

When viewed according to asset size, there was a correlation between company size and the level of Side A only coverage. For example, only 15% of companies with assets of \$50 million to \$100 million reported buying Side A only within their program, while 53% of companies with assets in excess of \$10 billion purchased coverage. However, in the case of repeat participants grouped by asset size, there was disparity in the progression as well as large year-to-year fluctuation in Side A only coverage. For example, only 22% of repeat participants in the \$5 billion to \$10 billion asset range purchased Side A only within their program, compared to 45% of all participants. Fifty-six percent of this same group of repeat participants bought Side A only the year before. Meanwhile, 72% of repeat participants in the over \$10 billion range bought Side A only, compared to 53% of all participants in the over \$10 billion range. Only 50% of this same group bought Side A only in 2006.

EXHIBIT 20  
Side A Only Coverage by Asset Size

	Participants Reporting	% in Group With Side A Only Coverage in Their Program	% of Participants With Only Side A Coverage
\$0 - \$6 million	968	4%	2%
\$6 million - \$10 million	565	4%	3%
\$10 million - \$50 million	597	6%	1%
\$50 million - \$100 million	173	15%	0%
\$100 million - \$400 million	233	22%	1%
\$400 million - \$1 billion	79	37%	1%
\$1 billion - \$2 billion	50	40%	4%
\$2 billion - \$5 billion	30	50%	0%
\$5 billion - \$10 billion	11	45%	0%
Over \$10 billion	32	53%	6%
<b>All Size Groups</b>	<b>2,738</b>	<b>10%</b>	<b>2%</b>

EXHIBIT 21  
Side A Only Coverage by Market Capitalization (public only)

	Participants Reporting	% in Group With Side A Only Coverage in Their Program	% of Participants With Only Side A Coverage
Under \$10 million	26	23%	0%
\$10 million - \$50 million	82	32%	1%
\$50 million - \$100 million	55	22%	4%
\$100 million - \$400 million	192	27%	0%
\$400 million - \$1 billion	107	39%	0%
\$1 billion - \$2 billion	49	43%	0%
\$2 billion - \$5 billion	41	39%	0%
\$5 billion - \$10 billion	20	60%	0%
Over \$10 billion	21	57%	14%
<b>All Size Groups</b>	<b>593</b>	<b>34%</b>	<b>1%</b>

Some organizations purchased only Side A only coverage, opting to retain Side B and Side C losses. Two percent of all participants and 8% of non-profits reported purchasing only Side A coverage while retaining Side B and Side C losses. For those participants that purchased a Side A only policy in excess of Side A, B and C coverage, the average attachment point was \$27.9 million, compared to \$33.4 million in 2006.

For those participants grouped by asset size that only purchased a Side A only policy, the average limit was \$9.7 million, compared to \$8 million in 2006. For participants grouped by market capitalization, the average limit in 2007 was \$67.2 million.

## EXHIBIT 22

## Side A Only Coverage Attachment Points by Asset Size

	Average Attach Point (\$ millions)	Minimum Attach Point	Maximum Attach Point	Average Attach Layer (Prim=0, xs1=1, xs=2, etc.)
\$0 - \$6 million	19.0	2.0	60.0	2.70
\$6 million - \$10 million	28.0	5.0	75.0	2.40
\$10 million - \$50 million	12.4	3.0	45.0	1.97
\$50 million - \$100 million	16.0	5.0	30.0	2.62
\$100 million - \$400 million	18.6	5.0	35.0	2.92
\$400 million - \$1 billion	24.8	15.0	45.0	3.07
\$1 billion - \$2 billion	25.3	5.0	40.0	2.67
\$2 billion - \$5 billion	46.7	10.0	100.0	3.80
\$5 billion - \$10 billion	85.0	30.0	125.0	5.40
Over \$10 billion	98.3	20.0	230.0	5.93
<b>All Size Groups</b>	<b>27.9</b>	<b>2.0</b>	<b>230.0</b>	<b>3.02</b>

## EXHIBIT 23

## Side A Only Limits and Premium Rates by Participant Asset Size

	Average Limit for Side A Only Coverage (No A/B/C Coverage)	Average Side A Only Limit for Participants That Also Have A/B/C Policy	Side A Only Average Limit as a % of Total D&O Limits	Average Rate per \$1M Limit for A/B/C Coverage	Average Rate per \$1M Limit for Side A Only Coverage
\$0 - \$6 million	1.2	8.2	30%	\$ 22,944	\$ 9,895
\$6 million - \$10 million	1.8	10.6	27%	15,948	8,030
\$10 million - \$50 million	42.7	7.6	38%	18,101	11,571
\$50 million - \$100 million	0.0	6.3	28%	20,822	10,260
\$100 million - \$400 million	8.7	7.5	29%	23,330	11,418
\$400 million - \$1 billion	5.0	8.4	25%	23,646	10,748
\$1 billion - \$2 billion	10.0	13.9	35%	21,317	9,766
\$2 billion - \$5 billion	0.0	26.3	36%	17,049	11,151
\$5 billion - \$10 billion	0.0	30.0	26%	19,902	9,414
Over \$10 billion	125.0	51.7	34%	22,978	11,957
<b>All Groups</b>	<b>9.7</b>	<b>13.1</b>	<b>32%</b>	<b>\$ 21,422</b>	<b>\$ 11,015</b>

The average Side A only limit for those participants that also purchased a Side A, B and C policy was \$13.1 million, down from \$15.0 million the year before. The Side A only average limit as a percentage of total D&O limits was 32%, slightly higher than in 2006. The average rate per \$1 million limit for Side A, B and C coverage was \$21,422, down from \$25,654 in 2006. The average rate per \$1 million limit for Side A only was \$11,015, down from \$12,950 from the year before.

While most participants reported they had not purchased IDL policies, 29.7% of private companies and 20.6% of public companies said they were considering it. Interest in IDL policies was strongest among companies with assets up to \$400 million. Interest fell off for companies with assets over \$400 million.

## EXHIBIT 24

**IDL Policy Purchases by Ownership**

	Yes	No, but Coverage Is Being Considered	No
Nonprofit	0.2%	6.3%	92.9%
Private	0.1%	29.7%	69.1%
Public	0.7%	20.6%	78.6%
<b>All Size Groups</b>	<b>0.3%</b>	<b>23.2%</b>	<b>75.8%</b>

## COVERAGE ENHANCEMENTS

The continued soft market had a significant impact on D&O coverage enhancements. Sixty-one percent of participants reported an increase in coverage enhancements, compared to 31% in 2006. Three percent reported a decrease in enhancements, compared to 0% the previous year.

Likewise, 34% of participants reported decreased policy exclusions, compared to 8% the year before. The Biotechnology & Pharmaceutical sector reported a 61% decrease in exclusions. The Transportation & Communications and Technology sectors followed with 45% and 44%, respectively.

Entity coverage (Side C), which covers the organization itself, was purchased by 82% of participants, down from 92% the previous year. As usual, larger organizations tended

EXHIBIT 25

### Changes in Enhancements by Business Class

	Increased	Decreased	Same
Banking	63%	0%	37%
Biotechnology & Pharmaceuticals	77%	7%	16%
Durable Goods	61%	0%	39%
Education	18%	0%	82%
Governmental & Other Nonprofit	17%	0%	83%
Health Services	56%	2%	42%
Merchandising	69%	0%	31%
Nonbanking Financial Services	75%	2%	22%
Nondurable Goods	76%	0%	24%
Personal & Business Services	74%	1%	25%
Petroleum, Mining, Agriculture	48%	0%	52%
Real Estate, Construction	45%	2%	52%
Technology	66%	4%	30%
Transportation & Communications	76%	1%	23%
Utilities	71%	0%	29%
Other	70%	0%	30%
<b>All Business Classes</b>	<b>61%</b>	<b>3%</b>	<b>36%</b>

EXHIBIT 26

### Changes in Exclusions by Business Class

	Increased	Decreased	Same
Banking	2%	29%	68%
Biotechnology & Pharmaceuticals	9%	61%	30%
Durable Goods	0%	17%	83%
Education	0%	18%	82%
Governmental & Other Nonprofit	0%	10%	90%
Health Services	2%	33%	65%
Merchandising	4%	19%	78%
Nonbanking Financial Services	4%	34%	63%
Nondurable Goods	5%	22%	73%
Personal & Business Services	4%	17%	79%
Petroleum, Mining, Agriculture	0%	28%	72%
Real Estate, Construction	0%	10%	90%
Technology	4%	44%	52%
Transportation & Communications	7%	45%	47%
Utilities	0%	29%	71%
Other	2%	35%	63%
<b>All Business Classes</b>	<b>4%</b>	<b>34%</b>	<b>62%</b>

to buy less entity coverage than smaller organizations. However, the spread was not as prevalent as in previous years. For example, 82% of companies with assets under \$100 million purchased entity coverage in 2007, compared to 93% in 2006. In 2007, 76% of companies with assets over \$5 billion purchased entity coverage, compared to 78% in 2006. When compared in terms of ownership, 87% of nonprofits, 81% of private companies and 83% of public companies purchased entity coverage.

The number of participants that purchased employment practices liability (EPL) coverage as part of their D&O policy increased from 55% in 2006 to 60% in 2007. The number of participants that bought stand-alone EPL coverage decreased from 36% in 2006 to 32% in 2007. Only 8% of all participants reported buying no EPL coverage. However, 38% of very large companies with over 10,000 employees did not buy EPL.

**EXHIBIT 27**  
**Prevalence of Entity Coverage by Asset Size**

Under \$100 million	82%
\$100 million - \$400 million	81%
\$400 million - \$1 billion	83%
\$1 billion - \$2 billion	85%
\$2 billion - \$5 billion	86%
Over \$5 billion	76%
<b>All Size Groups</b>	<b>82%</b>

**EXHIBIT 28**  
**Prevalence of Entity Coverage by Ownership**

Nonprofit	87%
Private	81%
Public	83%

**EXHIBIT 29**  
**Prevalence of EPL Coverage by Full-Time Employees**

	No EPL	Stand-Alone EPL	D&O With EPL
Under 250	8%	34%	58%
251 - 1,000	6%	25%	70%
1,001 - 2,500	3%	27%	70%
2,501 - 5,000	7%	34%	59%
5,001 - 10,000	17%	28%	56%
Over 10,001	38%	30%	32%
<b>All Size Groups</b>	<b>8%</b>	<b>32%</b>	<b>60%</b>

**EXHIBIT 30**  
**Prevalence of EPL Coverage by Ownership**

	No EPL	Stand-Alone EPL	D&O With EPL
Nonprofit	13%	4%	83%
Private	15%	28%	57%
Public	8%	30%	61%

When the prevalence of EPL coverage was compared by ownership, there were some interesting trends. For example, more nonprofits are now buying EPL coverage. In 2006, 46% of nonprofits did not purchase EPL, compared to only 13% in 2007. Most of the nonprofits were purchasing their EPL coverage along with their D&O policy. In addition, public organizations were more likely to obtain their EPL coverage through their D&O policy (61%) than in the prior year (45%).

Fiduciary liability insurance, like EPL, is usually purchased as a stand-alone policy or endorsed to an organization's D&O policy. The year 2007 marked the first time the D&O survey included questions regarding fiduciary coverage. A total of 37.1% of participants reported purchasing fiduciary coverage, 17.9% as part of a D&O policy and 16.5% as a stand-alone policy.

EXHIBIT 31  
**Purchase of Fiduciary Coverage**

<b>Yes</b>	
Share limits with D&O policy	17.9%
Stand-alone policy	16.5%
Other	2.8%
<b>Total Participants Who Purchase Coverage:</b>	<b>37.1%</b>
<b>No</b>	
Advice of counsel	2.0%
Coverage too limited	0.2%
Cost too high	23.6%
Unable to obtain coverage	0.0%
Other	37.0%
<b>Total:</b>	<b>62.9%</b>

EXHIBIT 32  
**Purchase of Fiduciary Coverage by Ownership**

	<b>Yes</b>	<b>No</b>
Nonprofit	18.2%	81.8%
Private	41.1%	58.9%
Public	45.5%	54.5%
<b>All Groups</b>	<b>37.1%</b>	<b>62.9%</b>

EXHIBIT 33  
**Total Fiduciary Limit by Asset Size (in millions)**

	<b>Participants Reporting</b>	<b>First Quartile</b>	<b>Median</b>	<b>Third Quartile</b>	<b>Average</b>
\$0 - \$6 million	45	\$ 1	\$ 1	\$ 3	\$ 2
\$6 million - \$10 million	86	1	1	1	3
\$10 million - \$50 million	83	1	1	3	2
\$50 million - \$100 million	30	1	1	4	3
\$100 million - \$400 million	41	1	2	5	16
\$400 million - \$1 billion	12	1	8	15	10
\$1 billion - \$2 billion	11	2	5	10	7
\$2 billion - \$5 billion	18	10	20	30	26
\$5 billion - \$10 billion	7	10	30	45	29
Over \$10 billion	23	25	50	75	62
<b>All Size Groups</b>	<b>356</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ 5</b>	<b>\$10</b>

Only 2.8% purchased fiduciary coverage as part of other policies. Conversely, 62.9% of participants did not buy fiduciary coverage, with 23% citing high cost as the reason.

The average fiduciary limit, for those that did buy coverage, was \$10 million. The average premium was \$152,924. For companies with assets in excess of \$10 billion, the average limit was \$62 million for an average premium of \$1,674,557. Average retention for all participants was \$522,168 and ranged from a low of \$11,484 for companies in the \$6 million to \$10 million asset range to \$4,901,316 for companies with assets over \$10 billion.

EXHIBIT 34  
Total Fiduciary Premium by Asset Size

	Participants Reporting	First Quartile	Median	Third Quartile	Average
\$0 - \$6 million	37	\$ 2,250	\$ 3,400	\$ 9,393	\$ 7,563
\$6 million - \$10 million	63	1,208	1,992	5,410	20,655
\$10 million - \$50 million	72	1,849	3,300	13,525	15,713
\$50 million - \$100 million	27	1,590	3,500	7,200	11,210
\$100 million - \$400 million	35	2,192	4,050	12,000	19,326
\$400 million - \$1 billion	11	8,000	30,000	38,600	33,500
\$1 billion - \$2 billion	9	18,000	25,000	41,500	26,968
\$2 billion - \$5 billion	18	40,625	142,900	186,946	174,163
\$5 billion - \$10 billion	7	59,500	292,735	465,250	250,319
Over \$10 billion	22	298,442	725,000	1,129,630	1,674,557
<b>All Size Groups</b>	<b>301</b>	<b>\$ 2,000</b>	<b>\$ 5,000</b>	<b>\$ 24,199</b>	<b>\$ 152,924</b>

EXHIBIT 35  
Total Fiduciary Retention by Asset Size

	Participants Reporting	First Quartile	Median	Third Quartile	Average
\$0 - \$6 million	22	\$ 2,125	\$ 5,000	\$ 25,000	\$ 17,003
\$6 million - \$10 million	61	5,000	5,000	5,000	11,484
\$10 million - \$50 million	42	2,250	5,000	17,500	13,369
\$50 million - \$100 million	12	3,125	7,500	25,000	14,125
\$100 million - \$400 million	27	2,500	5,000	15,000	37,815
\$400 million - \$1 billion	11	2,500	15,000	50,000	60,545
\$1 billion - \$2 billion	9	5,050	25,000	150,000	152,244
\$2 billion - \$5 billion	16	31,250	250,000	437,500	1,129,375
\$5 billion - \$10 billion	6	57,500	100,000	362,500	238,333
Over \$10 billion	19	300,000	500,000	5,000,000	4,901,316
<b>All Size Groups</b>	<b>225</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ 50,000</b>	<b>\$ 522,168</b>

## D&O INQUIRIES

For the third year in a row, participants were asked if potential directors had inquired about D&O coverage. In 2006, participants reported an increase in inquiries across all asset sizes and ownership types. But, in 2007, companies tended to report fewer inquiries; companies in the \$6 million to \$10 million and \$50 million to \$100 million asset ranges, however, did report an increase in inquiries. Nonprofits, meanwhile, reported a dramatic increase, with 67% reporting an increase in inquiries in 2007, compared to 32% in 2006. With one exception, participants of all sizes reported more changes to their D&O coverage based on requests by directors and officers.

Thirteen participants reported having a potential director refuse to serve on their board due to D&O insurance liability concerns. Seven participants reported losing a director as a result of coverage reductions or other D&O insurance changes. The board reviewed D&O coverages in the last year at 85% of survey participants. Overall, 18% of participants changed the level of D&O coverage purchased at the request of their board (usually to increase limits, although three participants reported purchasing coverage for just their independent directors).

EXHIBIT 36  
D&O Inquiries — by Asset Size

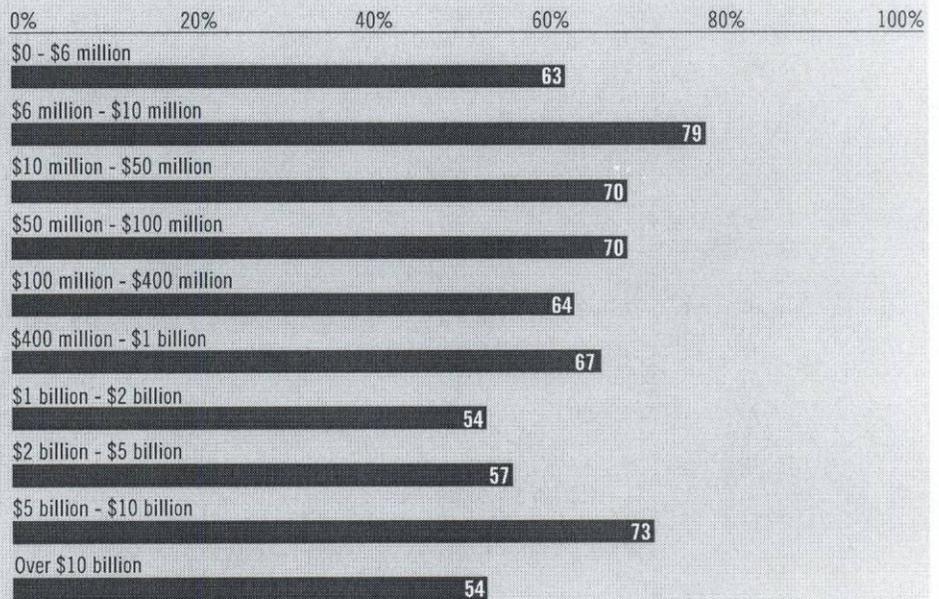
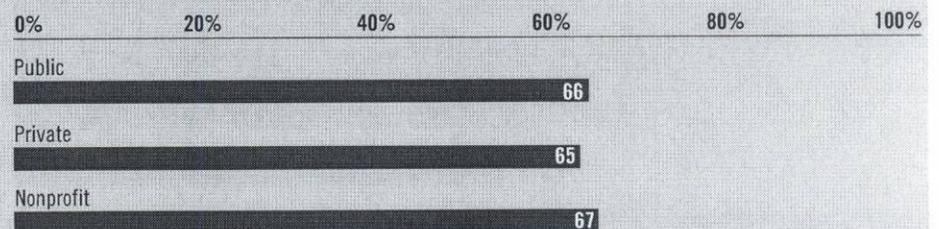
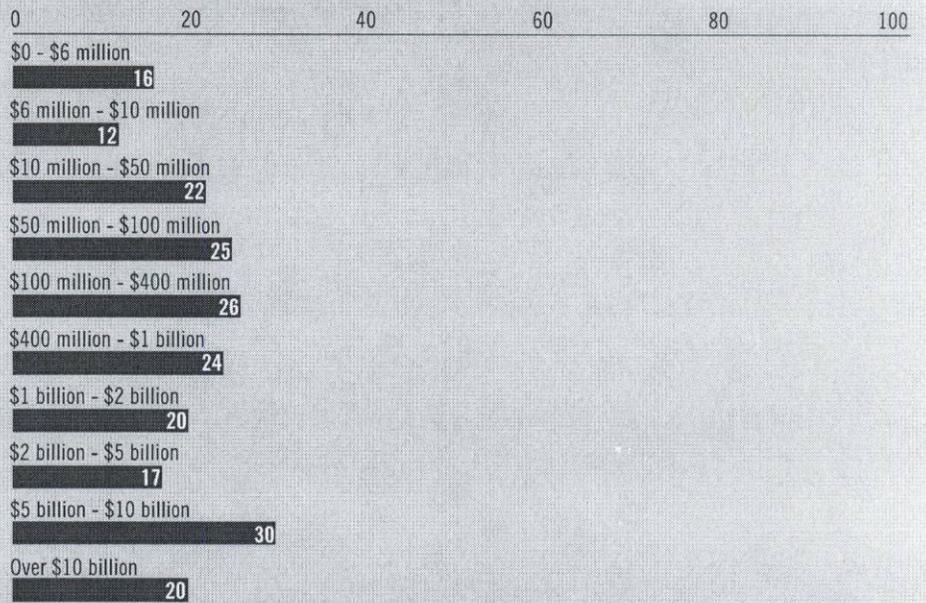


EXHIBIT 37  
D&O Inquiries — by Ownership



## EXHIBIT 38

**D&O Coverage Changes From D&O Requests — by Asset Size**

## RETENTIONS

Side A coverage usually has no retention for the individual director or officer. If there is a policy retention, it is usually less than a few thousand dollars. Historically, 90% or more of our survey respondents report having no Side A deductible or retention. As a result, we have focused our attention on the Side B (corporate reimbursement for indemnification payments) and Side C (entity direct liability) retentions, which are usually the same amount.

Participants were asked whether their retentions had increased, decreased or remained the same from the prior policy year. Across all business classes, 20% reported an increase in retentions from the previous year, while 8% reported decreased retentions. Seventy-two percent said retentions were unchanged.

The average retention for all participants shown by asset size was \$287,000, compared to \$426,000 in 2006. They ranged from a low of \$29,000 for entities in the \$6 million to \$10 million range to a high of \$5,478,000 for participants with assets of over \$10 billion.

EXHIBIT 39  
Changes in Retentions by Business Class

	Increased	Decreased	Same
Banking	29%	0%	71%
Biotechnology & Pharmaceuticals	16%	13%	71%
Durable Goods	14%	7%	79%
Education	50%	0%	50%
Governmental & Other Nonprofit	19%	5%	76%
Health Services	21%	7%	71%
Merchandising	26%	14%	60%
Nonbanking Financial Services	13%	8%	79%
Nondurable Goods	19%	17%	64%
Personal & Business Services	24%	10%	67%
Petroleum, Mining, Agriculture	13%	0%	88%
Real Estate, Construction	35%	10%	55%
Technology	22%	8%	70%
Transportation & Communications	27%	0%	73%
Utilities	9%	0%	91%
Other	0%	20%	80%
<b>All Business Classes</b>	<b>20%</b>	<b>8%</b>	<b>72%</b>

EXHIBIT 40  
Entity/Reimbursement Retention Levels by Asset Size (in thousands) —  
All Organizations

	Participants Reporting	No Retention	First Quartile	Median	Third Quartile	Average
\$0 - \$6 million	591	374	\$ 5	\$ 10	\$ 25	\$ 64
\$6 million - \$10 million	440	125	3	10	25	29
\$10 million - \$50 million	392	200	16	43	150	184
\$50 million - \$100 million	120	52	50	200	350	246
\$100 million - \$400 million	161	71	150	250	500	410
\$400 million - \$1 billion	62	17	200	500	750	705
\$1 billion - \$2 billion	37	14	275	500	1,000	962
\$2 billion - \$5 billion	23	7	250	1,000	1,500	3,009
\$5 billion - \$10 billion	9	2	375	1,000	5,000	2,183
Over \$10 billion	27	8	500	2,500	10,000	5,478
<b>All Size Groups</b>	<b>1,862</b>	<b>870</b>	<b>\$ 10</b>	<b>\$ 25</b>	<b>\$ 150</b>	<b>\$ 87</b>

For repeat participants, the average retention was \$304,000, down 14% from \$353,000 in 2006.

Public company respondents had an average retention of \$1.5 million (down 24% from 2005). For repeat public company respondents, the decline was only 6%. Private organizations reported an average retention of \$64,000 (down 36% from 2005). For repeat private organizations, the reported decline was 12%. Nonprofit organizations reported an average retention of \$31,000 (down 42% from 2005). For repeat nonprofit participants, the decline was only 1%. Much of the large decline in retention can be attributed to the new makeup of the 2006 survey participant group.

Note that, for survey purposes, we have not drawn a distinction between retentions and deductibles — even though they generally operate very differently. (Policy limits are usually reduced by the amount of a deductible, while the limit is not reduced by the amount of the retention.)

## EXHIBIT 41

**Entity/Reimbursement Retention Levels by Asset Size (in thousands) — All Organizations; Repeat Participants for Last Two Years**

	<b>Participants Reporting</b>	<b>2006 Average Retention</b>	<b>2007 Average Retention</b>	<b>% Change</b>
\$0 - \$6 million	259	\$ 43	\$ 43	1%
\$6 million - \$10 million	299	21	21	0%
\$10 million - \$50 million	192	257	249	-3%
\$50 million - \$100 million	67	297	261	-12%
\$100 million - \$400 million	89	555	413	-26%
\$400 million - \$1 billion	32	530	463	-13%
\$1 billion - \$2 billion	20	1,808	793	-21%
\$2 billion - \$5 billion	11	2,977	2,895	-3%
\$5 billion - \$10 billion	5	2,650	2,650	0%
Over \$10 billion	16	8,142	6,610	-19%
<b>All Size Groups</b>	<b>990</b>	<b>\$ 353</b>	<b>\$ 304</b>	<b>-14%</b>

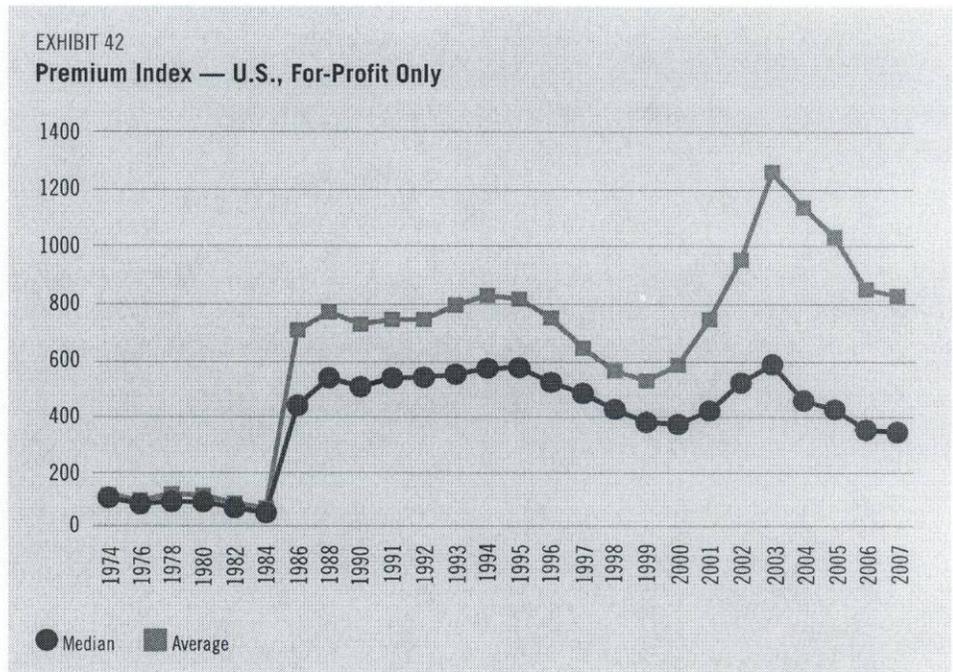
## INSURANCE PREMIUM

In 1974, Towers Perrin developed a standardized premium index for D&O coverage. The index was established at a value of 100 for the average D&O premium of a typical U.S. for-profit survey participant in terms of policy limit, retention and other coverage features. In subsequent surveys, we have compared the reported premium to this standard to generate a premium index.

Premiums continued to slide, albeit at a much slower pace. However, it should be noted that the 2007 decline may be understated for larger companies just as the 2006 decline may have been overstated.

The 2007 index shows a 2.7% reduction in average premiums, compared to an 18% drop in 2006. This modest reduction differs from anecdotal information from large organizations reporting more significant reductions. Results showed that 28% of participants experienced a premium increase; 39% experienced a premium decrease, and 33% reported no change.

Average premium paid in 2007 was \$148,118, compared to \$228,054 in 2006. Companies in the \$6 million to \$10 million



asset class paid an average \$23,739, compared to \$2,348,466 for companies with assets over \$10 billion.

Repeat participants reported their average premium decreased by 14%, from \$161,204 in 2006 to \$139,384 in 2007.

The total premium for public companies averaged \$561,669, compared to \$828,850 the previous year.

Most repeat participants grouped by business class reported reductions in average premiums over the previous year. For example, the Petroleum, Mining, Agriculture sector reported a 38% reduction. Transportation & Communications and Biotechnology & Pharmaceuticals reported reductions of 20% and 13%, respectively. Banking, however, reported an average premium increase of 57% over the previous year. As previously noted, much of this increase may be a result of the 46% average increase in limits purchased by the Banking business class.

The average premium paid by public organizations (when split out by asset size instead of market capitalization) was \$518,280. The average premium paid by private organizations was \$36,556. The average premium paid by nonprofits was \$10,697.

## EXHIBIT 43

**D&O Premium Index Trends — For-Profit Only**

<b>Year</b>	<b>First Quartile</b>	<b>Median</b>	<b>Third Quartile</b>	<b>Average</b>
1974	69	90	116	100
1976	51	69	91	81
1978	56	77	109	103
1980	55	76	108	99
1982	36	55	85	71
1984	27	38	60	54
1986	158	415	784	682
1988	344	513	847	746
1990	323	481	804	704
1991	338	513	806	720
1992	346	515	865	720
1993	335	526	910	771
1994	329	548	933	806
1995	340	550	970	793
1996	311	498	895	726
1997	294	459	717	619
1998	257	402	618	539
1999	232	356	568	503
2000	209	349	605	560
2001	215	397	830	720
2002	273	496	1,026	931
2003	244	562	1,756	1,237
2004	213	433	1,506	1,113
2005	210	401	1,374	1,010
2006	187	329	1,052	827
2007	176	321	946	805

## EXHIBIT 44

**Changes in Premium by Business Class**

	Increased	Decreased	Same
Banking	32%	52%	16%
Biotechnology & Pharmaceuticals	36%	38%	26%
Durable Goods	38%	48%	15%
Education	8%	54%	38%
Governmental & Other Nonprofit	28%	22%	50%
Health Services	24%	24%	52%
Merchandising	26%	38%	36%
Nonbanking Financial Services	23%	55%	23%
Nondurable Goods	27%	50%	23%
Personal & Business Services	25%	51%	24%
Petroleum, Mining, Agriculture	13%	33%	53%
Real Estate, Construction	14%	44%	42%
Technology	32%	43%	26%
Transportation & Communications	27%	45%	29%
Utilities	8%	75%	17%
Other	14%	32%	55%
<b>All Business Classes</b>	<b>28%</b>	<b>39%</b>	<b>33%</b>

## EXHIBIT 45

**Total Premium by Asset Size**

	Participants Reporting	First Quartile	Median	Third Quartile	Average
\$0 - \$6 million	970	\$ 2,846	\$ 6,565	\$ 3,628	\$ 31,104
\$6 million - \$10 million	566	3,312	8,093	16,284	23,739
\$10 million - \$50 million	597	11,044	21,657	63,726	93,861
\$50 million - \$100 million	173	28,803	135,000	352,057	212,029
\$100 million - \$400 million	233	88,160	323,250	511,441	345,835
\$400 million - \$1 billion	79	150,000	434,000	749,500	503,027
\$1 billion - \$2 billion	50	123,655	414,469	802,925	587,296
\$2 billion - \$5 billion	30	291,074	801,625	1,382,363	860,448
\$5 billion - \$10 billion	11	395,745	1,965,480	2,579,225	1,729,048
Over \$10 billion	32	527,953	2,139,412	3,612,533	2,348,466
<b>All Size Groups</b>	<b>2,741</b>	<b>\$ 5,383</b>	<b>\$ 14,067</b>	<b>\$ 73,062</b>	<b>\$ 148,118</b>

## EXHIBIT 46

**Total Premium by Asset Size — Repeat Participants for Last Two Years**

	Participants Reporting	2006 Average Premium	2007 Average Premium	% Change
\$0 - \$6 million	469	\$ 21,800	\$ 21,858	0%
\$6 million - \$10 million	382	17,157	16,698	-3%
\$10 million - \$50 million	295	91,670	90,044	-2%
\$50 million - \$100 million	83	216,365	205,204	-5%
\$100 million - \$400 million	120	417,079	385,524	-8%
\$400 million - \$1 billion	46	567,508	538,146	-5%
\$1 billion - \$2 billion	24	730,207	709,815	-3%
\$2 billion - \$5 billion	14	940,800	905,033	-4%
\$5 billion - \$10 billion	5	1,856,587	1,787,404	-4%
Over \$10 billion	18	3,155,533	1,850,611	-41%
<b>All Size Groups</b>	<b>1,456</b>	<b>\$ 161,204</b>	<b>\$ 139,384</b>	<b>-14%</b>

## EXHIBIT 47

**Total Premium by Market Capitalization (public only)**

	Participants Reporting	First Quartile	Median	Third Quartile	Average
Under \$10 million	26	\$ 25,000	\$ 78,750	\$ 337,483	\$ 374,924
\$10 million - \$50 million	82	54,600	87,190	165,779	237,841
\$50 million - \$100 million	55	86,365	157,500	350,400	226,947
\$100 million - \$400 million	192	193,840	311,750	456,490	351,222
\$400 million - \$1 billion	107	330,600	452,000	595,186	507,909
\$1 billion - \$2 billion	49	496,670	695,250	990,488	788,553
\$2 billion - \$5 billion	41	518,375	797,614	1,148,321	1,077,452
\$5 billion - \$10 billion	20	955,007	1,525,100	2,446,411	1,709,880
Over \$10 billion	21	1,076,250	2,145,674	4,018,912	2,504,064
<b>All Size Groups</b>	<b>593</b>	<b>\$ 156,125</b>	<b>\$ 356,650</b>	<b>\$ 633,262</b>	<b>\$ 561,669</b>

## EXHIBIT 48

**Total Premium by Business Class**

	Participants Reporting	First Quartile	Median	Third Quartile	Average
Banking	45	\$15,682	\$80,000	\$ 170,722	\$ 306,106
Biotechnology & Pharmaceuticals	422	8,203	18,988	167,576	165,367
Durable Goods	63	12,740	67,423	469,000	384,372
Education	18	1,564	3,100	9,654	27,973
Governmental & Other Nonprofit	513	1,258	2,220	5,765	7,790
Health Services	52	7,033	20,337	50,345	147,957
Merchandising	73	6,481	19,320	175,675	171,355
Nonbanking Financial Services	170	29,420	61,500	164,876	220,760
Nondurable Goods	113	7,843	42,000	285,589	227,876
Personal & Business Services	307	4,576	9,870	60,000	115,395
Petroleum, Mining, Agriculture	33	11,444	43,000	122,500	381,787
Real Estate, Construction	48	3,600	7,325	74,375	135,135
Technology	848	8,179	15,145	60,884	130,253
Transportation & Communications	109	9,620	22,708	97,500	143,588
Utilities	17	5,855	88,700	3,744,250	1,613,944
Other	65	8,719	16,140	72,148	88,500
<b>All Business Classes</b>	<b>2,896</b>	<b>\$ 5,275</b>	<b>\$13,525</b>	<b>\$ 65,124</b>	<b>\$ 141,424</b>

## EXHIBIT 49

**Total Premium by Business Class — Repeat Participants for Last Two Years**

	Participants Reporting	2006 Average Premium	2007 Average Premium	% Change
Banking	21	\$ 204,405	\$ 320,230	57%
Biotechnology & Pharmaceuticals	280	250,452	217,092	-13%
Durable Goods	31	386,543	372,008	-4%
Education	9	19,066	17,456	-8%
Governmental & Other Nonprofit	360	7,899	7,564	-4%
Health Services	23	267,609	264,947	-1%
Merchandising	41	177,665	181,019	2%
Nonbanking Financial Services	115	222,546	207,975	-7%
Nondurable Goods	58	215,979	231,601	7%
Personal & Business Services	121	169,991	163,303	-4%
Petroleum, Mining, Agriculture	13	1,030,258	634,725	-38%
Real Estate, Construction	22	168,871	178,482	6%
Technology	553	166,248	151,308	-9%
Transportation & Communications	46	266,854	213,582	-20%
Utilities	7	1,498,668	1,354,091	-10%
<b>All Business Classes</b>	<b>1,702</b>	<b>\$ 172,424</b>	<b>\$ 157,362</b>	<b>-9%</b>

## EXHIBIT 50

**Total Premium by Asset Size — Public Organizations**

	<b>Participants Reporting</b>	<b>First Quartile</b>	<b>Median</b>	<b>Third Quartile</b>	<b>Average</b>
\$0 - \$6 million	82	\$ 25,750	\$ 65,079	\$ 236,350	\$ 218,213
\$6 million - \$10 million	34	38,088	74,425	127,370	146,589
\$10 million - \$50 million	145	67,008	157,250	309,680	263,257
\$50 million - \$100 million	95	199,079	325,000	450,791	341,122
\$100 million - \$400 million	157	290,000	450,000	605,140	470,959
\$400 million - \$1 billion	60	317,074	558,106	871,745	615,241
\$1 billion - \$2 billion	29	451,258	797,500	934,125	867,132
\$2 billion - \$5 billion	24	547,443	991,643	1,465,160	970,534
\$5 billion - \$10 billion	11	395,754	1,965,480	2,579,225	1,729,048
Over \$10 billion	25	889,125	2,850,000	4,828,801	2,853,221
<b>All Size Groups</b>	<b>662</b>	<b>\$108,000</b>	<b>\$ 326,131</b>	<b>\$ 590,263</b>	<b>\$ 518,280</b>

## EXHIBIT 51

**Total Premium by Asset Size — Private Organizations**

	<b>Participants Reporting</b>	<b>First Quartile</b>	<b>Median</b>	<b>Third Quartile</b>	<b>Average</b>
\$0 - \$6 million	670	\$ 4,620	\$ 7,512	\$ 13,430	\$ 16,915
\$6 million - \$10 million	307	6,327	10,780	18,359	22,621
\$10 million - \$50 million	406	9,683	17,201	29,237	41,238
\$50 million - \$100 million	72	12,750	28,696	50,407	57,402
\$100 million - \$400 million	72	20,993	61,345	99,644	90,689
\$400 million - \$1 billion	16	65,375	82,695	167,143	165,128
\$1 billion - \$2 billion	18	67,734	115,770	288,370	190,141
\$2 billion - \$5 billion	5	207,363	283,795	602,043	380,521
\$5 billion - \$10 billion	—	—	—	—	—
Over \$10 billion	6	9,874	332,985	1,283,288	636,147
<b>All Size Groups</b>	<b>1,572</b>	<b>\$ 6,106</b>	<b>\$ 11,542</b>	<b>\$ 24,308</b>	<b>\$ 36,556</b>

## EXHIBIT 52

**Total Premium by Asset Size — Nonprofit Organizations**

	<b>Participants Reporting</b>	<b>First Quartile</b>	<b>Median</b>	<b>Third Quartile</b>	<b>Average</b>
\$0 - \$6 million	218	\$1,000	\$ 1,389	\$ 2,375	\$ 4,335
\$6 million - \$10 million	225	1,501	2,760	6,773	6,700
\$10 million - \$50 million	46	4,260	11,140	16,786	24,356
\$50 million - \$100 million	6	3,027	9,889	44,457	23,579
\$100 million - \$400 million	4	—	—	—	—
\$400 million - \$1 billion	3	—	—	—	—
\$1 billion - \$2 billion	3	—	—	—	—
\$2 billion - \$5 billion	1	—	—	—	—
\$5 billion - \$10 billion	—	—	—	—	—
Over \$10 billion	1	—	—	—	—
<b>All Size Groups</b>	<b>507</b>	<b>\$1,240</b>	<b>\$ 2,191</b>	<b>\$ 5,800</b>	<b>\$10,697</b>

## INSURANCE CARRIERS

Our analysis of insurance carriers separates results between primary and excess insurers. Companies are measured by premium volume and policy count.

Total D&O premium collected by insurers from our survey participants was \$192,444,408 across 2,819 policies. The 2007 survey revealed changes in ranking for policy count and premium volume.

Chubb remained the leader in policy count with 17.7% market share. Likewise, ACE and AIG retained their number two and three positions with market shares of 17.5% and 15.1%, respectively. W.R. Berkley and Travelers, which held the four and five positions in policy count in 2006, slipped to six and eight, respectively.

In terms of premium volume, AIG maintained its number one ranking with 35.2% market share. Chubb retained its number two spot with 15.4% of premium volume. XL surrendered last year's number three ranking to ACE, which reported a 7.2% premium market share.

### EXHIBIT 53

#### Market Share for Primary Insurers

	Policy Count	Percent	Rank	Premium Volume	Percent	Rank
ACE	494	17.5%	2	\$ 13,828,922	7.2%	3
AEGIS	9	0.3%	19	9,994,068	5.2%	6
AIG	427	15.1%	3	67,751,857	35.2%	1
AXIS Financial	5	0.2%	22	83,459	0.0%	23
Berkshire Hathaway Group	11	0.4%	18	27,014	0.0%	24
Chubb Insurance Group	498	17.7%	1	29,558,814	15.4%	2
CNA Insurance Companies	90	3.2%	10	935,621	0.5%	18
Darwin Professional Underwriters	4	0.1%	24	540,482	0.3%	19
Great American Insurance Group	50	1.8%	12	2,392,076	1.2%	15
The Hartford	231	8.2%	4	8,035,845	4.2%	8
Houston Casualty	77	2.7%	11	3,507,136	1.8%	12
Hudson Insurance Group	5	0.2%	22	489,344	0.3%	20
Liberty International	34	1.2%	13	2,910,294	1.5%	13
Lloyd's of London and Other London Underwriters	113	4.0%	7	10,495,700	5.5%	5
Navigators Insurance	29	1.0%	15	2,121,042	1.1%	16
Old Republic	22	0.8%	17	5,590,263	2.9%	9
Philadelphia Insurance Group	29	1.0%	15	86,776	0.0%	22
RLI	6	0.2%	21	1,711,818	0.9%	17
Royal Insurance Company	7	0.2%	20	241,114	0.1%	21
Travelers	110	3.9%	8	4,837,464	2.5%	10
W.R. Berkley	207	7.3%	6	9,040,921	4.7%	7
XL Insurance	100	3.5%	9	11,200,277	5.8%	4
Zurich Insurance Company	33	1.2%	14	2,777,349	1.4%	14
Other	228	8.1%	5	4,286,752	2.2%	11
<b>All Accounts</b>	<b>2,819</b>	<b>100%</b>		<b>\$192,444,408</b>	<b>100%</b>	