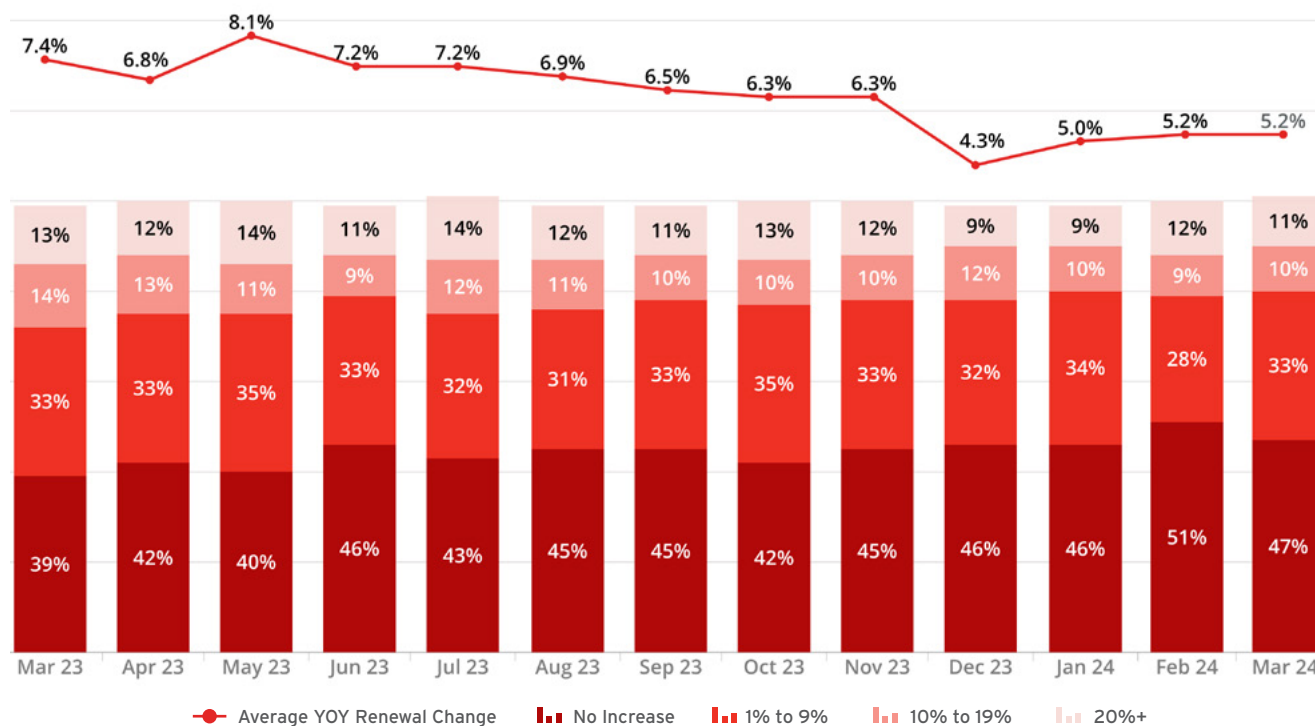


The REDDY Index leverages CRC Group's collection of actionable data – the wholesale industry's largest. It provides critical pricing analysis monthly, giving you a snapshot of the marketplace. The REDDY Index generates instant intelligence on pricing trends by industry or coverage, enabling our retail partners to set accurate data-driven expectations with their clients. Removing the guesswork empowers CRC team members to negotiate competitively, consistently producing better outcomes, better deliverables, and better results.

MONTHLY RENEWAL PRICING ANALYSIS



Results displayed above reflect average CRC Group Errors & Omissions (E&O) renewal pricing changes by month (over the previous 12 months). Results are limited to brokerage accounts that renewed in the same month as the prior year with the same total account limits. To remove outliers, the top and bottom 1% of accounts by YoY % change have been removed, as well as the top and bottom 1% of accounts by rate on line (Premium/Limit*100). The REDDY Index is intended for educational purposes only as individual accounts typically differ from average pricing trends.

EMERGING ISSUES BY E&O MARKET SEGMENTS

Misc. E&O - The market is relatively stable. Increased competition is likely due to new entrants, and rates should remain flat per exposure basis. Carriers are more likely to consider tougher accounts such as those in the Pseudo F.I. space or to provide specialized coverages such as contingent BI/PD, Cost of Corrections, Contract-specific Limits, First-dollar Defense, and sub-limits on TCPA or other risk-specific items. Tougher classes currently include Franchise Business, Public Officials/ Schools, M&A Consultants, Quasi Financial, Interim Management, Staffing/PEO, Title Agents, Developers, Social Services, and Foster Care/Adoption.

A&E - Rates continue to rise as A&E remains somewhat hard, and there has not been an uptick in market entry. Rate increases of 5%-12% are expected on accounts and larger in certain jurisdictions such as New York, California, and Florida or on difficult classes including Geotech, Structural, Soil. Some carriers are still adjusting rates to better align with the marketplace. Also, more carriers entering tougher market spaces. On smaller clean business, competition is greater, and rates are expected to remain flat or rise up to 5% while mid-market business rates will increase 5%-8%. A few A&E markets are carefully adding coverage enhancements to their policies. Insureds are becoming more diverse which has led to more marketplace questions and decreased competition in some scenarios.

Lawyers - With the influx of additional capacity, rates are lower. Many carriers expect to see a rise in claims due to post-pandemic cases resolving and rising defense costs. Newer carriers do not have legacy claims to contend with. There are very few insurers willing to entertain solo practitioners and smaller firms, but pricing has remained competitive. Rate increases are typically occurring as a result of the Retroactive Date maturing and are expected to remain steady.

Real Estate - The market will likely remain competitive and relatively flat. Most incumbent carriers are seeking rate increases of 2%-3%. Many incumbent carriers have increased rate in recent years, allowing greater flexibility with 2024 renewal terms. When thoroughly marketing larger renewals or competing on new business, expect a 0%-10% rate decrease due to new capacity. Drop off may be steeper for the RED space, due to new capacity. Micro accounts (\$250k revenue & under) will remain ultra-competitive, including a number of program markets. Insureds are becoming more diverse which has led to more questions from the marketplace and in certain situations decreased competition.