



2007 Survey of Risk Managers |

Attitudes about Commercial Insurance Providers
Conducted by Flaspöhler Research Group

January 2008

XL INSURANCE

XL Insurance

Flaspöhler Research – Key Findings

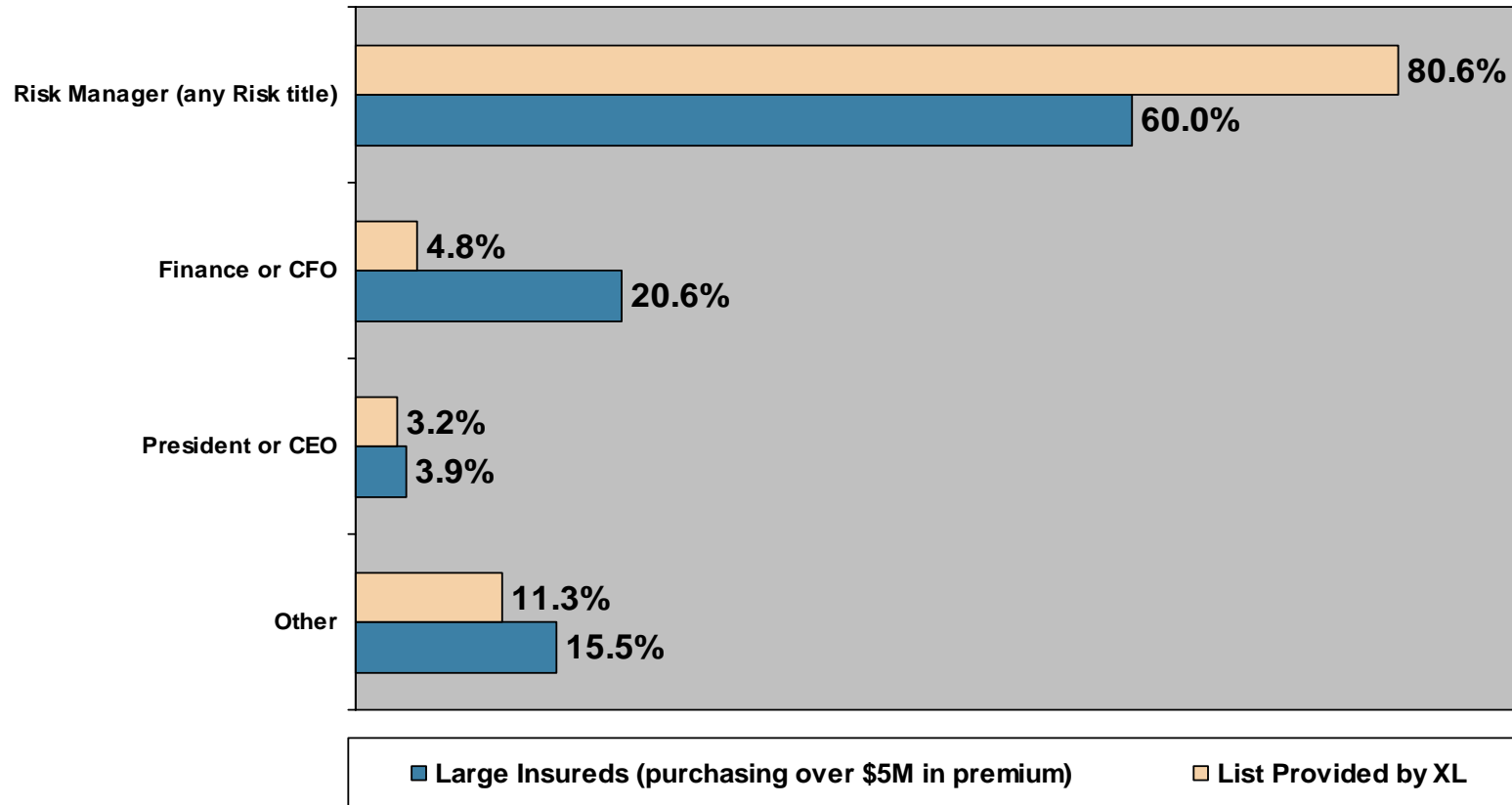
- New syndicated customer research P&C carriers
 - Inaugural study
 - Interviews September-October 2007
 - Web-based, interactive and adaptive
 - Top 30 US commercial insurers evaluated
 - A syndicated research with 3 P & C carriers providing customer lists
 - 332 individuals participated

This presentation is a selection from research that included more than 100 pages of results.

Functional Area

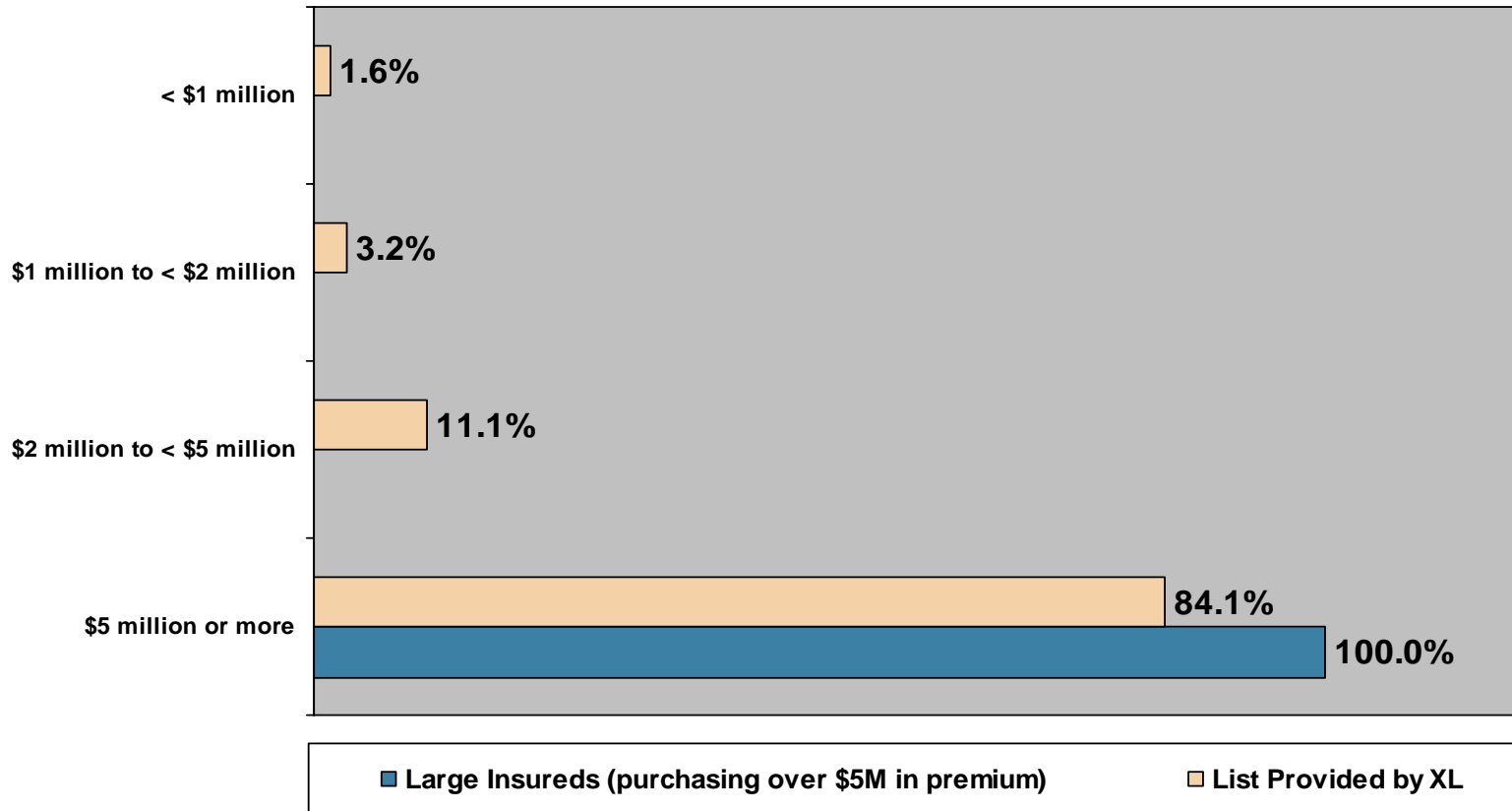
80% Risk Managers

Q7: Which ONE of the following best describes your primary functional responsibilities at your company?



2006 Total Premium Purchases Mostly Large Accounts

Q5: What, approximately, was the total premium your organization paid for all commercial insurance in North America in 2006?



Mostly large accounts paying in excess of \$5m in annual premiums.

Most Important Insurer Evaluation/Selection Factors

UNDERWRITING CAPABILITIES	<ul style="list-style-type: none"> – Underwriters who are easily accessible; Underwriters you respect and trust – Consistent in their underwriting decisions; Underwriters with authority to make decisions – Underwriting philosophy compatible with yours
FINANCIAL VALUE	<ul style="list-style-type: none"> – Offer pricing that is consistent with the services and security provided – Differentiate clients based on clients' own inception-to-date experience – Offers insurance cover and service package which adds value to your company
FINANCIAL SECURITY	<ul style="list-style-type: none"> – Is highly rated by objective rating agencies; Is free of legacy issues – Is reviewed and approved by your security committee
STRONG CLIENT ORIENTATION	<ul style="list-style-type: none"> – Teams who understand your business; Geared to providing solutions – Marketing reps who bring value through regular contact – Genuinely cares about a long-standing business relationship – Is easy to work with; Negotiates openly – Highly recommended by your insurance broker
VALUABLE EXPERTISE AND MARKET KNOWLEDGE	<ul style="list-style-type: none"> – Staff with strong technical expertise to understand your business – Is innovative and creative in putting together programs – Superior knowledge in lines of business that interest you – Tailor-made risk management solutions; Demonstrates leadership in risk management
TIMELY SERVICE	<ul style="list-style-type: none"> – Provides timely quotes; Returns calls promptly – Provides timely handling of all documents
STRONG CLAIMS HANDLING ABILITY	<ul style="list-style-type: none"> – Pays claims in a timely manner – A reasonable and collaborative approach to paying claims

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Peer performance

- XLI: The only carrier to score in the top-quartile in all 7 key performance factors.

XL Insurance	XL Supplied List	Large Insureds Aggregated Lists
Strong Underwriting Capabilities	7.48	7.33
Exceptional Financial Value	7.31	7.19
Ample Financial Security	8.00	7.84
Strong Client Orientation	7.18	6.89
Valuable Expertise & Market Knowledge	7.58	7.42
Timely Service	7.00	7.02
Excellent Claims Handling	6.86	6.67

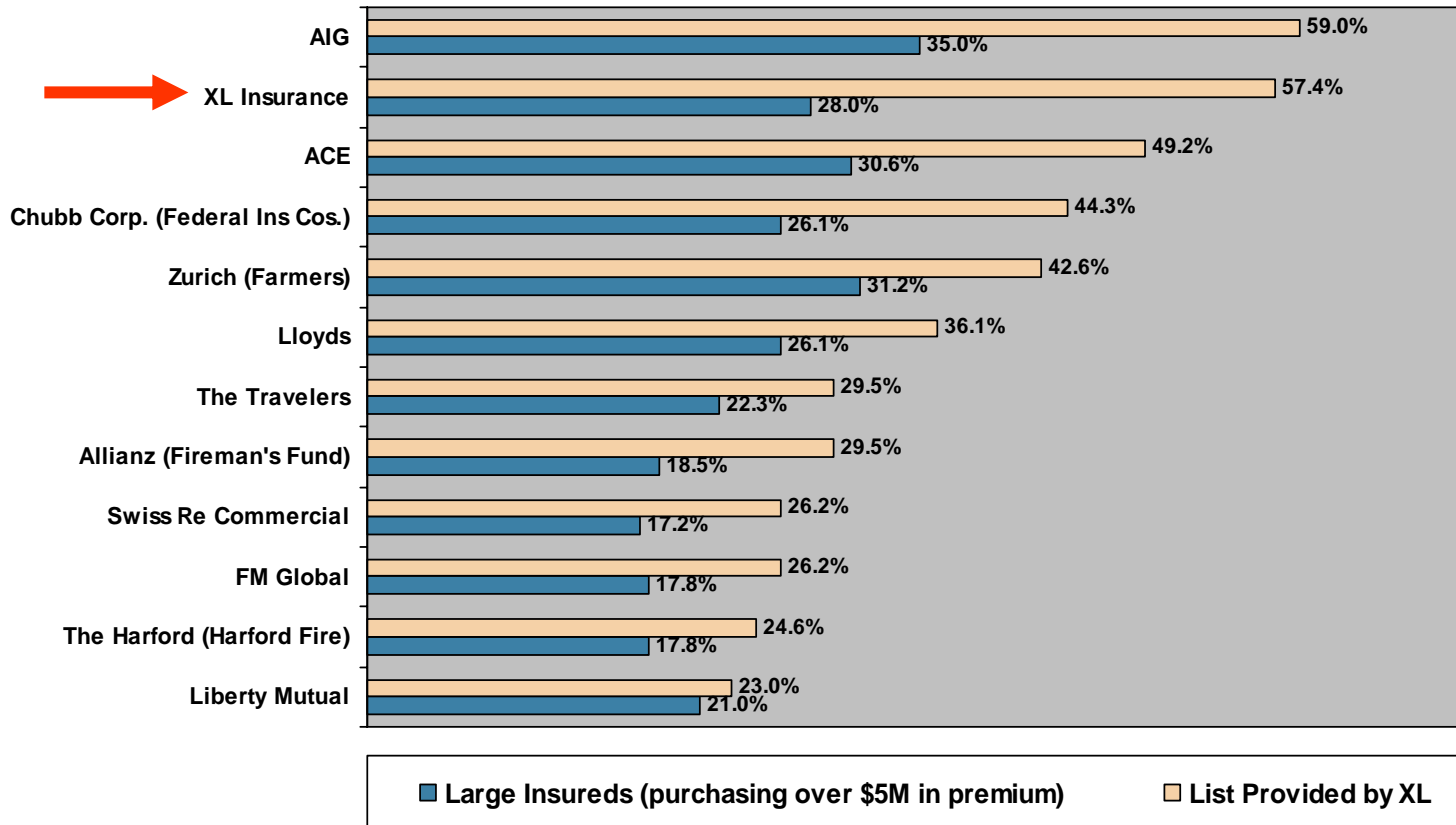
Scale: 9=outstanding, 1=Poor

Top Quartile	Average Half	Bottom Quartile
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Best Overall

XL Insurance #2

Q17: Which commercial insurance provider(s) that you use do you believe is/are BEST, OVERALL?



Those that know XLI highly respect XLI.

Line of Business Summary

XLI's broad product range still generally unknown

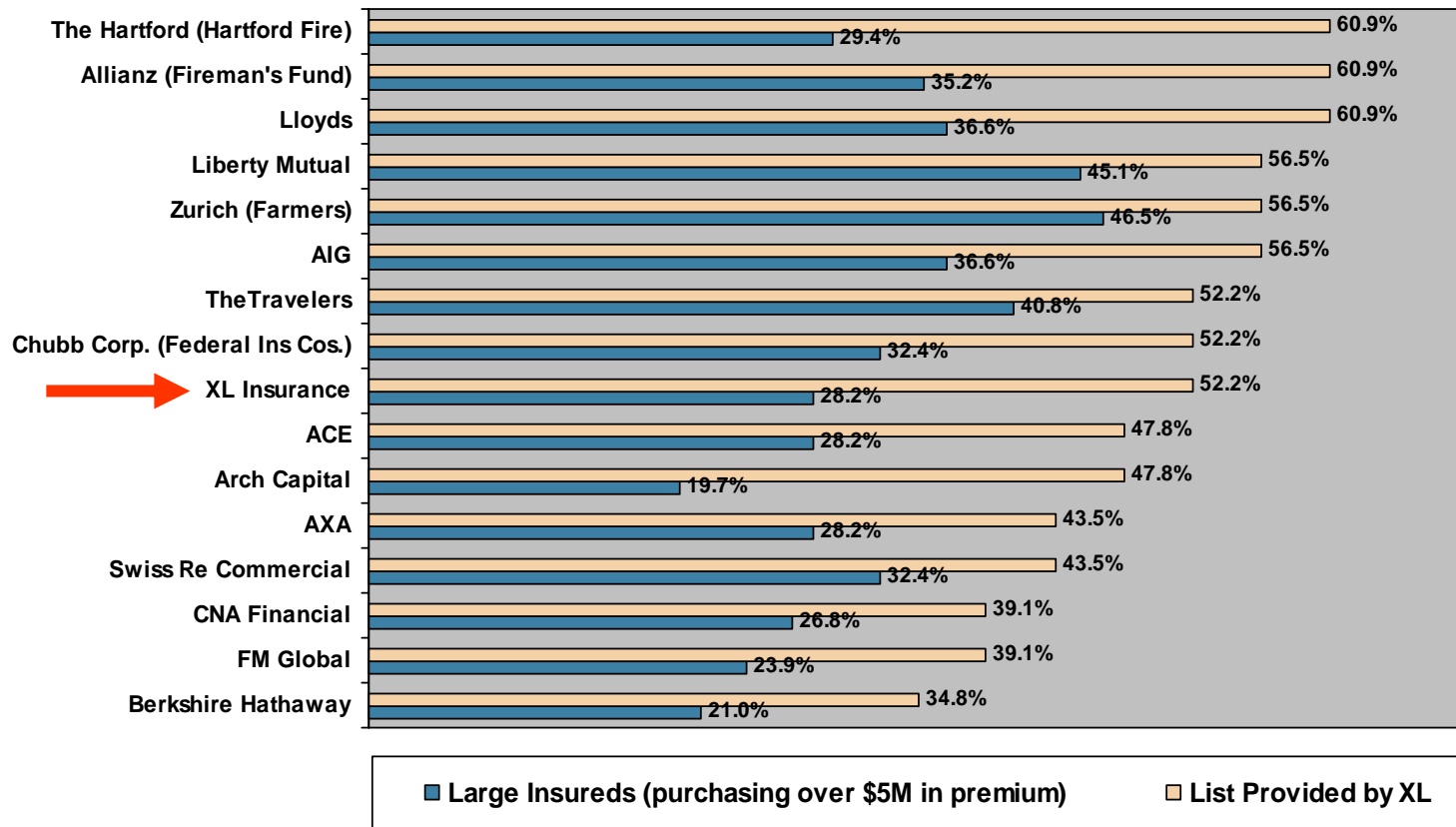
<i>num</i>	<i>LOB</i>	<i>≥ \$5M List - XL %</i>	<i>≥ \$5M List - XL Rank</i>
1	Business Interruption	15.4%	7
2	Commercial Auto	9.5%	8
3	Construction (small sample)	14.8%	6
4	D&O	23.2%	6
5	Employment Practices	31.9%	2
6	E&O	17.1%	5
7	General Liability	14.8%	6
8	Marine (small sample)	2.6%	12
9	Medical Malpractice (* ins. data)	*	*
10	Property	12.3%	8
11	Surety Bonds	2.6%	9
12	Terrorism	9.5%	7
13	Umbrella Liability	33.9%	3
14	Workers Comp	10.0%	7

The broad range of XLI products is generally unknown by the market.

Approved Insurers List – Overall

Risk Managers were asked whether they had a list of 'approved commercial insurers'. If the answer was yes, then a follow up question was posed:

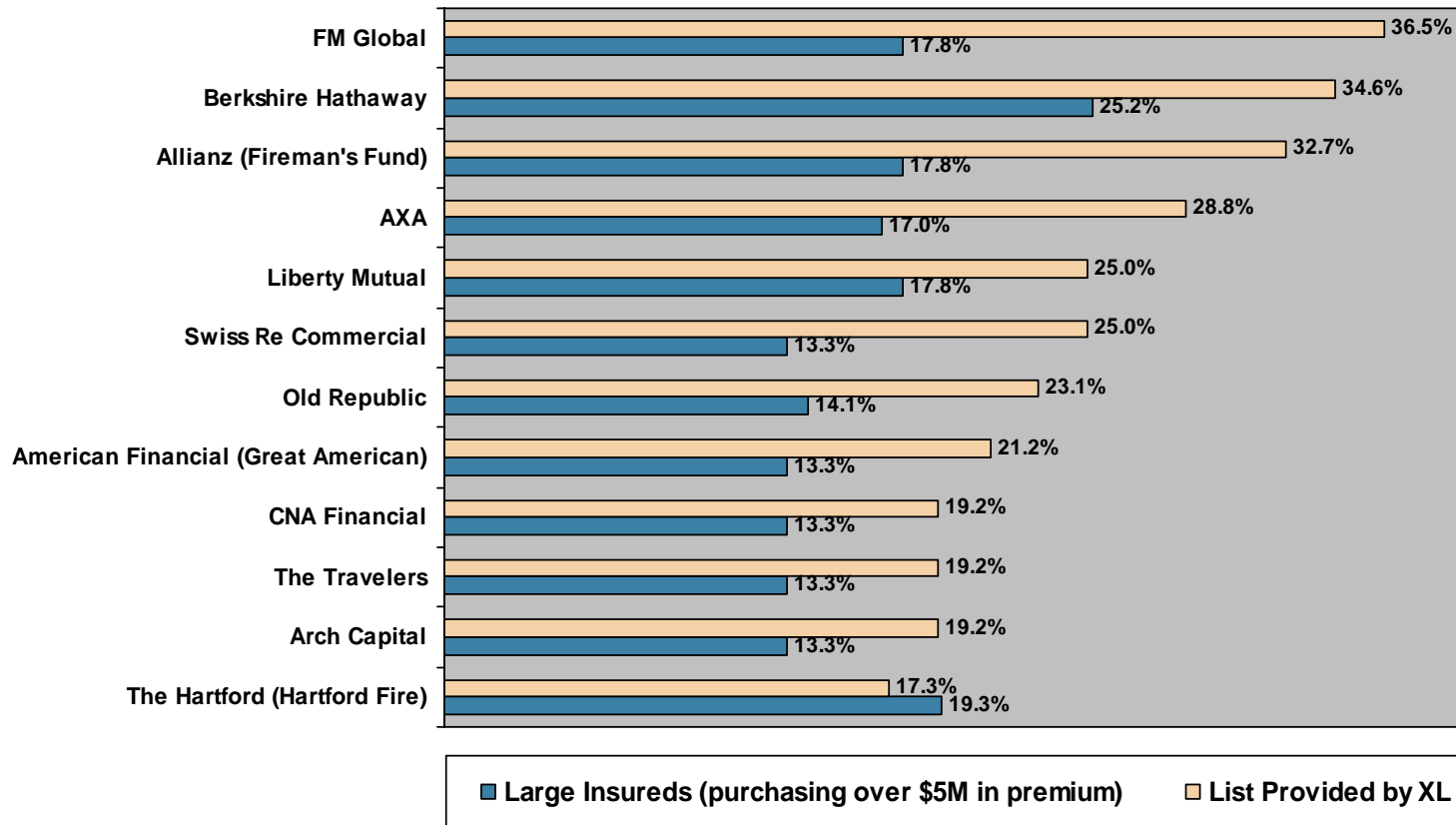
Q9: Which commercial insurers are on that approved list?



XLi remains relatively unknown

Would Consider XL

Q18: Which commercial insurance provider(s) are ones you do not currently use, but would consider?



XLI's broad product range is not "top of mind" in the US

XL Insurance (America) Research

Executive Summary

2007 Flaspöhler Survey

1. Affirms the considerable size of XLI's market opportunity in the US P & C market
2. Suggests that upper mid market companies in particular need to know more about XLI
3. Points out that several XLI products are not on the buyers' shortlist in some key product categories
4. Confirms that buyers in the USA think of XL primarily as an excess player

About Flaspöhler Research Group

- Founded in 1983 in Kansas City Missouri
- Grown to become one of the most respected business to business research organizations in the world, having completed over 300,000 interviews, in 95 countries and a dozen languages
- Specializing in conducting both proprietary and co-sponsored research for professional services organizations, Flaspöhler Research conducts studies in many risk transfer areas
- A large supplier of research to the legal and accounting industries, counting as past or present clients many of the nation's largest law firms, the American Bar Association and the American Trial Lawyers Association