

POWER TO SERVE



FSLSO

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Data and figures included in this presentation are based on data submissions received from surplus lines agents and non-admitted insurers. The data provided is for informational purposes only and should not be used to extrapolate or draw conclusions about the Florida surplus lines market. The information in this presentation are aggregate totals. The data may change and variances may exist.

SUPERHEROES ARE CRYSTAL CLEAR OF THEIR PURPOSE

TO FACILITATE COMPLIANCE 2018



INDUSTRY OVERALL COMPLIANCE

96%



ACCURACY

99%

Agent Premium
Reported
Accurately

TIMELINESS

Agent Policies
Submitted
Timely

90%

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TO SERVE**

SUPERHEROES ARE AN INSPIRATION TO OTHERS

LEAD AND SERVE THROUGH INNOVATIVE SOLUTIONS **SLAS SYSTEM 2018**

NATIONWIDE PREMIUM REPORTED

37%

Surplus
Lines
Premium
Reported by
the
SLAS System

SLIP

Surplus Lines Information Portal

Overall
User
Satisfaction

99%



SLAS STATES

- Florida • 1998
- Mississippi • 2007
- Washington • 2009
- Nevada • 2010
- California • 2011
- South Dakota • 2012
- Wyoming • 2012
- New Jersey • 2013
- Oregon • 2013
- Tennessee • 2016
- North Carolina • 2017

SLAS CLEARINGHOUSE

136K

Transactions
Processed

\$800M

Premium

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SUPERHEROES ARE THE PROTECTORS OF THEIR COMMUNITY

PROTECT PUBLIC REVENUE 2018



2018

Tax
Revenue

\$259M

Policyholder
Assessments

\$1.5M

PRODUCTION LEDGER REVIEW

Unfiled Premium

\$25M



Taxes, Service Fees,
Assessments, and
Penalties Recovered

\$1.1M

PREMIUM RECONCILIATION

Unfiled
Premium

\$63M

Taxes, Service Fees,
Assessments, and
Penalties Recovered

\$2M



COMPLIANCE REVIEW

Compliance
Reviews

411

Financial
Requirements

98%

Placement
Requirements

92%

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SUPERHEROES ARE CREATIVE

COMPLIANCE TOOLBOX



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SUPERHEROES LEVERAGE TECHNOLOGY

SLAS SYSTEM EFFICIENCY & EFFECTIVENESS

OPERATIONAL EFFICIENCY

\$1.00

Operating Costs

GENERATED

\$2.12

Compliance Revenue

CAPITAL PRODUCTIVITY FACTOR

Compliance Revenue Recovered

\$13M



SYSTEM EFFECTIVENESS

System Rejected Credits and Tax Exemption Revenue | \$2.2M

All-time Unreported Premium Identified | \$1B



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***"A HERO
CAN BE
ANYONE."***

~ Bruce Wayne

***"YOU'RE GOING TO MAKE A DIFFERENCE. A LOT OF TIMES IT WON'T BE
HUGE, IT WON'T BE VISIBLE EVEN. BUT IT WILL MATTER JUST THE SAME."***

~ Commissioner "Jim" Gordon

MARKET SHARE STATISTICS

2018

Total Florida Surplus Lines Premium

\$5.78B

Premium Percentage Increase

10%

Florida Surplus Lines Market Share

11%

2019 Premium (6/30/19)

\$3.32B

14% Increase



Total Surplus Lines Premium

\$5.78B

↑ 10%

Multi-State Premium

\$276M

↑ \$2M

New Business Premium

\$2.19B

↑ 16%

Multi-State Premium %

4.8%

New Business % of Total Premium

38%

↑ 2%

States With Non-Resident Agents Reporting

40



"I don't want to control it, I want to get rid of it." ~ Hulk

Total Surplus Lines Policies

1.16M

↑ 11%

Multistate Policies Reported

3,907

↑ 26%

New Business

422K

↑ 10%

Multistate Policy %

0.3%

New Business % of Total Policies

36%

Policy Retention Rate

64%



Total Surplus Lines Agents

2,238

↑ 4% (96 Agents)

Total Non-Resident Surplus Lines Agents

1,258

↑ 6% (75 Agents)

Total Resident Surplus Lines Agents

980

↑ 2% (21 Agents)

Non-Resident Agents %

56%

Premium Reported by Resident Agents

64%

↓ 2%

Total Agents Reporting

1,135

% of Agents Reporting

51%

Non-Resident Agents Reporting %

63%

Policies Reported by Resident Agents

78%

↓ 2%



TOP COVERAGES

2018

"Heroes are made by the path they choose, not the powers they are graced with." ~ Iron Man



#1

Commercial Property Premium

\$1.93B

↑ 9%

% of Total Surplus Lines Premium

33.4%

Commercial Property Policies

128K

↑ 6%

Commercial Property Average Premium

\$15,083

↑ 3%

#2

Commercial General Liability Premium

\$900M

↑ 8%

% of Total Surplus Lines Premium

15.6%

Commercial General Liability Policies

199K

↑ 5%

Commercial General Liability Average Premium

\$4,525

↑ 3%

TOP COVERAGES

2018

"In a world of ordinary mortals, you are a wonder woman." ~ Queen Hippolyta (Wonder Woman's Mother)

#3

HO-3 Premium

\$450M

↑ 24%

% of Total Surplus Lines Premium

7.8%

HO-3 Policies

152K

↑ 17%

HO-3 Average Premium

\$2,960

↑ 7%



#4

Commercial Package Premium

\$363M

↑ 12%

% of Total Surplus Lines Premium

6.3%

Commercial Package Policies

85K

↑ 5%

Commercial Package Average Premium

\$4,253

↑ 7%

"The strength of this country isn't in buildings of brick and steel. It's in the hearts of those who have sworn to fight for its freedom." ~ Captain America

Total Surplus Lines Insurers

216

↑ Additional Insurers • 4

New Surplus Lines Insurers

11

Surplus Lines Insurers Removed

7

Total Alien Surplus Lines Insurers

64

↓ 1

Total Foreign Surplus Lines Insurers

152

↑ 5

Foreign Insurers Premium %

68%

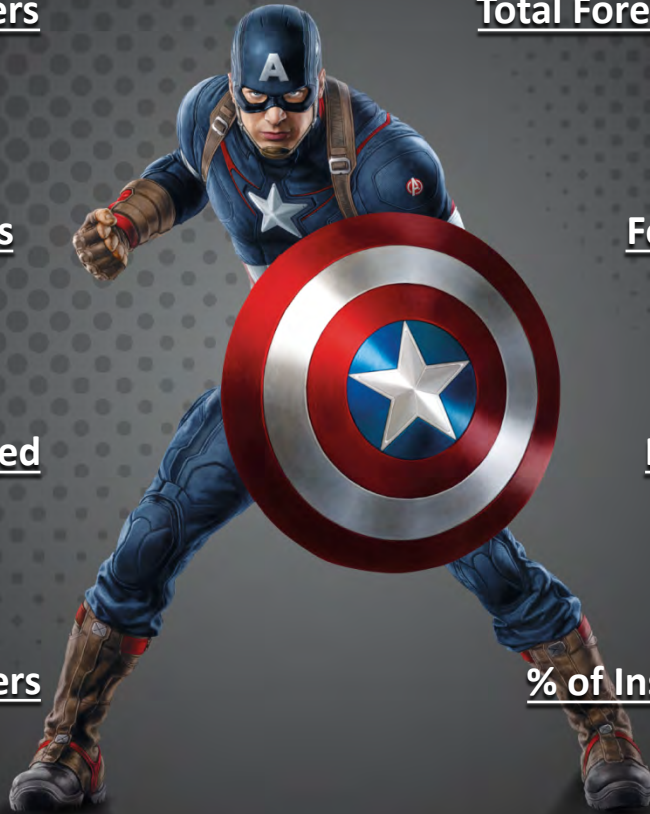
Foreign Insurers Policy %

66%

% of Insurers Actively Writing Business

80%

↑ 6%



TOP 5 INSURERS

2018

"There is a right and wrong in the universe, and the distinction is not hard to make." ~ Superman

BY PREMIUM VOLUME



1

Lloyd's

\$1.64B

↑ 11%

Market Share

28.4%

Lexington

\$420M

↑ 7%

Market Share

7.3%

2

3

Scottsdale

\$212M

↑ 5%

Market Share

3.7%

5

QBE Specialty

\$142M

↑ 19%

Market Share

2.5%

4

Indian Harbor

\$160M

↑ 9%

Market Share

2.8%

POLICY COUNT

2018

“The answers you seek shall be yours,
once I claim what is mine.” ~ Thor

OF TOP 5 INSURERS



1

Lloyd's

367K

↑ 11%

Policies Written

32%

Lexington

60K

↑ 8%

Policies Written

5%

Scottsdale

68K

↑ 5%

Policies Written

6%

4

Indian Harbor

15K

↑ 38%

Policies Written

1%

QBE Specialty

14K

↑ 17%

Policies Written

1%

5

SUPERHEROES ARE MORE POWERFUL IN TEAMS



"I guess one person can make a difference. 'Nuff said."

~ Stan Lee

PRIZE DRAWING

Framed MARVEL® Picture

Autographed by

Stan Lee



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"Nuff Said!"

... Stan Lee

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THANK YOU!

IF YOU HAVE ANY QUESTIONS,
PLEASE FEEL FREE TO CONTACT US AT:



800.562.4496