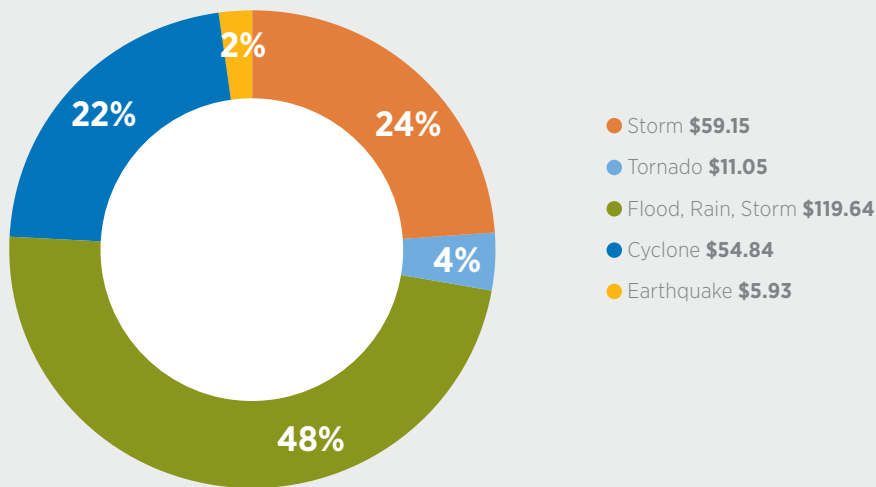


## Underwriter Focus on Secondary Perils

Probabilistic models for catastrophic risk are one of the tools underwriters use to determine the ultimate premium charges to insureds. Currently, those models are best at determining the risk for tropical cyclones and earthquakes. For this reason, perils like floods, wildfires and severe convective storms are sometimes referred to as 'secondary perils.' According to the Insurance Council of New Zealand's [cost of natural disasters database](#), 2022 has already seen more than \$250 million in insured losses. Of those insured losses, 76% are from 'secondary perils.'

Insureds who take steps to mitigate the risk of impact from these types of losses will be looked at more favorably by the underwriters. Best practices for risk management by insureds might include keeping up with roof maintenance for severe convective storms that can result in hail. For wildfires, clearing brush away from the perimeter buildings can increase the resilience of the structure. In some cases, creating a "defensible space" could mean clearing brush as far as 100 feet from a building.

### Cost of Insured Natural Disasters (\$M)



\*Source: Insurance Council of New Zealand - At the time of writing Storm estimates are still provisional and not final

# Australia

## INDUSTRIAL SPECIAL RISKS (PROPERTY)

Global supply chain troubles coupled with inflation have caused the cost of reconstructing a building with like-kind and quality materials to skyrocket. Underwriters are focused on adequate insurance to value and are requiring that insureds update their reinstatement valuations. Additionally, we are seeing insurers seek information regarding the timeframe it would take to rebuild a structure to ensure that the correct indemnity periods are provided.

Insurers have had to grapple with these challenging underwriting conditions against the backdrop of catastrophic weather events that are driving record losses. Australia has endured numerous events such as Cyclone Debbie (2017), the Townsville floods (2019), the bushfires in 2019 that raged into 2020 consuming 46 million acres<sup>15</sup> of terrain, and the Canberra hail storm (2020). The year 2022 has proven to be more of the same: Insurers are facing the largest flood event in Australia's history which took place in Queensland.

In response to these devastating events, insureds should expect that insurers will remain intensely focused on replacement cost valuations and require that all risk engineering survey recommendations are addressed before offering quotes.

## LIABILITY

Claims in the liability arena have been driven to historical highs as a large number of worker-to-worker related claims are being subrogated against by workers' compensation insurers. Clients who have exposure in this area should anticipate that insurers will attempt to offset this development with higher deductible structures and significant rate increases. We have entered an environment where actuaries appear to hold more decision making power on renewal pricing and capacity/capital offerings.

Insurers are paying close attention to the way that inflation has impacted long-tail liability claims as they are forced to adjust reserves higher. Retail shopping centers and hospitality venues will continue to be difficult liability risks to place, as many insurers continually find that these sectors are loss leaders for them.

## MANAGEMENT LIABILITY

We expect that insureds could see renewal premium increases on management liability lines. Underwriters are becoming more selective and require much more data throughout the renewal process to weed out the bad risks. Transparency is key, and the more information you can provide, the wider audience of insurers you will attract at renewal. We expect to see a continuation of higher deductibles, especially on Employment Practices Liability lines of coverage.

Deloitte reports<sup>16</sup> that the South East Queensland floods are estimated to have impacted 500,000 people. They further estimate that the damage to 18,000 homes and businesses could cost \$2 billion with only \$1.36 billion insured. The report carries a total estimated cost of \$7.7 billion which includes an additional \$4.5 billion in "human and social cost."

It is estimated that the compounding effects of climate change will continue to grow each year and that the cost of natural disasters will reach \$39 billion per year by 2050, according to the Australian Business Roundtable for Disaster Resilience and Safer Communities.

# The CORE360<sup>®</sup> Difference

CORE360 is our unique comprehensive approach of evaluating our clients' risk management program that leverages our analytical tools and diverse resources for customized, maximum impact on six cost drivers of their total cost of risk.

We consult with you to understand all of your actual and potential costs, and the strategic options to reallocate these costs with smart, actionable insights. This will empower you to know, control and minimize your total cost of risk, and improve your profitability.



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<sup>1</sup>At USD 144 Billion, Global Insured Losses from Disaster Events in 2017 Were the Highest Ever, Sigma Study Says: Swiss Re. Swiss Re Group, 6 Apr. 2022, [https://www.swissre.com/media/press-release/2018/nr20180410\\_sigma\\_global\\_insured\\_losses\\_highest\\_ever.html](https://www.swissre.com/media/press-release/2018/nr20180410_sigma_global_insured_losses_highest_ever.html).

<sup>2</sup>Global Average Annual Insured Losses from Extreme Events." Verisk, 24 Mar. 2022, [https://www.verisk.com/newsroom/global-average-annual-insured-losses-from-extreme-events-in-excess-of-\\$120-billion-new-report-finds/](https://www.verisk.com/newsroom/global-average-annual-insured-losses-from-extreme-events-in-excess-of-$120-billion-new-report-finds/).

<sup>3</sup>2022-09-15T12:40:00. "Am Best: Florida Specialists' Losses Ceded to Reinsurers up More than Fourfold since 2018." *The Insurer*, 15 Sept. 2022, <https://www.theinsurer.com/news/am-best-florida-specialists-losses-ceded-to-reinsurers-up-more-than-fourfold-since-2018/25101.article>.

<sup>4</sup>Christoforous, Alexis. "Hurricane Ian Could Cripple Florida's Home Insurance Industry." *ABC News*, ABC News Network, 29 Sept. 2022, <https://abcnews.go.com/Business/hurricane-ian-cripple-floridas-home-insurance-industry/story?id=90638752>.

<sup>5</sup>RMS Event Response. *Update on RMS Response to Major Hurricane Ian*, 5 Oct. 2022.

<sup>6</sup>Lerner, Matthew. "RMS Puts Insured Losses up to \$74B for Hurricane Ian." *Business Insurance*, 7 Oct. 2022, [https://www.businessinsurance.com/article/20221007/NEWS06/912352972/RMS-puts-insured-losses-up-to-\\$74B-for-hurricane-ian](https://www.businessinsurance.com/article/20221007/NEWS06/912352972/RMS-puts-insured-losses-up-to-$74B-for-hurricane-ian).

<sup>7</sup>Lerner, Matthew. "Corelogic Estimates Hurricane Ian Insured Losses as High as \$53B." *Business Insurance*, 7 Oct. 2022, [https://www.businessinsurance.com/article/20221007/NEWS06/912352972/RMS-puts-insured-losses-up-to-\\$74B-for-hurricane-ian](https://www.businessinsurance.com/article/20221007/NEWS06/912352972/RMS-puts-insured-losses-up-to-$74B-for-hurricane-ian).

<sup>8</sup>KCC Highlights FL Litigation Factor in \$63bn Ian Industry Loss Estimate." *The Insurer*, 30 Sept. 2022, <https://www.theinsurer.com/news/kcc-highlights-fl-litigation-factor-in-63bn-ian-industry-loss-estimate/25435.article>.

<sup>9</sup>Hussain, Noor Zainab. "Insurers May Face up to \$57 Bln in Hurricane Ian Bills." *Reuters*, Thomson Reuters, 3 Oct. 2022, <https://www.reuters.com/world/us/insurers-may-face-up-to-57-bln-hurricane-ian-bills-verisk-2022-10-03/>.

<sup>10</sup>"Public Company D&O Insurance Market Conditions." *Ajg.com*, Gallagher, <https://www.ajg.com/us/news-and-insights/2022/feb/public-company-d-and-o-insurance-market-conditions/>.

<sup>11</sup>European Wildfires Set to Burn Record Area in 2022: EFFIS." *The Insurer*, 16 Aug. 2022, <https://www.theinsurer.com/news/european-wildfires-set-to-burn-record-area-in-2022-efpis/24556.article>.

<sup>12</sup>"Analysis: Property Cat Treaty Crunch Turbocharges Fac Market." *Theinsurer.com/Reinsurance-Month Newsletter*, <https://www.theinsurer.com/reinsurance-month/property-cat-treaty-crunch-turbocharges-fac-market/24781.article>.

<sup>13</sup>Mason, Jeff. "Pandemic Staffing Crunch Creates Commercial Insurance Hurdles." *PropertyCasualty360*, 16 Aug. 2021, <https://www.propertycasualty360.com/2021/08/16/pandemic-staffing-crunch-creates-commercial-insurance-hurdles/?sreturn=20221014113533>.

<sup>14</sup>"P/C Market Surveys." *The Council of Insurance Agents & Brokers*, 15 Aug. 2022, <https://www.ciab.com/market-intel/pc-market-index-survey/>. "Australian Regulator, Government Team up over Data Sharing after Optus Breach." *Business Insurance*, 6 Oct. 2022, <https://www.businessinsurance.com/article/20221006/NEWS06/912352941/>.

<sup>15</sup>Rotton, Tracy. "2019-2020 Australian Bushfires." *Center for Disaster Philanthropy*, 9 June 2022, <https://disasterphilanthropy.org/disasters/2019-australian-wildfires/>.

<sup>16</sup>"Deloitte Access Economics Report - the Social, Financial and Economic Costs of the 2022 South East Queensland Rainfall and Flooding Event." *Deloitte Access Economics Report - The Social, Financial and Economic Costs of the 2022 South East Queensland Rainfall and Flooding Event | Queensland Reconstruction Authority*, Deloitte Touche Tohmatsu Limited, June 2022, [https://www.qra.qld.gov.au/sites/default/files/2022-07/dae\\_report\\_-\\_south\\_east\\_queensland\\_rainfall\\_and\\_flooding\\_event\\_-\\_8\\_june\\_2022.pdf](https://www.qra.qld.gov.au/sites/default/files/2022-07/dae_report_-_south_east_queensland_rainfall_and_flooding_event_-_8_june_2022.pdf).

<sup>17</sup>Reinsurance Capital To Drop \$40 Billion at Year-End 2022: AM Best, *Insurance Journal*, 22 Aug. 2022, <https://www.insurancejournal.com/news/international/2022/08/22/681451.htm>.

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"Perils Increases February European Storm Loss Estimate to €3.74bn." *The Insurer*, 19 Aug. 2022, <https://www.theinsurer.com/news/perils-increases-february-european-storm-loss-estimate-to-374bn/24631.article>.

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