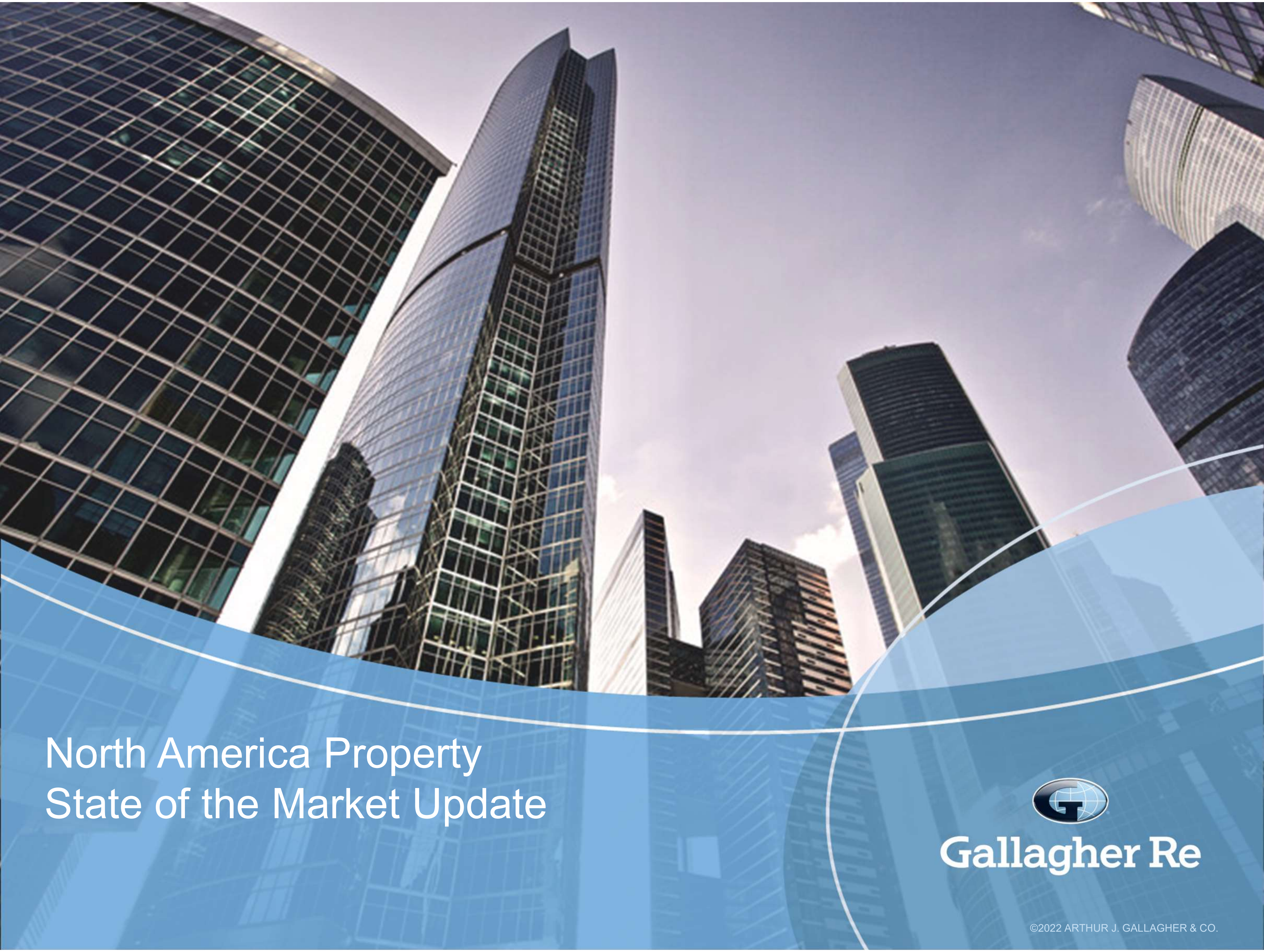


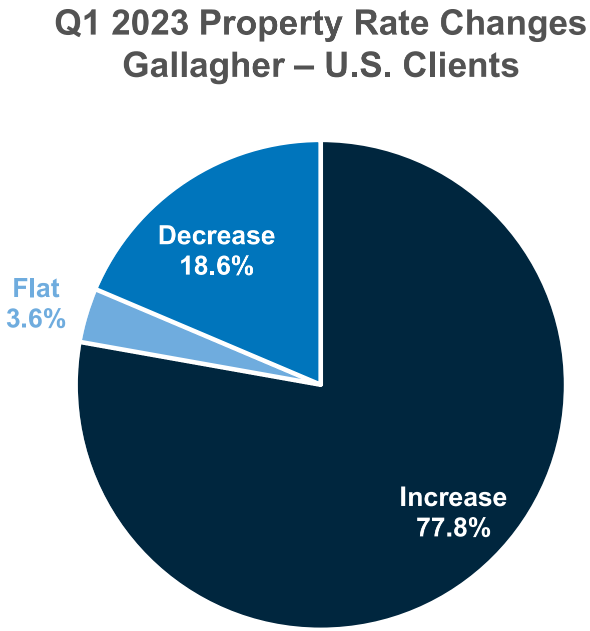
North America Property State of the Market Update

Gallagher Re

Table of Contents

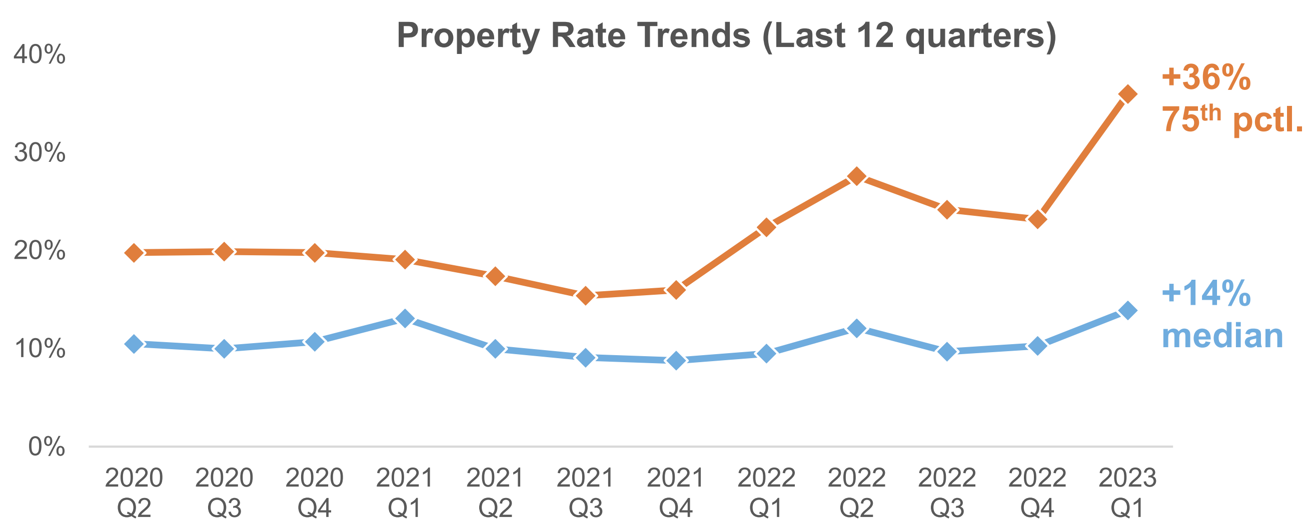
Property Insurance Market Update

Gallagher June Property Insurance Market Update



14%
median rate change in Q1 2023

- A significant dislocation in the (re)insurance sector is directly impacting pricing and capacity in the primary market, particularly for CAT-exposed business
- The firm property market will continue for some time, with inflation, valuation adjustments and rising loss costs as key drivers
- Pricing is rising steeply for cat-exposed accounts, there are fewer markets available, and, in some cases, cover is not available at any price
- Underwriters are repricing risks exposed to secondary perils
- A lack of capacity from incumbent markets is pushing buyers to seek alternative options, with a surge of business into E&S markets and an uptick in inquiries around captive solutions



Source: Gallagher US Clients

Property Insurance Market – Looking Forward

More favorable renewal terms exist for clients with attractive risk profiles (non-peak peril property, up-to-date valuations, risk control programs, no loss history, etc.).

The predicted catastrophe season continues to extend for perils such as named storm, wildfire and SCS, while the geographies most prone are also expanding or shifting.

Insurers are continuing to look at the impact of climate change and underwriting for bigger events over time.

Before Ian, we were expecting price increases to moderate and see more stability in the Property market. Capacity in Florida will be constrained for the foreseeable future despite recent legislative changes.

Carriers that have been unsuccessful in securing meaningful rate increases and staving off continued large losses will continue to raise rates and tighten terms and conditions.

Several carriers have placed a moratorium on new business due to reinsurance uncertainty. They may need to reduce the capacity or look to optimize portfolios, depending on renewal outcomes

Property Reinsurance Market Update

Mid-Year 2023 Reinsurance Renewal Review

For most placements, the reinsurance market proved to be orderly and rational with sufficient capacity available provided pricing was adequate

- The market faced a continuation of the pricing and structural dynamics as reinsurers sought to bring terms and conditions into line with those seen at January 1 and April 1
- Moderate levels of new capital entering the market coupled with relatively flat demand have led to more orderly renewals
- Cedents willingness to increase retentions has led some reinsurers to grow percentage shares of programs at mid-year renewals, particularly in the cat space
- Property per risk capacity remains relatively constrained, compared to cat, with new capital entering market generally targeting peril- and regional-specific cat programs
- Strong returns achieved by bond funds in 2023 to-date has led to growing investor interest and an increase in the overall number of bonds being issued
- Limited signs of new reinsurance entities forming, and the trend is one of consolidation into fewer, larger reinsurance entities

Mid-Year U.S. Property Recap

General Themes

- Mid-year renewals proved to be more orderly versus January 1
- Capital raises from existing reinsurers late in 2Q helped alleviate some capacity constraints
- Continued pressure on attachment points forced cedants to restructure XOL programs
- Rate increases moderated as reinsurers balanced expectations with rate movements achieved in 2022

Catastrophe

- Continued focus on the 1-in-10 RP for retention adequacy
- Many cedants were required to increase net positions via co-participations, AADs or increased retentions
- Reinsurers aimed to tighten coverage (e.g., terror, SRCC and occurrence definitions) but generally accepted expiring terms
- Rate momentum slowed as many reinsurers looked to fill budget shortfalls from January 1
- Significant H1 SCS activity resulted in some cedants looking to secure additional cover at mid-year

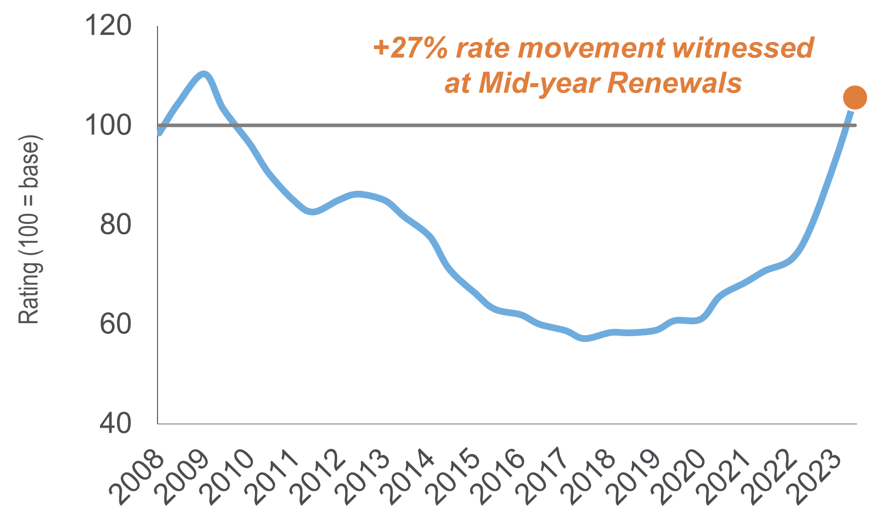
Per Risk

- Lack of new PPR capacity supported upward rate momentum
- Reinsurers focused on pushing up attachment points of first risk layers or shifting capacity up towers
- Reinsurers pushed to exclude natural perils from Per Risk programs but largely settled for expiring, all-perils coverage

Quota Share

- Ceding Commission reductions were generally seen across the board with larger reductions on less profitable contracts
- Gross quota share capacity was largely unavailable, and many programs shifted to a net basis

Gallagher Re U.S. Cat Reinsurance Pricing Index



US Nationwide	Risk Adjusted Change
Pro Rata Commission	-6 to 0 points
Risk Loss free % change	+20% to +40%
Risk loss hit % change	+35% to +75%
Cat loss free % change	+10% to +35%
Cat loss hit % change	+30% to +50%

Underlying dynamics of the property market

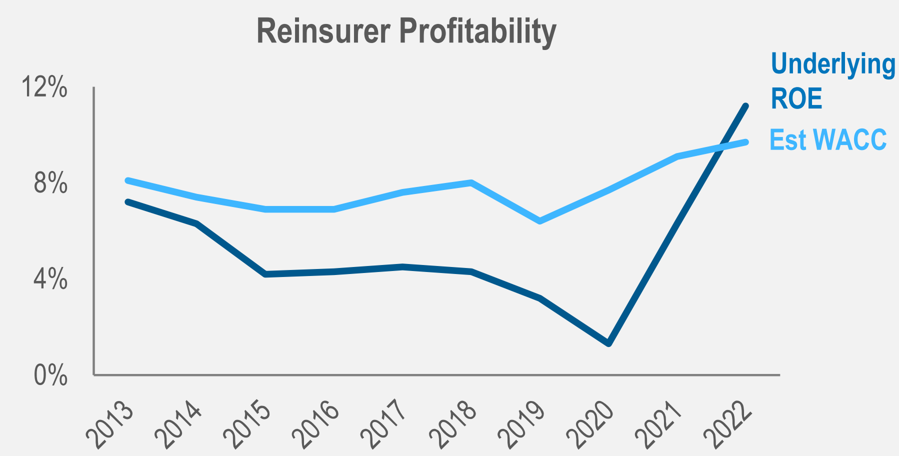
Supply/Demand Dynamics

Supply — **Demand**

Supply	Demand
⇩ Property treaty exits	Inflation ⇧
⇩ Lack of new capital	Financial markets ⇧
⇩ Climate change	Retentions / Co-pars ⇩
⇩ Financial markets	Potential recession ⇩
⇩ Trapped collateral	
⇧ Improving rate adequacy	

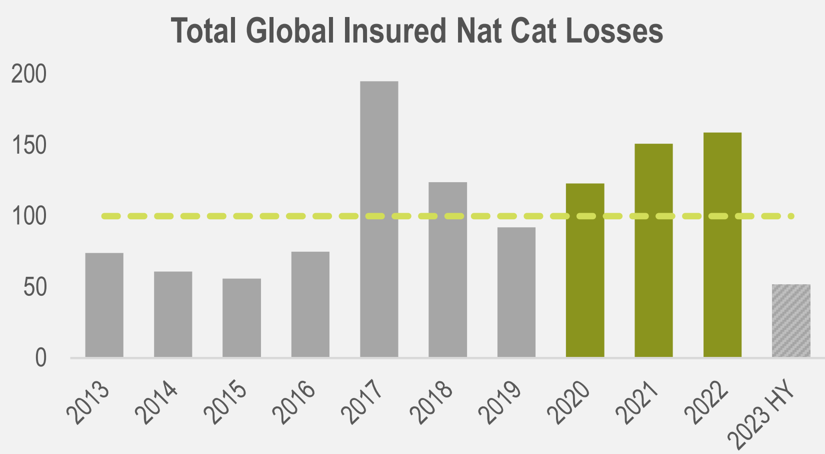
Demand continues to outstrip supply

Profitability Challenges



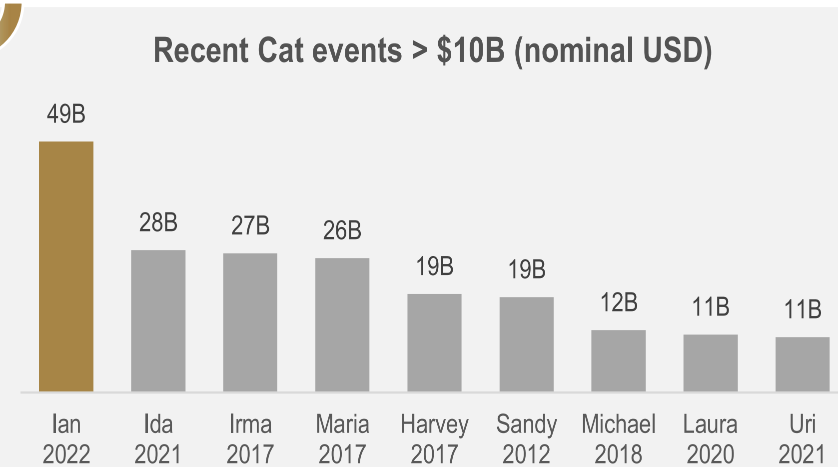
For the first time in 10 years, reinsurers' underlying ROE exceed WACC

Elevated Cat losses



2022 is the 2nd consecutive year with +$100bn of insured loss

Hurricane Ian



HU Ian is likely to be the largest historical cat event, in nominal terms

Property Per Risk Market Highlights

Capacity

- Capacity remains concentrated amongst a handful of key markets who typically adopt a package approach across multiple treaties
- Historical dynamic of packaging risk and cat programs provided little relief to cedents
- Challenging retro dynamics constrained per risk capacity, particularly for cat exposed programs
- Reduced capacity in the PPR segment resulted in co-participations on some programs

Coverage

- Broad increase in attachment points was fueled by reinsurers willingness to walk at expiring terms
- Push by reinsurers to limit natural perils exposure embedded in Per Risk was largely unsuccessful
- Terror cover not available from certain reinsurers as retro market limited coverage
- General preference to remove pre-paid/unlimited reinstatements, particularly for Lloyd's underwriters

Pricing

- Significant loss activity continued to challenge pricing adequacy
- Top layer pricing came under pressure as reinsurers substantially increased their minimum premium requirements in response to their own cost of capital increasing
- Loss free programs saw rate increases of +20% to +40%; loss impacted programs seeing more dramatic rate increases of +35% to +75%
- Non-concurrent terms were prevalent as cedants looked to secure targeted capacity

Property Catastrophe Market Highlights

Capacity

- Most cedants were able to secure capacity required but did not achieve desired net position
- Capacity remains concentrated amongst a handful of key markets who typically adopt a package approach across multiple treaties
- Pockets of new capacity are targeting clean region- and/or peril-specific programs
- Parametric and non-indemnity solutions (i.e. KCC Footprint Model) gained momentum in Q2 as buyers engaged with sellers of bespoke capacity

Coverage

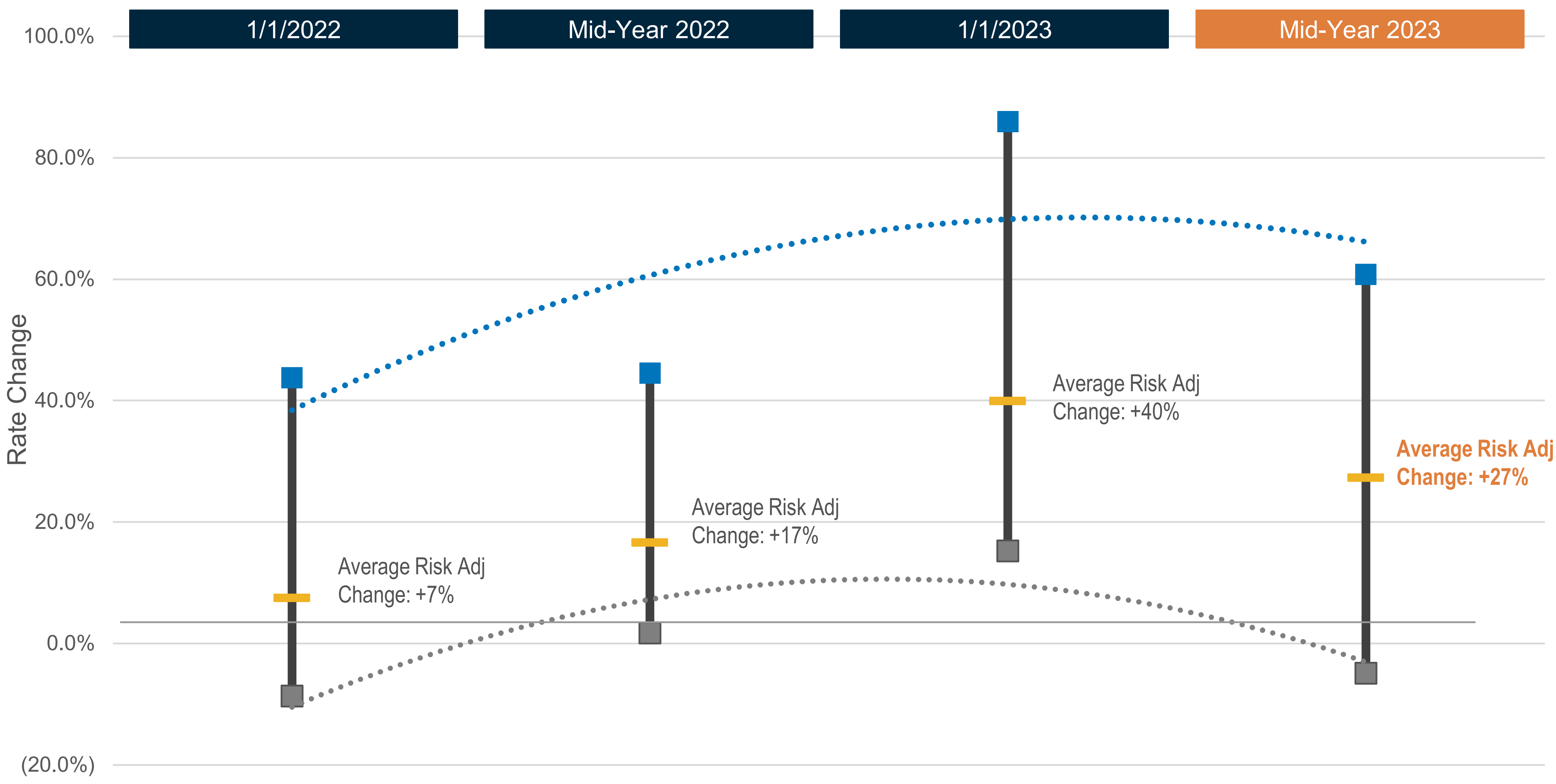
- Reinsurers broadly targeting the 1-in10 RP for attachment point but are willing to support lower
- Contractual negotiations were more orderly at mid-year, as reinsurers ultimately supported manmade perils
- Continued focus on secondary/poorly modeled perils resulted in premiums for ‘all perils’ coverage
- General shift toward capital protection as earnings protection proves uneconomic

Pricing

- Significant loss activity and headline secondary perils events challenge pricing adequacy
- Reinsurers maintained pressure on top layer pricing pressure in response to their own cost of capital increasing
- Loss free programs saw rate increases of +10% to +35%; loss impacted programs seeing more dramatic rate increases of +30% to +50%
- Non-concurrent terms were prevalent as cedants looked to secure targeted capacity

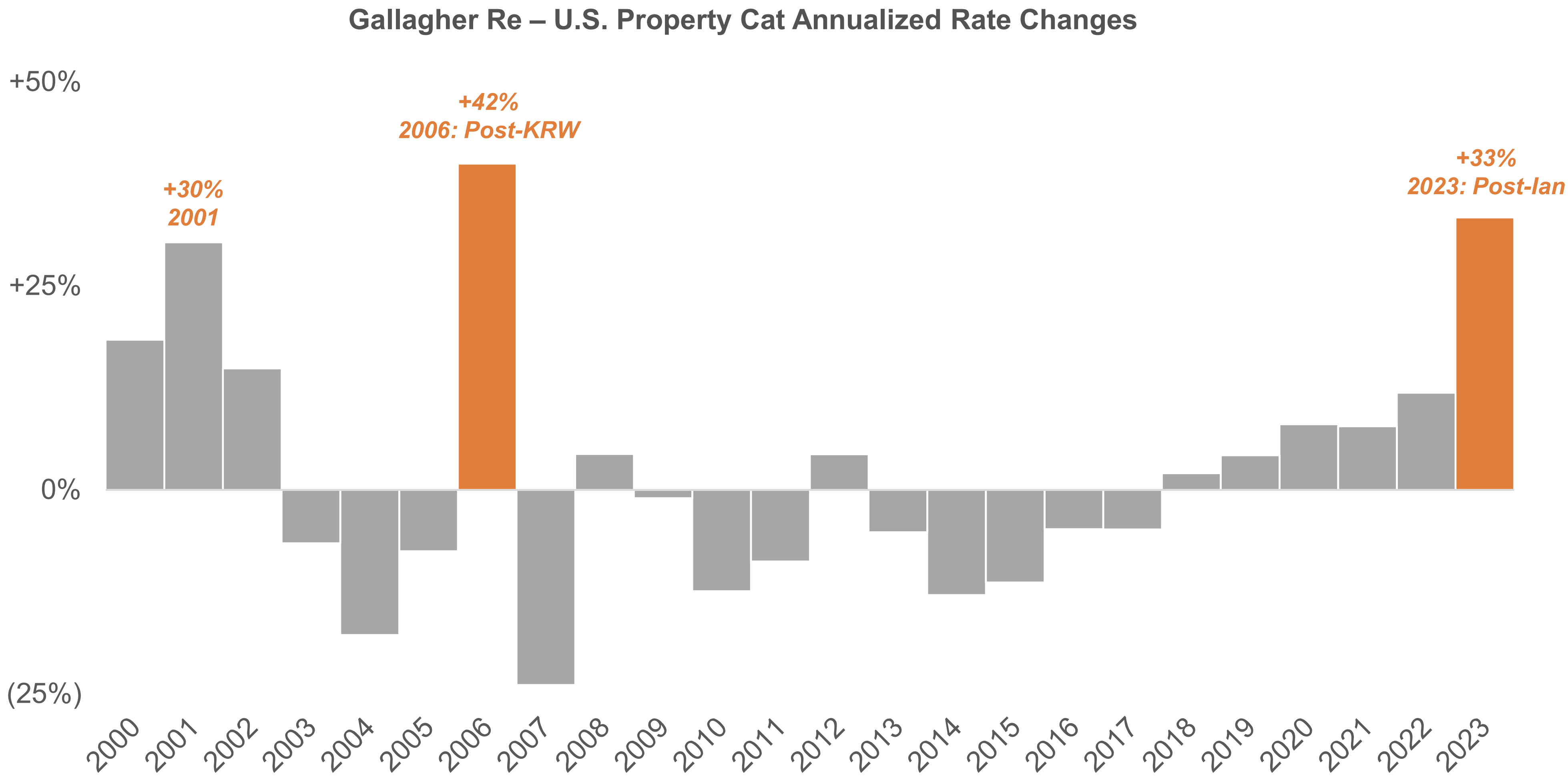
Mid-year property cat risk adjusted rate change averaged +27%

While rate increases moderated compared to 1/1/2023 renewals, the movement yields a two-year cumulative rate change for mid-year renewals of approximately +50%

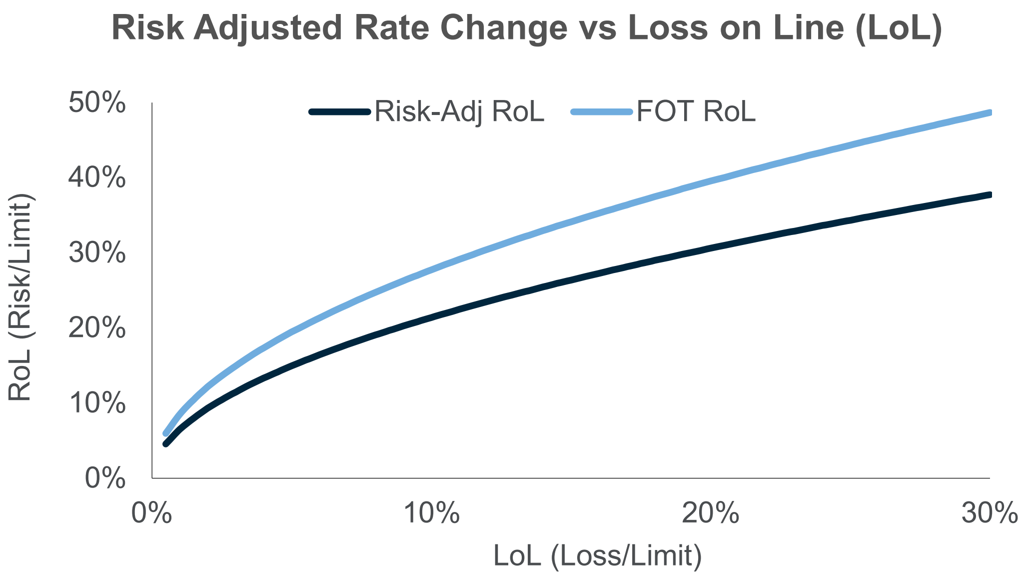


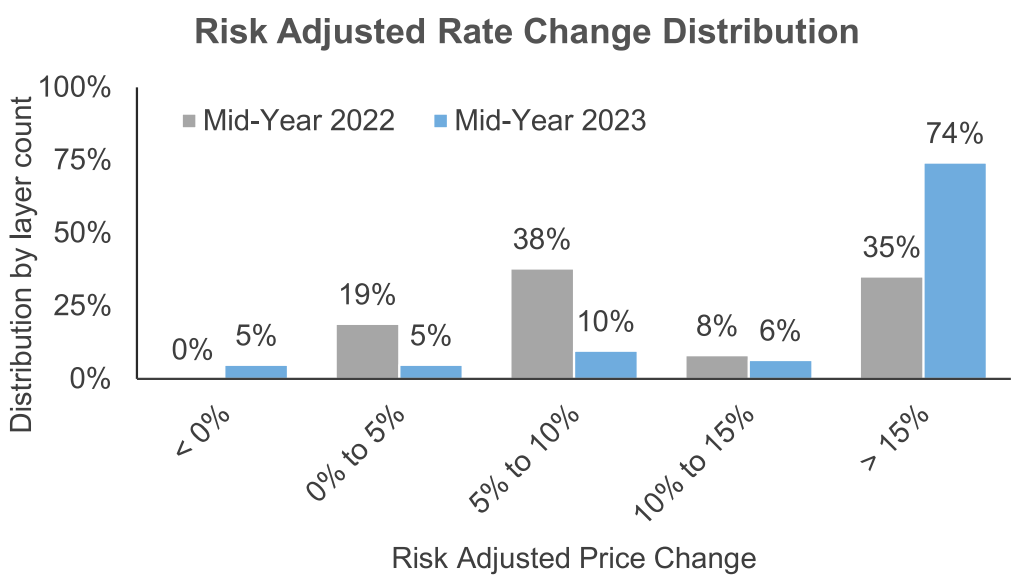
2023 cat rate changes parallel large historical rate increases

In 2001 and 2006, rate movements varied between +30% and +42%. 2023 renewals experienced +33% rate movements.



Rate pressures continued despite mid-year 2022 increases



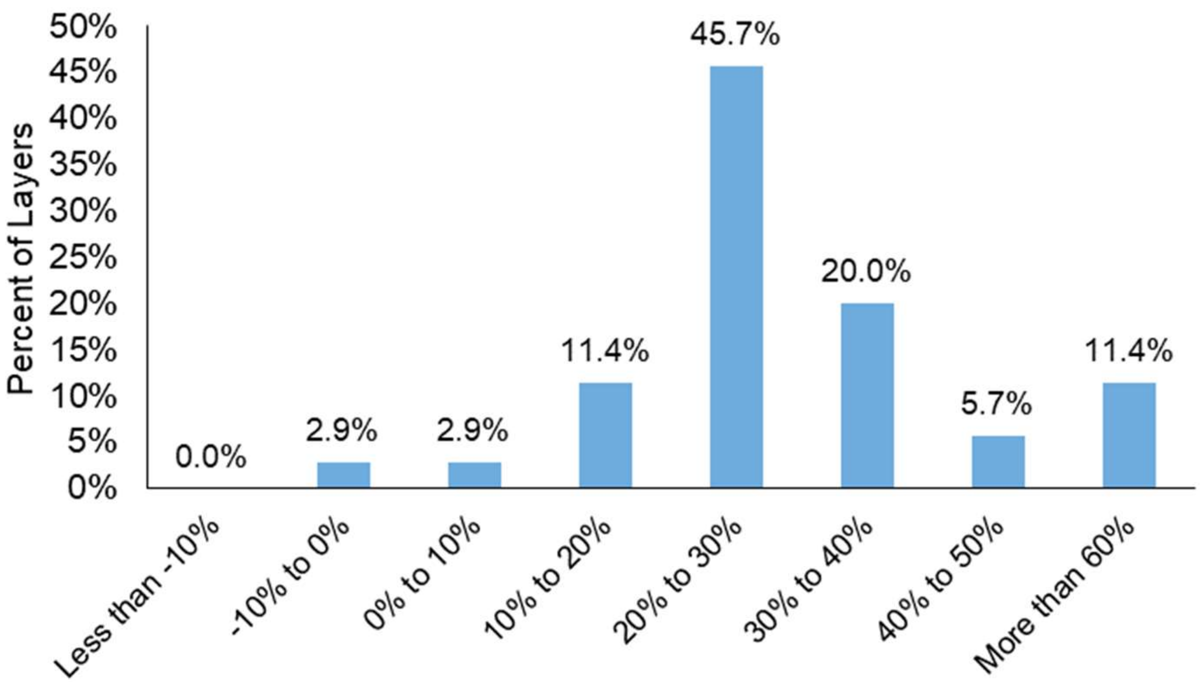


- 5/1 - 7/1 renewals experienced their second consecutive renewal in the challenging market phase
- Cedents were able to offset some bottom layer pricing pressure by increasing retentions
- Top layers continued to see a wide range of pricing pressure due to reinsurer focus on minimum RoLs
- Tangible shift to layers seeing +15% risk adjusted increases vs mid-year 2022

Note: Data excludes Florida Only placements

Nearly all Florida cat layers experienced rate increases

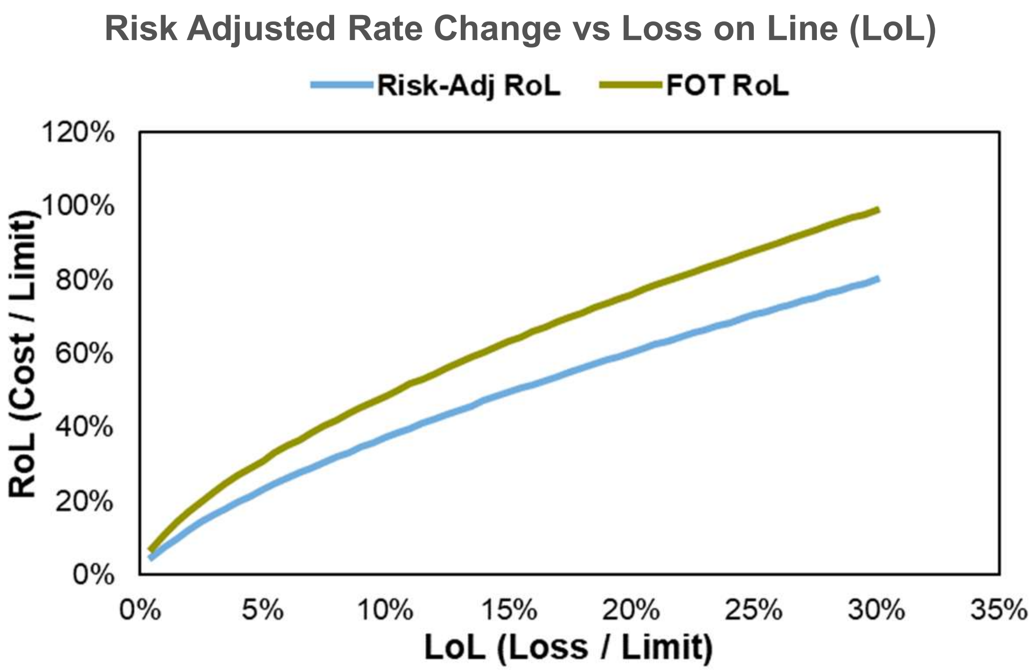
~85% of all property cat renewals have risk adjusted increases greater than or equal to +20%



Similar to 1/1/2023, upward rate momentum encapsulated all cedents at 6/1/2023, with all of layers paying risk adjusted increases

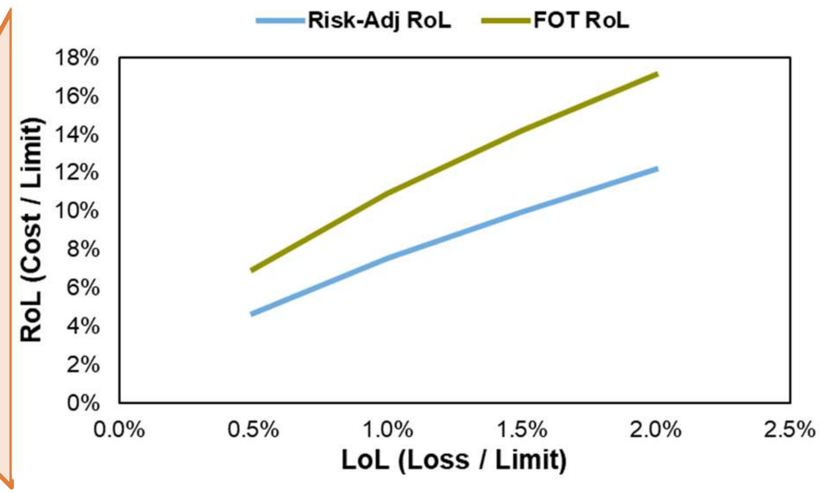
- In addition to continued firming conditions, the market experienced heightened program differentiation, as highlighted by the ~60% range between the min and max rate changes.

Reset of cat minimum RoLs resulted in +60% for top layers



- Cedents were able to offset some bottom layer pricing pressure by increasing retentions
- Plentiful capacity for top layers, but increased pressure on min ROL

Program	LoL	Average	Min	Max
Bottom Layers	>7.5%	**23.8%**	-7.5%	44.1%
Middle Layers	7.5%-2%	**30.1%**	11.9%	40.4%
Top Layers	<=2%	**64.3%**	0%	245.6%

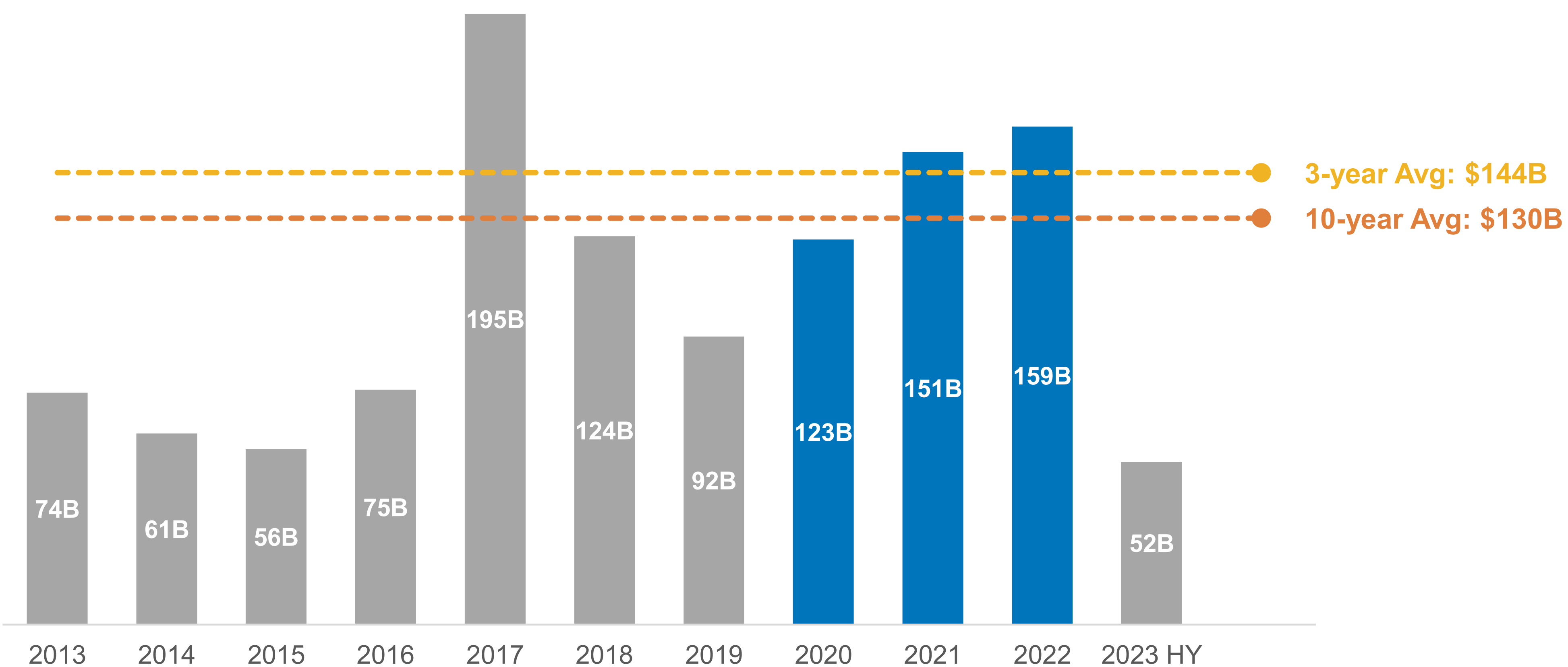


Underlying Market Dynamics

2022 was the 3rd consecutive year with +$100B of insured loss

The U.S. accounted for 76% of global losses in 2022

Total Global Insured Natural Catastrophe Losses



Source: Swiss Re Sigma Catastrophe Loss Report - December 14, 2021

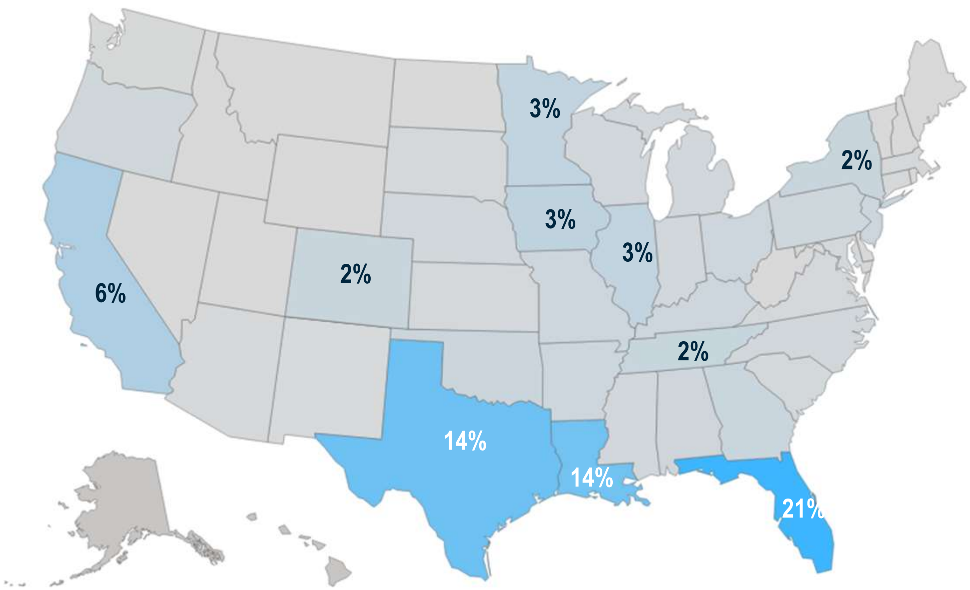
Notable global catastrophe events in H1 2023

2023 HY1 loss of $52B falls between the 3-yr and 10-yr avgs of $58B and $44B, respectively

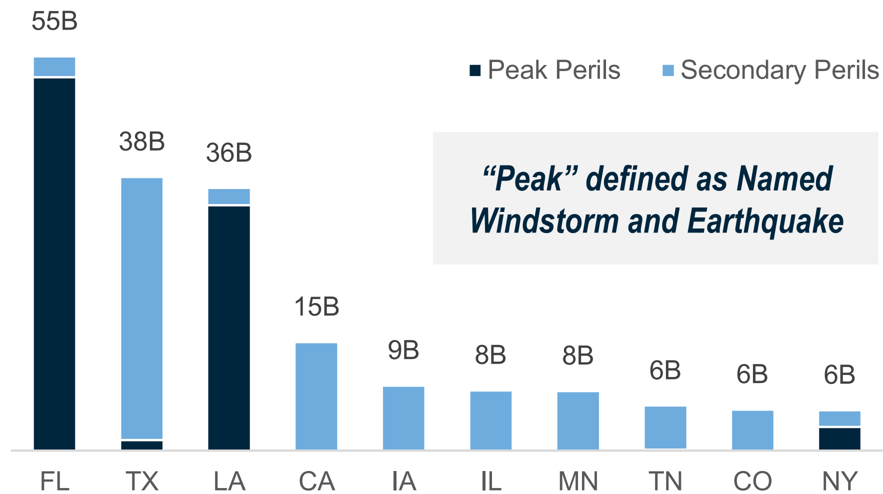
U.S. Catastrophe Loss Summary

For calendar year 2022, PCS estimated $89B of total U.S. insured catastrophe losses

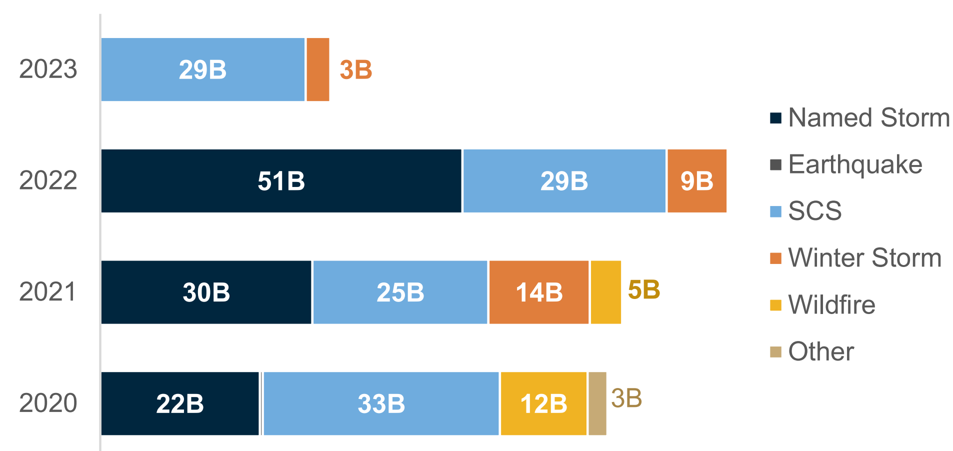
Geo Distribution of total PCS cat losses (2020-2023 HY1)



Top 10 States: PCS Losses 2020-2023 HY1



All tates: PCS Losses 2020 – 2023 HY1

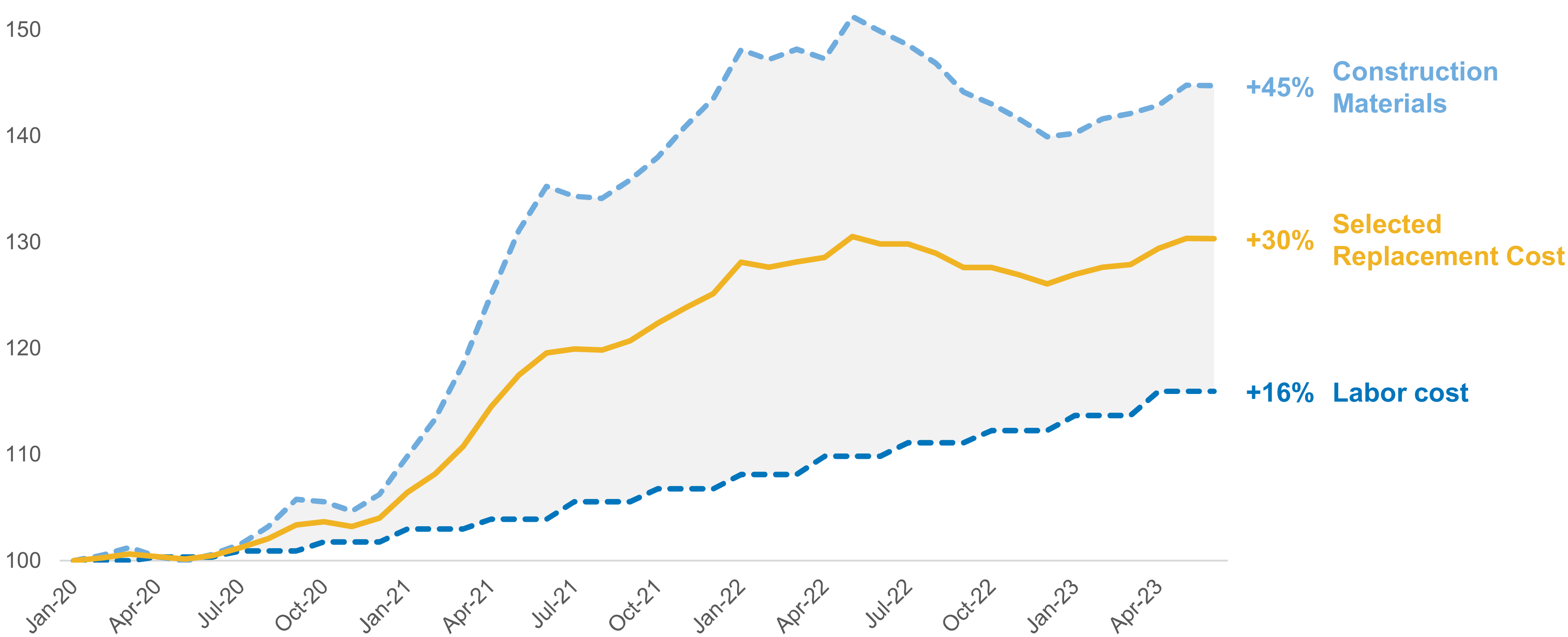


- Florida and Louisiana lead all U.S. States with $55B of nominal cat losses since 2020. Key drivers:
  - Hurricane Ian (2022): $49B
  - Hurricane Ida (2021): $28B
  - Hurricane Laura (2020): $11B
- Texas and California are consistently in the top 10 states irrespective of the time period selected

Source: PCS, including Personal, Commercial, and Auto losses as of 7/1/2023

Construction and Labor costs remain at elevated levels post-2020, although costs have flattened over past 12 months

Replacement Cost Index: January 2020 – June 2023



Notes:

- Replacement cost index reflects a 50/50 blend of construction and labor costs
- Replacement cost inputs from FRED, as of June 2023

Macroeconomic Pressures on Global Reinsurance Capacity

Gallagher Re

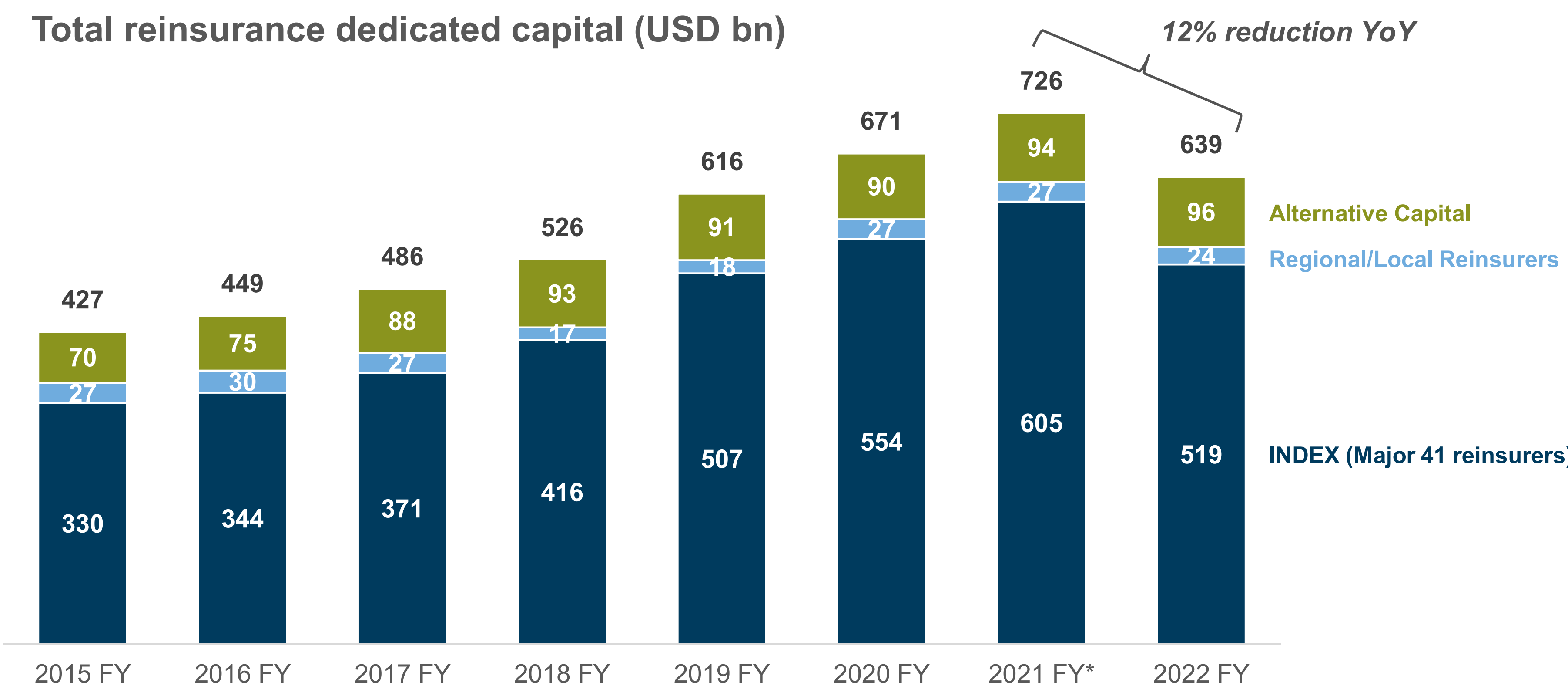
Year To Date Change In FX Rates, Benchmark Yields & Stock Market Indices By Country

Country								
Major Global Players	...	intact	LLOYD'S LLOYD'S OF LONDON	hannover re Munich RE Allianz	AXA SCOR	Swiss Re ZURICH	TOKIO MARINE GROUP MS&AD SOMPO	SUNCORP iag QBE
FX Rate vs USD (YTD Chg)		CAD -9%	GBP -17%	EUR -15%		CHF -9%	JPY -22%	AUD -14%
Benchmark Stock Index (YTD Chg)	S&P 500 -23%	S&P/TSX -14%	FTSE 100 -7%	DAX -22%	CAC 40 -18%	SMI -21%	NIKKEI -9%	S&P/ASX 200 -11%
5Y Govt. Bond Yield (YTD Chg) Price (YTD Chg)	UST 1.3%→4.1% -12%	Gov Bonds 1.3%→3.6% -5%	Gilts 0.8%→4.5% -18%	Bunds -0.5%→2.1% -15%	OATs -0.3%→2.5% -12%	Gov Bonds -0.3%→1.1% -16%	JGBs -0.1%→0.1% -1%	Gov Bonds 1.3%→3.6% -13%
10Y Govt. Bond Yield (YTD Chg) Price (YTD Chg)	UST 1.5%→3.9% -31%	Gov Bonds 1.4%→3.4% -27%	Gilts 1.0%→4.5% -48%	Bunds -0.2%→2.4% -36%	OATs 0.2%→3.0% -35%	Gov Bonds -0.1%→1.5% -22%	JGBs 0.1%→0.3% -10%	Gov Bonds 1.7%→4.0% -20%

Source: FactSet, ICE BofA Fixed Income Indices

- Significant U.S. dollar strengthening to impact foreign capacity at 1/1
  - When valued in foreign currencies, U.S. exposures will exhibit significant exposure growth and U.S. loss experience will be magnified
- Increasing bond yields causing significant mark-to-market losses on reinsurer balance sheets
- Global stock market devaluations also pressuring surplus values

First drop in reinsurers' accounting capital since at least 2015



- Global reinsurance dedicated capital totaled USD 638bn as of the end of FY 2022, a decline of 12% verses the restated 2021 base.
- The INDEX companies represent more than 80% of the total capital base and declined by 14% to USD 519bn (though this was slightly offset by 2% growth in alternative capital)

**Note: 2021 FY restated following Gallagher Re's annual review of constituents*

Signs of new capacity despite continued undersupply

2021

- **Aspen** remediation of property book
- **Everest** scales back cat XOL premium allocation
- **AXA Group** exits property treaty in Lloyd's

2022

- **AXIS** closes property reinsurance division
- **SCOR** aims to cut property PMLS by 11%
- **Kiln** exits property treaty reinsurance
- **MS Re** reduces standalone property cat exposures
- **ILS** trapped collateral impacts 1/1 cat capacity

Material reductions in property capacity leading into Q4 of 2022

HY 2023

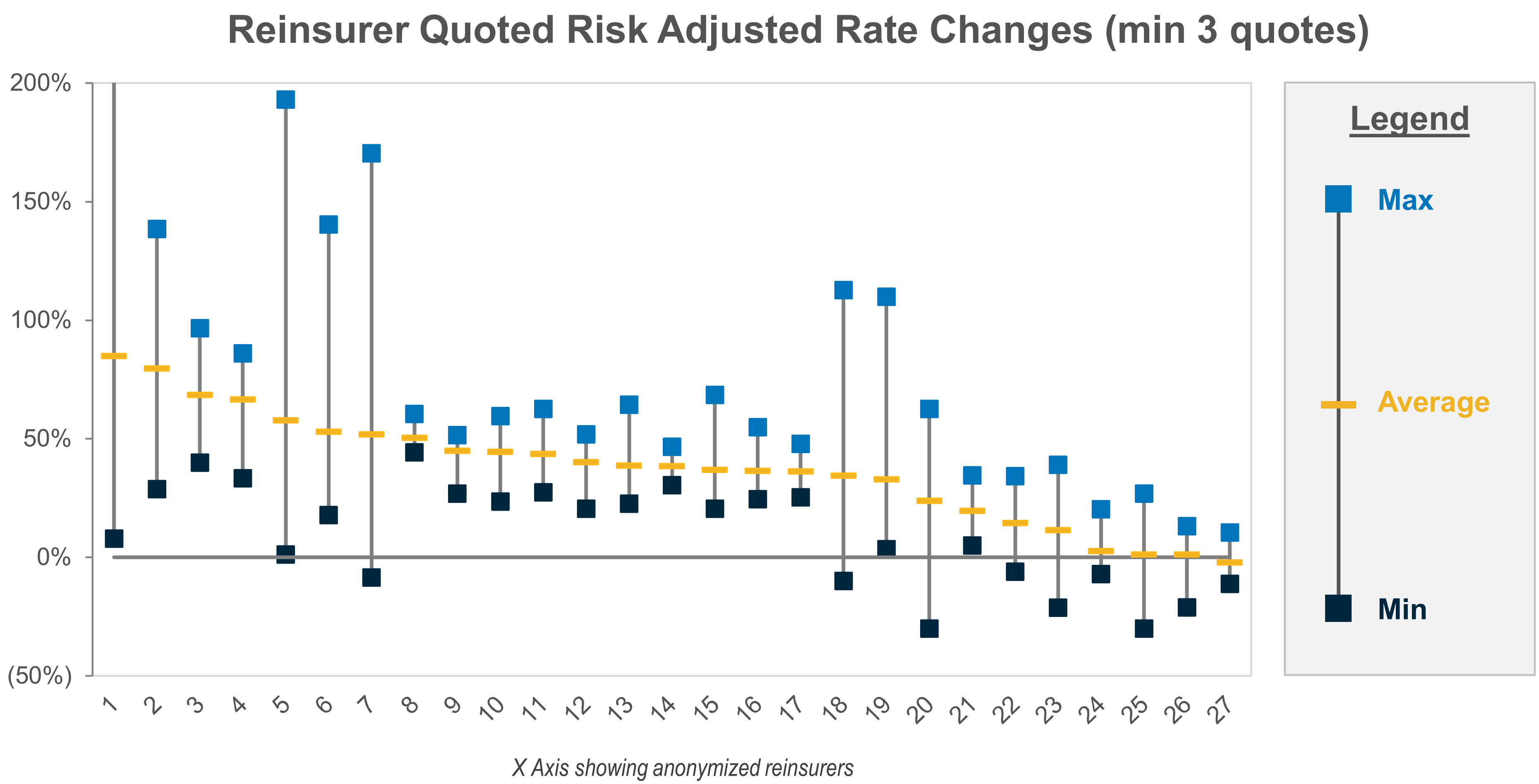
- **Gallagher Re** regional catastrophe facility bolsters capacity
- **Vantage** raises nearly $1bn of capital for 2023 cat renewals
- **Beazley** targets capital raise to support long term U.S. ambitions
- **Everest** raises ~$1.5bn in growth capital before midyear renewals
- **Ren Re** acquisition of Validus—ultimate effect still unknown

Some signs of capacity relief in 2023 with new capital entering the property cat segment

Individual Market Behavior

Reinsurer property cat quote behavior

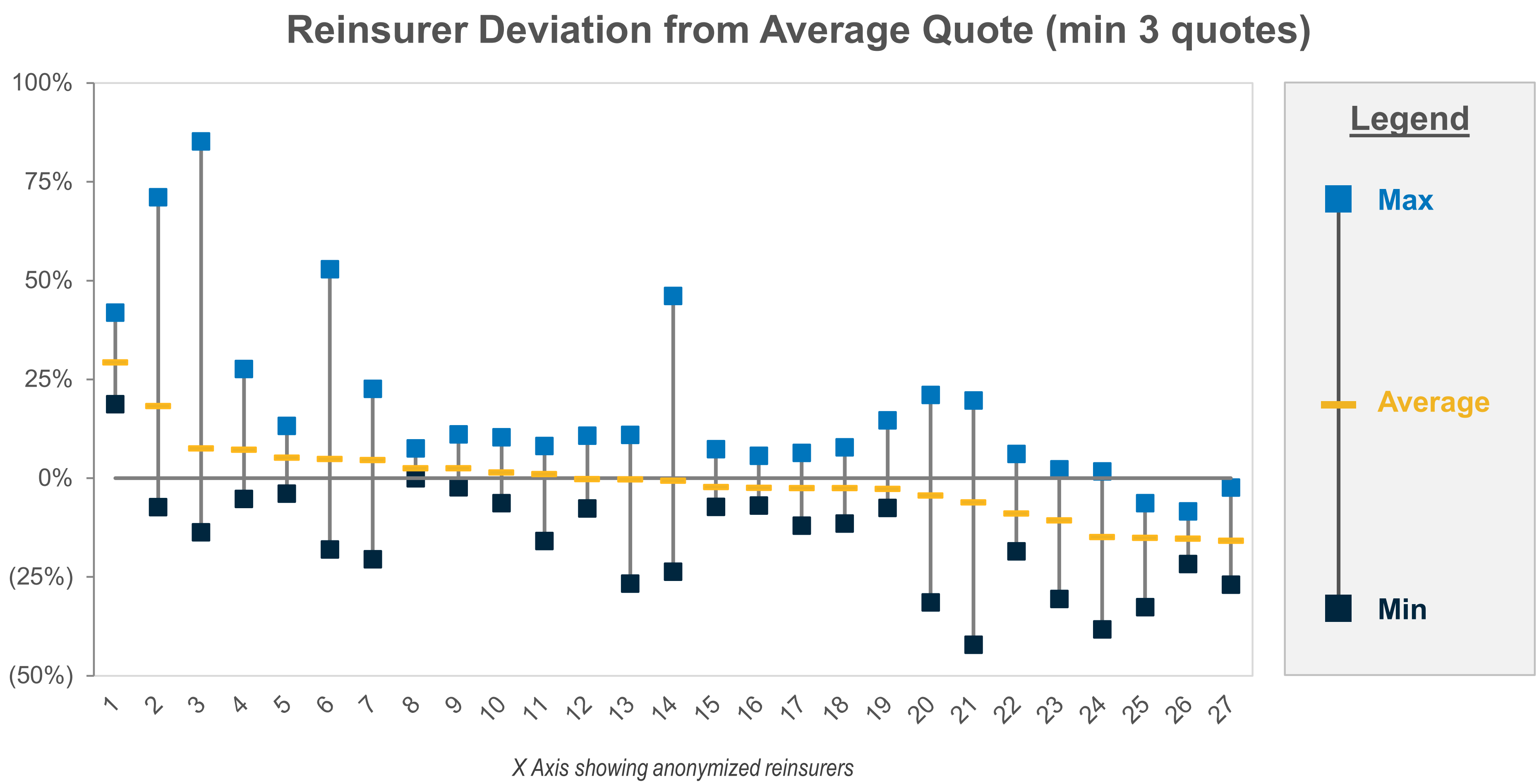
Exhibit shows reinsurers' quote ranges vs average layer quotes



Note: Data excludes Florida Only placements

Reinsurer property cat quote behavior (continued)

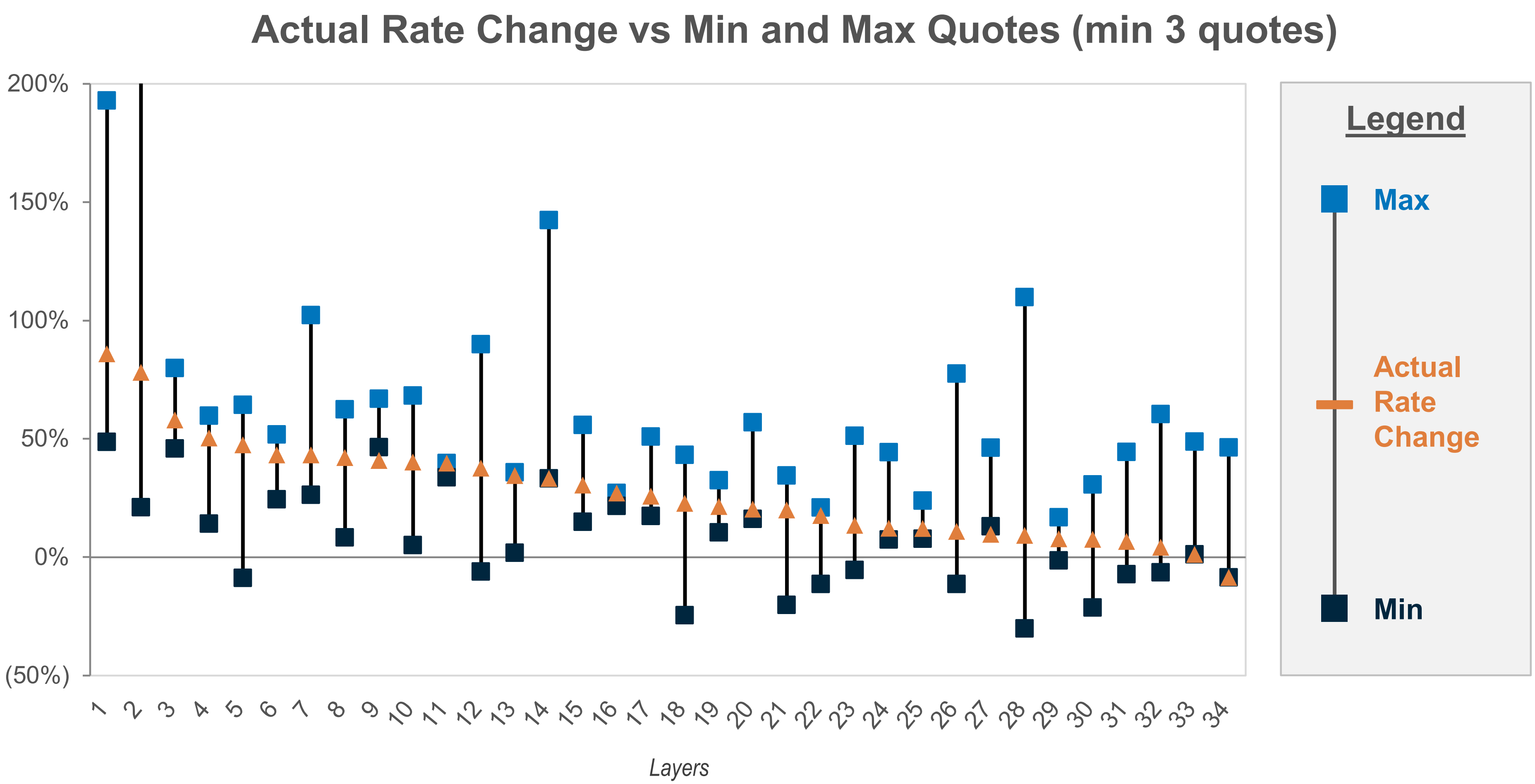
Exhibit shows reinsurers' quote ranges vs average layer quotes



Note: Data excludes Florida Only placements

Property cat FOTs were broadly in line with average quotes

On average, FOTs were 2% below the average quote for captured layers



Note: Data excludes Florida Only placements

Individual Market Commentary

Active and Supportive Quoters

hannover re, Munich RE, R+V RE, DEVK

Stable industry supporters were willing to provide quote feedback, though many at significant risk-adjusted increases.

Pushed for Structural Changes

SCOR, Swiss Re, Munich RE, R+V RE

Keen focus on retention adequacy with the above reinsurers initially citing the 1-in-10 return period as optimal.

Responsive to new business

everest, Arch Re, PartnerRe, Gen Re

Several reinsurers were explicitly focusing on renewal business only, leaving little opportunity to raise new capacity

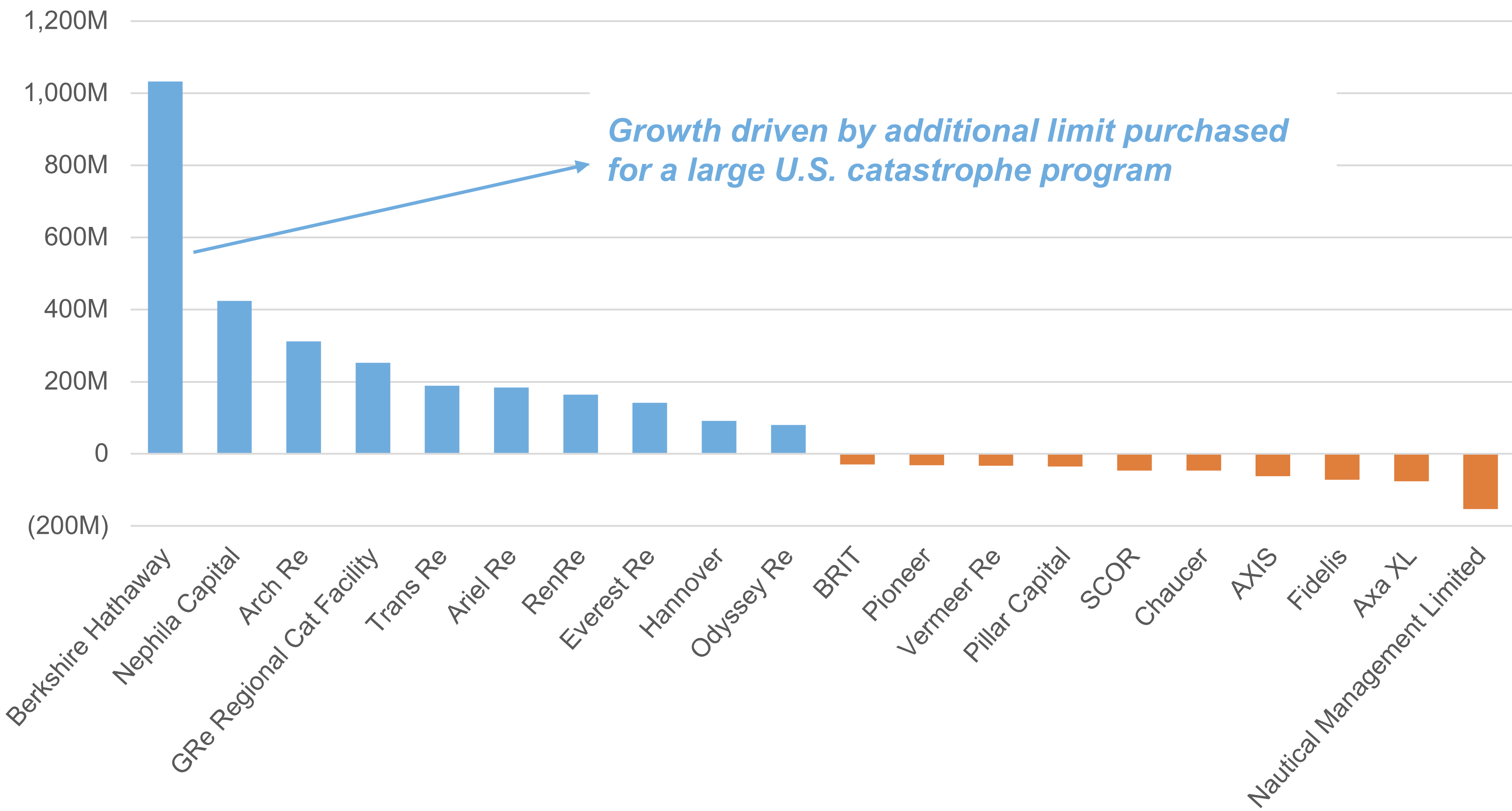
Governed by Corporate Strategy

MS, AXA, HISCOX, Ariel Re

MS Reinsurance and AXA XL sought programs with balanced property and casualty premium while Ariel targeted region- and peril-specific opportunities

Growth capacity targeted region- and/or peril-specific cat

Top 10 and bottom 10 property cat capacity changes (by reinsurer) year over year



Looking Ahead…

Looking ahead to January 1, 2024 renewals

Capacity

- Capacity constraints likely to persist as supply/demand imbalance remains due to the lack of new entrants
- PPR capacity likely to remain tight as reinsurers focus growth capacity on region- and/or peril-specific cat programs
- Anticipated increase in demand was largely offset by tempered cedent expectations and additional cedent retained risk
- Available new capacity levels heavily dependent on capital raising activity in the second half of 2023 following continued improvement in terms and conditions for reinsurers
- Significant loss event, particularly from a man-made peril or black swan type event, will once again put pressure on pricing and significantly constrain capacity
- H1 2023 SCS loss activity will have varying impact on cat/risk programs depending on experience

Coverage

- First excess layers will continue to come under pressure; reinsurers broadly targeting the 1:10 RP for cat attachment points
- Waning pressure from reinsurers on coverage afforded under all property covers despite significant push at 1/1/2022
  - In many cases, reinsurers were willing to support expiring terms and conditions at mid-year renewals
- QS will continue to see significant differentiation with technical adequacy combating recent pressures on commissions

Pricing

- Non-loss impacted programs likely to face continued rate increases driven by broader market uncertainty
- Increasing cost of capital for reinsurers will continue to impact minimum ROLs
- Cedants addressing perceived deficiencies in insured values and demonstrating that their rating levels are outpacing inflation levels will see more favorable pricing treatment
- Reinsurers continue to deploy capital to best-in-class cedants, increasing the need for insurers to differentiate their portfolios

General Disclaimer for all Analytical Work

This analysis has been prepared by Gallagher Re on the condition that it shall be treated as strictly confidential and shall not be communicated in whole, in part, or in summary to any third party without prior written consent from Gallagher Re. Gallagher Re is a business unit that includes a number of subsidiaries and affiliates of Arthur J. Gallagher & Co. which are engaged in the reinsurance intermediary and advisory business. All references to Gallagher Re below, to the extent relevant, include the parent and applicable affiliate companies of Gallagher Re.

Gallagher Re has relied upon data from public and/or other sources when preparing this analysis. No attempt has been made to verify independently the accuracy of this data. Gallagher Re does not represent or otherwise guarantee the accuracy or completeness of such data nor assume responsibility for the result of any error or omission in the data or other materials gathered from any source in the preparation of this analysis. Gallagher Re shall have no liability in connection with any results, including, without limitation, those arising from based upon or in connection with errors, omissions, inaccuracies, or inadequacies associated with the data or arising from, based upon or in connection with any methodologies used or applied by Gallagher Re in producing this analysis or any results contained herein. Gallagher Re expressly disclaims any and all liability, based on any legal theory, arising from, based upon or in connection with this analysis. Gallagher Re assumes no duty in contract, tort or otherwise to any party arising from, based upon or in connection with this analysis, and no party should expect Gallagher Re to owe it any such duty.

There are many uncertainties inherent in this analysis including, but not limited to, issues such as limitations in the available data, reliance on client data and outside data sources, the underlying volatility of loss and other random processes, uncertainties that characterize the application of professional judgment in estimates and assumptions. Ultimate losses, liabilities and claims depend upon future contingent events, including but not limited to unanticipated changes in inflation, laws, and regulations. As a result of these uncertainties, the actual outcomes could vary significantly from Gallagher Re's estimates in either direction. Gallagher Re makes no representation about and does not guarantee the outcome, results, success, or profitability of any insurance or reinsurance program or venture, whether or not the analyses or conclusions contained herein apply to such program or venture.

Gallagher Re does not recommend making decisions based solely on the information contained in this analysis. Rather, this analysis should be viewed as a supplement to other information, including specific business practice, claims experience, and financial situation. Independent professional advisors should be consulted with respect to the issues and conclusions presented herein and their possible application.

Gallagher Re makes no representation or warranty as to the accuracy or completeness of this document and its contents.
This analysis is not intended to be a complete actuarial communication, and as such is not intended to be relied upon. A complete communication can be provided upon request. Subject to all terms of this Disclaimer, Gallagher Re actuaries are available to answer questions about this analysis.

Gallagher Re does not provide legal, accounting, or tax advice. This analysis does not constitute, is not intended to provide, and should not be construed as such advice. Qualified advisers should be consulted in these areas.

Gallagher Re makes no representation, does not guarantee and assumes no liability for the accuracy or completeness of, or any results obtained by application of, this analysis and conclusions provided herein.

Where data is supplied by way of CD or other electronic format, Gallagher Re accepts no liability for any loss or damage caused to the Recipient directly or indirectly through use of any such CD or other electronic format, even where caused by negligence. Without limitation, Gallagher Re shall not be liable for: loss or corruption of data, damage to any computer or communications system, indirect or consequential losses. The Recipient should take proper precautions to prevent loss or damage – including the use of a virus checker.
This limitation of liability does not apply to losses or damage caused by death, personal injury, dishonesty or any other liability which cannot be excluded by law.

This analysis is not intended to be a complete Financial Analysis communication. A complete communication can be provided upon request. Subject to all terms of this Disclaimer, Gallagher Re analysts are available to answer questions about this analysis.

Gallagher Re does not guarantee any specific financial result or outcome, level of profitability, valuation, or rating agency outcome with respect to A.M. Best or any other agency. Gallagher Re specifically disclaims any and all liability for all damages of any amount or any type, including without limitation, lost profits, unrealized profits, compensatory damages based on any legal theory, punitive, multiple or statutory damages or fines of any type, based upon, arising from, in connection with or in any manner related to the services provided hereunder.

Acceptance of this document shall be deemed agreement to the above.

Gallagher Re is a trading name of Arthur J. Gallagher (UK) Limited, which is authorised and regulated by the Financial Conduct Authority. Registered Office: The Walbrook Building, 25 Walbrook, London EC4N 8AW. Registered in England and Wales. Company Number: 1193013. www.ajg.com/uk

Gallagher Re is a trading name of Nordic Försäkring & Riskhantering AB ("Nordic"). Nordic is authorised by the Swedish Financial Supervisory Authority, and incorporated in Sweden under company number 556418-5014 with registered address at Mölndalsvägen 22, 412 63 Göteborg, Sweden. Nordic also offers and performs insurance distribution services/activities through its Belgian branch. The Belgian branch has its registered office at Posthofbrug 6-8 bus 5/134, 2600 Berchem, company number 0743.567.257. Nordic is also deemed authorised and regulated by the UK Financial Conduct Authority under the Temporary Permissions Regime. UK branch registered in England and Wales under branch number BR021003, with registered address at The Walbrook Building, 25 Walbrook, London EC4N 8AW.

Gallagher Securities Disclaimer

Gallagher Securities is a trade name used by Gallagher Securities Inc., a licensed broker dealer authorized and regulated by FINRA and a member of SIPC (“GSI”) and Gallagher Securities Limited (Registered number 2908053 and ARBN number 604 264 557), an investment business authorized and regulated by the UK Financial Conduct Authority and exempt from the requirement to hold an Australian Financial Services License under ASIC Class Order [03/1099]. Each of GSI and Gallagher Securities Limited are Arthur J. Gallagher & Co. companies. Securities products and services are offered through GSI and Gallagher Securities Limited and Reinsurance products are placed through affiliated reinsurance broking entities in the Arthur J. Gallagher & Co. group of companies.

These materials have been prepared by Gallagher Securities based upon information from public or other sources. Gallagher Securities assumes no responsibility for independent investigation or verification of such information and has relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance, Gallagher Securities has assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates. No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. The information contained herein is not intended to provide the sole basis for evaluating and should not be considered a recommendation with respect to, any transaction or other matter. Gallagher Securities is not providing any advice on tax, legal or accounting matters and the recipient should seek the advice of its own professional advisors for such matters. Nothing in this communication constitutes an offer or solicitation to sell or purchase any securities and is not a commitment by Gallagher Securities (or any affiliate) to provide or arrange any financing for any transaction or to purchase any security in connection therewith. Gallagher Securities assumes no obligation to update or otherwise revise these materials. This communication has not been prepared with a view towards public disclosure under any securities laws and may not be reproduced, disseminated, quoted or referred to, in whole or in part, without the prior written consent of Gallagher Securities. Information contained within this communication may not reflect information known to other employees in any other business areas of Arthur J. Gallagher & Co. and its affiliates

Vendor Disclaimers

Work containing Risk Management Solutions (RMS) output

This report, and the analyses, models and predictions contained herein ("Information"), are based on data provided by the relevant Gallagher Re entity, and compiled using proprietary computer risk assessment technology of Risk Management Solutions, Inc. ("RMS"). Such Information contains RMS confidential and proprietary information and trade secrets. The Recipient of the Information shall (i) not disclose such Information to any third party; (ii) use such Information only for the purpose of facilitating an actual imminent reinsurance placement (“Purpose”); (iii) limit the disclosure of such Information only to its employees, partners and directors who have a need to know, provided that the Recipient shall ensure that each of those persons to whom such Information is to be disclosed is made aware of, and shall procure that such person or persons adhere to, the terms of these confidentiality restrictions; and (iv) use the same degree of care to prevent disclosure or use of such Information for other than the Purpose that it would use for its own confidential information (but in no case with less than a reasonable degree of care). The technology and data used in providing this Information is based on the scientific data, mathematical and empirical models, and encoded experience of scientists and specialists (including without limitation: earthquake engineers, wind engineers, structural engineers, geologists, seismologists, meteorologists, geotechnical specialists, mathematicians and cyber security experts). As with any model of physical systems, particularly those with low frequencies of occurrence and potentially high severity outcomes, the actual losses from catastrophic events may differ from the results of simulation analyses. Furthermore, the accuracy of predictions depends largely on the accuracy and quality of the data used. The Information is provided under license to Gallagher Re and is either Gallagher Re’s or RMS’s proprietary and confidential information and may not be shared with any third party without the prior written consent of both Gallagher Re and RMS. Furthermore, this Information may only be used for the specific business purpose specified by Gallagher Re and for no other purpose, and may not be used under any circumstances in the development or calibration of any product or service offering that competes with RMS.

The Recipient of this Information is further advised that RMS is not engaged in the insurance, reinsurance, or related industries, and that the Information provided is not intended to constitute professional advice. RMS SPECIFICALLY DISCLAIMS ANY AND ALL RESPONSIBILITIES, OBLIGATIONS AND LIABILITY WITH RESPECT TO ANY DECISIONS OR ADVICE MADE OR GIVEN AS A RESULT OF THE INFORMATION OR USE THEREOF, INCLUDING ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL RMS (OR ITS PARENT, SUBSIDIARY, OR OTHER AFFILIATED COMPANIES) BE LIABLE FOR DIRECT, INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY DECISIONS OR ADVICE MADE OR GIVEN AS A RESULT OF THE CONTENTS OF THIS INFORMATION OR USE THEREOF.

Vendor Disclaimers

Work containing AIR Worldwide Corporation (AIR) Touchstone output

IMPORTANT NOTICE and DISCLAIMER
AIR Worldwide Corporation and Gallagher Re

The attached Touchstone reports are provided to you in confidence, and you may not cause or permit disclosure, copying, display, loan, publication, transfer of possession (whether by sale, exchange, gift, operation of law or otherwise) or other dissemination of the Touchstone reports (or details of the methodology and analysis employed to develop the Touchstone reports) in whole or in part, to any third party without the prior written consent of Gallagher Re and AIR Worldwide Corporation (“AIR”).

Notwithstanding the foregoing, you may disclose the Touchstone reports associated with your reinsurance or risk transfer programs to insurance regulators and disclose, in confidence, to your rating agencies, reinsurers, actuarial consultants, managing general agencies, risk managers, investment bankers (but not in connection with the placement of any insurance-linked securities) and auditors (but in no event to any entity in the business of developing loss estimation models), provided that, in the event of any such disclosure, you clearly acknowledge in writing that AIR owns the exclusive right and title to the Touchstone reports and the methods employed to develop them.

You may not alter or remove any copyrights, trade secret, patent, proprietary and/or other legal notices contained on or in copies of the Touchstone reports. The existence of any such copyright notice on the Touchstone reports shall not be construed as an admission, or be deemed to create a presumption, that publication of such materials has occurred.

The Touchstone reports are intended to function as one of several tools which you will use in analyzing your estimated and potential losses from certain natural hazards. The estimation of hazards and potential losses involves uncertainties and depends on environmental, demographic and regulatory factors beyond the control of Gallagher Re and AIR. The Touchstone reports depend on data and inputs which you have supplied. The assumptions and methodologies used by AIR in creating Touchstone may not constitute the exclusive set of reasonable assumptions and methodologies, and the use of alternative assumptions and methodologies could yield materially different results. The loss probabilities indicated by the Touchstone reports are estimates of the magnitude of losses that may occur in the event of such natural hazards; they are not factual and do not predict future events. Actual loss experience can differ materially.

No responsibility is or shall be assumed or implied by Gallagher Re or AIR for loss or damage to you resulting from inaccuracies contained therein nor shall Gallagher Re or AIR be liable to you or others for any adverse results experienced in utilizing the Touchstone reports.

Work containing CoreLogic output

This report contains CoreLogic Confidential Information and i) recipient agrees to treat this report as strictly confidential; and ii) in consideration of having been provided access to this report, recipient agrees that CoreLogic has no liability for such report or other information derived from the report or any use that may be made thereof by recipient.