



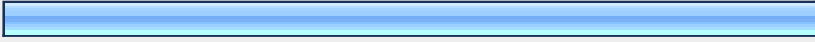
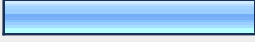
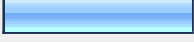
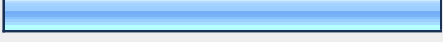
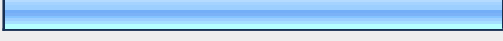
# Pulse Survey #13: Drilling Deeper on Fronting Relationships

1. For each of the following, how much value do you place on your fronting insurer relationship?							
	No value at all	Some value	Real value	Great value	Of utmost importance	Rating Average	Response Count
Price for services	6.4% (3)	23.4% (11)	19.1% (9)	<b>42.6% (20)</b>	8.5% (4)	3.23	47
Collateral demanded	6.4% (3)	21.3% (10)	10.6% (5)	<b>40.4% (19)</b>	21.3% (10)	3.49	47
Flexibility in case your business plan changes (i.e., adding new coverages)	6.4% (3)	12.8% (6)	29.8% (14)	<b>34.0% (16)</b>	17.0% (8)	3.43	47
Financial strength of front	2.1% (1)	6.4% (3)	27.7% (13)	<b>42.6% (20)</b>	21.3% (10)	3.74	47
Flexibility in bundling/unbundling claims	4.3% (2)	19.1% (9)	25.5% (12)	<b>36.2% (17)</b>	14.9% (7)	3.38	47
Flexibility in bundling/unbundling reinsurance services	4.3% (2)	<b>36.2% (17)</b>	17.0% (8)	29.8% (14)	12.8% (6)	3.11	47
Ability to handle emerging risk transfer rules	14.9% (7)	17.0% (8)	23.4% (11)	<b>38.3% (18)</b>	6.4% (3)	3.04	47
Being available as a surrogate advisor	19.1% (9)	<b>53.2% (25)</b>	12.8% (6)	14.9% (7)	0.0% (0)	2.23	47
Allowing your own claims audits, independent of fronting carrier	8.5% (4)	<b>36.2% (17)</b>	21.3% (10)	23.4% (11)	10.6% (5)	2.91	47
Willingness to accept manuscript policies	10.6% (5)	21.3% (10)	23.4% (11)	<b>31.9% (15)</b>	12.8% (6)	3.15	47
	<b>answered question</b>						<b>47</b>
	<b>skipped question</b>						<b>0</b>

**2. When choosing your front, did you ask questions of your front in these areas?**

	Yes	No	Rating Average	Response Count
Price for services, broken out by services rendered	<b>86.0% (37)</b>	14.0% (6)	1.14	43
Collateral demanded for the first year	<b>100.0% (43)</b>	0.0% (0)	1.00	43
Approach as to how to calculate collateral in later years	<b>81.4% (35)</b>	18.6% (8)	1.19	43
Financial strength of front	<b>76.7% (33)</b>	23.3% (10)	1.23	43
Separating claims services from the front	<b>76.7% (33)</b>	23.3% (10)	1.23	43
Separating reinsurance services from the front	<b>69.8% (30)</b>	30.2% (13)	1.30	43
Whether independent claims audits were possible	48.8% (21)	<b>51.2% (22)</b>	1.51	43
	<b><i>answered question</i></b>			<b>43</b>
	<b><i>skipped question</i></b>			<b>4</b>

3. Do you have manuscripted policies?			Response Percent	Response Count
Yes			55.8%	24
No			44.2%	19
			<b>answered question</b>	<b>43</b>
			<b>skipped question</b>	<b>4</b>

4. Who drafted them? (check all that apply)			Response Percent	Response Count
Broker			54.2%	13
Captive manager			16.7%	4
Risk manager			12.5%	3
Inside counsel			29.2%	7
Other (please specify)			33.3%	8
			<b>answered question</b>	<b>24</b>
			<b>skipped question</b>	<b>23</b>