

GENERAL LIABILITY LOSS PROFILE



Creating and maintaining a safe environment for your customers, employees, and the general public has become more than a social responsibility for organizations. It has become a corporate financial responsibility as well. An increasingly litigious society forces organizations to spend enormous amounts of resources to mitigate costs related to settlements and legal fees for property damage and bodily injury losses. To address this exposure, Marsh Risk Consulting (MRC) offers the General Liability Loss Profile (GLLP), a portfolio of key metrics designed to identify the unique cost drivers of your organization's general liability program, benchmark loss history, and help fine tune solutions to maximize cost containment efforts and improve bottom line performance.

SERVICE HIGHLIGHTS

MRC's general liability experts conduct a baseline study using our proprietary GLLP tool. This analysis incorporates interpretation of over 20 different metrics and goes beyond a single benchmark. We benchmark trends within your organization to determine if any action is needed based on your performance.

Based on the outcomes of our analysis, we offer recommendations to address and reduce the cost and incidence of losses.

This allows us to build a long term plan to continuously reduce the cost of loss.

METHODOLOGY

MRC utilizes a point-in-time analysis methodology, an internally-focused benchmarking exercise that identifies organization-specific loss trends. For example, four years of an organization's data would be utilized with losses for each year valued at 18 months from calendar year inception.

Who it's for:

- Organizations wanting to know where to focus liability-related resources and improve claims management and bottom line performance
- Organizations with a minimum 100 claims per year for the past five years
- Organizations with at least 50 claims per year for the past five years with increasing frequency in the last three years

What you get:

- Point-in-time trending information, comparing internal outcomes year over year
- An analysis interpreting over 20 different metrics depicting organization trends
- Confirmation of potential cost-reduction opportunities and identification of specific loss cost drivers
- Recommendations for the design and implementation of cost mitigation interventions
- A continuous improvement process and program outcomes tracked to manage both pre-loss (safety) and post-loss (claims) cost reduction efforts

MRC's dedicated Risk Information Consulting team brings a unique perspective to data analysis. Well versed in pre- and post-loss analysis, our experts can see the big picture—not just how to reduce the cost of claims, but how to prevent them in the first place. Many groups provide data but not the resources and knowledge to build and implement an action plan. MRC provides an independent view of a client's outcomes based on industry experience and internal trends. Our analysis can indicate how well an insurer or TPA is managing its program and where changes can be made to reduce costs.

A COLLABORATIVE PROCESS

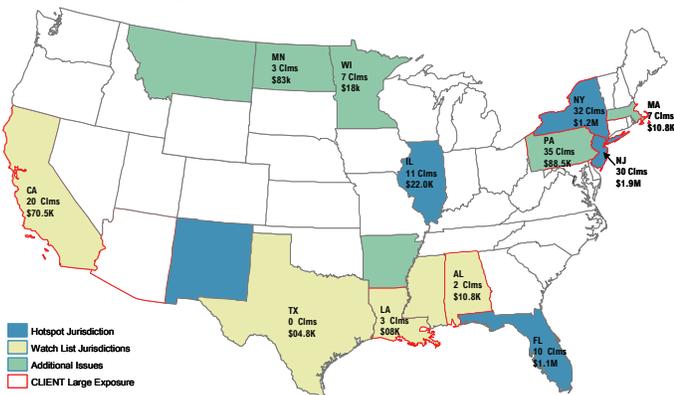
The GLLP provides the basis for the collaborative process. MRC undertakes an analysis of your general liability loss data; then the resulting report will be reviewed with you to develop a strategy to help you identify potential loss reduction opportunities. The GLLP:

- Identifies best opportunities for cost reduction and loss mitigation
- Targets specific loss cost drivers, letting you know where you can have the most impact
- Provides for a continuous improvement strategy to reduce frequency and severity
- Can lead to a reduction of administrative costs—LOC, collateral, and premium, for example—which impact your bottom line

EXAMPLE GLLP ANALYTICS

Judicial Hotspots

CLIENT claims in largest exposure states and problematic states



For more information on MRC's GLLP or any other Marsh Risk Consulting services, please visit our website www.marshriskconsulting.com, call us at 1.866.9At-Risk (1.866.928.7475), or contact your local Marsh representative.

Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

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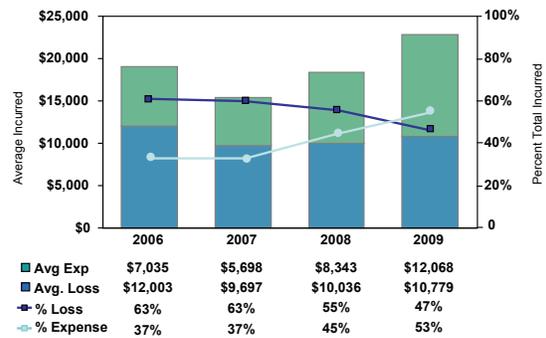
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Cost Component Breakout: SUIT CLAIMS (non \$0 Claims)



(The metrics may also reflect: PD vs BI)

Cost Type	Year	% Total Incurred	% Change	Average Incurred	\$ Change
Loss	2006	63%		\$12,003	
	2007	63%		\$9,697	
	2008	55%		\$10,036	
	2009	47%	-16%	\$10,779	-10%
Expense	2006	37%		\$7,035	
	2007	37%		\$5,698	
	2008	45%		\$8,343	
	2009	53%	16%	\$12,068	72%
Totals	2006	100%		\$19,037	
	2007	100%		\$15,395	
	2008	100%		\$18,379	
	2009	100%	0%	\$29,158	

RESULTS SUMMARY

If the analysis confirms cost reduction opportunities exist, we can identify specific loss cost drivers, offer recommendations for cost mitigation strategies, and discuss a continuous improvement process to manage your cost reduction efforts. If the analysis indicates that you are performing well, the GLLP becomes an excellent tool in your general liability program renewal or marketing efforts.

We firmly believe that risk control and claims management activities should be based on credible loss analysis. Our GLLP formal report will be discussed collaboratively with you to better position your organization for the best return on investment.