

WILLIS RE 1ST VIEW

1 JANUARY 2009

CAPITAL RULES

Willis

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RENEWALS – 1 JANUARY 2009

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1ST VIEW

This thrice yearly publication delivers the very first view on current market conditions to our readers. In addition to real-time Event Reports, our clients receive our daily news brief, *Willis Re Rise 'n' shinE*, periodic newsletters, white papers and other reports.

WILLIS RE

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With 40 locations worldwide, Willis Re provides local service with the full backing of an integrated global reinsurance broker.

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CAPITAL RULES

The unprecedented turmoil in global capital markets during the second half of 2008 has ravaged the balance sheets of many financial institutions, consigning previously envied institutions to footnotes in history and forcing others into the arms of government bailouts. In the midst of this storm, the global reinsurance industry has remained substantially unscathed with a capital base that is still largely intact and liquid.

While not currently impaired, reinsurers have recognized that in the current financial market climate, obtaining new post-event capital will be both difficult and expensive. As a result, reinsurers are seeking to optimize returns on their existing capital bases via more constrained risk appetites and elevated risk charges. We have seen the first evidence of this at 1 January 2009 renewals with meaningful price increases being taken in capital intensive lines of business, U.S. Nationwide Catastrophe business the most prominent example.

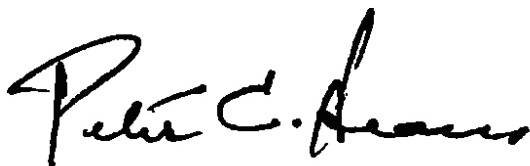
Primary insurance companies are also facing capital pressures, and as a result, the gradual decline in demand for reinsurance over the preceding few years has started to abate. Now, cedants are exploring buy-downs and other reinsurance mechanisms in order to protect and enhance their capital positions.

In step with this absolute increase in demand for reinsurance capacity, we are also observing a shift in the manner by which cedants select reinsurance partners, as the recent events in global financial markets have prompted a fundamental reassessment of credit risk. With third party credit ratings no longer sacrosanct, insurers are seeking to use portfolio diversification to mitigate their counterparty exposure. One immediate impact of this is an increase in the syndication of risk, which in turn is affording opportunities for reinsurers to obtain shares on programs previously dominated by a limited number of large players.

The changing capital appetite amongst cedants presents the traditional reinsurance industry with an excellent opportunity to win back market share. Nevertheless, the primary market has yet to realize the full scale pricing increases deriving from the the deepening global recession, falling yield curves, rising loss ratios, and expected increases in reinsurance pricing levels. Thus, in order to regain their previous position, reinsurers will need to balance attempts to realize portfolio management objectives with the real economic constraints faced by their insurer customers. Judged on markets' performance at 1 January 2009, the industry is meeting this challenge with appropriate product, price and capacity.

In the remainder of this report, we set out the movements in pricing and conditions by class and territory which Willis Re teams have observed over the 1 January 2009 renewal season. These clearly identify the capital-intensive lines and the areas of particular challenge our sector faces going into 2009.

As we embark upon the New Year, I do hope that we see a return to stability in the financial markets and that this will benefit you and your firm. In the meantime, I would like to wish you much happiness throughout the holiday season.



Chief Executive Officer, Willis Re
30 December 2008

CASUALTY

TERRITORY AND PLACEMENT TYPE

INTERNATIONAL – CASUALTY

- Risk Some interest from clients in buying lower attachment points, but pricing has not been sufficiently attractive.
- Pro Rata Some interest in exploring quota share for surplus relief which may develop further during 2009 as buyers' balance sheets come under additional strain.

INTERNATIONAL – MOTOR

- Risk Some interest in lower attachment points, but in territories impacted by European Commission (EC) 5th Directive (which sets out minimum original limits), deductibles are increasing.
- Cat or Clash Motor Third Party Green Card separating from domestic cover at top end of programs in Italy.
- Pro Rata Some interest in exploring quota share for surplus relief, but pro rata less easy to obtain in some territories. May develop further during 2009 as insurers' balance sheets come under additional strain.

UNITED STATES – CASUALTY

- Risk Risk covers with better than average experience and no signs of loss development are experiencing slight rate increases to compensate for loss trend and three years of continuous rate decreases. Covers with losses or signs of loss emergence are experiencing more significant rate increases and some tightening terms and conditions.
- Cat or Clash Casualty occurrence covers, which are more common than "pure" clash-only covers, are experiencing the same results as the per risk covers above.
- Pro Rata Pro rata business with good loss experience and reasonable ceding commissions is being renewed at expiring with some slight decreases.

TERRITORY AND COMMENTS

INTERNATIONAL – CASUALTY

- EC Environmental Liability Directive continues as a discussion point.
- Professional Indemnity (PI) and Directors & Officers (D&O) exposures under greater scrutiny as a consequence of current financial crisis; some restrictions being introduced.
- Recession decreasing original premiums in lines such as Decennial Liability in France.
- Medical Malpractice in Italy being closely examined, with price changes and restructuring splitting General Third Party and Medical Malpractice covers into separate treaties.

INTERNATIONAL – MOTOR

- Lower investment returns and increased cost of capital have affected reinsurance pricing.
- Some attempt to increase rates by much higher percentage on upper layers to reflect gearing impact of social inflation and an increasing frequency of the largest losses.
- Tighter index clauses proposed in some territories.

UNITED STATES – CASUALTY

- Conditions in the casualty insurance market continue to lag those in the reinsurance market. Heading into year-end, insurers continued to compete for business with rate decreases of up to 10% manifest in some sectors while reinsurers sought to renew programs with no signs of loss

development at expiring to slightly increased terms. Those programs with loss emergence saw rate increases ranging from 10% to 30%. Reinsurers have been quick to point out that their cost of capital has risen significantly year over year.

- Significant amount of new casualty capacity has entered the market looking for reinsurance support. These requests involved expanding the capacity of existing facilities, as well as introducing new “start up” operations. The new capacity is driving primary insurance rates down more than excess business as the new players are better able to compete for shorter limit primary accounts than larger capacity intensive excess players. As has been reported in prior market updates, the market softening remains mainly a pricing issue as terms and conditions continue to hold firm.
- The casualty insurance market will remain challenging until the issues surrounding several of the key casualty players have been resolved. Most carriers are seeing a lessening in casualty rate decreases or even reporting a flattening in some spots. Most are expecting it will take until later in 2009 for a more sustainable firming to take hold.
- Competitive market conditions have been supported, in part, by continuing reserve releases from prior years that have kept earnings high despite a tough investment environment. There are signs that these prior year reserve releases may be beginning to slow as evidenced by many companies reporting half year and third quarter earnings below last year levels.

RATES – CASUALTY

TERRITORY	Pro Rata Commission	XL – No Loss % Change	XL – With Loss Emergence % Change
Australia	0%	+5 to +10%	+5 to +10%
Caribbean	0%	-5%	+5%
Central & Eastern Europe	N/A	+5%	+10%
China	N/A	-10%	+10%
France	0%	0% to +15%	minimum +10%
Germany	0%	0%	N/A
Ireland	N/A	+5%	+5%
Italy	+3%	-8%	-8%
Nordic Countries	N/A	0% to +5%	up to +10%
South Africa	0%	0%	0%
Spain	0%	0%	+10%
Taiwan	0%	0%	0%
United Kingdom	0%	0% to -5%	0% to +5%
United States	0% to -2%	0% to +5%	+10% to +30%

SPECIALTIES

LINE OF BUSINESS AND COMMENTS

AEROSPACE

- The original market would seem to be “bottoming out,” with the differential in terms (vertical marketing) between the leader and the following markets showing lesser degrees of verticalization.
- 2009 will be a difficult year in the Aviation direct market. The market is beginning to harden, alongside the current financial crisis. Exacerbating the situation is a decline in passenger numbers and an indication of further consolidation within the industry.
- Since the American Airlines loss in Queens, NY, in 2001, there has only been one major loss in excess of \$500 million. This is the recent increase in reserve for the Tam loss in 2007, which is currently reserved at \$527 million (although the final cost of this loss is likely to be below \$500 million).

CAPITAL MARKETS

- Credit market turmoil, but there is relative calm in the ILS markets, despite some fallout on collateral account where Lehman was swap counterparty.
- Issuance stalled while details of collateral account worked out and the market clears itself relative to redemptions and sales by multi-strategy funds.
- Pipeline for 2009 large-retro problems likely to stoke further interest in catastrophe bonds. Sidecars constrained by lack of leverage. General issue is that post-event refinancing options are now severely constrained.

ENGINEERING

- Clients’ requests for increased capacity being rejected by reinsurers. Much greater actuarial scrutiny of pricing adequacy and some tightening of contract clauses.

HEALTHCARE – UNITED STATES

- Base rates continue to drop in line with lower than expected ULRs – and reinsurance rates are, in the main, being held flat – thus allowing underlying price decreases to flow through to them.
- There is a continuing interest in and purchase of “systemic risk” products – as the market becomes more aware of this exposure and seeks ways in which to manage it.
- In the physicians malpractice arena, there is a continuing trend towards acquisitions and mergers within the primary carriers.

LIFE

- Capacity still tight as there are only a select number of reinsurers in this sector.
- Rates increasing slightly as a result of increasing limits on direct policies and scarcity of reinsurance capacity.
- Very little movement of carriers to new reinsurers.

MARINE AND OFFSHORE ENERGY

- Considerable inconsistency across the market, with a wide variation between what individual reinsurers think are the correct terms for renewals.
- Large programs without Gulf of Mexico energy exposure seeing average price increases of 10%, although with much variation.
- Gulf of Mexico capacity continues to be scarce, with many clients and underwriters putting off decision-making until the New Year.
- Non-Marine liability exposures, such as Transmission and Distribution Lines, now excluded.
- Pro-rata commissions, and occurrence caps reducing, especially where Gulf of Mexico covered.
- Reinsurers are seeking to move away from attritional losses, whether in local domestic

programs or in large multi-national placements. Therefore, although pressure on capital may be pushing cedants to retain less, the reinsurance market is requiring greater risk retention.

MEDICAL EXCESS

- Reinsurance rates increasing to keep in line with medical inflation.
- Major reinsurers remain competitive.
- Continued increase in the prevalence of \$1 million claims. Places emphasis on cost containment expertise of the reinsurer.

NON-MARINE RETROCESSION

- Collateralized capacity reduced. Other vehicles still seeking funding. Conventional capacity slightly increased. Demand for conventional UNL increasing, ILW pricing significantly increasing.
- Very high frequency and severity of single risk losses creating hardening in risk and proportional markets. Pressure on ceding commissions and occurrence limits being squeezed due to reinsurers' increased capital costs.
- Terrorism business experiencing pressure on pricing and capacity following withdrawal of some retrocession markets. Credit crisis having direct effect on Political Risk / Trade Credit business.

PERSONAL ACCIDENT / LIFE CATASTROPHE

- Rates stabilized from prior years' decreases.
- Programs generally loss free since 2001.
- Pandemic specific catastrophe covers being discussed, but very few actually purchased.

POLITICAL RISK

- Some recent claims, but no clear trend.
- Uncertainty over effects of economic crisis on emerging markets in 2009 and beyond.
- Capacity much less freely available, especially per country.

PROFESSIONAL LIABILITY – UNITED STATES

- Reinsurers are concerned about the uncertainty regarding profitability of public company D&O due to the frequency and potential severity of claims related to the credit crisis. In addition, the recent upheaval at several major carriers is prolonging any upward directional change in rates for all but financial institutions. Reinsurers are generally maintaining their treaty positions in anticipation of an improving underwriting environment throughout 2009.
- Rate declines have moderated, but still persist as capacity continues to be attracted to many E&O classes. Sufficient reinsurance capacity is available for all but large account portfolios and those with exposure to the credit crisis.

SURETY – UNITED STATES

- Overall market pricing started to firm despite favorable primary market and reinsurance results. Uncertainty facing the economic environment weighed heavily in the market's push to increase rates.
- Lower program layers experienced the greatest impact of the hardening terms resulting in cedants considering higher net retentions. Top layers reflected more modest rate increases. Coverage terms remain relatively similar.
- Market capacity remains adequate with future availability of sufficient reinsurance capacity posing a concern for clients. Difficult economic environment has kept previously interested reinsurance capacity on the sidelines.
- Reinsurers looked to align themselves with companies that have demonstrated strong underwriting discipline and conservative portfolio management in anticipation of a possible market downturn.

TRADE CREDIT

- Most quota share treaties suffering combined ratios in excess of 100% in 2008.

- Perception of risk of default significantly increased in many sectors, following failure of some major buyers. Some smaller insurers exiting from the market as management is no longer prepared to support this capital intensive class.
- Many reinsurers reducing their exposure in face of economic uncertainty. As such, capacity very scarce and 2009 conditions very tough for buyers.

RATES – SPECIALTIES

TERRITORY	Pro Rata Commission	XL – No Loss Emergence % Change	XL – With Loss Emergence % Change
Aerospace	0%	0% to +10%	N/A%
Engineering	0%	+5%	+15%
Healthcare – U.S.	0%	0%	0%
Life		0% to +5%	
Marine	0%	+5% to +10%	+12.5% to +17.5%
Marine – Offshore Energy	0% to -5%	+10%	N/A
Marine – Gulf of Mexico	-2.5% to -7.5%	+20%	+25% to +35%
Medical Excess		+10% to +20%	
Non-Marine Retrocession	0% to -5%	+10%	+25%
Personal Accident / Life Catastrophe		0%	0% to -10%
Political Risk – International	0%	+25%	N/A
Professional Liability – U.S.	-1% to +2%		
Trade Credit – International	-5% to -15%	+40%	

WORKERS' COMPENSATION

TERRITORY AND PLACEMENT TYPE

UNITED STATES

- Risk Companies are buying down their retentions. Softening in reinsurance rates has stopped and 1 January 2009 programs are renewing “as is” or with modest increases, subject to individual experience / exposure trends.
- Cat or Clash Several reinsurers quoted rate increases. The market is divided, however, and many programs renewed “as is” or with modest decreases.
- Pro Rata Increased interest in buying quota share. Reinsurance terms have remained stable.

TERRITORY AND COMMENTS

UNITED STATES

- Softening reinsurance rates 1 January 2008 through 1 October 2008. 1 January 2009 renewals close to “renew as is.”
- Insurers are projecting 2009 payrolls to remain fairly stable. However, owing to the economic downturn, we expect payroll (and related premium) to decline as 2009 progresses.
- California reinsurance capacity tightening with increased demand at 1 January 2009.

RATES

TERRITORY	Pro Rata Commission	XL Loss Free % Change	XL Loss Hit % Change
United States	0%	0% to -5%	+5 to +10%



PROPERTY

TERRITORY AND PLACEMENT TYPE

CARIBBEAN

- Risk Few losses, but loss-affected layers have risen.
- Cat or Clash Few programs affected by hurricane losses and then, only lower layers. Overall pricing not substantially affected.
- Pro Rata Some early requests for increases to profit commission seem to have been rejected by the market.

CENTRAL & EASTERN EUROPE

- Risk Prices still competitive, but increasing.
- Cat or Clash No consistency of pricing. Still, plenty of capacity for single territory covers.
- Pro Rata Less pro rata being bought, capacity small.

CHINA

- Risk Following snowstorm losses, Transmission & Distribution lines excluded. Risk definition of T&D lines is being clarified.
- Cat or Clash T&D lines excluded, increased deductibles due to losses from snowstorm. Larger limits being purchased. Event definition for snowstorm is under discussion.
- Pro Rata Fixed RI commission is changed to sliding scale commission, T&D lines excluded, reduced event limit & coinsurance percentage, other loss reduction measures have been added on a treaty-specific basis.

COLOMBIA

- Risk Plenty of capacity for this segment.
- Cat or Clash Plenty of capacity available for Colombia and prices stable.
- Pro Rata Market still interested in Colombia pro rata despite heavy pressure on original rates.

GERMANY

- Risk Limited number of domestic risk losses, so rates stable.
- Cat or Clash Capacity-driven pricing pressure on later renewals. Increasing interest in frequency covers.
- Pro Rata Commission terms stable.

IRELAND

- Risk First signs of primary rate increases.
- Cat or Clash Retentions maintained, clean renewals.
- Pro Rata Reinsurers focused on improved original terms.

ITALY

- Risk Economic crisis has resulted in an overall reduction of premiums and of capacity required by the cedants.
- Cat or Clash Still waiting for legislation to make the catastrophe cover mandatory. Most of the treaties have still combined cover for natural perils (including flood where a model by the Italian Association of Insurance Companies – ANIA – has been released to be tested by the cedants). Capacity bought remains rather stable, as market is shrinking.
- Pro Rata Traditional bouquet quota share decreasing. Pro rata covers are more and more confined on specialty lines (bond and credit, engineering),

or on facilities (facultative obligatory covers) connected with limited sub-classes (medical malpractice).

NORDIC COUNTRIES

- Risk Wide disparity in quotations, but still plenty of risk capacity.
- Cat or Clash Flat renewals, though some restriction in capacity.
- Pro Rata Reinsurers generally attempting to tighten terms and conditions, sometimes successfully.

PHILIPPINES

- Risk Increased interest in lower deductible options. Limited pricing adjustments for loss hit programs.
- Cat or Clash Pricing (ROLs) stable on increasing underlying aggregates.
- Pro Rata Limited capacity available for proportional placements that include natural perils.

SOUTH AFRICA

- Risk Experience-based rating. Underlying books have continued to deteriorate and show worsening loss experience.
- Cat or Clash Rates are holding firm year on year (risk adjusted). No real appetite for increased retentions among buyers.
- Pro Rata Increasing interest in pro rata from buyers that are restricted from accessing other forms of capital.

SWITZERLAND

- Risk No noticeable trends.
- Cat or Clash Increased interest in clash / frequency covers. No shortage of capacity for catastrophe business, as seen to be non-accumulating and outside Northern Europe wind zone.
- Pro Rata No noticeable trend to move to non-proportional covers.

THAILAND

- Risk No narrowing of coverage or change in conditions.
- Cat or Clash No narrowing of coverage or change in conditions.
- Pro Rata Profitable pro rata treaty getting slightly higher commissions. Non profitable pro rata being restructured (lower limits, but no narrowing of conditions, no new exclusions).

UNITED KINGDOM

- Risk Account rating is experience based. Little scope for rate reductions. Pressure to include event limits, if not already contained in contracts.

- Cat or Clash True rate reductions not being tolerated. Pricing is being held flat on exposures. Reinsurers using RMS are able to show technical rate increases of approximately 7.5% due to model change. Some buyers showing renewed interest in aggregate covers.
- Pro Rata Increasing interest in pro rata from buyers that are restricted from accessing other forms of capital.

UNITED STATES PROPERTY NATIONWIDE

- Risk Reinsurers are seeking to reduce event limits to restrict the amount of catastrophe cover given.
- Cat or Clash Area seeing most pricing volatility as reinsurers look to better manage their nationwide capacity. Some large insurers saw significant increases (+25%), although a few carriers chose to increase their co-participations (within their programs), which was not nearly as prevalent as in previous hard markets, due to capital constraints.
- Pro Rata Similar to per risk, reinsurers' main focus is restricting event limits.

UNITED STATES PROPERTY REGIONAL

- Risk Sufficient capacity available from multiple domiciles - Lloyd's, Europe, U.S. and Bermuda.
- Cat or Clash Also stable, although reinsurers are increasing pricing where Hurricane Ike losses have impacted programs or on regionals in catastrophe-critical zones.
- Pro Rata Terms and conditions remain favorable to buyers, due to strong supply of capacity.

TERRITORY AND COMMENTS

AUSTRALIA

- Client loyalty and an individual approach to each client has been a common theme. Some discussion around Hours Clauses following multiple-event scenarios in Queensland.

ASIA

- Marked growth in analytics demand from buyers not generally matched by credibility given to available models by reinsurers.
- Initially higher pricing / tougher terms sought by reinsurers, but recognition that capacity largely unimpaired in the region mitigated cycle hardening, for now.

CARIBBEAN

- Early expectations were for increases of approximately 7%, but firm order pricing has been up much less than this.
- An expectation continues that pricing will start to rise post-1 January and we could see a similar effect as in 2006, when later renewals were hit by higher increases.

CENTRAL & EASTERN EUROPE

- Plenty of capacity and increasing interest from Bermudan Reinsurers and others looking to diversify their portfolios. Large variations in quotes.
- Insurance companies being bought by International / Global Players, thus fewer independent buyers of reinsurance. Regional specific underwriters are more competitive than Group underwriters.

EUROPE – PROPERTY CATASTROPHE

- Multi-Territory Peak European Wind Programs with capacity over \$750 million up by 7.5% to 10% after adjustment for exposure change.
- Reinsurers' European Wind capacity under pressure due to increased capital cost, Euro Rate of Exchange issues and lack of retrocession capacity.

FRANCE

- French regulations regarding security and required deposits have changed for CE reinsurers (no longer required).
- All reinsurers gradually accepting the need for deposits.
- Stricter rules of compliance and governance.
- Further tightening of treaty wordings.

GERMANY

- Increased hardening market during the renewal season, as catastrophe capacity for European Windstorm constrained.
- Client concerns over too large participations of individual reinsurers and over general security.

LATIN AMERICA

- More and more premium / exposure being concentrated in multinational groups. Larger capacity programs are under pressure.



- Regional accounts showing a year-over-year price change of between -5% and +5%, depending on experience and exposure movements.
- With large changes in exposures in some covers, very difficult to discern exact year on year price movements. Proportional treaties with no event limits are under pressure.

MIDDLE EAST

- Capacity growth through arrival of regional branches / subsidiaries of larger global groups, and locally capitalized start-ups (particularly in the Takaful arena).
- Proportional structures remain resilient, despite widespread capital adequacy – largely a function of limited catastrophe exposure in the region.
- Regional expansion of larger groups anticipated in coming years, with consequent increase in Mergers & Acquisitions activity.

NORDIC COUNTRIES

- More disciplined and technical approach intended by some reinsurers, especially on catastrophe, but capacity still sufficient (just, in places).

UNITED STATES PROPERTY NATIONWIDE

- Reinsurers are seeking significant rate increases due to increased cost of capital and having less aggregate to deploy.
- The gulf between primary rates and reinsurance pricing is greater than in 2006.
- Expectation that mid-year placements will come to the market early in 2009.

UNITED STATES PROPERTY REGIONAL

- Still plenty of capacity / supply from reinsurers (excluding critical catastrophe zones), so pricing on loss-free accounts remains generally flat.
- Accounts impacted by Ike (Texas and some inland states, such as Ohio) are seeing rate and/or retention increases.
- Increased demand for Northeast is seeing some pricing increase for this sector.
- Continued speculation concerning the amount of Florida capacity potentially required from the private market in 2009 (most programs renew mid-year).

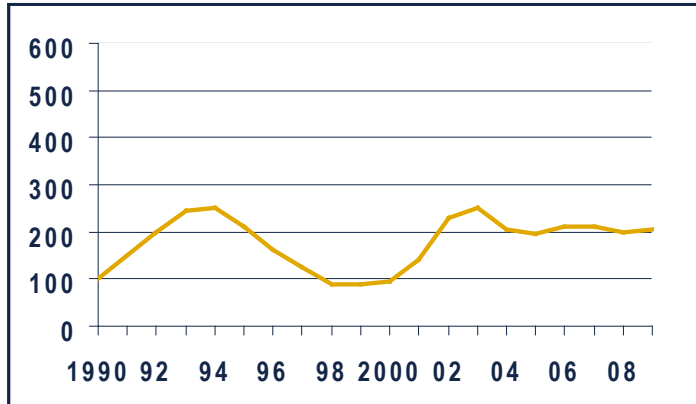


RATES – PROPERTY

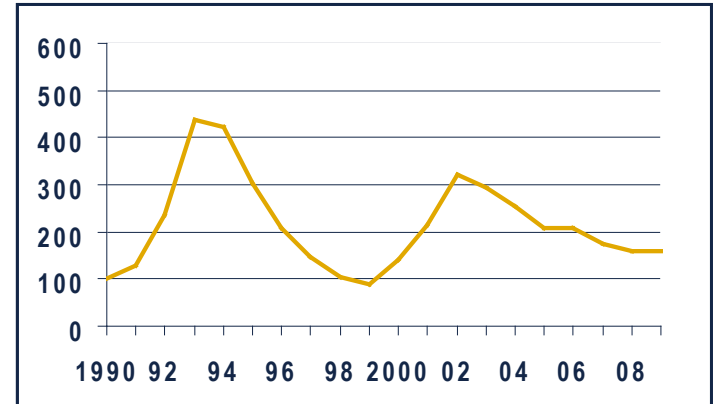
TERRITORY	Pro Rata Commission	Risk Loss Free % Change	Risk Loss Hit % Change	Cat Loss Free % Change	Cat Loss Hit % Change
Algeria	0%	0%	+25%	0%	N/A
Australia	0%	0% to +5%	-5% to +10%	0% to +5%	+5 to +10%
Caribbean	0%	0% to -5%	+10% to +20%	0% to +5%	0% to +10%
Central & Eastern Europe	0%	+2.5% to +5%	+10%	+5%	+15%
China	-3% to -7%	-5%	+40%	0%	+45%
Colombia	0% to -1.5%	0% to -5%	0% to +10%	0%	N/A
Europe Multi-Territory	N/A	N/A	N/A	+7.5% to +10%	N/A
France	N/A	0%	+5%	-2% to +6%	N/A
Germany	0%	0%	Variable	0% to +7.5%	+5% to +15%
Indonesia	-2%	-5%	0%	-5%	N/A
Ireland	-20%	0%	+5%	0%	N/A
Italy	+3%	+20%	+9%	-7%	-3%
Nordic Countries	0% to -2.5%	0%	0% to +10%	0%	N/A
Philippines	0%	-5% to -10%	+5%	-5% to -10%	-5 to -10%
South Africa	0% to -2.5%	0%	Variable	0%	N/A
Switzerland	0%	0% to +5%	+10% to +15%	0% to +5%	N/A
Taiwan	0%	0% to -5%	0%	0% to -5%	N/A
Thailand	0%	-8%	+8%	-5%	N/A
Turkey	0%	0%	N/A	0%	N/A
United Kingdom	0% to +2%	0%	Variable	0% to +2%	N/A
U.S. Property Nationwide	+10%	+10%	+15%	+15%	+25%
U.S. Property Regional (Excluding Florida)	0%	0%	+5%	0% to +5%	+15% to +20%

PROPERTY CATASTROPHE PRICING TRENDS

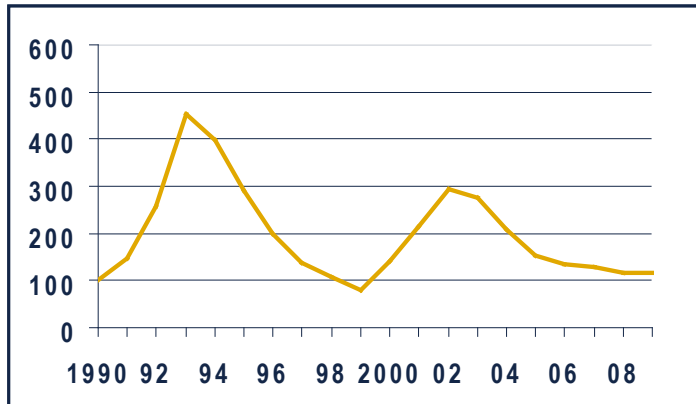
CARIBBEAN



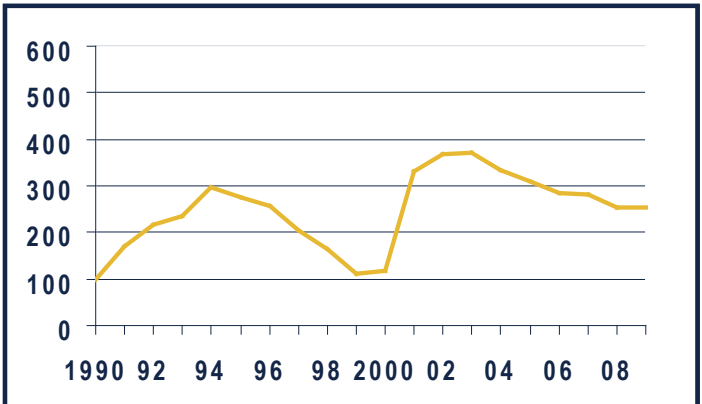
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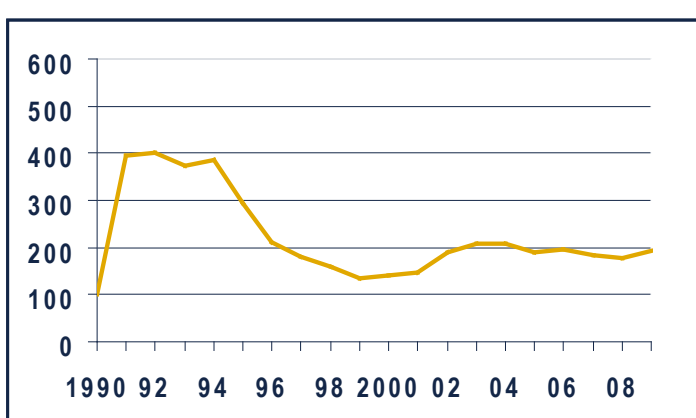
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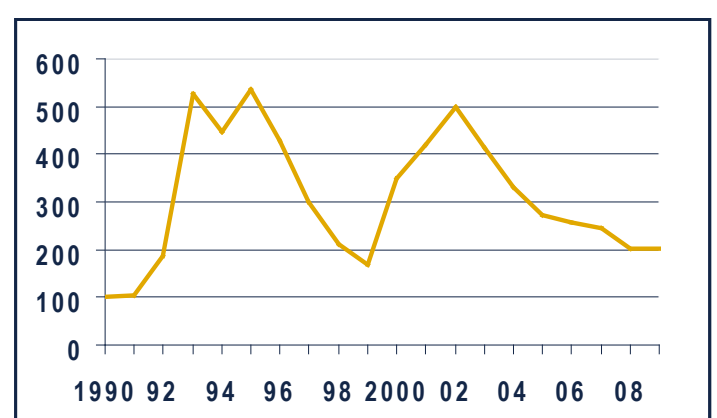
FRANCE



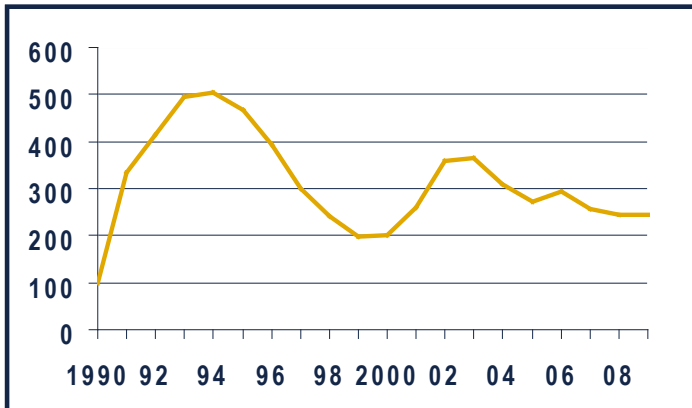
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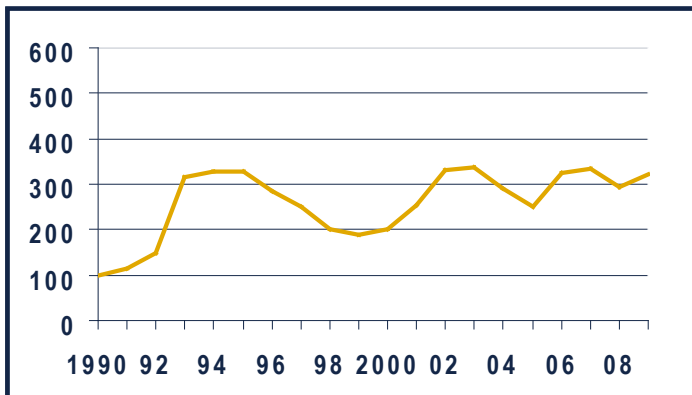
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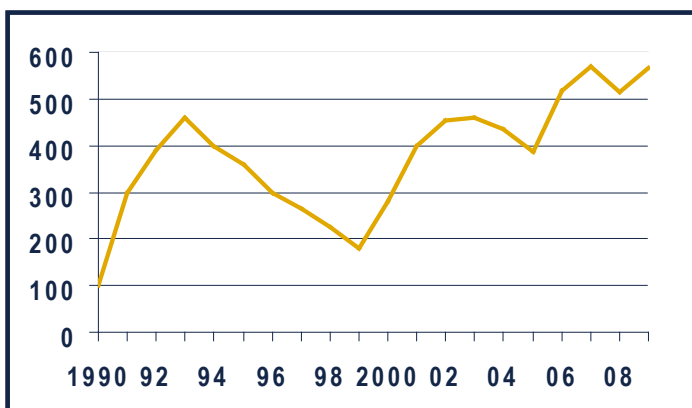
UNITED KINGDOM



UNITED STATES



NON-MARINE RETROCESSION



The charts on these two pages display Estimated Year-to-Year Property Catastrophe Rate Movement.

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