

2008 PROFESSIONAL LIABILITY INSURANCE SURVEY OF CARRIERS - RESULTS

September 24, 2008

	ACE USA	Arrowhead	AVRECO	Beazley	Benchmark	Euclid	Insight	Lexington	Liberty	RA&MCO	State Farm	Terra	Travelers	VOSCO	XL	Zurich
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GENERAL INFORMATION

Question 1 - Contact Information

Name of Company	ACE USA	Arrowhead Design Insurance Division (ADI)	AVRECO	Beazley Insurance Company Inc / Lloyds of London	Benchmark Professional Insurance Services, Inc.	Euclid Managers	Insight Insurance Services, Inc.	Lexington Insurance Company	Liberty International Underwriters, Inc. Amember of Liberty Mutual Group	RA&MCO Insurance Services	State Farm Specialty Products	Terra Insurance Company	Travelers	Victor O. Schinnerer and Company, Inc.	XL Insurance	Zurich
Contact Person	Christopher Calnon	Jack Doran	Linda Deiss	Jerry Sullivan	Kitty Dimit	Brian Van Cleave, CPCU	Michelle Duffett	Robert Rogers	Robert Cunningham	Jim Bechter	Lonette M. Pearson	David L. Coduto	Bill Farran	Kate Enos	Albert J. Rabasca	Mike Davis
Title/Role	Vice President / A&E Product Manager	Co - President	Vice President	Product Manager	President	Vice President - Underwriting	Executive Vice President	AVP, Architects & Engineers Professional Liability	Vice President / Professional Liability	Chief Operating Officer	Product Manager	President and CEO	A&E Practice Leader	Senior Vice President	Director of Industry Relations	Product Manager
Mailing Address	725 S. Figueroa Street, Suite 2050	99 Pacific Street, Suite 155F	550 West Van Buren	30 Batterson Park Road	201 E. Ogden Ave., Suite 212	234 Spring Lake Drive	2000 S. Batavia Ave. Suite 300	100 Summer Street	55 Water Street, 18th floor	2300 Clayton Road, Suite 1100	111 N. Canal Street	2 Fifer Avenue, Suite 100	111 Schilling Rd	2 Wisconsin Circle	300 Broadacres Drive	1818 Market Street
City	Los Angeles	Monterey	Chicago	Farmington	Hinsdale	Itasca	Geneva	Boston	New York	Concord	Chicago	Corte Madera	Hunt Valley	Chevy Chase	Bloomfield	Philadelphia
State	CA	CA	Illinois	CT	IL	IL	IL	MA	NY	CA	IL	California	MD	Maryland	NJ	PA
Zip	90017	93940	60607	6032	60521	60143	60134	2043	10041	94520	60606	94930	21031	20815	7003	19103
Telephone	213.833.3164	(831) 333-9840	312-294-5475	860-677-3770	630-986-5151	630-238-2702	800-447-4626	617-330-8564	212-208-2814	800-684-7475	1.866.737.6877	800 872 0077	(443) 353-2253	301-951-6919	973 727 9710	215-979-6639
Fax	213.833.3188	(831) 333-9847	312-803-2170	860-679-0247	630-986-9780	630-773-8590	888-447-6289	617-439-9794	212-208-2865	925-685-1750	1.847.572.6262	415 927 3204	(877) 281-7451	301-951-5444	973 771 1100	215-979-6700
Email	christopher.calnon@ace-ina.com	jdoran@arrowheadgrp.com	ldeiss@avreco.com	jerry.sullivan@beazley.com	kdimit@benchmarkprofessional.com	bvanclleave@euclidmanagers.com	mduffett@insightinsurance.com	robert.rogers@aig.com	Robert.Cunningham@Libertyiu.com	jbechter@ramco-ins.com	Lonette_Pearson@statefarmspecialty.com	dcoduto@terrarrg.com	wgfarran@travelers.com	Katherine.D.Enos@Schinnerer.com	albert.rabasca@xlgroup.com	michael.davis@zurichna.com
Website	www.aceprofesionalrisk.com	www.arrowheadgrp.com	avreco.com	www.Beazley.com/A&E	www.benchmarkprofessional.com	www.euclidmanagers.com	www.insightinsurance.com		www.AE-LibertyIU.com	www.ramco-ins.com		www.terrarrg.com	Travelers.com	www.Schinnerer.com	www.xldp.com	zurichna.com

Question 2 - Type of Company:

	Insurer	General Agent	Underwriting Manager; Intermediary or Wholesaler	Insurer; Managing General Agent	Underwriting Manager	Underwriting Manager	Underwriting Manager	Insurer	Insurer	Underwriting Manager	Underwriting Manager	Insurer	Insurer	Underwriting Manager	Insurer	Insurer
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Question 3 - If you are NOT an insurer:

Who is(are) the insurer(s) you represent (lead company and group)?		Hudson Insurance Group	Underwriters at Lloyd's, London		Navigators Group	Scottsdale Insurance Company National Casualty Company	Everest National Insurance Company			U.S. Specialty Insurance Company	State Farm Fire & Casualty			Continental Casualty Company (CNA)		
What is your relationship with the carrier?		we have a contract to underwrite and issue policies	Approved Coverholder		Underwriting Manager	Underwriting Manager	Program Administrator			We are both subsidiaries of HCC Insurance Holdings, Inc.	underwriting manager			Underwriting Manager		
What is the length of your relationship?		4 years	38 years		4 years	8+ Years	6 years			4 years	8 years			51 years		
Do you have premium setting authority? (Yes or No)		Yes	Yes		Yes	Yes	yes			yes	Yes			Yes		
Do you have claims settlement authority? (Yes or No)		no, claims are handled by Hudson	No		No	No	no			Yes, within parameters.	Yes			No		

Question 4 - How many continuous years has your firm provided professional liability insurance to the A/E marketplace? Please provide a numeric answer only, e.g., 10.

Open-Ended Response	10	6	L. Deiss - 38 years; AVRECO - 16 years	22	33	26	15	30	7	26	6	40 years, with the last 20 years as an RRG	10	51 years	35	18
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Question 5 - If your firm is not the insurer, with which insurers has your firm previously been associated over the past decade, and for what duration? For duration, please use only whole-number years, e.g., 5.

Insurer		Liberty International Underwriters	Lloyd's of London		Gulf Insurance Group	Scottsdale National Casualty	Safeco			U.S. Specialty Insurance Company	none			Continental Casualty Company (CNA)		
Duration		2 years	38 years		13	January 2000 - Present	9			4				51 years		
Insurer						Tudor Insurance Company				Great American Assurance Company						
Duration						1992- 2000				5						
Insurer										Associated International Insurance Company						
Duration										9						

Question 6 - What was your total book of business for engineering and architectural liability insurance in the following years? Omit the \$ sign and punctuation in stating premiums (e.g., 1000000).

2007 - Number of Firms Insured	1,450	1,000		Over 7,500	Proprietary		2,500	PROPRIETARY	Proprietary		proprietary	proprietary	7,350	18,389		
2007 - Premium in Millions	\$42.5 Mil.	\$25.0 - \$35.0 Mil.		Approx \$135.0 Mil.			\$29.5 Mil.				proprietary	\$11.1 Mil.	\$100.0 Mil.	\$310.0 Mil.	\$196.0 Mil.	
2006 - Number of Firms Insured	1,375	1,000		Over 5,000			3,000				proprietary	proprietary	6,940	18,890		
2006 - Premium in Millions	\$35.0 Mil.	\$25.0 - \$35.0 Mil.		Approx \$110.0 Mil.			\$32.6 Mil.				proprietary	\$10.0 Mil.	\$94.2 Mil.	\$340.0 Mil.	\$201.0 Mil.	
2005 - Number of Firms Insured	1,200	1,000					3,200				proprietary	proprietary	6,210	20,835		
2005 - Premium in Millions	\$27.5 Mil.	\$25.0 - \$35.0 Mil.					\$33.7 Mil.				proprietary	\$9.1 Mil.	\$82.4 Mil.	\$350.0 Mil.	\$213.0 Mil.	

Question 7 - Are you trying to gain, maintain, or decrease market share in the next two years in specific regions with regard to insureds with certain underwriting characteristics, premium size, or in certain market segments?

Underwriting Characteristics	Maintain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share
Premium Size	Maintain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Maintain Market Share	Maintain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share
Market Segments	Maintain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share	Gain Market Share
Please explain.		We look toward significant growth	We are interested in growing our book period	Beazley is an industry leader in the large risk sector. We insure over 50% of the top 50 firm on the ENR. Beazley also writes thousands of firms in the mid-market and small risk segments. We will continue to grow in the segments where it makes underwriting sense.	Our focus remains on the better risks in the better classes allowing us to continue to offer a stable market with competitive premiums unburdened by severe disciplines.		We are looking to expand our underwriting guidelines and hope to write more business in states where we are currently under-represented.			Grow prudently.	We will continue to add states to our approved list by additional state filings	We insure about 1bb in professional service revenues annually, with about 50% and 25%, being generated from geoscience exposures and pure civil exposures, respectively. Since our reputation has been built by insuring geoscience exposures(primarily geotechnical engineering exposures), many incorrectly believe that Terra only insures geotechnical exposures. Therefore, we plan to extend our reach and expand our market share by targeting pure civil engineering exposures.	We are looking to gain market share in small and medium size design, environmental and miscellaneous design firms.		XL Insurance is looking to increase its market share across the board. Particular emphasis will be placed on the small and medium firm programs, mechanical and civil engineers. Also Forensic Engineers and Landscape Architects.	Zurich plans to grow this business subject to rate adequacy.

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Question 8 - What have been your carrier's Best's Rating, financial size category, and market share for the following years? (Please use year-end results, but use July for the current year).																
Best's Rating	2008 - A+	2008 - A	2008 - A	2008 - A	2008 - A	2008 - A+	2008 - A+	2008 - A *	2008 - A	2008 - A+	2008 - A+	2008 - A	2008 - A+	2008 - A	2008 - A	2008 - A
	2007 - A+	2007 - A	2007 - A	2007 - A	2007 - A	2007 - A+	2007 - A+	2007 - A+	2007 - A	2007 - A+	2007 - A+	2007 - A	2007 - A+	2007 - A	2007 - A+	2007 - A
	2006 - A+	2006 - A	2006 - A	2006 - A	2006 - A	2006 - A+	2006 - A+	2006 - A+	2006 - A	2006 - A+	2006 - A+	2006 - A	2006 - A+	2006 - A	2006 - A+	2006 - A
	2005 - A	2005 - A	2005 - A-	2005 - A	2005 - A	2005 - A+	2005 - A+	2005 - A+	2005 - A	2005 - A+	2005 - A+	2005 - A	2005 - A+	2005 - A	2005 - A+	2005 - A
Financial Size Category	2008 - XV	2008 - XIV		2008 - XV	2008 - X	2008 - XV	2008 - XV	2008 - XV	2008 - XV	2008 - XIV	2008 - XV	2008 - V	2008 - XV	2008 - XV	2008 - XV	2008 - XV
	2007 - XV	2007 - XIV		2007 - XV	2007 - IX	2007 - XV	2007 - XV	2007 - XV	2007 - XV	2007 - XV	2007 - XV	2007 - V	2007 - XV	2007 - XV	2007 - XV	2007 - XV
	2006 - XV	2006 - XIV		2006 - XV	2006 - IX	2006 - XV	2006 - XV	2006 - XV	2006 - XV	2006 - XV	2006 - XV	2006 - V	2006 - XV	2006 - XIV	2006 - XV	2006 - XV
	2005 - XV	2005 - XIV		2005 - XV	2005 - IX	2005 - XII	2005 - XV	2005 - XV	2005 - XV	2005 - XV	2005 - XV	2005 - V	2005 - XV	2005 - XV	2005 - XV	2005 - XV
Market Share																

* As of September 15, 2008

Question 9 - What was your combined ratio in the following years?

2008 (to date)																
A/E Book of Business									PROPRIETARY	Proprietary		proprietary	90%, estimated, through 6-30-08	Proprietary	Proprietary	
Entire Company	86.2											proprietary	90%, estimated, through 6-30-08	92.9	Proprietary	
2007																
A/E Book of Business					Not broken out							proprietary	94.9	Proprietary	Proprietary	
Entire Company	87.9			88	87.5%						84.5	proprietary	94.9	88.4	Proprietary	
2006																
A/E Book of Business					Not broken out							proprietary	87.8	Proprietary	Proprietary	
Entire Company	88.1			86	87.8%						84	proprietary	87.8	88.1	Proprietary	
2005																
A/E Book of Business					Not broken out							proprietary	95	Proprietary	Proprietary	
Entire Company	99.5				101.3%						92.6	proprietary	95	101.3	Proprietary	

Question 10 - Do you have underwriting restrictions based on:

Size of Firm?	No	No	No	No	Yes	Yes	No	No	No	Yes	Yes	No	Yes	Yes	No	No
Location of Firm?	No	No	Yes	No	Yes	Yes	Yes	No	No	No	Yes	No	Yes	No	No	No
Type of Practice?	No	No	No	No	Yes	Yes	Yes	No	No	No	Yes	No	Yes	No	No	No
Type of Projects?	No	No	No	No	Yes	Yes	Yes	No	No	Yes	Yes	No	Yes	No	No	No
Location of Projects?	No	No	No	No	Yes	No	No	No	No	No	Yes	No	Yes	No	No	No
Restrictions on Percentage of Residential?	No	No	No	No	Yes	Yes	No	No	No	No	No	Yes	No	No	No	No
Restrictions on Percentage of Multi-Family and/or Condominiums?	No	No	No	No	Yes	Yes	No	No	No	Yes	No	Yes	No	No	Yes	No
Specific Job Excess?	No	No	No	No	Yes	Yes	Yes	No	No	No	No	No	Yes	No	No	No
Other Restrictions?	No	No	No	No	Yes			No	No	Yes		No	Yes	No	No	No

Question 11 - Please explain any restrictions you noted in Question 10:

Open-Ended Response			Cannot write in LA & Orange Counties in CA or Dade & Broward counties in FL		Please see attached guidelines	We consider firms up to \$10,000,000 in gross revenue. We are not writing firms in Alaska. We are conservative on residential exposures. We accept firms with up to 25% residential projects. We offer Specific Project Excess for only one project or client on each policy	We do not accept geotechnical engineers, heavy industrial projects or firms located outside of the United States			claims history, nature of services, clients are considered as well.		We try to minimize the exposure emanating from residential work of all kinds. Therefore, for firms with more than 35% of their fees generated from residential exposures, we take a more detailed underwriting approach, ask more questions etc.	We write design firms with revenues up to \$25 million in all states except VT, LA & HI and do not provide geotechnical or petrochemical services.	We are not accepting firms with over \$250 million in billings. Applicants must have a licensed architect or engineer in management, an address in the US, PR or VI and agree to use some sort of written contract on all projects.		
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Question 12 - Do you have coverage restrictions related to:

Asbestos claims?		No	Yes	Yes	No	No	No	No	No	No	No	No	No	No	Yes	No
Mold claims?	No	No	Yes	No	No	No	No	No	No	No	Yes	Yes	No	No	No	No
Silica claims?	No	No	Yes	No	No	No	No	No	No	No	No	No	No	No	No	No
Hazardous waste claims?	No	No		No	No	No	No	No	No	No	No	No	No	No	No	No
Other claims?	No	No		No	No		No	Yes	No	No	No	No	Yes	No	No	No

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Question 13 - Explain all "other claims" noted in Question 12:

Open-Ended Response			Asbestos exclusion prior to 1990 New wording coming out could affect others	Asbestos is excluded for acts prior to 1990 but covered going forward. We have also removed the exclusion for small firms.				Policy forms have restrictions common to the marketplace for example claims caused by intentional acts.		nothing unusual built into our text. We reserve the right to exclude but it is not embodied in policy text.		Mold coverage can be purchased, and the xclusion removed after a thorough underwriting of the exposure	Claims are underwritten on an individual basis		12 a The policy does not apply to any claim based upon or arising out of the INSURED'S specification of any asbestos material or product, in any form, (a) prior to 1990, for installation in the United States of America, or (b) anytime, for installation anywhere else in the world	
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Question 14 - Do you provide multi-year policies?

If Yes, please state the length of your multi-year policies	2 yrs	No	3 years	Two years	2 year prepaid single limit	2 year policy with annual installments	2	No	No	No	No	No	2 years	3 and 2 year policies	2 years	Two years for practice policies.
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Question 15 - If your answer to Question 14 was "Yes," please explain the general criteria you apply to such policies.

Open-Ended Response	Clean loss history, less than 5m in fees		Fees under 750,000 for A&E or under 7,500,000 construction values for D&C firm; consistent growth pattern, not a start-up and not distressed	For firms under \$3m in fee - no structural or soils engineers.	Offered on renewal policies only. Risk must be consistent as respects billings, project types, for example.	Offer two year policies to firms in operation at least three years with annual billings below \$1,000,000	No structural engineers, firms with annual revenues of \$1,000,000 or less, reasonable claims history	Only in very rare circumstances do we provide multi-year policies					We offer a two-year policy to firms with billings up to \$1,000,000 and meet our underwriting criteria.	3 year policies are available to our Small Firms Pogram and our Miscellaneous classes of small business with revenues under \$250K. A two year program is available to qualifying firms with revenues up to \$1 million.	Firms in our small firm program may purchase multi-year policies.	Firms under \$500,000 in annual fees. Project-specific policies.
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Question 16 - What specific limits of A/E professional liability coverage are available through your company? Please specify the amount (rounded to the nearest thousand) and omit the \$ sign and punctuation (e.g., 200000).

Minimum \$	\$250,000	\$250,000	\$100,000	\$100,000	\$500,000	\$250,000	\$100,000	\$500,000	\$100,000	\$250,000	\$100,000	\$1,000,000/ \$1,000,000	\$500,000	\$100,000	\$100,000	\$250,000
Maximum \$	\$15,000,000	\$10,000,000	\$1,000,000	\$20,000,000	\$5,000,000	\$5,000,000	\$3,000,000	\$25,000,000	\$25,000,000	\$5,000,000	\$5,000,000	\$10,000,000/ \$10,000,000	\$5,000,000	\$20,000,000	\$10,000,000 with additional limits available on excess basis.	\$25,000,000

Question 17 - Are these annual aggregate limits?

	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes
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Question 18 - What is the insurer's net retention on the A/E professional liability program?

Open-Ended Response	significant				45%	1,000,000		PROPRIETARY	Proprietary		proprietary	varies by reinsured layer, but 200k in the primary 1mm limit and 300k in the 1/1 excess of the primary 1/1 layer	Proprietary	\$20,000,000		
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Question 19 - Does your professional liability policy provide the following:

Full prior acts coverage if there is no prior insurance?	Yes	Yes	No	No	No	No	No	No	No	No	No	No	No	No	Yes	No
Full prior acts coverage when switching from another insurance?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Coverage for acts of an insured in a predecessor firm?	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Yes	Yes	Yes	Yes
Restricted coverage for prior acts through use of a retroactive date?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No

Question 20 - If you answered "Yes" to any of the choices in Question 19, please explain.

Open-Ended Response	The Retroactive date is able to be amended on the dec page	All such decisions are made on an individual account basis, based upon underwriter judgment.	We will consider prior acts on any insured			We will match the expiring policy retroactive coverage. We will provide predecessor firm coverage if the firm meets our policy definition	Our policies always have a retroactive date. Most retroactive dates are the inception date of the firm, or of any predecessor firm that is included.	Usual practice is to honor the retro date on current policy. If the policy or limit has not been carried before, we would restrict coverage for prior acts.	Underwriting consideration will be made on the merits of the particular account. This may include prior acts for projects, individuals, and/or firms.	Typically, we will match an expiring carrier's retroactive date.	We will match prior carrier's retroactive date if continuity of coverage has been maintained.	generally, we provide prior acts coverage, but in some cases we may restrict the retro coverage based on an underwriting evaluation that includes a review of previous loss experience.	We will provide full prior acts coverage to firms that have current coverage. Predecessor firms are scheduled on the policy. Some situations require the use of a retroactive date.	If a predecessor firm is named (19b). Small Firms, Landscape Architects and Surveyors must carry PL for at least one year before they are eligible for prior acts coverage. All other programs require at least two years of coverage with any carrier.	Prior acts coverage is available with prior carriers retroactive date when the insured has maintained coniuous coverage. Other requests for prior acts coverage are subject to underwriter approval.	We match expiring prior acts dates. We provide coverage for predecessor firm exposure.
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Question 21 - When did your company most recently update its A/E professional liability policy?

	More than 5 years ago	Within the past 4 - 5 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	More than 5 years ago	Within the past 4 - 5 years	Within the past 4 - 5 years	Within the past 1 - 3 years	Within the past 4 - 5 years	Within the past 1 - 3 years	Within the past 1 - 3 years
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Question 22 - When were your PLI rates most recently adjusted?

	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years	More than 5 years ago	Within the past 1 - 3 years	Within the past 1 - 3 years		More than 5 years ago	Within the past 4 - 5 years	Within the past 1 - 3 years	Within the past 4 - 5 years	Within the past 1 - 3 years	Within the past 1 - 3 years	Within the past 1 - 3 years
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Question 23 - Do you consult or obtain feedback from user groups or professional societies prior to making policy and/or rate changes?

If Yes, please explain	Our policy form was sent to several industries experts prior to refileing	No	will question brokers for what they see is needed	We seek input from our broker partners, industry groups i.e. ACEC, AIA etc, as well as our insureds.	No	No	We obtain feedback from the independent agents that represent our product.	We have our own user group comprised of a dozen of our long-term, loyal customers that meets twice a year. We also attend annual meetings of major professional societies and when possible serve on their subcommittees.	We encourage our brokers and long-standing policyholders to provide feedback and suggestions to further enhance our program and market presence.	No	annual meetings with the risk management committees of the various professional associations	All our firms are required to be peer reviewed. We pay 100% of all out of pocket peer review costs. Sometimes the peer review report will yield lower rates	We typically solicit feedback from our agents	We are commended by the AIA and NSPE/PEPP and consult with them and provide periodic updates to them regarding our programs and rates.	XL Insurance consults with the Design Professional Risk Control Group (DPRCG) at least twice a year regarding policy issues and trends. Additionally, we seek the feedback from the Professional Liability Agents Network (PLAN) on a continual basis regarding coverages and rate issues.	Specialist agents, brokers, and wholesalers.
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Question 24 - How many non-managerial, full-time A/E underwriters do you have supporting your PLI program?

Open-Ended Response	40	6	none at the moment	14	4	2	6	15		7	3	all our underwriters are senior management people	10	50	23	
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Question 25 - On average, how many years of experience do your non-managerial, full-time A/E professional liability underwriters have?

Open-Ended Response		13		Greater than 15 years on average	15	3-5 years	16	8		7	13	each with decades of experience	31	7+, high end of the range is 35 years	10	
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COVERAGE

Question 26 - For each state or jurisdiction, do you offer coverage on an:

Alabama	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Alaska	Surplus Basis	Admitted Basis	Surplus Basis	Surplus Basis	No Coverage	No Coverage	Surplus Basis	Surplus Basis	Surplus Basis	Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis
Arizona	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Arkansas	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
California	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Colorado	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Connecticut	Surplus Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	No Coverage	Admitted Basis/ Surplus Basis	Admitted Basis	Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Delaware	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
District of Columbia	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Florida	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Georgia	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Hawaii	Surplus Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	No Coverage	Admitted Basis	No Coverage	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*		Admitted Basis	Admitted Basis	Admitted Basis
Idaho	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Illinois	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Indiana	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Iowa	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Kansas	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Kentucky	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Louisiana	Surplus Basis	Admitted Basis	Surplus Basis	Surplus Basis	Surplus Basis	Surplus Basis	No Coverage	Surplus Basis	Surplus Basis	Surplus Basis	No Coverage	*		Admitted Basis	Admitted Basis	Admitted Basis
Maine	Admitted Basis	No Coverage	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Maryland	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Massachusetts	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Michigan	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Minnesota	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Mississippi	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Missouri	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Montana	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Nebraska	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Nevada	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
New Hampshire	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
New Jersey	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
New Mexico	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
New York	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	No Coverage	Admitted Basis/ Surplus Basis	Admitted Basis	Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
North Carolina	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis

*As a Risk Retention Group, Terra is authorized and approved (and pays premium taxes) to write business in each state and territory.

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Question 26 (Continued) - For each state or jurisdiction, do you offer coverage on an:																
North Dakota	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Ohio	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Oklahoma	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Oregon	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Pennsylvania	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Rhode Island	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
South Carolina	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
South Dakota	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Tennessee	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Texas	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Utah	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Vermont	Surplus Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Surplus Basis	No Coverage	*		Admitted Basis	Admitted Basis	Admitted Basis
Virginia	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Washington	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
West Virginia	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Wisconsin	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis/ Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	Admitted Basis	*	Admitted Basis	Admitted Basis	Admitted Basis	Admitted Basis
Wyoming	Surplus Basis	Admitted Basis	Surplus Basis	Surplus Basis	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis	Admitted Basis	Admitted Basis/ Surplus Basis	No Coverage	*	Admitted Basis	Admitted Basis	Admitted Basis	Surplus Basis
Guam	Surplus Basis	No Coverage	No Coverage	Surplus Basis	No Coverage	No Coverage	No Coverage	Surplus Basis	Surplus Basis		No Coverage	*	No Coverage		Surplus Basis	Admitted Basis
Northern Mariana Islands	Surplus Basis	No Coverage	No Coverage	Surplus Basis	No Coverage	No Coverage	No Coverage	Surplus Basis	Surplus Basis		No Coverage	*	No Coverage	Admitted Basis		Admitted Basis
Puerto Rico	Surplus Basis	No Coverage	No Coverage	Surplus Basis	No Coverage	No Coverage	No Coverage	Surplus Basis	Surplus Basis		No Coverage	*	No Coverage	Admitted Basis	Admitted Basis	Admitted Basis
U.S. Virgin Islands	Surplus Basis	No Coverage	No Coverage	Surplus Basis	No Coverage	No Coverage	No Coverage	Surplus Basis	Surplus Basis		No Coverage	*	No Coverage	Admitted Basis	Surplus Basis	Admitted Basis
International	Surplus Basis	No Coverage	No Coverage	Admitted Basis/ Surplus Basis	No Coverage		No Coverage	Admitted Basis/ Surplus Basis	Surplus Basis		No Coverage	*			Admitted Basis	Admitted Basis

*As a Risk Retention Group, Terra is authorized and approved (and pays premium taxes) to write business in each state and territory.

DEDUCTIBLES

Question 27 - Does your company have underwriting guidelines or restrictions on deductibles based on firm size?

	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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Question 28 - Does your deductible apply to damages only, or to a combination of defense costs and damages?

	Defense costs and damages	Defense costs and damages	Damages only	Defense costs and damages	Defense costs and damages	Defense costs and damages	Defense costs and damages	Defense costs and damages	Defense costs and damages	Defense costs and damages	Defense costs and damages		Defense costs and damages	Defense costs and damages	Defense costs and damages
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Question 29 - What is your deductible MINIMUM amount?

Open-Ended Response	\$2,000	\$2,500	\$1,500	\$2,000	\$5,000	\$2,500	\$2,500	\$10,000	\$2,500	\$2,500	\$1,000 (both deductible option are available see 28 above)	\$25,000	\$0	\$0	none	\$1,000
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Question 30 - What is your deductible MAXIMUM amount?

Open-Ended Response	\$5,000,000	\$500,000	10% of revenue	Unlimited	2% of gross billings	\$100,000	none	no max	N/A	\$250,000	\$50,000	\$250,000	The maximum deductible is based on firm size and ability to pay.	Based upon firm size and ability to pay	none	None
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Question 31 - Do you offer stop-loss on deductibles (i.e., a maximum deductible limit option for all claims in the aggregate)?

	Yes	Yes	No	Yes	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	Yes
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	ACE USA	Arrowhead	AVRECO	Beazley	Benchmark	Euclid	Insight	Lexington	Liberty	RA&MCO	State Farm	Terra	Travelers	VOSCO	XL	Zurich
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PREMIUMS

Question 32 - What is your minimum premium for each of the following limits of liability? Omit the \$ sign and punctuation.

\$100,000			\$1,000		not offered	n/A	\$1,400		\$2,500		\$1,000	Not offered	N/A	\$1,000	\$867	\$2,500
\$250,000			\$1,000		not offered	\$2,800	\$1,400		\$2,500	\$2,500	\$1,250	Not offered	N/A	\$1,350	\$1,418	\$2,500
\$1,000,000	\$2,500		\$1,250		\$5,000	\$4,600	\$1,400	\$25,000	\$4,000	\$4,000	\$1,750	\$5,000	\$1,800	\$1,850	\$2,102	\$2,500
\$5,000,000			NEGOTIABLE		\$15,000	Varies		\$50,000	N/A		\$5,000	Non applicable	\$9,800	\$5,850	Varies based on exposure	\$2,500

Question 33 - How have your rates increased or decreased in each of the past five years? For each response, please omit the % sign, signify an increase by + and a decrease by - (e.g., +2.5).

2008 percentage change	0%	-		flat			-2%	PROPRIETARY			0%	Flat	-3%	TBD		
2007 percentage change	0%	-		Flat to slightly down	flat		0%				0%	Flat	-3%	0%		
2006 percentage change	0%	-		0%	flat		0%				0%	Flat	2%	0%		
2005 percentage change	0%	0%		Increased	flat		3%				0%	Flat	3%	15%		
2004 percentage change	0%	+			flat		10%				0%	Flat	11%	15%		

Question 34 - Are there particular exposures for A/E professionals that may lead to higher rate increases than in recent years?

If Yes, please explain	Significant Amount of Residential work	No	Land surveyors	Residential, claim history, school work (K-12). However, it is best to contact your Beazley underwriter for further information.	LEED Condo projects Mold claims	Residential	No	Condos	Retaining Walls / Public Schools	No	multi family residential projects	Loss experience defines rate increase or decrease, not the type of work. However, as mentioned earlier, we look very carefully at residential exposures. In addition, many of our policyholders average project size is increasing. therefore, we anticipate larger claims in the future based on project size alone.	Our claims experience will be a key factor in what happens to rates.	Condominiums, structural class of work and geo-techs		Overseas work in venues with higher cost structures than US average.
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Question 35 - How do you expect your rates to change going forward? For each response, please omit the % sign, signify an increase by + and a decrease by - (e.g., +2.5).

2009 percentage change	0%	-5%	no change expected at this time	down	unknown	flat	0%	PROPRIETARY			flat	5-10% decrease, implemented via premium rebates	Flat to a slight reduction	TBD		0%
2010 percentage change	0%	-5%	too far out to speculate	unknown	unknown	flat	0%				flat	5-10% decrease, implemented via premium rebates	Unknown	TBD		

Question 36 - Do you offer any type of profit sharing, dividend return, or excess premium return programs for your A/E program?

Profit Sharing	No	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No
Dividend Return	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No	No
Excess Premium Return	No	No	No	No	No	No	No	No	No	No	No	Yes	No	No	No	No

Question 37 - If you do not offer any of the programs in Question 36, are such programs nevertheless of interest to your company?

If Yes, please explain how such programs might be implemented by your company	No	Competition is high, rates are low. Such programs might be considered if rates swung back to a higher level.	No	No	No	No	No	No	No	No	No	No	No	No	No	No
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	ACE USA	Arrowhead	AVRECO	Beazley	Benchmark	Euclid	Insight	Lexington	Liberty	RA&MCO	State Farm	Terra	Travelers	VOSCO	XL	Zurich
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Question 38 - Do you offer any of the following other financial incentives?

Credits for educational programs completed by an insured	Credits for educational programs completed by an insured	Credits for educational programs completed by an insured		Credits for educational programs completed by an insured	Credits for educational programs completed by an insured		Credits for educational programs completed by an insured		Credits for educational programs completed by an insured	Credits for educational programs completed by an insured	Credits for educational programs completed by an insured	Credits for educational programs completed by an insured		Credits for educational programs completed by an insured	Credits for educational programs completed by an insured	Credits for educational programs completed by an insured
Risk management programs	Risk management programs	Risk management programs		Risk management programs	Risk management programs		Risk management programs	Risk management programs	Risk management programs	Risk management programs	Risk management programs	Risk management programs		Risk management programs		Risk management programs
Peer reviews				Peer reviews	Peer reviews		Peer reviews	Peer reviews	Peer reviews	Peer reviews	Peer reviews		Peer reviews	Peer reviews	Peer reviews	
Risk assessments				Risk assessments	Risk assessments		Risk assessments	Risk assessments	Risk assessments	Risk assessments	Risk assessments		Risk assessments	Risk assessments	Risk assessments	Risk assessments
Other financial incentives (please specify)									Liberty Contunion Education through website. /Limitation of Liability Clauses. / and Successful Claims resolution through mediation.	use of standard contract forms/firm's own contract forms.		Part of Terra's culture is to help our insureds with their professional education pursuits where we reimburse for the same. In 2007 and 2006, roughly 20% of operating costs were dedicated to reimbursement of professional education costs	We do consider a firms educational program as well as their business and risk management practices when developing their premium.	Risk Mitigation Premium Credit, loss prevention credit, longevity credit, experience credit and Association membership credit	We also offer credits of up to 15% for utilization of Limitation of Liability clauses in professional agreements and mediation credits are available for up to \$25,000 of an insured's deductible per program guidelines	Mediation deductible reduction

Question 39 - Rank the following characteristics from 1 (highest) to 8 (lowest) in your premium determination process. If a characteristic is not considered in your premium determination process, leave it blank.

Location of firm	7	6	3	6		6	4	6	8	7	4	7	4	1	8	4
Location of projects	4	6		5		7	7		7	6	6	5	7	1	7	6
Type of practice	2	3	1	2		2	2	3	3	2	1	3	3	1	4	2
Type of projects	3	4	5	4		4	3	5	4	3	5	2	5	1	6	3
Annual billings	6	1	2	1		1	1	1	1	4	2	6	1	1	1	1
Claims history	1	2	4	3		3	5	2	2	1	3	1	2	1	2	5
Firm experience	5	5		7		5	6	4	5	5	7	4	6	1	3	
Other			6	8			8		6		8	8	8	1	5	

Question 40 - If you included "Other" as one of the characteristics for Question 39, please explain.

Open-Ended Response			retroactive coverage	Contracting practices and internal risk management programs.	All of these characteristics are considered in our rating and all are of equal importance.		loss control education, use of industry standard contracts, membership in professional societies		Risk Management Practice/Contract Management and Loss Prevention Initiatives		risk management	We look at the number of professionals in upper management with advanced degrees (phds, master degrees etc.)	Prior Acts, Limits of Liability, Deductible, etc.	Risk Management Practices	Loss Prevention/Risk Management Practices, Business Practices, and Contracts utilized by the firm.	
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PROJECT INSURANCE

Question 41 - Does your company offer project-specific insurance? If the answer is "No," please select that response, scroll to the bottom of the page, and click "Next" to proceed to "Claims Process."

	No	No	Yes	No	No	Yes	No	Yes	Yes	No	No	No	No	Yes	Yes	Yes
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Question 42 - Do you offer project insurance on a "stand alone" basis (regardless of whether the project policy's first named insured has a practice policy)?

If Yes, please state the number of such policies your company wrote in its most recently completed fiscal year and provide your maximum limits			0-5 2mm	No		No		30+ policies Limits of \$25M	Proprietary - \$10M Limits available	No		No		No	No	No
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Question 43 - Do you offer project insurance only to your "practice policy insureds"?

If Yes, please state the number of such policies your company wrote in its most recently completed fiscal year and provide your maximum limits			No	No		No		No	No	No		No		TBD	No	\$25,000,000 max limits
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Question 44 - Are your project policies "primary" or "excess" coverage for the A/E firm?

Primary or Excess. Please state the number of such policies your company wrote in its most recent complete fiscal year and provide your maximum limits.			Primary & Excess. 0-5 can do a primary project policy or a project specific excess over our primary policy			Excess. We do not offer Project Policies		Primary & Excess. ~30 Primary Few Excess	Primary & Excess. Proprietary - \$10M Limits available Primary or Excess			N/A		Primary. TBD		Primary & Excess
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Question 45 - Do you offer project specific excess or other supplemental additional limits to your "practice policy insureds" by endorsement?

If Yes, please state the number of such policies your company wrote in its most recently completed fiscal year and provide your maximum limits			less than 5 2mm max limit	n/a	We do not keep stats on spx endorsements	Unknown		Estimated 150 policies Max Limits \$3-5M	Yes Proprietary up to \$25M in Limits are available	200 policies, maximum aggregate limit is \$5,000,000	We have available an Additional Limit for a Specific Project or Client endorsement	Proprietary	160 SALE's \$5,000,000 Max. Limit	Numerous, Up to \$20 Million	Many. Maximum limits vary based on limits of underlying coverage.	Many. Up to \$10,000,000
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Question 46 - Please list any excluded class or business regarding:

"Stand alone basis" (Question 42)								None				NA				
"Practice policy insureds" (Question 43)								None				None		Condominium projects and Convention Centers		condominiums and arenas
"Primary or excess coverage" (Question 44)								None				None				
"Specific excess or other supplemental additional limits" (Question 45)					None			Generally not offered for residential projects				NA	Underwritten on a case by case basis	Condominium projects and Convention Centers		condominiums

Question 47 - Regarding Question 42 above (offering project insurance on a "stand alone basis"), do you provide supplemental limits of liability?

If Yes, please provide your maximum limits								No		No		No		No		No
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Question 48 - Regarding Question 43 above (offering project insurance only to your "practice policy insureds"), do you provide supplemental limits of liability?

If Yes, please provide your maximum limits			the project policy would have its own limits - mutually exclusive to the practice limits					No		No		No		Up to \$5 Million		
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Question 49 - Regarding Question 44 above (project policies as "primary or excess coverage for the A/E firm"), do you provide supplemental limits of liability?

If Yes, please provide your maximum limits			total of primary and excess is 2mm		No			No		No		No		No		
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Question 50 - Regarding Question 45 above (offering project specific excess or other supplemental additional limits to your "practice policy insureds by endorsement"), do you provide supplemental limits of liability?

If Yes, please provide your maximum limits			total of primary and excess is 2mm		\$3,000,000/ \$5,000,000	5,000,000		No	Up to \$25M is available	No	\$5,000,000	Determined by risk	Yes, by endorsement to the practice policy	Up to \$20 Million	Maximum Limits vary pursuant to limits of underlying coverage.	
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CLAIMS PROCESS

Question 51 - How does your company define a claim?

Open-Ended Response	written demand for monetary or non-monetary damages, civil proceeding against the insured	A demand for money or services, naming you and alleging a wrongful act or pollution incident.	demand for money or services or service of suit papers or institution of arbitration proceedings	"Claim" means a demand received by any Insured for money or services including the service of suit or institution of arbitration proceedings. "Claim" shall also mean a threat or initiation of a suit seeking injunctive relief (meaning a temporary restraining order or a preliminary or permanent injunction).	Demand for money or services, naming YOU and alleging a negligent act, negligent error or omission resulting from and negligently committed in performance of YOUR PROFESSIONAL SERVICES on behalf of the Named Insured for others by YOU or any entity, including joint ventures, for whom YOU are legally liable.	Policy Wording	Claim means a demand for money or professional services received by the Insured for damages.	Claim means any written demand received by an Insured seeking remedy and alleging liability or responsibility on the part of the Insured or persons for whose conduct the Insured is legally liable for Loss.	A demand for money or services, naming an Insured and alleging a Wrongful Act or Pollution Incident	See page 1 of 17 of the policy. Four definitions.	a demand for monies or services	1. A demand or request for damages 2. Professional acts errors or omissions of which you have knowledge which has resulted or is reasonably likely to result in damages.	A claim means a demand for money or services, naming the insured and alleging a wrongful act. A claim also includes the service of a suit or the institution of an arbitration proceeding against the insured.	Demand for money or services alleging a wrongful act	CLAIM(S) means a demand received by the INSURED for money or services which alleges a WRONGFUL ACT arising from the performance of PROFESSIONAL SERVICES. The definition of CLAIM(S) shall include, but not necessarily be limited to lawsuits, petitions, arbitrations or other alternative dispute resolution requests filed against the INSURED.	"Claim" means any demand received by you seeking "Damages" or "Professional Services" and alleging liability or responsibility on your part.
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Question 52 - Is "circumstance" reporting allowed?

If Yes, please comment	subject to the terms of the policy	We encourage early reporting with free loss-prevention assistance	if the insured is aware of a possible incident, they should report it to us asap	We encourage reporting of all circumstances that might give rise to a claim.	No comment	We encourage early reporting	Circumstance reporting is strongly encouraged for mitigation of problems and required in order to protect coverage on a claims-made basis.	Encouraged	Liberty offers free pre-claims assistance and advice to mitigate situations prior to becoming a claim. Liberty also provides assistance to policyholders to resolve issues before they may develop into a circumstance and/or claim.	yes, it is encouraged.	and encouraged	only if it relates to definition 2, in question 51	Circumstance reporting is encouraged	It is encouraged although voluntary.	Circumstance reporting is not only allowed, but encouraged. It is both a right and benefit to the insured.	Encouraged.
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Question 53 - Is "circumstance" reporting required?

If Yes, please comment	No	No	If insured is aware of a circumstance and doesn't report it, it could possibly raise the issue of late notice	No	No comment	Yes by policy language	Claims-made policies require that an Insured report a circumstance as soon as it is clear that it might become a claim.	Not strictly required, but encouraged	No	No, but it is encouraged.	No	Even if a situation does not fit either of the 2 definitions in question 51, we encourage our firms to call us at the earliest juncture--its like a pre-calim consulting function	No	No	No	No
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Question 54 - Who supervises claims for your company?

Company Adjusters	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Independent Contractors	No	No	Yes	Yes			No	Yes	No	Yes	No		No	No	No	No

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Question 55 - What assistance do you offer your insureds with potential claims?

Open-Ended Response	free pre claims assistance	We will assist the policyholder and their agent to be sure the claim is properly reported to the company.	report it to attorneys who will work with the insured	Free pre-claims assistance is available to our insureds	To encourage early reporting, the deductible does not apply until a claim is made. Either in-house counsel or local defense counsel will assist insured as needed.	We assist brokers with claims issues	Insight offers a toll-free hotline that the Insured may call for advice regarding potential claim situations. The staff also provides assistance in drafting responses to potential claim situations and will work to mitigate problems before a situation deteriorates into a claim. If needed, defense counsel may be assigned to assist with potential claim mitigation.	Free legal advice from outside law firms.	Liberty also provides assistance to policyholders to resolve issues before they may develop into a circumstance and/or claim.	Our claims handling entity, Wilson Elser, can discuss with the policyholder the nature of the potential claim and the recommended course of action. See our website under "claim".	pre-claims assistance	Pre claim consulting guidance as to how to proceed further legal guidance	Pre-CLaim Assistance	Free pre-claims assistance.	XL Insurance's pre-claim assistance remains second to none in the industry. Our Early Warning System pairs the insured with an experienced Claim Consultant to address issues before they become claims. The Claim Consultants, most of whom are attorneys, work with the insured to avoid or mitigate potential claims. This often involves retaining counsel or an expert consultant at no cost to the insured.	Preclaims assistance at our expense and discretion.
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Question 56 - Does your pre-claims assistance include availability of panel counsel with A/E defense expertise?

If Yes, please comment	pre-claims assistance is provided per the policy	Hudson employs a panel of specialty A/E defense attorneys throughout the country.		We have mutual selection of counsel	No comment	We have an 800 Hot Line for claims assistance	As needed; not all pre-claim matters require counsel.	Most often, Donovan Hatem handles pre-claims, but when appropriate, other panel counsel can be used.	In the event of a circumstance that requires the use of defense counsel we will provide	No	No	No	Pre-CLaims Assistance often involves the hiring of counsel and expert consultants	Yes, it may.	XL Insurance will retain counsel for an insured on a pre-claim matter when appropriate. This is done at no cost to the insured.	Subject to our discretion. Zurich evaluates the merits of each preclaim matter. The resources applied at in our judgement based on the merits and exposure.
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Question 57 - Are there any cost caps or other restrictions on your pre-claims assistance?

If Yes, please explain	No	No		No	No	No	No	No	No	No	No	No	No	No	No	No	No arbitrary caps. Always subject to our discretion.
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Question 58 - Do you have claim offices that manage claims?

If Yes, please provides the locations of your claims offices by city and state	New York	Currently New York City - - and looking for West Coast office.	New York law firm manages the claims; use local offices when defense attorneys needed	NY, CT, PA and London England	No	Scottsdale, AZ	Liberty Corner, NJ and local counsel as needed	100% of claims are managed from Boston	New York, New York Chicago, Illinois	Concord, CA and White Plains, NY.	No	All claims are managed by our home office, no matter where the actual claim occurs.	Atlanta, GA, Chicago, IL, Walnut Creek, CA, Orange, CA, Hunt Valley, MD, NY,NY, Edison, NJ, Richardson, TX	20 cities in 18 states	CA, IL, NJ, TX, FL, Ontario, Alberta, Quebec, British Columbia	Chicago, Parsippany, New York, Marlton
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Question 59 - If you answered "No" to Question 58, how does your company manage claims?

Open-Ended Response					Navigators is responsible for all claims handling.							in house - with the aid of local defense counsel of our choosing. We will consider an insured's request but they will be chosen based on specific criteria.					
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Question 60 - What is the total number of your staff devoted exclusively to A/E professional liability claims?

Open-Ended Response	5	N/A	no in-house claims staff	7	0	Unknown - 6 - 8	7	12	6	3 at RA&MCO in Concord, CA, 4 in White Plains, NY	3	All senior managers are involved in claim analysis, regardless of their specialty	10	45	XL Insurance has a dedicated claim staff of 40 including 30 Claim Professionals working directly with the insureds on claims and pre claim issues.	
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Question 61 - On average, how many years of A/E professional liability claims experience do the staffers in Question 60 have?

Open-Ended Response		N/A		Greater than 15 years	unknown			10	10	20	10	Decades	15	15	10 years	
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Question 62 - Do you conduct any type of follow-up evaluation after the claim is closed out to determine the insureds' satisfaction with your claims handling process?

	No	No	No	Yes	Yes	No	No	Yes	Yes	No	No	Yes	No	Yes	Yes	No
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Question 63 - Do you do independent surveys of insureds regarding their level of satisfaction with your services? (If yes, please provide us with an electronic sample of that survey.)

	No	No	No	Yes	No	No	No	No	No	No	No	No	No	Yes	Yes	No
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Question 64 - Does your policy cover claims brought outside the U.S., its territories, and Canada?

	No	Yes	Yes		No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
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Question 65 - If your policy covers claims brought outside the U.S., its territories, and Canada, does the insured have the right to select legal counsel?

		Yes	No	Yes		No	Yes	Yes	Yes	No	No	No	No	No	No	Yes
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Question 66 - If the insured does have the right to select legal counsel, do you:

Pay on Behalf?		Yes		Yes			No	No			Yes	Yes	Yes			No
Indemnify?		No					Yes	Yes		Yes	No	No	No			Yes

LITIGATION AND SETTLEMENT

Question 67 - Does your policy provide for payment of defense costs in addition to the limit of liability either in the standard form or by endorsement?

If Yes, please identify the conditions required for such endorsement	No	When required by state law	No	No	No	15% additional premium	Additional premium, reasonable claims history.	No	No	No	No	No	No	No	No	By Endorsement in New York - EXPENSE OFFSET TO 50% OF LIMITS CONSENT - REGULATION 107 NOTICE - NEW YORK. The Company shall be liable for CLAIM EXPENSES (legal defense costs) that exceed fifty percent (50%) of the LIMITS of LIABILITY and exceed the Deductible obligation for CLAIM EXPENSES (legal defense costs). The Company shall not be liable for the amount of any judgement or settlement of any CLAIM that exceeds the remaining Limits of Liability.	Only if required in a foreign venue (i.e., Quebec)
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Question 68 - What is your company's practice regarding issuing a "reservation of rights" letter?																
Open-Ended Response	Reservation of Right are issued when appropriate	Rarely used: Never on a blanket basis: Only when circumstances require one.			When a claim or circumstance is reported, it is carrier's general practice to initially reserve the insured's rights as well as the carrier's rights.		A reservation of rights letter is sent whenever there is an allegation that falls outside of the coverage provided.	If a reservation of rights letter is required, we first discuss it with our Insured and follow up with the formal letter within 30 days.	Generally, Liberty's position is not to issue ROR letters unless there is a reponsible and prudent business reason for doing so.	We will issue general reservation of rights letters and more specific ones if deemed necessary.		We issue such RORs if something in the allegation against our insured is excluded by the policy (exclusions and retroactive coverage issues	We only issue a reservation of rights letter when there is a real coverage issue identified.	We give broad form coverage and partner with our insured and an individual case by case anlysis is done when a reservation of rights letter is issued.	XL Insurance issues reservation of rights letters only on claims, which fall outside the purview of coverage and, if found to be true or valid, would not be covered under the policy. Such reservation of rights letters do not imply that any of the allegations are true or valid, but are provided to advise the insured of the potential coverage ramifications and their rights and the rights of the Company pertaining to same. All such reservation of rights are discussed with the insured and their agent before the issuance of a letter and the insured is requested to challenge any reservation of rights they believe may have been made be in error.	ROR is an obligation to inform the insured as early as possible that certain elements of a claim may be outside of the policy.
Question 69 - Do you reserve the right to appoint defense counsel on all claims?																
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Question 70 - Do you accept alternate defense counsel when requested by insured?																
If Yes, please specify any conditions	Request for specific counsel is considered on a case by case basis.	Must be vetted by Hudson claims people. If they have the experience and qualifications, they will likely be accepted.	If attys approve defense counsel	If they meet our reporting guidelines	No	On a case by case basis we will consider	Reasonable experience and billing rates.	Provided the alternate counsel can demonstrate expertise, follow our reporting guidelines, and bill at rates comparable to our Panel.	Liberty's program and policy form allows the flexibility to accept alternative defense counsel subject to our prior approval.	Yes, occasionally if we lack for panel counsel in a particular area or if the circumstances warrant.	specific company guidelines	If after thorough review with our client, they feel strongly about a particular defense counsel, we generalt acquiese to their request	We will consider alternate defense counsel provided they have the requisit skill and experience and accept our defense counsel guidelines	Yes, as appropriate under circumstances.	There may be conflicts of interest. Requests are handled on a case by case basis.	Where insureds recommendations are well-qualified, cost-effective, and adhere to our reporting requirements.
Question 71 - Do you review the strategic and tactical decisions of defense counsel assigned to defend an insured, such as by requiring assigned defense counsel to obtain the approval of depositions that defense counsel deems necessary?																
	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Question 72 - Do you have to obtain the consent of the insured to compromise on or settle a claim?																
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Question 73 - If the insured elects to contest the claim rather than accept a settlement, do you then limit your subsequent liability for the claim to the amount that the claim could have been settled for?																
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes	No	No	Yes	Yes
Question 74 - Does the insured have to obtain the consent of the insurer to compromise on or settle a claim?																
	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Question 75 - Do you engage outside agencies to review defense counsel's billings?																
	No	No	No	Yes	Yes	No	No	Yes	No	No	No	No	No	No	No	Yes

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Question 76 - Does your company provide the following risk management services and products for your insureds?

Contract review	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Publications	No	No	No	Yes	No	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Seminars	No	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes

Question 77 - Does your company provide any other risk management programs for your insureds?

If Yes, please specify other current risk management programs	No	We provide contract review and loss prevention training for our agents, which in turn is passed on to policyholders.	No	Quarterly risk management webinars www.beazley.com/A&E Expert retreat for our top 100 insureds	We assist our insureds on an individual needs basis whether in-house or via legal counsel	No	Toll free hotline for risk management questions.	Comprehensive risk management programs are available on our website: WWW.LEXAEHELP.COM, including publications, best practice guides, state laws, and seminars that usually qualify for CE credit.	In 2008 Liberty will be launching a new website providing extensive risk management information and loss prevention education.	No	Not at this time but we expect to offer a help line for insured's risk management questions.	Full or partial reimbursement of the professional education pursuits of our insureds, peer Review etc.	Webinars	Webinars, Podcasts, CDs and web enabled risk management material. We do regional and in-house seminars in conjunction with state/local associations.	A full curriculum of optional loss prevention and education programs eligible for premium credits and continuing education credits. The XL Insurance Contract Guide for Architects and Engineers, published in 2007 as a 500+ page book and CD, is a combination of issue-driven discussions, claims scenarios, problem-solving strategies and contract language solutions.	Risk management support via riskmanagement@zurichna.com.
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Question 78 - How many of your company's risk management personnel exclusively support A/E firms?

Open-Ended Response		N/A	NA	Two	2		All	2 in-house, plus ~12 attorneys at Donovan Hatem who support Lexington's claims and risk management efforts.		0 - many are involved but it is not a full time endeavor.		All	1	9	100%	
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Question 79 - Provide provide the name of the primary contact for risk management personnel.

Open-Ended Response	Christopher Calnon	N/A	NA	James Schwartz 617-261-8414 james.schwartz@beazley.com/ Colleen Palmer 617-261-8412 colleen.palmer@beazley.com	Kitty Dimit		Michelle Duffett	Patrick McCarthy Pat.McCarthy@AIG.com		Jim Bechter and David Wiley.		Lisa Dyson Gamblin David Coduto	Gary Prather	Joe Jones	Albert J. Rabasca - Director of Industry Relations	Michele Schroeder
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Question 80 - How many A/E risk management seminars does your company conduct annually?

Open-Ended Response		Varies depending upon requests from agents.	None	Four	Depends on our insureds' and producers needs or request - generally around 10 per year		Varies.	100		five or more.		Two plus via our semi-annual shareholder meetings	30	numerous	approximately 200	
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Question 81 - What is the estimated number of A/E contracts your company reviews annually?

Open-Ended Response	60	Hundreds	None	Hundreds	Hundreds in-house and less to outside contract review counsel		500	2000		100		Thousands	450	approximately 1500 a year	Approximately 700 for the Claim Consultants alone. This does not include our PLAN agents' numbers, which could easily equal those of the Claim Consultants.	
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Question 82 - Who performs these contract reviews?

Open-Ended Response	Wilson, Elser, Moskowitz, Edelman & Dicker LLP	ADI underwriting and management personnel	NA	Colleen Palmer 617-261-8414 colleen.palmer@beazley.com	Our underwriters are all versed at basic contract review. If beyond our expertise, then Karbal, Cohen - Chicago handles.		Claims staff	Outside law firm Donovan Hatem		Jim Bechter, Steve Hansen and David Wiley.		Our claim manager, Lisa Dyson Gamblin	Claim Executives	Qualified risk management staff and specifically trained underwriters.	XL insurance Claim Consultants and PLAN agents.	Outside law firm.
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Question 83 - What is the average turnaround time for these contract reviews?

Open-Ended Response		less than 24 hours	NA		Usually one day to one week		1 day	<48 hours		one day		Less than 24 hours	24-48 hours	1 business day turnaround	Within 24 hours.	48 hours
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Question 84 - Please list the number and types of A/E risk management publications offered by your company. Please also provide a sample of your latest publication, preferably in an electronic format.

Open-Ended Response		N/A	None	Numerous publications available via our website @ www.beazley.com/A&E		Annual Risk Management news letter	Basic loss control booklet.	Information is delivered via our website as opposed to written publication.		Contract Reference Guide Ten Commandments of Loss Prevention.		We issue regular risk management advisories and post all on our website.	1 publication; "Stamped, Sealed & Delivered" published quarterly.	Numerous	Visit xldp.com for more information and to access a copy of Professional Services Agreements: A Primer, introductory information from the Contract Guide.	A&E Briefings, quarterly. Risk Management Guide.
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Question 85 - Please provide the estimated percentage of claims driven by the following factors (omit the % sign in your responses).

Technical errors					Not available			PROPRIETARY			proprietary	37	30	TBD	30	
Project management (including contractual terms)											proprietary	1	25	TBD	26	
Poor communication											proprietary	22	20	TBD	24	
Poor documentation											proprietary	2	25	TBD	5	
Other		unknown								80		Nuisance = 16, recommendations not followed 14, Breach of scope, schedule or budget 4%, other 4%		TBD	15	

Question 86 - If you included "Other" in your response to Question 85, please explain.

Open-Ended Response		We do not handle claims, nor compile claims statistics as described above and below.		We do not classify claims in this way. We would be happy to provide claims statistics to our brokers and insureds upon request.						Probably only one in five has truly professional negligence (breach of the professional standard of care). Most of the time, it is other things going bad and our AE clients being dragged into a problem not of their doing.		See discussion above			XL Insurance research finds that in over 70% of claims, non-technical issues either cause or significantly contribute to the severity of a claim.	
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Question 87 - Please provide the estimated percentage of claims related to the following types of projects (omit the % sign in your responses):

Commercial					Not available			PROPRIETARY			proprietary	29%	23%	TBD		
Single-family residential											proprietary	11%	25%	TBD		
Multi-family residential/condominiums											proprietary	20%	14%	TBD		
Schools and universities											proprietary	5%	11%	TBD		
Industrial											proprietary	7%	1%	TBD		
Health care											proprietary	1%	3%	TBD		
Highway/heavy utilities											proprietary	11%	6%	TBD		
Master planning											proprietary	0%	3%	TBD		
Surveys/studies											proprietary	6%	14%	TBD		
Other												10%		TBD		

2008 PROFESSIONAL LIABILITY INSURANCE SURVEY OF CARRIERS - RESULTS

September 24, 2008

	ACE USA	Arrowhead	AVRECO	Beazley	Benchmark	Euclid	Insight	Lexington	Liberty	RA&MCO	State Farm	Terra	Travelers	VOSCO	XL	Zurich
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Question 88 - If you included "Other" in your responses to Question 87, please explain.

Open-Ended Response				We would be happy to provide claims statistics to our brokers and insureds upon request.													Note: the responses above relate only to claims where dollars are expended by the insurance company and do not include claims that close at zero to the insurance company. We categorize all claims reported in broad categories like type site, type service, causal factor, type client, etc. so the responses above attempt to answer your categories using a combination of all of our claim data reporting fields
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ADDITIONAL SERVICES

Question 89 - Where can the following special services be obtained if offered by your company? (Please mark all that apply.)

Insurance needs assessment	Agent/Broker	Agent/Broker	Agent/Broker, Underwriter	Agent/Broker, Attorney	Agent/Broker, Underwriter, Attorney	Agent/Broker	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter	Agent/Broker	Agent/Broker, Underwriter	Underwriter, Claims Department	Agent/Broker	Agent/Broker	Agent/Broker, Underwriter	Agent/Broker
Application paperwork and assistance	Agent/Broker	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Underwriter, Claims Department	Agent/Broker	Agent/Broker, Underwriter	Agent/Broker, Underwriter	Agent/Broker
Explanation of coverage	Agent/Broker, Underwriter	Agent/Broker, Underwriter, Attorney, Claims Department	Underwriter	Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter	Underwriter, Claims Department	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker
Help with loss prevention programs	Agent/Broker	Agent/Broker, Underwriter, Attorney, Claims Department		Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter	Underwriter, Claims Department	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter
Review of contracts	Agent/Broker	Agent/Broker, Underwriter, Attorney		Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter, Attorney	Agent/Broker	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Claims Department		Claims Department	Agent/Broker, Claims Department	Agent/Broker, Underwriter	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Attorney
Assistance with incidents and claims	Agent/Broker, Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Attorney	Agent/Broker, Attorney, Claims Department	Attorney, Claims Department	Agent/Broker, Attorney, Claims Department	Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Attorney, Claims Department	Attorney, Claims Department	Underwriter, Claims Department	Claims Department	Agent/Broker, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Attorney, Claims Department	Agent/Broker, Claims Department
Educational programs/seminars	Agent/Broker	Agent/Broker, Underwriter, Attorney		Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department
Publications	Agent/Broker	Agent/Broker, Attorney		Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter	Underwriter, Claims Department	Underwriter, Claims Department	Agent/Broker, Underwriter, Attorney, Claims Department	Underwriter		Claims Department	Agent/Broker, Underwriter, Claims Department	Underwriter	Agent/Broker, Underwriter, Attorney, Claims Department	Agent/Broker, Underwriter

Question 90 - Will you provide a specimen copy of your policy?

If Yes, please send a .pdf version via email to ckim@acec.org, or a fax version to Charles Kim at (202) 898-0068.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
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2008 PROFESSIONAL LIABILITY INSURANCE SURVEY OF CARRIERS - RESULTS

September 24, 2008

	ACE USA	Arrowhead	AVRECO	Beazley	Benchmark	Euclid	Insight	Lexington	Liberty	RA&MCO	State Farm	Terra	Travelers	VOSCO	XL	Zurich
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Question 91 - If you wish to provide comments on this survey, please do so in the space below.

Open-Ended Response		Thank you for asking!	Good survey - some items not "yes" or "no" - but maybe or sometimes							Blank responses are due to our viewing as proprietary information.		We currently making changes to our policy and will provide a copy when such work is completed. As pertains to questions 26, as a risk retention group, we are authorized and approved to write our business in all 50 states, and we do not fit within the categories of Admitted or surplus lines. But we are approved and authorized to write our business in all 50 states, where we pay premium taxes defined by each state's insurance regulations.				
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Question 92 - As we do each year, we will be supplementing this survey with face-to-face interviews with invited carriers. We will accommodate as many interview requests as possible. This year, the interviews will take place on October 2, 2008, in Chicago.

By participating in the interviews, you will have the opportunity to expand on your survey responses, as well as provide your perspective on changes in the PLI industry. The partnering organizations have customarily published separate articles and press releases relating to the interviews. If your company is interested in taking part in the October interviews, please indicate whether you would prefer a morning or an afternoon time-slot.

If Yes, I am willing to participate in the face-to-face interviews on 10/2/08 in Chicago, IL., please indicate whether AM or PM is preferred.	AM Preferred	AM Preferred	AM Preferred	PM Preferred	AM Preferred		PM Preferred	PM Preferred	PM Preferred				AM Preferred		AM Preferred	AM Preferred
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