

REGULATORY RISK SOLUTIONS FOR THE INSURANCE INDUSTRY



Few companies face as stringent regulation as those operating in the insurance industry. From traditional state regulators to newly empowered federal agencies to international capital standards, navigating the maze of competing and often-changing regulatory demands underscores how important it is for insurers to work with a trusted advisor that understands their business and can deliver proven insurance and risk management solutions.

With deep industry and insurance experience, robust data and analytics capabilities, and relationships with all leading commercial insurers, Marsh's Financial Institutions Practice has the expertise and insight that you need. We can help you build effective insurance and risk management programs designed to address your key risks and remain aligned with evolving regulatory demands.

COMPLEX REGULATION

Traditionally, insurance has been regulated at the state level in the US, and state attorneys general have at times investigated the industry and used their influence in an effort to drive sweeping changes. But certain insurance activities can be regulated at the federal level. For example:

- The Federal Insurance Office, created by the Dodd-Frank Wall Street Reform and Consumer Protection Act, serves as a watchdog on systemic risk exposures in the insurance industry and streamlines regulation of surplus lines insurance and reinsurance through state-based reforms.
- Publicly traded insurers and those that sell investment products are regulated by the Securities and Exchange Commission.
- A recent Department of Labor rule change expands the activities considered to be fiduciary advice under the Employee Retirement Income Security Act of 1974, bringing added scrutiny to insurers.

Internationally, Solvency II also imposes minimum capital requirements and solvency capital requirements for all insurers operating in the European Union.

Who it's for

Companies operating in the insurance industry, including:

- Property and casualty insurers.
- Life insurance companies.
- Captive insurers.
- Mortgage insurers.
- Monoline insurers.
- Reinsurers.

What you get

- Innovative insurance coverage solutions.
- Benchmarking, data, and analytics drawn from our extensive client base to support superior risk management decision making.
- Insurance placement experience, marketplace knowledge, and relationships with leading insurers, enabling manuscript policy language and negotiation of competitive terms and conditions.
- Dedicated claims advocacy in the event of a loss.

INSURANCE COVERAGE EXPERTISE

Working with specialists in the Financial Institutions Center of Excellence (FI COE) within Marsh's FINPRO Practice, we can help you build effective insurance programs to address many of the risks associated with increasingly complex regulation. Through manuscript policy language and negotiation with insurers on your behalf, we can help you manage several forms of coverage, including:

- Directors and officers liability (D&O).
- Insurance company professional liability/errors and omissions liability (E&O).
- Cyber/privacy liability.
- Employment practices liability (EPL), including wage and hour.
- Fiduciary liability.
- Fidelity/crime, including computer crime.
- Outside directorship liability.
- Partnership liability.
- Representations and warranty liability.
- Tax liability.
- Chief compliance officer personal liability.

DATA AND ANALYTICS

Marsh can help you use data and analytics to make smarter decisions about how to structure your insurance programs, including choosing appropriate limits and retentions,

and better prepare you for negotiations with underwriters. Marsh's analytical tools include:

- IDEAL (Identify Damages, Evaluate and Analyze Limits), which can help you estimate the potential frequency and severity of a securities litigation event.
- iMAP, our stochastic modeling process, which uses loss distributions and considers an insured's risk tolerance to evaluate the efficiency and consistency of its risk portfolio.
- Cyber IDEAL, which uses historical breach information to estimate the potential frequency and severity of a data breach or other cyber incident.
- Our Global Benchmarking Portal, which captures transaction details on nearly 150,000 submissions annually in the US, allowing you to see the latest insurance industry purchasing trends.

CLAIMS EXPERTISE

Every business suffers insurance losses of one type or another. But with the right expertise, bad claims outcomes can often be avoided. Our team of claims advocates — with diverse backgrounds and focused exclusively on the financial sector — can help you quickly resolve even the most complex and potentially contentious claims. And through Marsh's global network, we can access claims expertise in placement hubs around the world, complete with local and international jurisdictional experience and market relationships.

WHY MARSH?

With extensive insurance and industry knowledge, claims advocacy experience, strong insurance market relationships, and unmatched global reach, Marsh's Financial Institutions Practice is uniquely qualified to help insurance companies manage their regulatory risk. From innovative coverage solutions to analytical tools and more, our team can deliver the industry's most competitive and innovative solutions to address your unique needs. Through our global network of offices in more than 100 countries, we can deliver highly coordinated solutions and consistently high quality service to you. Our claims teams can help you expediently resolve even the most contentious claims. And with more than 2,000 financial institutions as clients — including more than 160 US-based insurers — we bring unrivaled market experience, relationships, and credibility to help you manage your key risks and achieve successful outcomes from your insurance program.

For more information, visit marsh.com, contact your local Marsh representative, or contact:

CHRISTOPHER CANCRO
Senior Vice President
Marsh FINPRO
+1 212-345 0126
christopher.cancro@marsh.com

DON ROBERTS
Senior Vice President
Marsh FINPRO
+1 860 723 5622
donald.m.roberts@marsh.com

THOMAS F. ORRICO
Financial Institutions Practice Leader
Marsh FINPRO
+1 212 345 5404
thomas.f.orrigo@marsh.com

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